

October 16, 2018  
New Business

**PUBLIC HEALTH  
AND SAFETY  
STANDING  
COMMITTEE**



Coleman A. Young Municipal Center  
2 Woodward Avenue, Suite 1126  
Detroit, Michigan 48226

Phone 313•224•3400  
Fax 313•224•4128  
www.detroitmi.gov

21

October 12, 2018

Evette Griffie  
18924 Oak Drive  
Detroit, MI 48221

Dear Ms. Griffie,

It gives me great pleasure to appoint you to the Board of Police Commissioners. Your term begins immediately upon confirmation by City Council and expires June 30, 2019. Upon City Council's request, a City Clerk's office representative may contact you to schedule an interview.

Thank you in advance for serving the citizens of Detroit. I look forward to working with you.

Should you have any questions or need additional information, please contact Elisa Malile, Deputy Chief of Staff at (313) 224-3400.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Mike Duggan', written over a light blue horizontal line.

Michael E. Duggan, Mayor  
City of Detroit

cc: James Craig, Police Chief, City of Detroit  
George Anthony, Secretary to the Board of Police Commissioners  
Elisa Malile, Deputy Chief of Staff, Office of Mayor Mike Duggan



CITY OF DETROIT  
LAW DEPARTMENT

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVENUE, SUITE 500  
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October 12, 2018

Detroit City Council  
1340 Coleman A. Young Municipal Center  
Detroit, Michigan

**Re: Proposed Amendment of Chapter 58 of the 1984 Detroit City Code, *Public Transportation*, by Amending Article IV, *Busses*, Division 1, *Generally*.**

Honorable City Council:

At the request of the Detroit Department of Transportation, the Law Department has prepared and approved as to form the attached proposed amendment for your consideration. The proposed ordinance will amend Chapter 58, of the 1984 Detroit City Code, *Public Transportation*, Article IV, *Busses*, Division 1, *Generally*, by amending Section 58-4-7, *Fares and charges for department of transportation bus service*, to provide for an update of the fare schedule.

Respectfully submitted,

Tonja R. Long  
Supervising Assistant Corporation Counsel  
City of Detroit Law Department

CITY CLERK 2018 OCT 12 PM 3:22

## SUMMARY

**AN ORDINANCE** to amend Chapter 58, of the 1984 Detroit City Code, *Public Transportation*, Article IV, *Busses*, Division 1, *Generally*, by amending Section 58-4-7, *Fares and charges for department of transportation bus service*, to provide for an update of the fare schedule.



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

AN ORDINANCE to amend Chapter 58, of the 1984 Detroit City Code, *Public Transportation*, Article IV, *Busses*, Division 1, *Generally*, by amending Section 58-4-7, *Fares and charges for department of transportation bus service*, to provide for an update of the fare schedule.

IT IS HEREBY ORDAINED BY THE PEOPLE OF THE CITY OF DETROIT THAT:

Section 1. Chapter 58, *Public Transportation*, Article IV, *Busses*, Division 1, *Generally*, of the 1984 Detroit City Code, be amended by amending Section 58-4-7, to read as follows:

**CHAPTER 58. PUBLIC TRANSPORTATION**

**ARTICLE IV. BUSSES**

**DIVISION 1. GENERALLY**

**Sec. 58-4-7. Fares and charges for department of transportation bus service.**

(a) The fares and charges collected for Detroit Department of Transportation bus service shall be at the following rates and the 4-hour Pass, 24-hour Pass, 7-day Regional Pass and 31-day Regional pass shall be accepted for use on both the Detroit Department of Transportation (DDOT) bus service and the Suburban Mobility Authority for Regional Transportation (SMART) bus service. Reduced fares shall apply to all eligible riders based on age, disability or student status:

- (1) Boarding and deboarding either within the corporate limits of the Cities of Detroit, ~~Dearborn (certain routes only), Hamtramck, and Highland Park, Dearborn, Harper Woods and Southfield (certain routs only),~~ or within the premises of Eastland Center, Fairlane Town Center or Northland Center:

Adult cash fare..... 1.50

Adult authorized ticket distributor ticket fare ..... 1.50

or, five (5) tickets for ..... 6.75

DOT/SMART:

4-hour pass full fare.....\$2.00

4-hour pass reduced fare..... \$ .50

24-hour pass full fare..... \$5.00

24-hour pass reduced fare.....\$2.00

31-day Regional monthly pass fare ... 49.50 \$70.00

31-day Regional pass reduced fare ... \$29.00

31-day DDOT Monthly pass full fare 47.00 \$50.00

31-day DDOT pass reduced fare . . . \$17.00

Bi-weekly pass fare ..... 27.50

7-day Regional pass full fare..... \$22.00

7-day Regional pass reduced fare ... \$10.00

7-day DDOT Weekly pass full fare . 14.40 \$17.00

7-day DDOT pass reduced fare..... \$8.00

Monthly minibus—Park and ride ..... 13.00

Student cash fare, with appropriate identification ..... 0.75

Student ticket fare, with appropriate identification ..... 0.75

or, five (5) student tickets for ..... 3.75

Senior citizen fare, with appropriate identification ..... 0.50

(2) Other fares and charges:

DOT/SMART special fare pass (disabled) ..... None

Student DPS/DOT

Transportation semester pass fare .. Prepaid by DPS

Park and ride ticket fare ..... 2.00

Or, ten (10) tickets for ..... 18.00

Park and ride monthly pass fare ..... 66.00

Inbound central business district fare 0.50

Mini-bus loop (known as "Downtown Get Around") or other connector service fare  
..... 0.50

Downtown trolley fare ..... 0.50

Belle Isle fare ..... 0.50

Transfer charge, disabled, with appropriate identification ..... 0.10

Transfer charge, non-senior citizen .. 0.25

Transfer charge, senior citizen, with appropriate identification ..... 0.10

Infant fare ..... None

Student identification card charge .... \$2.00

Senior citizen identification card charge ..... \$1.00

Disabled identification card charge... \$1.00

Charter service ..... Cost per revenue hour

(b) Rates for charter bus services provided by the Detroit Department of Transportation shall be set annually pursuant to the regulations of the Federal Transit Administration of the United States Department of Transportation, and to the guidelines promulgated by the Bureau of Urban and Public Transportation of the Michigan Department of Transportation.

(c) Upon approval by resolution of the City Council, the Detroit Department of Transportation may charge a reduced fare, as defined in section 58-4-1 of this Code, for a specified day or for specified days within one ~~hundred eighty~~ (180) days after adoption of said resolution.

(d) Upon approval by resolution of the City Council, the Detroit Department of Transportation may charge a special fare, for a specified day during an event in the City, or a special fare for a specified period during an event in the City, as specified in the resolution, within ~~one hundred eighty~~ (180) days after adoption of said resolution.

(e) The Mayor and the City Council shall provide for the preservation of the senior citizen, student and disabled fares for the residents of Detroit contained in this ordinance under any or all of the following conditions:

- (1) Route consolidation between the Detroit Department of Transportation and SMART or any other subsequent regional transportation authority created by state law;
- (2) The merger of the Detroit Department of Transportation with SMART or any other subsequent regional transportation authority created by state law; or
- (3) The management of the Detroit Department of Transportation by SMART or any other subsequent regional transportation authority created by state law.

(f) The schedule of fares and charges collected for Detroit Department of Transportation bus services shall be established and adopted by ordinance of the City Council, preceding the fiscal year for appropriation of such revenues, subject to the following conditions:

- (1) That a public hearing on the proposed schedule of rates and charges shall be held not less than five ~~(5)~~ business days before adoption of such ordinance;

- (2) That the Detroit Department of Transportation include in its gross and net revenue projections for its annual budget request for the next fiscal year, the estimated revenues to be derived from bus interior and exterior advertising space to be sold in the next fiscal year;
- (3) That the Detroit Department of Transportation develop, maintain, and annually report to the City Council on its programs and devices implemented to reduce fraudulent activities in the use of reduced or free fare cards, badges, tickets or other devices, and other charges for access to bus services, submitting same not later than April 13th of each year;
- (4) That the Detroit Department of Transportation develop, maintain and place on file an annual ridership and service delivery improvement and marketing plan that includes, as an achievable goal, an annual increase in ridership of not less than two ~~(2)~~ percent throughout the entire bus system; submitting same not later than April 13th of each year;
- (5) That the auditor general shall cause an independent audit of the Detroit Department of Transportation by March 31st of each year for years 2004, and 2005, and thereafter every two ~~(2)~~ years, for the purpose of examining vehicle maintenance, availability and cost of vehicle maintenance materials, and parts, and review of inventory processes and procedures; and
- (6) That the Detroit Department of Transportation submit a cost-benefit analysis, proposed schedule of fares and charges, and budgetary recommendations to the city council not later than April 13th annually.

**Section 2.** All ordinances, or parts of ordinances, that in conflict with this ordinance are repealed.

**Section 3.** This ordinance is declared necessary to preserve the public peace, health, safety, and welfare of the People of the City of Detroit.

**Section 4.** In the event that this ordinance is passed by a two-thirds (2/3) majority of City Council members serving, it shall be given immediate effect and become effective upon publication in accordance with Section 4-118 of the 2012 Detroit City Charter. In the event that this ordinance is passed by less than a two-thirds (2/3) majority of the City Council members serving, it shall become effective on the thirtieth (30) days after enactment, or on the first business day thereafter, in accordance with Section 4-118 of the 2012 City Charter.

**Approved as to form:**



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Lawrence T. García  
Corporation Counsel



CITY OF DETROIT  
LAW DEPARTMENT

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October 12, 2018

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

**Re: Proposed Ordinances to amend Chapter 56, *Utilities*, of the 1984 Detroit City Code**

Honorable City Council:

Pursuant to the request of Council Member Benson, the above-referenced ordinance is being submitted to Your Honorable Body for consideration. The proposed ordinance will amend Chapter 56, of the 1984 Detroit City Code, *Utilities*, Article III, *Sewers and Drains*, by adding Division 4, *Stormwater Management*; to include Section 56-3-101, *Applicability*; Section 56-3-102, *Definitions*; Section 56-3-103, *Exemptions*; Section 56-3-104, *Stormwater Management Design Manual*; Section 56-3-105, *Post Construction Stormwater Management Plan required*; Section 56-3-106, *Post construction stormwater management requirements*; Section 56-3-107, *Alternative compliance*; Section 56-3-108, *Performance bond*; Section 56-3-109, *Maintenance required*; Section 56-3-110, *Operations and Maintenance Plan*; Section 56-3-111, *Easements*; Section 56-3-112, *Record drawings and final approval*; Section 56-3-113, *Right of entry for compliance inspections*; Section 56-3-114, *Period self-inspections required*; Section 56-3-115, *Right of appeal*; Section 56-3-116, *Notice*; Section 56-3-117, *Civil penalty*; Section 56-3-118, *Fines*; Section 56-3-119, *Additional remedies*, and to provide for stormwater management at certain construction sites within the City of Detroit.

We are available to answer any questions that you may have regarding the proposed ordinance. Thank you for your consideration.

Respectfully Submitted,

Tonja R. Long

Supervising Assistant Corporation Counsel

Enclosure

CITY CLERK 2018 OCT 12 PM 3:21

## S U M M A R Y

AN ORDINANCE to amend Chapter 56, of the 1984 Detroit City Code, *Utilities*, Article III, *Sewers and Drains*, by adding Division 4, *Stormwater Management*; to include Section 56-3-101, *Applicability*; Section 56-3-102, *Definitions*; Section 56-3-103, *Exemptions*; Section 56-3-104, *Stormwater Management Design Manual*; Section 56-3-105, *Post Construction Stormwater Management Plan required*; Section 56-3-106, *Post construction stormwater management requirements*; Section 56-3-107, *Alternative compliance*; Section 56-3-108, *Performance bond*; Section 56-3-109, *Maintenance required*; Section 56-3-110, *Operations and Maintenance Plan*; Section 56-3-111, *Easements*; Section 56-3-112, *Record drawings and final approval*; Section 56-3-113, *Right of entry for compliance inspections*; Section 56-3-114, *Period self-inspections required*; Section 56-3-115, *Right of appeal*; Section 56-3-116, *Notice*; Section 56-3-117, *Civil penalty*; Section 56-3-118, *Fines*; Section 56-3-119, *Additional remedies*, and to provide for stormwater management at certain construction sites within the City of Detroit.

CITY CLERK 2018 OCT 12 PM 3:24



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

2 **AN ORDINANCE** to amend Chapter 56, of the 1984 Detroit City Code, *Utilities*, Article  
3 III, *Sewers and Drains*, by adding Division 4, *Stormwater Management*; to include Section 56-3-  
4 101, *Applicability*; Section 56-3-102, *Definitions*; Section 56-3-103, *Exemptions*; Section 56-3-  
5 104, *Stormwater Management Design Manual*; Section 56-3-105, *Post Construction Stormwater*  
6 *Management Plan required*; Section 56-3-106, *Post construction stormwater management*  
7 *requirements*; Section 56-3-107, *Alternative compliance*; Section 56-3-108, *Performance bond*;  
8 Section 56-3-109, *Maintenance required*; Section 56-3-110, *Operations and Maintenance Plan*;  
9 Section 56-3-111, *Easements*; Section 56-3-112, *Record drawings and final approval*; Section 56-  
10 3-113, *Right of entry for compliance inspections*; Section 56-3-114, *Period self-inspections*  
11 *required*; Section 56-3-115, *Right of appeal*; Section 56-3-116, *Notice*; Section 56-3-117, *Civil*  
12 *penalty*; Section 56-3-118, *Fines*; Section 56-3-119, *Additional remedies*, and to provide for  
13 stormwater management at certain construction sites within the City of Detroit.

14 **IT IS HEREBY ORDAINED BY THE PEOPLE OF THE CITY OF DETROIT**

15 **THAT:**

16 **Section 1.** Chapter 56, *Utilities*, Article III, *Sewers and Drains*, of the 1984 Detroit City  
17 Code, be amended by adding Sections 56-3-101 through 56-3-119, to read as follows:

18 **CHAPTER 56. UTILITIES**

19 **ARTICLE III. SEWERS AND DRAINS**

20 **DIVISION 4. STORMWATER MANAGEMENT**

21

1 **Sec. 56-3-101. Applicability.**

2 (a) Subject to Section 56-3-103 of this Code, this division applies to all construction  
3 activities that involve the replacement or creation of 21,780 square feet or more of impervious  
4 surface.

5 (b) This division shall also apply to any construction activity that is not subject to  
6 Subsection (a) of this section, but may create a condition that would result in runoff that would:

7 (1) Exceed the safe capacity of the receiving public sewer or body of water as  
8 determined by the Department;

9 (2) Cause undue channel erosion;

10 (3) Increase water pollution by scouring or transport of particulate matter;

11 (4) Endanger property; or

12 (5) Endanger public safety.

13 (c) Notwithstanding Subsection (a) or Subsection (b) of this section, the discharge from  
14 a regulated construction activity may be determined by the Department to have previously been  
15 authorized and to have incorporated stormwater control measures that are sufficient to satisfy the  
16 performance standards in this division. In such cases, the applicant may request a review by the  
17 Department for a determination of whether additional stormwater management is required for the  
18 development site.

19 **Sec. 56-3-102. Definitions.**

20 For the purposes of this division, the following words and phrases shall have the meanings  
21 respectively ascribed to them by this section:

22 *Alternative compliance measure* means a stormwater control measure that treats  
23 stormwater runoff from impervious surfaces that:

- 1           (1) Were in existence as of the effective date of this division, and  
2           (2) Whose construction or reconstruction is not subject to the provisions of this  
3           division.

4           *Applicant* means a person or persons acting as owners or operators of a regulated  
5 construction activity on a development site who is seeking approval of a Post Construction  
6 Stormwater Management Plan under this division.

7           *Buffer strip* means a zone that is used for filtering direct stormwater and stormwater runoff  
8 into a stormwater control measure, or watercourse and for providing maintenance access to a  
9 stormwater control measure.

10          *Common plan of development* means a regulated construction activity, that is completed in  
11 phases or stages when such phases or stages share:

12           (1) One or more common City permits related to the regulation of land use, the  
13           discharge of wastewater or a discharge to surface waters or groundwater, or

14           (2) Common infrastructure such as, but not limited to, roadway access or utilities.

15          *Construction activity* means a human-made activity including, but not limited to, clearing,  
16 grading, excavating, construction and paving, that results in a change in the existing cover or  
17 topography of land, including any external demolition, modification, or alteration of a site or the  
18 footprint of a building, but does not include re-surfacing of an asphalt, concrete or similar parking  
19 lot that does not expose the subgrade.

20          *Conveyance* means any structure or other means of safely conveying stormwater within a  
21 stormwater management system including, but not limited to, a watercourse, closed conduit,  
22 culvert, or bridge.

1 Demolition means the razing or destruction, in whole or in part, of an existing structure, or  
2 the removal of existing impervious surfaces.

3 Department means the Detroit Water and Sewerage Department and its authorized agents.

4 Development site means the property on which a regulated construction activity takes  
5 place. A development site may include, but is not limited to, a component of a Common Plan of  
6 Development, an individual lot as defined in the City Zoning Ordinance, or an aggregation of one  
7 or more lots subject to a unified plan for land use.

8 Disturbance means an activity, including a regulated construction activity, that disturbs the  
9 surface of land or underlying soils, including but not limited to, stripping, grading, grubbing,  
10 trenching, excavating, transporting, and filling of land, but does not include the activities of  
11 clearing, plowing, tilling soil, or harvesting for the purpose of crop production.

12 Drainage area means the land area from which stormwater runoff drains to a common  
13 point, including any area lying beyond the boundaries of a development site as defined in this  
14 division.

15 Equivalent volume means the quantity of stormwater runoff that is presumed to be managed  
16 through a fee-in-lieu payment, an alternative compliance measure, or any combination thereof,  
17 including any adjustments or modifications set forth in this division and the Stormwater  
18 Management Design Manual created pursuant to Section 56-3-104 of this code.

19 Extraordinarily difficult site conditions means those conditions present at a development  
20 site that prevent or preclude the construction of stormwater control measures in any portion of a  
21 development site.

22 Impervious surface means any surface area that prevents or substantially impedes the entry  
23 of water into the soil in the manner that such water entered the soil under natural conditions pre-

1 existent to development, or which cause water to run off the surface in greater quantities or at an  
2 increased rate of flow than that present under natural conditions pre-existent of development,  
3 including but not limited to roofs, parking lots, compacted gravel and dirt, driveways, sidewalks,  
4 and storage areas.

5 *Infiltration rate* means a measure of the speed at which water enters into the soil at the  
6 surface.

7 *Natural condition* means the condition of land that is predominantly covered in vegetation  
8 that is sustainable without regular human maintenance, such as irrigation, mowing, or fertilization,  
9 examples of which include natural cover, woodland, meadow, grassland, or shrubland.

10 *Operation and Maintenance Plan* means a document which outlines the required  
11 maintenance activities and measures associated with an approved Post Construction Stormwater  
12 Management Plan.

13 *Pervious surfacing* means a material or materials and accompanying subsurface treatment  
14 designed and installed specifically to allow stormwater to penetrate into the material, thereby  
15 reducing the volume of stormwater runoff from the surfaced area.

16 *Post Construction Stormwater Management Plan* means a document set forth by the  
17 Department that identifies all actions to be taken by an applicant in conjunction with a regulated  
18 construction activity to comply with the requirements and standards set forth in this division.

19 *Regulated area* means the portion of a development site used as the basis to determine  
20 compliance with the performance standards set forth in this division.

21 *Regulated construction activity* means construction activity that is subject to the provisions  
22 of this division, a regulated construction activity may occupy all or part of a development site.

1 Regulatory volume means the total quantity of stormwater runoff that must be retained in  
2 a stormwater control measure in order for a regulated construction activity to comply with the  
3 performance standards in this division.

4 Stormwater control measure means any structure, feature, or appurtenance that is designed,  
5 constructed, operated, practiced, or adopted, to reduce the quantity, lower the rate, improve the  
6 quality, or otherwise control stormwater runoff through retention, detention, infiltration, reuse, or  
7 other stormwater management techniques.

8 Stormwater Management Design Manual means a document or documents promulgated  
9 by the Department, which may be amended, specifying criteria, standards, and procedures by  
10 which an applicant may comply with the provisions of this division.

11 Water quality volume means the volume of stormwater runoff generated by the 90th  
12 percentile storm over the regulated area of a development site.

13 **Section 56-3-103. Exemptions.**

14 Notwithstanding Section 56-3-101 of this Code, the following activities shall be exempt  
15 from the requirements of this division:

16 (1) The improvement or construction of an individual single family detached dwelling  
17 as defined in this Code;

18 (2) Emergency maintenance work performed for the protection of public health and  
19 safety. A written description of the scope and extent of any such emergency  
20 maintenance work performed shall be submitted to the Department within two  
21 calendar days following its commencement. If the Department finds that the work  
22 is not an emergency or if a written description is not timely submitted to the

1 Department, then the work shall cease immediately and the requirements of this  
2 division shall be addressed as applicable; or

3 (3) A regulated construction activity that discharges stormwater directly to the Detroit  
4 River or Rouge River via any conveyance not owned by the City and is in  
5 compliance with state and federal regulations governing such discharges.

6 **Section 56-3-104. Stormwater Management Design Manual.**

7 The Department shall implement, and may amend, a Stormwater Management Design  
8 Manual which shall set forth specific procedures, criteria, minimum standards, methods and other  
9 technical information to be utilized in determining compliance with the provisions of this division.

10 **Section 56-3-105. Post Construction Stormwater Management Plan required.**

11 (a) No regulated construction activity may obtain site plan approval until the  
12 Department has approved a Post Construction Stormwater Management Plan.

13 (b) Prior to the approval of a Post Construction Stormwater Management Plan, the  
14 applicant shall certify to the Department that the applicant has met or will meet all requirements  
15 of this division and all other City, county, state, and federal requirements related to erosion and  
16 sediment control, surface water resource protection, and stormwater management applicable to the  
17 regulated construction activity.

18 (c) The Post Construction Stormwater Management Plan shall be developed by a  
19 professional engineer or landscape architect properly licensed to practice in the State of Michigan  
20 and shall include:

21 (1) The discharge location(s) for all post-construction stormwater runoff which will  
22 leave the development site, and the boundaries of the drainage area tributary to each  
23 discharge location;

1           (2) The boundaries of the development site, the common plan of development if  
2           applicable, and the regulated construction activity, clearly indicating areas of  
3           disturbance, the boundaries of any no-build or non-disturbance areas, all points of  
4           egress from the development site to a public right-of-way, and all easements and  
5           other encumbrances;

6           (3) The required calculations establishing compliance with the post construction  
7           stormwater management performance standards as set forth in Section 56-3-106 of  
8           this Code;

9           (4) The design specifications and calculations, construction details, and locations for  
10           all proposed stormwater control measures, whether located on the development site  
11           or elsewhere.

12           (5) The locations and descriptions of all access drive easements necessary to allow for  
13           construction, inspection, operation and maintenance of all proposed stormwater  
14           control measures;

15           (6) An Operation and Maintenance Plan containing all required information and  
16           schedules as set forth in this division; and

17           (7) A copy of all applicable state and federal permits and notice of coverage related to  
18           erosion and sedimentation control, water resource and stormwater management for  
19           the regulated project.

20           (d) One copy of the approved Post Construction Stormwater Management Plan shall  
21           be kept on file at the site of the regulated construction activity from the initiation of site preparation  
22           until a certificate of occupancy is issued for the development associated with the regulated  
23           construction activity.



1 **Section 56-3-106. Post construction stormwater management requirements.**

2 (a) Stormwater control measures shall not be constructed within the Rouge River flood  
3 plain or the Rouge River flood way as defined in Section 20-1-1 of this code, or within Michigan  
4 Coastal Flood Hazard Zones.

5 (b) A buffer strip with a minimum width of 25 feet shall be established and preserved  
6 along the edge of any surface water and any regulated wetland as defined by the State of Michigan  
7 PART 303. Exemptions may be granted for construction activities that are within 25 feet of a  
8 surface water and regulated wetland that remain consistent with the intent of the development.

9 (c) The Department is authorized to require any additional stormwater control  
10 measures necessary to control the rate and volume of stormwater runoff discharged from the  
11 development site in order to prevent drainage, flooding or water quality impacts upon public or  
12 private property.

13 (d) Performance standards for combined sewer areas.

14 (1) Water quality:

15 a. The water quality volume shall be the 90th percentile annual non-  
16 exceedance storm.

17 b. The regulated area for purposes of complying with the water quality  
18 performance standard for combined sewer areas shall be defined as follows:

19 i. If the regulated construction activity will disturb 50% or more of the  
20 development site, the regulated area shall be defined as the entire  
21 development site; or

1                   ii. If the regulated construction activity will disturb less than 50% of  
2                   the development site, the regulated area shall be defined as the area  
3                   of the regulated construction activity.

4                   c. The runoff volume and peak flow rate of stormwater runoff leaving the  
5                   regulated area post-construction shall not exceed the runoff volume and  
6                   peak flow rate leaving the regulated area under natural conditions.

7                   d. The water quality volume shall be treated to remove a minimum of 80% of  
8                   the total suspended solids as compared to uncontrolled runoff, or to a  
9                   discharge concentration which does not exceed 80 milligrams per liter of  
10                  total suspended solids.

11                  (2) Combined sewer infrastructure protection.

12                  a. For regulated construction activities discharging to the combined sewer  
13                  area, the entire development site shall be defined as the regulated area for  
14                  purposes of complying with the combined sewer infrastructure protection  
15                  standards.

16                  b. The peak flow rate(s) of stormwater runoff leaving the development site  
17                  shall not exceed the allowable discharge rates established in the Stormwater  
18                  Management Design Manual for the geographic location within the  
19                  combined sewer system where the discharge occurs.

20                  (e) Performance standards for storm sewer areas.

21                  (1) Water quality:

22                  a. The water quality volume shall be based on the 90th percentile annual non-  
23                  exceedance storm.

1            b. The regulated area for purposes of complying with the water quality  
2            performance standard for separate sewer areas shall be the area of the  
3            regulated construction activity.

4            c. The water quality volume shall be treated to remove a minimum of 80% of  
5            the total suspended solids as compared to uncontrolled runoff, or to a  
6            discharge concentration which does not exceed 80 milligrams per liter of  
7            total suspended solids.

8            (2) Channel protection:

9            a. The regulated area for purposes of complying with the channel protection  
10           performance standards shall be the area of the regulated construction  
11           activity.

12           b. The runoff volume and peak flow rate of stormwater runoff leaving the  
13           regulated area post-construction shall not exceed the runoff volume and  
14           peak flow rate which would occur under natural conditions for all storms up  
15           to and including the two-year, 24-hour storm event.

16           c. Discharges from regulated construction activities that drain into any portion  
17           of the City's storm sewer discharging directly to the Detroit River or  
18           downstream of the Rouge River Turning Basin shall be exempt from the  
19           channel protection performance standard.

20           (f) Performance standards for local flood control in combined and separate sewer  
21           areas:

22           (1) The regulated area for purposes of complying with local flood control performance  
23           standards shall be the entire development site.

1           (2) For regulated construction activities for which the total of all drainage areas as  
2           defined in this division, is less than 5 acres, the stormwater control measures shall  
3           be designed to achieve a peak flow rate of fifteen one-hundredths cubic feet per  
4           second (0.15cfs)/acre for the 10-year storm.

5           (3) For regulated construction activities for which the total of all drainage areas, as  
6           defined in this division, is 5 acres or greater, the stormwater control measures shall  
7           be designed to achieve a peak flow rate of fifteen one hundredths cubic feet per  
8           second (0.15 cfs)/acre for 100 -year storm.

9           **Section 56-3-107. Alternative compliance.**

10          (a) An applicant may apply to the Department for review and approval of alternative  
11          compliance measures for the development site if the applicant demonstrates the presence of  
12          extraordinarily difficult site conditions, as defined in this division and in written guidance set forth  
13          in the Stormwater Management Design Manual.

14          (1) Extraordinarily difficult site conditions include, but are not limited to, one or more  
15          of the following:

16           a. The presence of sub-surface conditions, including soil contamination or  
17           shallow depth to bedrock or groundwater, that present significant and  
18           atypical technical requirements for mitigation, stormwater management  
19           measure design or installation or create a likelihood for subsurface pollutant  
20           flume transport; or

21           b. Unique topographic or geologic conditions that would require site re-  
22           grading or re-contouring substantially different from typical and customary  
23           practices for the installation of stormwater control measures; or

1           c. Surface or subsurface conditions indicating a likelihood that basement  
2                   flooding on properties other than the development site are reasonably  
3                   foreseeable if stormwater control measures are installed; or

4           d. Conditions that would require pumping or other mechanical routing of  
5                   stormwater in order to meet the performance standards of Section 56-3-  
6                   106(d)(1)(c); or

7           e. Other conditions that, in the judgment of the Department, present a  
8                   substantial barrier to the safe and effective construction or operation of  
9                   stormwater control measures.

10       (2) In all cases, the applicant shall demonstrate, to the satisfaction of the Department,  
11                   that the extraordinarily difficult site conditions cannot be overcome or mitigated  
12                   through reasonable re-design of the regulated construction activity, or without  
13                   substantial interference with the present or intended use of the development site.

14       (3) Any such application for a finding of extraordinarily difficult site conditions shall:

15           a. Quantify the degree to which the specific provisions of the performance  
16                   standards set forth in 56-3-106(d)(1)(c), as applicable, cannot be met on the  
17                   development site, using the analysis set forth in the Stormwater  
18                   Management Design Manual;

19           b. Detail the stormwater control measure to be constructed on site, if any, and  
20                   the water quality and detention volume to be met through alternative  
21                   compliance measures; and

1           c. Specify the off-site alternative compliance measure, or fee-in-lieu payment  
2                     proposed to satisfy the requirements of Sections 56-3-105(d) or (e) of this  
3                     section, as applicable, in accordance with the provisions of this section.

4           (b) An applicant may propose to use one or a combination of the following alternative  
5 compliance measures:

6           (1) The coincident construction by the applicant of the alternative compliance  
7                     measures approved by the Department under the procedures set forth in this  
8                     division and in the Stormwater Management Design Manual; or

9           (2) The legal assignment by the applicant of the equivalent volume from an existing,  
10                    approved alternative compliance measure(s); or

11           (3) Payment to the Department of a fee-in-lieu, in accordance with the procedures set  
12                    for in the Stormwater Management Design Manual, and subsequent certification by  
13                    the Department that sufficient equivalent volume has been assigned to the regulated  
14                    construction activity to achieve compliance with the measurements of this division.

15           (c) Any person may make application to the Department for approval of the  
16 construction of stormwater control measures on lands located within the City to be authorized as  
17 alternative compliance measures, as defined in this division, subject to the following procedures  
18 and requirements:

19           (1) An applicant for such approval shall define the drainage area(s) to be treated by the  
20                    alternative compliance measure and shall provide all relevant information,  
21                    including demonstration of site control and an operation and maintenance plan,  
22                    required by the Department as set forth in the Stormwater Management Design  
23                    Manual.

- 1           (2) The design and construction of the alternative compliance measure shall meet all  
2           relevant standards for materials, design, safety, and other technical considerations  
3           in the Stormwater Management Design Manual.
- 4           (3) For each alternative compliance measure an applicant shall stipulate the amount of  
5           equivalent volume, if any, that shall be reserved for the applicant's own use or  
6           assignment, and the amount of equivalent volume, if any, that may be made  
7           available by the Department for assigned through fee-in-lieu payment. In issuing  
8           its approval, the Department shall state the amount of equivalent volume assigned  
9           to the alternative compliance measure, the equivalent volume within the alternative  
10           compliance measure reserved by the applicant for the applicant's own purposes,  
11           and the equivalent volume that may be available through fee-in-lieu payments.
- 12           (4) The applicant shall obtain all relevant and applicable City, state and federal permits  
13           as may apply to construction of the alternative compliance measure.
- 14           (5) Approval issued pursuant to this section shall be contingent upon the recording of  
15           both an easement on the land on which the alternative compliance measure is  
16           constructed, and on the operation and maintenance plan for the alternative  
17           compliance measure. The operation and maintenance plan shall be fully consistent  
18           with the standards set forth in the Stormwater Management Design Manual.
- 19           (6) No portion of an alternative compliance measure may be utilized to satisfy the  
20           requirements of this division for a regulated construction activity unless explicitly  
21           approved by the Department in a post construction stormwater control plan.

1 (d) No discharge from a regulated construction activity to a combined sewer area may  
2 be mitigated by the construction of an alternative compliance measure discharging to a separate  
3 storm sewer system.

4 (e) The Department shall maintain continuously, and make available for inspection, a  
5 record of the volume equivalency of alternative compliance measures assigned to alternative  
6 compliance measures, whether constructed by the City or another applicant; all credits issued to  
7 regulated construction activities; and the timing, amount, and disposition of all fee-in-lieu  
8 payments.

9 **Section 56-3-108. Performance bond.**

10 (a) The Department shall have the authority to require a performance bond or other  
11 financial guarantee in the amount of the estimated cost of construction of the stormwater control  
12 measures and all landscaping associated therewith for a duration of two years after the issuance of  
13 the certificate of occupancy to ensure that all stormwater control measures have been established  
14 and installed correctly and function as designed and permitted.

15 (b) The Department shall have the authority to require a performance bond or other  
16 financial guarantee of a greater or lesser amount, or duration of time, where such an adjustment is  
17 warranted to reflect unique site conditions or to ensure the function and performance of the  
18 stormwater control measures in the Post Construction Stormwater Management Plan.

19 (c) A final inspection and approval of the stormwater control measures by the  
20 Department, the Buildings, Safety Engineering and Environmental Department, or other  
21 authorized agent shall be issued before the release of the performance bonds or other financial  
22 guarantee.

23



1 **Section 56-3-109. Maintenance required.**

2 (a) Any stormwater control measure installed pursuant to this division shall be operated  
3 and maintained in accordance with the requirements of the approved operations and maintenance  
4 plan and associated provisions in the Stormwater Management Design Manual.

5 (b) No area of land specified or designated to comply with the performance standards  
6 in this Division shall be altered in a manner which reduces or alters its infiltration rate, unless the  
7 Department approves an amendment to the previously approved Post Construction Stormwater  
8 Management Plan for the site, showing how the reduced or altered infiltration rate will be offset  
9 to maintain compliance with the performance standards specified in this division.

10 **Section 56-3-110. Operations and Maintenance Plan.**

11 (a) . Prior to the conveyance or transfer of any portion of a development site to be served  
12 by a stormwater control measure(s) pursuant to this division, the applicant shall provide the  
13 Department with evidence of transfer of the associated Operation and Maintenance Plan.

14 (b) The Operation and Maintenance Plan shall be binding on the record owner of the  
15 property or properties subject to the Post Construction Stormwater Management Plan and their  
16 owners, heirs and assigns.

17 (c) The Operation And Maintenance Plan shall be developed by a professional engineer  
18 or landscape architect properly licensed to practice in the State of Michigan and shall include  
19 maintenance requirements and protocols for each stormwater control measure, including an  
20 associated schedule of inspection and maintenance activities, and procedures and checklists for  
21 each stormwater control measure consistent with the provisions in the Stormwater Management  
22 Design Manual and a signed certification statement accepting responsibility for the operation,  
23 maintenance and inspection of the stormwater control measures.

1 **Section 56-3-111. Easements.**

2 (a) A Post Construction Stormwater Management Plan shall include the preparation  
3 and property recording of all easements, deed restrictions, reservation of rights-of-way, or other  
4 protective covenants as are required to ensure sufficient access for purposes of maintenance,  
5 inspection, operation and repair or replacement of stormwater control measures, and to ensure that  
6 any future modification of the site is consistent with the provisions of the approved Post  
7 Construction Stormwater Management Plan, unless amendments or modifications to the Post  
8 Construction Stormwater Management Plan are approved by the Department.

9 (b) The Post Construction Stormwater Management Plan and applicable Operation and  
10 Maintenance Plan shall be referenced on a final plat, site plan or as-built drawing, and shall be  
11 recorded with the Wayne County Register of Deeds Office upon final approval, and shall be  
12 provided to the Department within 14 days following receipt of the recorded document.

13 **Section 56-3-112. Record drawings and final approval.**

14 (a) Upon final stabilization of the site of a regulated construction activity, the applicant  
15 or a professional engineer, or landscape architect duly licensed to practice in the State of Michigan,  
16 and acting on the applicant's behalf, shall conduct a post-construction inspection and shall certify  
17 in writing that the completed project is in full compliance with the approved Post Construction  
18 Stormwater Management Plan.

19 (b) The applicant or applicant's designee shall submit record drawings for all  
20 stormwater control measures to the Department, within 15 days of final stabilization of the site.

1 **Section 56-3-113. Right of entry for compliance inspections.**

2 (a) The Department, Buildings, Safety Engineering and Environmental Department or  
3 other authorized agent may enter a property to inspect stormwater control measures during any  
4 phase of construction and operation of approved stormwater control measures.

5 (b) The Department, Buildings, Safety Engineering and Environmental Department or  
6 other authorized agent may enter a property when the Department or its designee has a reasonable  
7 basis to believe that a violation of this division is occurring or has occurred, when necessary for  
8 abatement of a public nuisance, and to confirm the correction of a violation.

9 **Section 56-3-114. Periodic self-inspections required.**

10 (a) Periodic inspections shall be conducted according to the Operation and  
11 Maintenance Plan by the applicant or the applicant's successors, heirs or assigns of the stormwater  
12 control measure(s) as set forth in the applicable Operations and Maintenance Plan.

13 (b) An inspection report, certified by a professional engineer or landscape architect  
14 properly licensed to practice in the State of Michigan, shall be provided to the Department  
15 according to the schedule in the operation and maintenance plan, commencing no more than twelve  
16 months after the date of issuance of a certificate of occupancy for the regulated construction  
17 activity, and occurring once every three years or stipulated period thereafter.

18 **Section 56-3-115. Right of appeal.**

19 (a) Any person whose legal rights, duties, or privileges are determined by the  
20 Department pursuant to this ordinance and who is aggrieved by the Department's determination,  
21 may appeal to the DWSD Stormwater Appeals Board for relief of that grievance. An appeal shall  
22 be made according to the procedure set forth in this chapter.

1       (b) The DWSD Stormwater Appeals Board shall be appointed by the Director of the  
2 Department and confirmed by the Board of Water Commissioners and shall consist of 2 engineers  
3 from the academic sector, 2 engineers from the private sector, and 1 stormwater management  
4 expert. Meetings of the DWSD Stormwater Appeals Board shall be in person and shall be open to  
5 all interested parties.

6       (c) An appeal shall be in writing, addressed to the DWSD Stormwater Appeals Board  
7 c/o the Stormwater Management Group, and must be received within 30 days of the determination  
8 that is the subject of the appeal. The appeal shall set forth the specific act or matter complained of  
9 and in dispute, and shall include all documentation that supports the appellant's position.

10       (d) Within 30 days of receipt of the appeal, the Stormwater Management Group, or its  
11 designee, shall acknowledge such receipt in writing, and shall set a date and time for an appellate  
12 hearing to be conducted in accordance with Department rules and procedures.

13       (e) The decision of the DWSD Stormwater Appeals Board shall be final and  
14 enforceable at law. A person aggrieved by a final decision of the DWSD Stormwater Appeals  
15 Board may seek judicial review of the decision by the Wayne County Circuit Court. A petition for  
16 judicial review shall be filed not later than 60 days following the receipt of the final decision of  
17 the DWSD Stormwater Appeals Board.

18       (f) An aggrieved person shall exhaust all administrative remedies provided in this  
19 Chapter before seeking judicial review.

20       **Section 56-3-116. Notice.**

21       (a) If any stormwater control measure is found upon inspection to be arranged,  
22 damaged, clogged, or in such disrepair, as to impede, obstruct, or hinder the flow of surface water  
23 in a manner which conflicts with acceptable engineering practices, or if a planned and permitted

1 stormwater control measure has not been installed per an approved Post Construction Stormwater  
2 Management Plan within 30 days of inspection, the certifying party shall give written notice to the  
3 Department of the conditions found, the actions necessary to bring conditions into conformance  
4 with the approved Operation and Maintenance Plan, and the timeframe for completion.

5 (b) If any condition referenced in Subsection (a) of this section, is found by the  
6 Department upon its own investigation, whether as a result of, or independent of, a period  
7 inspection report, the Department shall give written notice to the owner of the property of the  
8 findings specifying the problem, the actions necessary to bring conditions into conformance and  
9 the timeframe for completion, as well as the potential for additional action under civil penalty or  
10 other penalty or remedy in Section 56-3-118 of this Code.

11 **Section 56-3-117. Civil penalty.**

12 Whenever the Department has reasonable grounds to believe that any person is violating,  
13 or has violated, any requirement of this division, the Department may commence a civil action to  
14 compel compliance in a court of competent jurisdiction to enjoin said person from discharging, or  
15 to obtain appropriate relief to remedy the violations. The Department or DWSD Board also may  
16 seek additional legal or equitable relief. The commencement of suit neither constitutes an exclusive  
17 election of remedies nor prohibits the Department, Director, Board, or City of Detroit from  
18 commencing action in federal court for discharges believed to be in violation of this division, state  
19 or federal requirements contained in the Clean Water Act, the City's NPDES permit, or other  
20 applicable laws or requirements. In addition, the City may recover the reasonable attorney fees,  
21 court costs, court reporters' fees, and other unusual expenses related to enforcement activities or  
22 litigation against the person found to have violated this division, or the orders, rules, regulations  
23 and permits issued hereunder.

1 **Section 56-3-118. Fines.**

2 All fines, costs, and penalties which are imposed by any court of competent jurisdiction  
3 shall be payable to the Detroit Water and Sewerage Department.

4 **Section 56-3-119. Additional remedies.**

5 (a) The Buildings, Safety Engineering & Environmental Department or other  
6 authorized agent may refuse to issue a certificate of occupancy for any regulated construction  
7 activity on a development site and served by stormwater control measures until such time as the  
8 applicant or other responsible person has taken remedial measures set forth in the notice of  
9 violation or has otherwise cured the violations described therein.

10 (b) The Buildings, Safety Engineering & Environmental Department may suspend or  
11 revoke any approvals granted for the development site upon discovery of the failure of the property  
12 owner, applicant or developer to comply with the provisions of this division.

13 (c) So long as a violation of this division continues and remains uncorrected, the  
14 Department, the Buildings, Safety Engineering and Environmental Department or other authorized  
15 agent may withhold, and the Department, the Buildings, Safety Engineering and Environmental  
16 Department or other authorized agent may disapprove, any request for a permit or site plan  
17 approval or authorization provided by this ordinance or the zoning, subdivision, or other building  
18 regulations, as appropriate for the land on which the violation occurs.

19 (d) The Department may institute an action in a court of competent jurisdiction for a  
20 mandatory or prohibitory injunction and order of abatement to correct a violation of this ordinance.  
21 Any person violating this ordinance shall be subject to the full range of equitable remedies  
22 provided in the general statutes or common law.

1       (e) If the violation is deemed dangerous or prejudicial to the public health or public  
2 safety, the Department may cause the violation to be corrected and the costs to be assessed as a  
3 lien against the property.

4       (f) By issuance of an order of restoration, the Department may require a person who  
5 engaged in a regulated construction activity and failed to comply with this division to restore the  
6 waters and land affected by such failure so as to minimize the detrimental effects of the resulting  
7 pollution. The authority is in addition to any other civil penalty or injunctive relief authorized  
8 under this ordinance. If failure to comply is deemed dangerous or prejudicial to the public health  
9 or public safety, the Department, may institute an action to cause the violation to be corrected and  
10 the costs to be assessed as a lien against the property.


11 **Sec. 56-3-120 -56-3-149. RESERVED.**

1           **Section 2.**     All ordinances, or parts of ordinances, that in conflict with this ordinance  
2 are repealed.

3           **Section 3.**     This ordinance is declared necessary to preserve the public peace, health,  
4 safety, and welfare of the People of the City of Detroit.

5           **Section 4.**     In the event that this ordinance is passed by a two-thirds (2/3) majority of  
6 City Council members serving, it shall be given immediate effect and become effective upon  
7 publication in accordance with Section 4-118 of the 2012 Detroit City Charter. In the event that  
8 this ordinance is passed by less than a two-thirds (2/3) majority of the City Council members  
9 serving, it shall become effective on the thirtieth (30) days after enactment, or on the first business  
10 day thereafter, in accordance with Section 4-118 of the 2012 City Charter.

**Approved as to form:**

  
\_\_\_\_\_  
Lawrence T. García  
Corporation Counsel



October 16, 2018

**Honorable City Council:**

**Re: Spirit Plaza; Petition No. 1773 The General Services Department in conjunction with The Department of Public Works – City Engineering Division, requests the extension of the temporary closure of Woodward Avenue, from Jefferson Avenue to Larned Street from November 17, 2018 through November 15, 2019, with an option for an additional 12 month extension for the year 2019, for the purpose of continuing the activation and evaluation of the Spirit Plaza, in a semi-permanent state.**

On June 12, 2017, the City of Detroit closed the referenced segment of Woodward to activate the Spirit Plaza for an initial pilot period of 90 days.

On November 21, 2017, City Council originally approved Petition No. 1773, which provided for extending the temporary closure of the above referenced segment of Woodward through the spring of 2018, so that the evaluation period could continue through the fall and winter seasons.

GSD is now requesting City Council approval to extend the temporary closure for a period to culminate on November 15, 2019, upon which time a recommendation will be brought back to City Council for the Plaza's optional additional year extension..

This extension, if authorized by Your Honorable Body, establishes GSD as the agency, with support from DDP, who will take responsibility for ensuring that the Plaza is appropriately maintained throughout the extended period. In addition, the extension will allow for coordinating all outreach efforts to impacted stakeholders, as well as providing the mechanism for continued planning for events and space programming, GSD/City of Detroit's Recreation Department and Special Events team will continue to operate with the established agreement outlining specific responsibilities for each agency, thereby ensuring that the Plaza is being programmed in a manner that maximizes its usage and is consistent with the vision of it being the "People's Plaza". We will continue to provide the opportunity to employ a more expansive outreach effort to individuals that encounter the space on a daily basis, including all employees and regular visitors to the CAYMC. The extension will also provide the opportunity to continue analyzing the impact to traffic on surrounding streets prior to the end of the extended evaluation period, city agencies (DPW, Planning, GSD, Special Events), along with DDP will summarize to City Council our findings, which will be utilized in making a determination for the future use of the public space.

Provisions protecting all utility installations in the right-of-way have been made a part of the attached resolution.

I am recommending the adoption of the attached resolution.

Respectfully submitted,

Janet Anderson, Director – GSD  
General Services Department

Cc: Arthur Jemison, Mayor's Office  
Stephanie Washington, Mayor's Office  
Maurice Cox, Planning Department  
Brad Dick, Group Executive  
Jan Anderson, General Services Department  
Linda Vinyard, Special Events

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

**WHEREAS**, the original trial period for the new "Spirit of Detroit Plaza" enhanced the downtown area with a new public space during the summers of 2017 and 2018, and the initial evaluation determined that the closure of the impacted segment of Woodward Avenue, has not been detrimental to traffic flow in the area, and the plaza was "liked" by a majority of individuals surveyed, and

**WHEREAS**, the temporary extension was granted through November 16, 2018, through prior City Council actions and whereas a determination has been made to extend the existing closure to a semi-permanent state for 1 year through November 15, 2019 to allow for continued outreach to the impacted public and business communities as well as programming events that include local artists, community groups and local organizations.

**RESOLVED**, The General Services Department with support from The City Engineering Division –is hereby authorized and directed to temporarily close Woodward Avenue, 190 feet wide, from Jefferson Avenue, 210 feet wide to Larned Street, 60 feet wide for a period culminating on March 31, 2019 and being more particularly described as: Woodward Avenue, 190 feet wide, lying westerly of and adjoining the westerly line of Lots 1, 63, and 64 "Plan of Section numbered one in the City of Detroit, in the Territory of Michigan confirmed by the Governor and Judges on the 27<sup>th</sup> day of April, 1807 and ordered to be a record and to be signed by the Governor and attested by the Secretary of the Board. Attest: Peter Audrain, Sec'y." as recorded in Liber 34, Page 550 of Deeds, Wayne County Records; also lying easterly of and adjoining the easterly line of the west 30 feet of Lot 2 and the west 30 feet of Lots 63 and the west 30 feet of Lot 64 and the vacated alley adjoining said parts of Lots 2 and 64 "Plat of Section numbered two in the City of Detroit in the Territory of Michigan confirmed unanimously by the Governor and Judges on the 27<sup>th</sup> day of April, 1807 and ordered to be a record and to be signed by the Governor and attested by the Secretary of the Board. Attest: Peter Audrain, Sec'y." as recorded in Liber 34, Page 549 of Deeds, Wayne County Records; on a temporary basis (for a period of Five (5) years) to expire on November 1, 2022;

**PROVIDED**, that no buildings or other structures of any nature whatsoever shall be constructed on or over the public right-of-way. The City of Detroit retains all rights and interests in the temporarily closed public right-of-way. The City and all utility companies retain their rights to service, inspect, maintain, repair, install, remove or replace utilities in the temporarily closed public right-of-way. Further, a specific condition is imposed to ensure unimpeded 24-hour-per-day access to the City and utility companies; and

PROVIDED, that if there is still a need for access from any of the abutting property owners to said temporary closed street, access shall and must be maintained for those properties; and

PROVIDED, that the Detroit Water and Sewerage Department (DWSD) forces shall have free and easy access to the water main and sewer facilities at all times to permit proper operation, maintenance and if required, alteration or repair of the water main and/or sewer facilities. Free and easy access shall mean that no structures or storage of materials will be allowed upon the temporarily closed street to hinder the movement of maintenance equipment; and further

PROVIDED, that where a fence is placed across the temporarily closed portion of a street then a gate must be installed to permit access for DWSD staff. The gate shall remain unlocked 24 hours a day, unless a guard is stationed near the gate to allow DWSD ingress and egress at any time to and from the temporarily closed street. The minimum dimensions of the gate or gates shall provide 15 feet vertical and 13 foot horizontal clearances for freedom of DWSD equipment movement; and further

PROVIDED, that should the water main and/or sewer facilities be broken or damaged as a result of any action on the part of the petitioner or assigns, then in such event the petitioner or assigns shall be liable for all costs incident to the repair of such broken or damaged water main and appurtenances, and the petitioner waives all claims for damages, and further

PROVIDED, that at the expiration of the permit, all obstructions shall be removed at the City's expense. The public property shall be restored to a condition satisfactory to the General Services/City Engineering Division – DPW; and

PROVIDED, that this resolution is revocable at the will, whim or caprice of the Detroit City Council without cause. The petitioner waives the right to claim damages or compensation for removal of encroachments. Further, the permittee acquires no implied or other privileges hereunder not expressly stated herein. If this permit is continued through November 16, 2018, the City Council may (upon written request and if the circumstances justify accordingly) grant an extension thereto; and

PROVIDED, that this permit shall not be assigned or transferred without the written approval of the Detroit City Council; and further

PROVIDED, That the City Clerk shall within 30 days record a certified copy of this resolution with the Wayne County Register of Deeds.



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

October 10, 2018

25

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

**RE: Request for Public Hearing for Petition #476 to Establish a Commercial Rehabilitation District for 600 Ventures II, LLC in the area of 659 Howard Street, Detroit, Michigan, in accordance with Public Act 210 of 2005.**

Honorable City Council:

The Housing and Revitalization Department has reviewed the request of **600 Ventures II, LLC** to establish a Commercial Rehabilitation District, and find that it satisfies the criteria set forth by Public Act 210 of 2005 and that it would be consistent with the development and economic goals of the Master Plan.

Per Public Act 210 of 2005, prior to acting upon the resolution to approve a district, 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 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 adopting a resolution to establish a new commercial 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, PDD  
D. Rencher, HRD  
V. Farley, HRD

CITY CLERK 2018 OCT 12 4:02:15 PM



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

**WHEREAS**, pursuant to Public Act No. 210 of 2005 (“the Act”) this City Council may adopt resolution which approves the request to establish a Commercial Rehabilitation District within the boundaries of the City of Detroit; and

**WHEREAS, 600 Ventures II, LLC**, has requested that a Commercial Rehabilitation District be established as particularly described in the legal description and illustrated in the map 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 \_\_\_\_\_, 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, **such notices to be provided not less than 10 days or more than 30 days** before the date of the hearing.

Janice M. Winfrey  
City Clerk

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

Caven West  
Deputy City Clerk/Chief of Staff

**DEPARTMENTAL REFERENCE COMMUNICATION**

*Wednesday, August 01, 2018*

*To: The Department or Commission Listed Below*

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

---

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.

---

PLANNING AND DEVELOPMENT DEPARTMENT    CITY PLANNING COMMISSION  
LEGISLATIVE POLICY DIVISION    FINANCE DEPARTMENT

**476**    *600 Ventures II, LLC, request to establish a Commercial Rehabilitation District at 659 Howard Street.*



333 W. Fort St., Ste. 1410  
Detroit, MI 48226  
T (313) 962-9353  
[www.aktpeerless.com](http://www.aktpeerless.com)

**July 25, 2018**

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

**RE: Request for the Establishment of a Commercial Rehabilitation District at 659 Howard Street**

Honorable City Council:

Please accept this letter as a request to establish a Commercial Rehabilitation Development District for the property located at **659 Howard Street** and described on Attachment A.

The project is the redevelopment of the vacant former parking lot property, and the new construction of an approximately 6-story mixed-use development with ground floor commercial/retail space, an estimated 123-key hotel, an estimated 24 residential apartments, and integrated parking. The Petitioner anticipates investing approximately \$36,000,000 to redevelop the property. Construction is expected to begin in the first quarter of 2019 and be completed within 2 years.

The Petitioner, 600 Ventures II, LLC, is a related entity to Means Group. Means Group has been in business for over 40 years and through their creative vision, is identified as a leader in their field of development, construction management and facility management.

Creation of the district and approval of an exemption certificate is necessary for the viability of the project. The project would not be undertaken without the tax exemption. There are currently no employees at the subject property. The project is estimated to create 90 full-time equivalent employees and 160 construction jobs.

The number of years requested for CRA exemption is ten (10).

The redevelopment will meet the need for downtown hospitality space and provide on-site parking solutions. The project will create jobs for local residents, increase commercial activity, spur redevelopment of adjacent underutilized and vacant properties and will provide additional tax revenue for the City of Detroit. The applicant is not



333 W. Fort St., Ste. 1410  
Detroit, MI 48226  
T (313) 962-9353  
[www.aktpeerless.com](http://www.aktpeerless.com)

delinquent in the payment of any taxes related to the subject property. The applicant is also applying for a Neighborhood Enterprise Zone District (for the residential portion of the structure), as well as Tax Increment Financing.

600 Ventures II, LLC is a creative land solutions company. With solid relationships and collaborative community support, their new spaces offer broad market appeal and opportunity. Cambria at the Ashton will be a sought-after downtown destination.

Respectfully submitted,

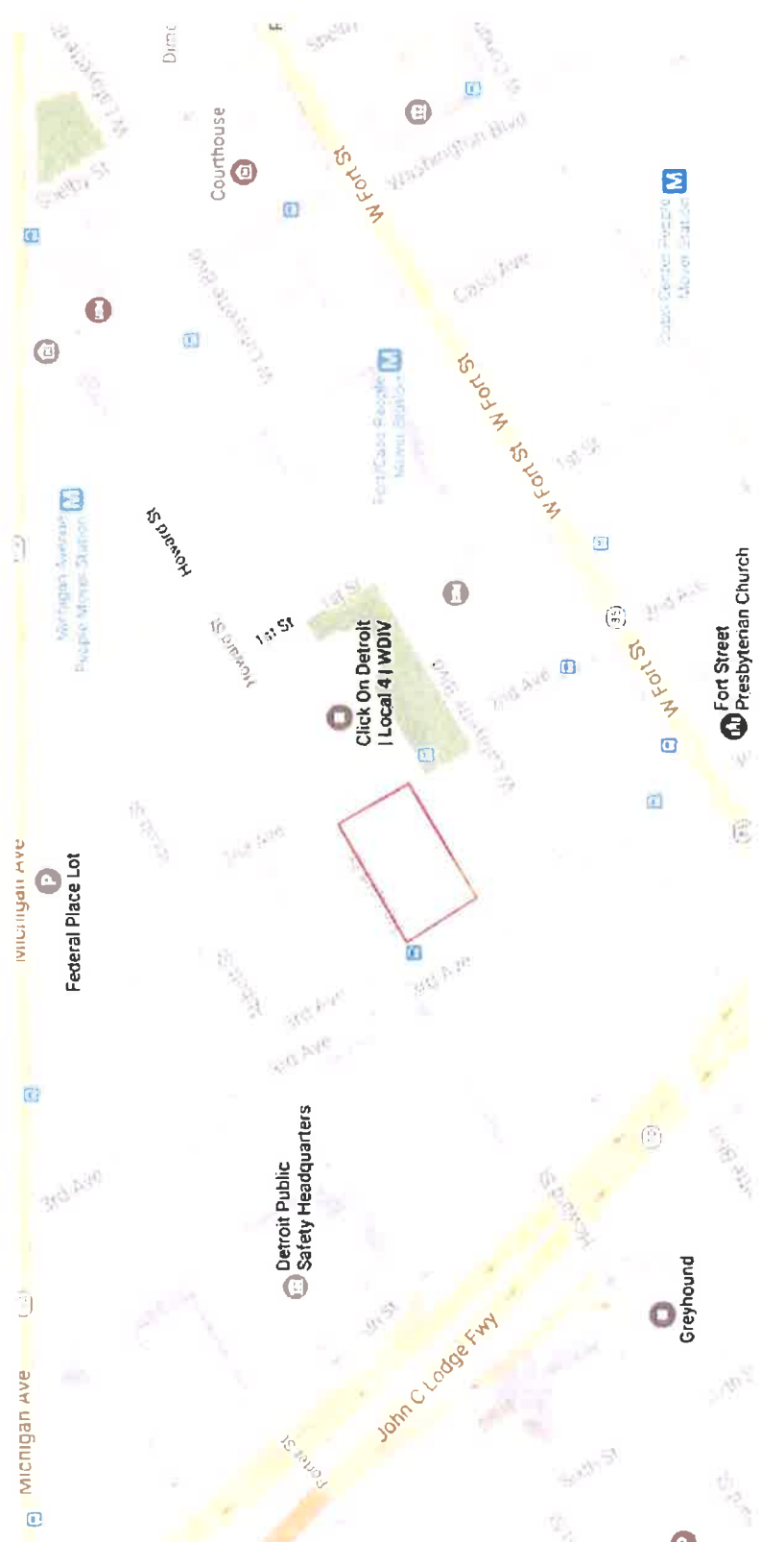
A handwritten signature in black ink that reads "Bret Stuntz".

Bret Stuntz  
Vice President  
AKT Peerless  
333 W. Fort St., Ste. 1410  
Detroit, MI 48226  
(248) 302-1398

**Attachment A: Site Map that includes the parcel of property / Legal Description**  
**Attachment B: Paid Receipt of Current Taxes**

cc: K. Bridges, DEGC  
E. Tuomey, DEGC





MICHIGAN AVE  
Wabasha Ave  
Cass Ave  
Fort St  
Wabasha Ave  
Cass Ave  
Fort St  
Wabasha Ave  
Cass Ave  
Fort St  
Wabasha Ave  
Cass Ave  
Fort St

Federal Place Lot  
Detroit Public Safety Headquarters  
Court House  
Fort Street Presbyterian Church  
Greyhound

Click On Detroit  
| Local 4 | WDIV

John C Lodge Fwy  
Wabasha Ave  
Cass Ave  
Fort St  
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Fort St

Detailed Tax Information

[Back to Non-Printer Friendly Version] [Send To Printer]

Parcel: 04000180.002L

Property Address [collapse]

659 HOWARD, 48226

Owner Information [collapse]

600 VENTURES, LLC, 535 GRISWOLD STREET, STE 111, DETROIT, MI 48226

Unit: 01

Taxpayer Information [collapse]

SEE OWNER INFORMATION

Legal Information for 04000180.002L [collapse]

S HOWARD PT OF 20 DESC AS FOLS: BEG AT THE INTSEC OF THE E'LY LINE OF THIRD AVE (60FT WD) & THE S'LY LINE OF HOWARD ST (60 FT WD); TH N 59D 50M 38S E225 FT ALG SD S'LY LINE OF HOWARDST TO A PTE; TH S 30D 11M 37S E 140.09 FT TO C L OF VAC PUBLIC ALLEY (20 FT WD); TH ALG THE C L OF SD VAC ALLEY 225 FT; TH N 30D 11M 37S W ALG SD E'LY LINE OF THIRD AVE 140.09 FT TO P O B DETROIT URBAN RENEWAL PLAT #1 L90 P85-6 PLATS, W C R 4/125 225 X 140.09

Enter Future Interest Date:

3/27/2017



Re-Calculate

Use the +/- button to expand and collapse the Tax Detail Information.

Year / Season	Total Amt	Total Paid	Last Paid	Total Due
<input checked="" type="checkbox"/> 2016, Winter	\$2,606.19	\$2,606.19	12/13/2016	\$0.00

General Information for 2016 Winter

School District:	D - DETROIT SCHOOL	PRE/MBT %:	0.0000
Taxable Value:	\$226,485	State Equalized Value:	\$391,200
Property Class:	204 - 204-COMMERCIAL CBD	Assessed Value:	\$391,200
Tax Bill Number	01088	Last Receipt Number:	00017454
Last Payment Date:	12/13/2016	Number Of Payments	1
Base Tax:	\$2,580.39	Base Paid:	\$2,580.39
Admin Fees:	\$25.80	Admin Fees Paid:	\$25.80
Interest Fees:	\$0.00	Interest Fees Paid	\$0.00
Total Tax & Fees:	\$2,606.19	Total Paid:	\$2,606.19
Renaissance Zone:	N/A	Mortgage Code:	N/A

Tax Bill Breakdown for 2016 Winter

Taxing Authority	Millage Rate	Amount	Amount Paid
WAYNE COUNTY	0.989700	\$224.15	\$224.15
W C JAILS	0.938100	\$212.46	\$212.46
W C PARKS	0.245900	\$55.69	\$55.69
W C HCMA	0.214600	\$48.60	\$48.60
W C RESA	0.096500	\$21.85	\$21.85
W C RESA SP ED	3.367800	\$762.75	\$762.75
W C RESA ENH	2.000000	\$452.97	\$452.97
W C COMM COLLEGE	3.240800	\$733.99	\$733.99
W C ZOO	0.100000	\$22.64	\$22.64
W C DIA	0.200000	\$45.29	\$45.29
Admin Fees:		\$25.80	\$25.80

Interest Fees: \$0.00 \$0.00  
**Totals: 11.393400 \$2,606.19 \$2,606.19**

[Print Tax Bill/Receipt](#)

<input type="checkbox"/> 2016, Summer	\$18,731.16	\$18,731.16	08/15/2016	\$0.00
---------------------------------------	-------------	-------------	------------	--------

Installment Information for 2016 Summer	
First Payment:	\$9,365.58
Second Payment:	\$9,365.58

General Information for 2016 Summer			
School District:	D - DETROIT SCHOOL	PRE/MBT %:	0.0000
Taxable Value:	\$226,485	State Equalized Value:	\$391,200
Property Class:	204 - 204-COMMERCIAL CBD	Assessed Value:	\$391,200
Tax Bill Number	01169	Last Receipt Number:	00117439
Last Payment Date:	08/15/2016	Number Of Payments	1
Base Tax:	\$18,555.22	Base Paid:	\$18,555.22
Admin Fees:	\$175.94	Admin Fees Paid:	\$175.94
Interest Fees:	\$0.00	Interest Fees Paid	\$0.00
Total Tax & Fees:	\$18,731.16	Total Paid:	\$18,731.16
Renaissance Zone:	N/A	Mortgage Code:	N/A

**Tax Bill Breakdown for 2016 Summer**

Taxing Authority	Millage Rate	Amount	Amount Paid
STATE EDUCATION	6.000000	\$1,358.91	\$1,358.91
GENERAL CITY	19.952000	\$4,518.82	\$4,518.82
DEBT SERVICE	9.466100	\$2,143.92	\$2,143.92
LIBRARY	4.630700	\$1,048.78	\$1,048.78
SCHOOL DEBT	13.000000	\$2,944.30	\$2,944.30
SCHOOL OPERATING	18.000000	\$4,076.73	\$4,076.73
W COUNTY TAX	5.648300	\$1,279.25	\$1,279.25
DDA	0.988700	\$223.92	\$223.92
BUSI IMP ZONE	0.000000	\$960.59	\$960.59
Admin Fees:		\$175.94	\$175.94
Interest Fees:		\$0.00	\$0.00
<b>Totals:</b>	<b>77.685800</b>	<b>\$18,731.16</b>	<b>\$18,731.16</b>

[Print Tax Bill/Receipt](#)

<input checked="" type="checkbox"/> 2015, Winter	\$2,142.28	\$2,142.28	12/22/2015	\$0.00
<input checked="" type="checkbox"/> 2015, Summer	\$20,570.94	\$20,570.94	08/13/2015	\$0.00

**\*\*Disclaimer:** BS&A Software provides this Web Site as a way for municipalities to display information online and is not responsible for the content or accuracy of the data herein. This data is provided for reference only and WITHOUT WARRANTY of any kind, expressed or inferred. Please contact your local municipality if you believe there are errors in the data.

[Privacy Policy](#)

2018-08-01

476

476 *Petition of 600 Ventures II, LLC,  
request to establish a Commercial  
Rehabilitation District at 659 Howard  
Street.*

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REFERRED TO THE FOLLOWING DEPARTMENT(S)

PLANNING AND DEVELOPMENT DEPARTMENT    CITY  
PLANNING COMMISSION  
LEGISLATIVE POLICY DIVISION    FINANCE DEPARTMENT



CITY OF DETROIT  
PLANNING AND DEVELOPMENT DEPARTMENT

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

---

TO: Veronica Farley, Housing and Revitalization  
FROM: Esther Yang, Planning and Development  
RE: Master Plan Interpretation for **Commercial Rehabilitation District** for 659 Howard  
DATE: October 10, 2018  
CC: Maurice Cox, Director

In order to ensure that the issuance of a certificate for a Commercial Rehabilitation District is consistent 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 210 of 2005 (section 207.841), the Planning and Development Department's Planning Division submits the following interpretation.

Petitioner:  
600 Ventures II, LLC

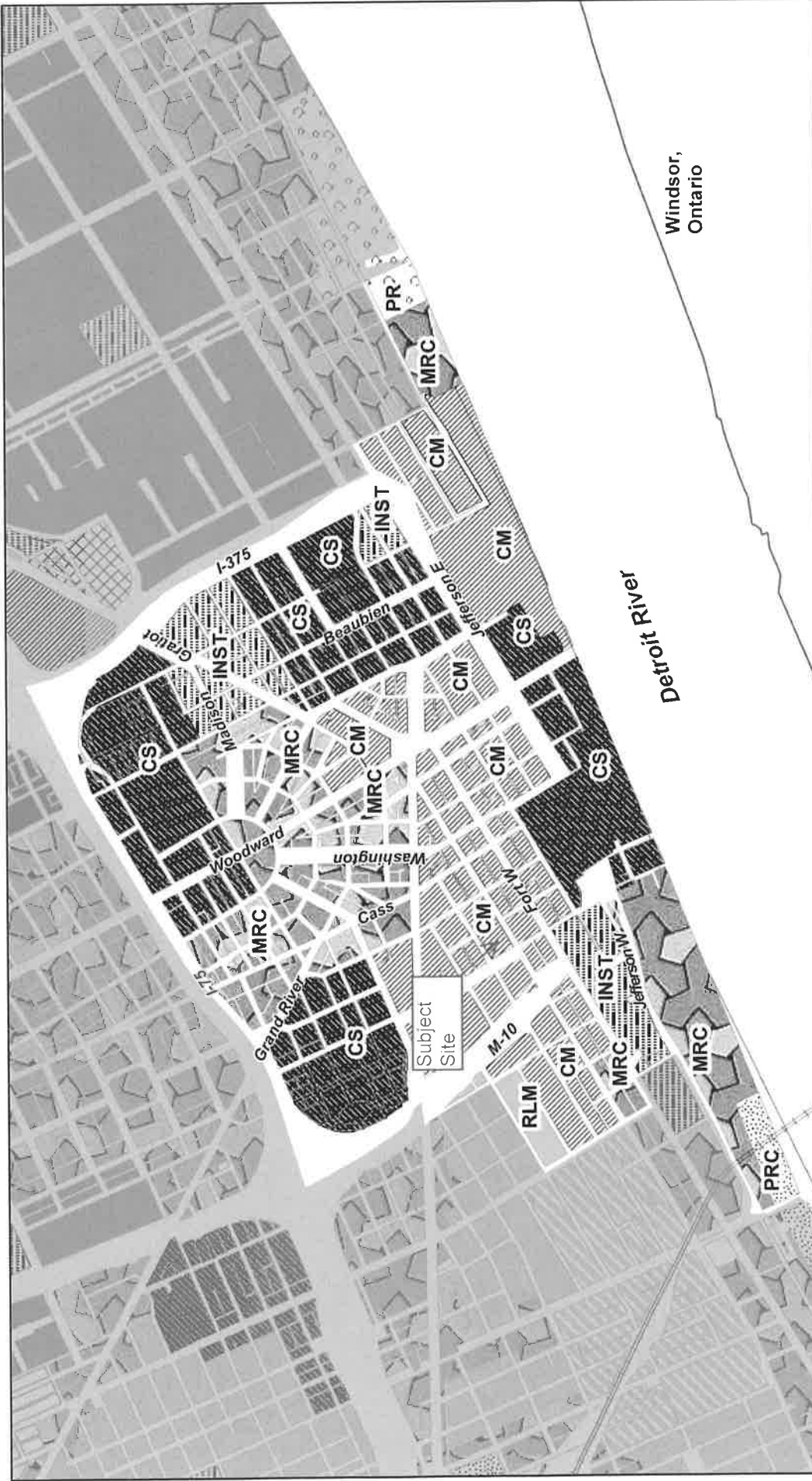
Project Description:  
Redevelopment of vacant former parking lot with construction of six story mixed-use development with ground floor commercial, 123 room hotel and 24 residential units with integrated parking.

Project Location:  
659 Howard

Interpretation:  
The Master Plan Future General Land Use designation of the site is **Major Commercial**. Major Commercial areas are generally distinguished by high density office buildings with ground floor retail. Included within these areas may be department stores, specialized shops and services catering to area office or residential land uses. Areas should be accessible to mass transit routes and automobile parking located on the street or in structures. Ground level activity should be pedestrian-oriented. Downtown and New Center are Detroit's major commercial areas.

**The development conforms to the Future General Land Use designation for the area.**

Attachments  
**Future General Land Use Map:** Map 4-1B, Neighborhood Cluster 4, Central Business District.



Amendment #5: 11/22/11 (CS to INST)

**Future Land Use**

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

**Map 4-1B**  
**City of Detroit**  
**Master Plan of**  
**Policies**

**Neighborhood Cluster 4**  
**Central Business District**



CITY OF DETROIT  
OFFICE OF THE CHIEF FINANCIAL OFFICER  
OFFICE OF THE ASSESSOR

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVENUE, SUITE 824  
DETROIT, MICHIGAN 48226  
(313) 224-3011 • TTY:711  
(313) 224-9400  
WWW.DETROITMI.GOV

October 8, 2018

Maurice Cox, Director  
Planning & Development Department  
2 Woodward Ave, CAYMC  
Suite 810  
Detroit, MI 48226

RE: Commercial Rehabilitation District – **600 Ventures II LLC**  
**659 Howard**  
Parcels Number: 04000180.002L

Dear Mr. Cox:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the proposed Commercial Rehabilitation District located at 659 Howard Street in the **Downtown area**.

The rationale for creating Commercial Rehabilitation Districts under PA 210 of 2005, as amended, is based on the anticipation of increased market value upon completion of new construction and/or significant rehabilitation of commercial and former industrial property where the primary purpose and use is the operation of a commercial business enterprise or multifamily residential use. Commercial property also includes facilities related to a commercial business enterprise under the same ownership at that location, including, but not limited to, office, engineering, research and development, warehousing, parts distribution, retail sales, and other commercial activities. Commercial property also includes a building or group of contiguous buildings previously used for industrial purposes that will be converted to the operation of a commercial business enterprise.

The district, as proposed by the **600 Ventures II LLC**, consists of a parking lot on .742 acres of land. The developer proposes new construction of a 6-story mixed-use development with ground floor commercial/retail space, and estimated 123 room hotel, an estimated 24 residential apartment units and integrated parking in the proposed district. The developer will be requesting a Neighborhood Enterprise Zone district on the residential portion of this project.

This area meets the criteria set forth under PA 210 of 2005, as amended. It applies to blighted, functionally obsolete and contaminated properties. "Commercial rehabilitation district" or "district" means an area not less than 3 acres in size of a qualified local governmental unit established as provided in section 3. However, if the commercial rehabilitation district is located in a downtown or business area or contains a qualified retail food establishment as determined by the legislative body of the qualified local governmental unit, the district may be less than 3 acres in size. The local government unit may establish by resolution a district that contains 1 or more parcels or tracts of land if at the time the resolution is adopted the parcel or tract of land or portion of a parcel or tract of land within the district is a qualified facility.

A field investigation and application review indicated that the proposed Commercial Rehabilitation District located **Downtown in the City of Detroit** is eligible as it pertains to the Commercial Rehabilitation Act under P.A. 210 of 2005, as amended.

Sincerely,

Charles Ericson, MMAO  
Assessor, Board of Assessors

mmp



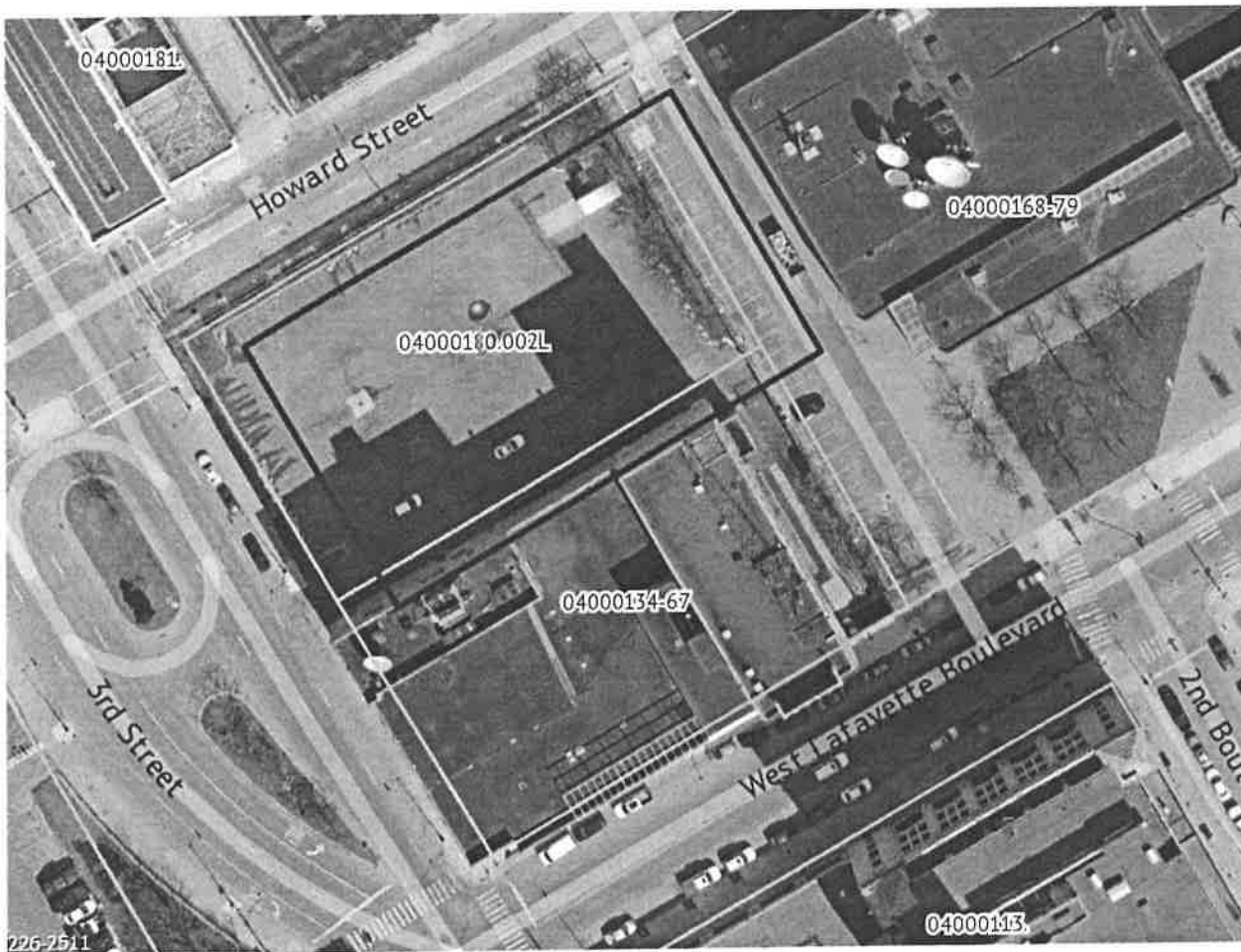
Commercial Rehabilitation District  
659 Howard Street  
Page 2

Property Address: 659 HOWARD

Parcel Number: 04000180.002L

Property Owner: 600 VENTURES II LLC

Legal Description: S HOWARD PT OF 20 DESC AS FOLS: BEG AT THE INTSEC OF THE E'LY LINE OF THIRD AVE (60FT WD) & THE S'LY LINE OF HOWARD ST (60 FT WD); TH N 59D 50M 38S E225 FT ALG SD S'LY LINE OF HOWARDST TO A PTE; TH S 30D 11M 37S E 140.09 FT TO C L OF VAC PUBLIC ALLEY (20 FT WD); TH ALG THE C L OF SD VAC ALLEY 225 FT; TH N 30D 11M 37S W ALG SD E'LY LINE OF THIRD AVE 140.09 FT TO P O B DETROIT URBAN RENEWAL PLAT #1 L90 P85-6 PLATS, W C R 4/125 225 X 140.09







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  
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26

October 9, 2018

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

**Re: Request for Public Hearing to Approve an Obsolete Property Rehabilitation Certificate on behalf of Ford Motor Company in the area of 2001 15<sup>th</sup> Street and 2231 Dalzelle Street, Detroit, Michigan, in accordance with Public Act 146 of 2000 (Petition # 434).**

Honorable City Council:

The Housing and Revitalization Department and Finance Departments have reviewed the application of **Ford Motor Company** 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.

Public Act 146 of 2000 states that the legislative body of the qualified local governmental unit, shall by resolution either approve or disapprove the application for an Obsolete Property Rehabilitation Exemption Certificate in accordance with Section 8 and other provisions of this act. 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.

CITY CLERK 2018 OCT 12 11:22 AM

We request that a Public Hearing be scheduled on the issue of approving the application for the Obsolete Property Rehabilitation Certificate. 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



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

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

**WHEREAS**, **Ford Motor Company** has made application for an Obsolete Property Rehabilitation Certificate 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*

**Caven West**  
*Deputy City Clerk/Chief of Staff*

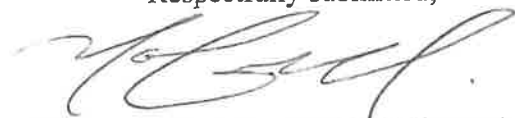
August 6, 2018

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

Re: Ford Motor Company

Please find attached application for Obsolete Property Rehabilitation Exemption Certificate for property located at 2001 15<sup>th</sup> St. and 2231 Dalzelle Street. **(RELATED TO PETITION #434)**

Respectfully submitted,



Michael J. O'Connell, Jr. Asst. City Council Clerk  
Office of the City Clerk



Ford Motor Company  
Office of Tax Counsel  
1 American Road, WHQ Room 612  
Dearborn, MI 48126-2798

Kelli P. Murphy  
Phone (313) 323-2067  
Email kmurph61@ford.com

July 31, 2018

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

**RE: Applications for Obsolete Property Rehabilitation Exemption Certificates**

Dear Clerk:

Please find attached the original and two copies each of Applications for Obsolete Property Rehabilitation Exemption Certificates pursuant to OPRA, PA 146 of 2000 and OPRA District Petition No. 434.

The attachments refer to projects requested on the following parcels with in the requested OPRA District:

- Parcel ID 10005873.002L (2001 15<sup>th</sup> Street), and
- Parcel ID 10005306-9 (2231 Dalzelle Street).

Please call me at 313-323-2067 or Gabby Bruno in Ford Government Relations office at 313-317-4764 if you have any questions.

Regards,

A handwritten signature in blue ink, appearing to read "Kelli P. Murphy".

Kelli P. Murphy  
State & Local Tax Attorney

ENCLOSURE – AS STATED

CC: Nicholas Marsh, Sarah Pavelko & Kenyetta Bridges – Detroit Economic Growth Corp.

## Application for Obsolete Property Rehabilitation Exemption Certificate

This form is issued as provided by Public Act 146 of 2000, as amended. This application should be filed after the district is established. This project will not receive tax benefits until approved by the State Tax Commission. Applications received after October 31 may not be acted upon in the current year. This application is subject to audit by the State Tax Commission.

**INSTRUCTIONS:** File the original and two copies of this form and the required attachments with the clerk of the local government unit. (The State Tax Commission requires two copies of the Application and attachments. The original is retained by the clerk.) Please see State Tax Commission Bulletin 9 of 2000 for more information about the Obsolete Property Rehabilitation Exemption. The following must be provided to the local government unit as attachments to this application: (a) General description of the obsolete facility (year built, original use, most recent use, number of stories, square footage); (b) General description of the proposed use of the rehabilitated facility; (c) Description of the general nature and extent of the rehabilitation to be undertaken; (d) A descriptive list of the fixed building equipment that will be a part of the rehabilitated facility; (e) A time schedule for undertaking and completing the rehabilitation of the facility; (f) A statement of the economic advantages expected from the exemption. A statement from the assessor of the local unit of government, describing the required obsolescence has been met for this building, is required with each application. Rehabilitation may commence after establishment of district.

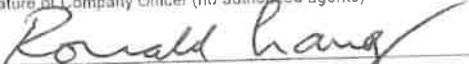
Applicant (Company) Name (applicant must be the OWNER of the facility) <b>Ford Motor Company (wholly-owned affiliate New Investment Properties II LLC - parcel owner)</b>		
Company Mailing address (No. and street, P.O. Box, City, State, ZIP Code) <b>1 American Rd., WHQ Rm. 612, Dearborn, MI 48126</b>		
Location of obsolete facility (No. and street, City, State, ZIP Code) <b>2231 Dalzelle St., Detroit (former Detroit Public Schools Book Depository/Post Office - Corktown)</b>		
City/Township/Village (indicate which) <b>Detroit City</b>		County <b>Wayne</b>
Date of Commencement of Rehabilitation (mm/dd/yyyy) <b>Nov. 1, 2018</b>	Planned date of Completion of Rehabilitation (mm/dd/yyyy) est. <b>1/1/2022</b>	School District where facility is located (include school code) <b>Detroit (82010)</b>
Estimated Cost of Rehabilitation <b>\$125,000,000.00</b>	Number of years exemption requested <b>12 years</b>	Attach Legal description of Obsolete Property on separate sheet <b>SEE ATTACHED</b>
Expected project likelihood (check all that apply):		
<input checked="" type="checkbox"/> Increase Commercial activity	<input type="checkbox"/> Retain employment	<input checked="" type="checkbox"/> Revitalize urban areas
<input checked="" type="checkbox"/> Create employment	<input type="checkbox"/> Prevent a loss of employment	<input checked="" type="checkbox"/> Increase number of residents in the community in which the facility is situated
Indicate the number of jobs to be retained or created as a result of rehabilitating the facility, including expected construction employment <b>2,400-3,000</b>		
Each year, the State Treasurer may approve 25 additional reductions of half the school operating and state education taxes for a period not to exceed six years. Check the following box if you wish to be considered for this exclusion. <input checked="" type="checkbox"/>		

### APPLICANT'S CERTIFICATION

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 of the information is truly descriptive of the property for which this application is being submitted. Further, the undersigned is aware that, if any statement or information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy.

The applicant certifies that this application relates to a rehabilitation program that, when completed, constitutes a rehabilitated facility, as defined by Public Act 146 of 2000, as amended, and that the rehabilitation of the facility would not be undertaken without the applicant's receipt of the exemption certificate.

It is further certified that the undersigned is familiar with the provisions of Public Act 146 of 2000, as amended, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has compiled 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 Obsolete Property Rehabilitation Exemption Certificate by the State Tax Commission.

Name of Company Officer (no authorized agents) <b>Ronald Lang</b>	Telephone Number <b>(313) 323-2067</b>	Fax Number <b>(313) 845-4294</b>
Mailing Address <b>1 American Rd., WHQ Rm. 612, Dearborn, MI 48126</b>	Email Address <b>gtptcomp@ford.com</b>	
Signature of Company Officer (no authorized agents) 	Title <b>Chief Tax Officer, Ford Motor Co.</b>	

### LOCAL GOVERNMENT UNIT CLERK CERTIFICATION

The Clerk must also complete Parts 1, 2 and 4 on Page 2. Part 3 is to be completed by the Assessor.

Signature	Date application received
-----------	---------------------------

### FOR STATE TAX COMMISSION USE

Application Number	Date Received	LUCI Code
--------------------	---------------	-----------

### LOCAL GOVERNMENT ACTION

This section is to be completed by the clerk of the local governing unit before submitting the application to the State Tax Commission. Include a copy of the resolution which approves the application and Instruction items (a) through (f) on page 1, and a separate statement of obsolescence from the assessor of record with the State Assessor's Board. All sections must be completed in order to process.

#### PART 1: ACTION TAKEN

Action Date: _____		
<input type="checkbox"/> Exemption Approved for _____ Years, ending December 30, _____ (not to exceed 12 years)		
<input type="checkbox"/> Denied		
Date District Established	LUCI Code	School Code

#### PART 2: RESOLUTIONS (the following statements must be included in resolutions approving)

<p>A statement that the local unit is a Qualified Local Governmental Unit.</p> <p>A statement that the Obsolete Property Rehabilitation District was legally established including the date established and the date of hearing as provided by section 3 of Public Act 146 of 2000.</p> <p>A statement indicating whether the taxable value of the property proposed to be exempt plus the aggregate taxable value of property already exempt under Public Act 146 of 2000 and under Public Act 198 of 1974 (IFT's) exceeds 5% of the total taxable value of the unit.</p> <p>A statement of the factors, criteria and objectives, if any, necessary for extending the exemption, when the certificate is for less than 12 years.</p> <p>A statement that a public hearing was held on the application as provided by section 4(2) of Public Act 146 of 2000 including the date of the hearing.</p> <p>A statement that the applicant is not delinquent in any taxes related to the facility.</p> <p>If it exceeds 5% (see above), a statement that exceeding 5% will not have the effect of substantially impeding the operation of the Qualified Local Governmental Unit or of impairing the financial soundness of an affected taxing unit.</p> <p>A statement that all of the items described under "Instructions" (a) through (f) of the Application for Obsolete Property Rehabilitation Exemption Certificate have been provided to the Qualified Local Governmental Unit by the applicant.</p>	<p>A statement that the application is for obsolete property as defined in section 2(h) of Public Act 146 of 2000.</p> <p>A statement that the commencement of the rehabilitation of the facility did not occur before the establishment of the Obsolete Property Rehabilitation District.</p> <p>A statement that the application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of Public Act 146 of 2000 and that is situated within an Obsolete Property Rehabilitation District established in a Qualified Local Governmental Unit eligible under Public Act 146 of 2000 to establish such a district.</p> <p>A statement that completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, create employment, retain employment, prevent a loss of employment, revitalize urban areas, or increase the number of residents in the community in which the facility is situated. The statement should indicate which of these the rehabilitation is likely to result in.</p> <p>A statement that the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at commencement of the rehabilitation as provided by section 2(l) of Public Act 146 of 2000.</p> <p>A statement of the period of time authorized by the Qualified Local Governmental Unit for completion of the rehabilitation.</p>
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#### PART 3: ASSESSOR RECOMMENDATIONS

Provide the Taxable Value and State Equalized Value of the Obsolete Property, as provided in Public Act 146 of 2000, as amended, for the tax year immediately preceding the effective date of the certificate (December 31st of the year approved by the STC).

	Taxable Value	State Equalized Value (SEV)
Building(s)		
Name of Governmental Unit	Date of Action on application	Date of Statement of Obsolescence

#### PART 4: CLERK CERTIFICATION

The undersigned clerk certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way. Further, the undersigned is aware that if any information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy.

Name of Clerk	Clerk Signature	Date
Clerk's Mailing Address	City	State
	ZIP Code	
	Telephone Number	Fax Number
	Email Address	

**Mail completed application and attachments to:** Michigan Department of Treasury  
 State Tax Commission  
 P.O. Box 30471  
 Lansing, Michigan 48909-7971

If you have any questions, call (517) 373-2408.

For guaranteed receipt by the State Tax Commission, it is recommended that applications and attachments are sent by certified mail.

**Application for Obsolete Property Rehabilitation Exemption Certificate**

**Ford Motor Company (New Investment Properties II LLC)**

**Corktown OPRA District**

**2231 Dalzelle St. (Parcel ID No. 10005306-9)**

**LEGAL DESCRIPTION OF OBSOLETE PROPERTY**

Legal Description: W FOURTEENTH 42,47,48,53,54,59,60,65,66&71 AND VAC ALLEY ADJ SUB OF  
GODFROY FARM L1 P132 PLATS, W C R 10/24 3 THRU 13 BLK 24 LAFONTAINE FARM L59  
P154-5 DEEDS, WC R 10/9 128,496 SQ FT

**Application for Obsolete Property Rehabilitation Exemption Certificate**

**Ford Motor Company (New Investment Properties II LLC)**

**Corktown OPRA District**

**2231 Dalzelle St. (Parcel ID No. 10005306-9)**

**Attachment A – General Description of Obsolete Facility**

The qualifying Obsolete Facility is the former Detroit Public Schools Book Depository building in Corktown, Detroit. The building is a vacant 3-story warehouse building originally constructed as a post office building adjacent to the Michigan Central train station. Building was constructed in 1921 and designed by the Albert Khan & Associates architecture firm. The building totals 273,000 square feet, including 3 floors, a basement and loading dock area.



**Application for Obsolete Property Rehabilitation Exemption Certificate**

**Ford Motor Company (New Investment Properties II LLC)**

**Corktown OPRA District**

**2231 Dalzelle St. (Parcel ID No. 10005306-9)**

**Attachment B – General Description of the Proposed Use of the Rehabilitated Facility**

Ford Motor Company, through its wholly-owned real estate development subsidiary (Ford Land) will rehabilitate the facility to become a commercial office building and plans to occupy the building with Ford or Ford-supplier businesses.

**Application for Obsolete Property Rehabilitation Exemption Certificate**

**Ford Motor Company (New Investment Properties II LLC)**

**Corktown OPRA District**

**2231 Dalzelle St. (Parcel ID No. 10005306-9)**

Attachment C – Description of the Nature and Extent of the Rehabilitation to be Undertaken

The Obsolete Facility is vacant and rapidly deteriorating due to weather and other conditions. The rehabilitation project would require renovation of the exterior of the structure and modernization and improvement to the building's mechanical, structural, plumbing and electrical functional and infrastructure components. Demolition and rehabilitation of obsolete or non-functional masonry, concrete and roof structures is required.

**Application for Obsolete Property Rehabilitation Exemption Certificate**

**Ford Motor Company (New Investment Properties II LLC)**

**Corktown OPRA District**

**2231 Dalzelle St. (Parcel ID No. 10005306-9)**

Attachment D- Descriptive list of the Fixed Building Equipment that will be part of the Rehabilitated Facility

Facility to be maintained as existing 3-story structure in existing building footprint redeveloped for office use as further condition and architectural planning and feasibility studies will determine. Actual condition of the building and structural or other elements is actively being investigated and will determine scope of required building fixed equipment to be included in the final rehabilitation project.

SPECIFIC LISTING TO BE DEVELOPED.

**Application for Obsolete Property Rehabilitation Exemption Certificate**

**Ford Motor Company (New Investment Properties II LLC)**

**Corktown OPRA District**

**2231 Dalzelle St. (Parcel ID No. 10005306-9)**

Attachment E – Time Schedule

Nov. 1, 2018 – Initiate winterization and immediate health/safety mitigation for structure

January 2022 – Anticipated completion of renovation

## **Application for Obsolete Property Rehabilitation Exemption Certificate**

**Ford Motor Company (New Investment Properties II LLC)**

**Corktown OPRA District**

**2231 Dalzelle St. (Parcel ID No. 10005306-9)**

### **Attachment F – Economic Advantages Expected from the Exemption**

Michigan Central Station (“MCS”) and today sits vacant and rapidly deteriorating. Ford’s plans include its investment in MCS as well as a number of buildings or vacant parcels in the Corktown neighborhood. The completed project will include rehabilitation of the historic MCS, and the subject property to this application, the adjacent DPS Book Depository/Post Office building, as well as construction of new parking decks and additional office/laboratory space to support its autonomous and electrified vehicle development initiatives. The Ford development would add a total of 1.2 million square feet of rehabilitated or new commercial office/laboratory space with retail and public spaces to Corktown by 2022. The construction phase is expected to generate 2,400 to 3,000 construction jobs. Upon completion, the project is expected to support 5,000 permanent jobs; approximately half of which would be direct Ford employees and the other half from associated Ford supplier firms as well as local retail and restaurant opportunities and jobs within the Ford buildings. Estimated city income taxes from the increased Corktown employment, upon completion of the project, are in excess of \$7.5 million/year.

**Application for Obsolete Property Rehabilitation Exemption Certificate**

**Ford Motor Company (New Investment Properties II LLC)**

**Corktown OPRA District**

**2231 Dalzelle St. (Parcel ID No. 10005306-9)**

Attachment G – Assessor’s Office Statement of Eligibility for Obsolete Property Rehabilitation Exemption pursuant to PA 146 of 2000.

SEE ATTACHED.



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](http://WWW.DETROITMI.GOV)

July 23, 2018

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

Re: **Obsolete Property Rehabilitation District**  
Address: 2001 15<sup>th</sup> Street and 2231 Dalzelle Street and 2091 15<sup>th</sup> Street  
Parcel Numbers: See attached list

Dear Mr. Cox:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the proposed Obsolete Property Rehabilitation District located at **2001 15<sup>th</sup> Street, 2231 Dalzelle Street and 2091 15<sup>th</sup> Street.**

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.

**Ford Motor Company** plans to rehabilitate the 17 story vacant qualified historic Michigan Central Station office building, built in 1914 with 646,236 square feet of building area and to rehabilitate the 3 story vacant storage warehouse formerly a Post Office / Book Depository Building, built in 1969 with 204,300 square feet of building area. The developer plans a comprehensive rehabilitation of the Michigan Central Station building at 2201 15<sup>th</sup> Street into a mixed-use development to include commercial office building space with public and retail space on the first floor and approximately 40 proposed neighborhood enterprise zone residential condominium units on the top floors. Ford also plans to rehabilitate the former Post Office / Book Depository Building at 2231 Dalzelle Street to be used for commercial office and supporting retail. 2091 15<sup>th</sup> Street is a paved parking lot with .432 acres of land. Renovation will include the exterior façade of the structure according to standards required for historic structures as well as modernization and improvements to the mechanical structural, electrical and functional components. Demolition and rehabilitation of unsafe or non-historically correct masonry, concrete and roof structures is required.

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.



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PHONE 313•224•6989 TTY:311  
FAX 313•224•9400  
WWW.DETROITMI.GOV

Obsolete Property Rehabilitation District  
2001 15<sup>th</sup> Street and 2231 Dalzelle Street and 2091 15<sup>th</sup> Street  
Page 2

A field investigation indicated that the proposed Obsolete Property Rehabilitation District located at **2001 15<sup>th</sup> Street, 2231 Dalzelle Street and 2091 15<sup>th</sup> Street** located in the **Corktown District** 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





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

Obsolete Property Rehabilitation District  
2001 15<sup>th</sup> Street and 2231 Dalzelle Street and 2091 15<sup>th</sup> Street  
Page 3

Property Address: 2001 15<sup>th</sup> St  
Parcel Number: 10005873.002L  
Property Owner: New Investment Properties 1 LLC  
Legal Description: W 15TH BLK 26 PT OF 20&21 BLK 23 PT OF 1 THRU 4 7 THRU 11 BLK 22 PT OF 10 THRU 1 BLK 27 PT OF 22 THRU 18 BLK 28 PT OF 8 THRU 12 BLK 21 PT OF 1 THRU 7 ALSO VAC DALZELLE & 16TH STS AND ALLEYS ADJ FRONT SUB OF LAFONTAINE FARM L59 P154-5 DEEDS, W C R 10/9 PT OF LOTS 252,253,257,258,264 265,272,273,263&259 ALSO VAC 17TH ST & ALLEY ADJ SUB OF PT P C 473 STANTON FARM L47 P558-9 DEEDS, W C R 10/8 ALL DESC AS BEG AT INTSEC SLY LINE LACOMBE DR & WLY LINE 15TH ST TH S 23D 38M 17S E 44 FT ALG SD 15TH ST TH S 16D 04M 36S W 259.60 FT TH S 73D 35M 46S E 216.70 FT FT TO WLY LINE 15TH ST TH S 23D 38M 17S E 64.74 FT ALG SD 15TH ST TH N 73D 55M 39S W 178.25 FT TH S 16D 01M 23S W 73.69 FT TH N 73D 44M 12S W 583.50 FT TH N 17D 12M 20S E 256.95 FT ALG ELY LINE VERNOR HWY TH N 56D 56M 20S E 177.19 FT ALG SD VERNOR HWY TO WLY LINE 16TH ST TH N 82D 19M 53S E 61.71 FT TH S 72D 55M E 304.46 FT ALG SLY LINE LACOMBE DR TO P O B 216,755 SQ FT OR 4.976 AC

Property Address: 2231 Dalzelle  
Parcel Number: 10005306-9  
Property Owner: New Investment Properties 1 LLC  
Legal Description: W FOURTEENTH 42,47,48,53,54,59,60,65,66&71 AND VAC ALLEY ADJ SUB OF GODFROY FARM L1 P132 PLATS, W C R 10/24 3 THRU 13 BLK 24 LAFONTAINE FARM L59 P154-5 DEEDS, W C R 10/9 128,496 SQ FT

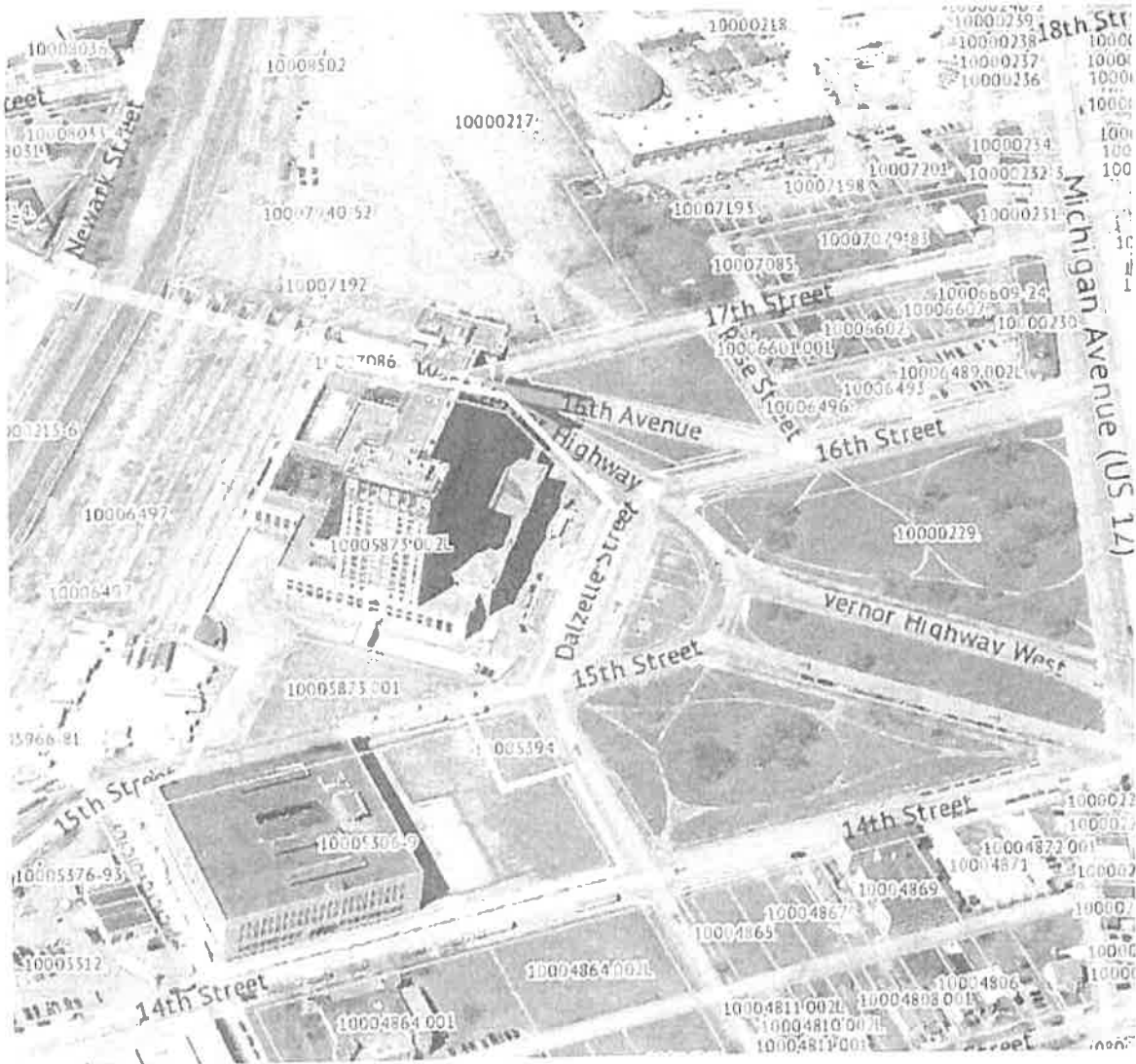
Property Address: 2091 15<sup>th</sup> St  
Parcel Number: 10005873.001  
Property Owner: Penn Cent Trans Co  
Legal Description: W 15TH TRIANG POR OF NYC RR 15TH ST TERMINAL GROUNDS LYG W & ADJ 15TH ST S OF DALZELLE EXT WLY AS LEASED TO RADCLIFFE MGMT CO FOR PKG LOT 10/--- 18,900 SQ FT



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Obsolete Property Rehabilitation District  
2001 15<sup>th</sup> Street and 2231 Dalzelle Street and 2091 15<sup>th</sup> Street  
Page 4



## Application for Obsolete Property Rehabilitation Exemption Certificate

This form is issued as provided by Public Act 146 of 2000, as amended. This application should be filed after the district is established. This project will not receive tax benefits until approved by the State Tax Commission. Applications received after October 31 may not be acted upon in the current year. This application is subject to audit by the State Tax Commission.

**INSTRUCTIONS:** File the original and two copies of this form and the required attachments with the clerk of the local government unit. (The State Tax Commission requires two copies of the Application and attachments. The original is retained by the clerk.) Please see State Tax Commission Bulletin 9 of 2000 for more information about the Obsolete Property Rehabilitation Exemption. The following must be provided to the local government unit as attachments to this application: (a) General description of the obsolete facility (year built, original use, most recent use, number of stories, square footage); (b) General description of the proposed use of the rehabilitated facility, (c) Description of the general nature and extent of the rehabilitation to be undertaken, (d) A descriptive list of the fixed building equipment that will be a part of the rehabilitated facility, (e) A time schedule for undertaking and completing the rehabilitation of the facility, (f) A statement of the economic advantages expected from the exemption. A statement from the assessor of the local unit of government, describing the required obsolescence has been met for this building, is required with each application. Rehabilitation may commence after establishment of district.

Applicant (Company) Name (applicant must be the OWNER of the facility)		
Ford Motor Company (wholly-owned affiliate New Investment Properties I LLC - parcel owner)		
Company Mailing address (No. and street, P.O. Box, City, State, ZIP Code)		
1 American Rd., WHQ Rm. 612, Dearborn, MI 48126		
Location of obsolete facility (No. and street, City, State, ZIP Code)		
2001 15th Street, Detroit, MI (a.k.a. Michigan Central Station)		
City, Township, Village (indicate which)		County
Detroit City		Wayne
Date of Commencement of Rehabilitation (mm/dd/yyyy)	Planned date of Completion of Rehabilitation (mm/dd/yyyy) est. 1/1/2022	School District where facility is located (include school code)
Nov. 1, 2018		Detroit (82010)
Estimated Cost of Rehabilitation	Number of years exemption requested	Attach Legal description of Obsolete Property on separate sheet
\$350,000,000.00	12 years	SEE ATTACHED
Expected project likelihood (check all that apply)		
<input checked="" type="checkbox"/> Increase Commercial activity	<input type="checkbox"/> Retain employment	<input checked="" type="checkbox"/> Revitalize urban areas
<input checked="" type="checkbox"/> Create employment	<input type="checkbox"/> Prevent a loss of employment	<input checked="" type="checkbox"/> Increase number of residents in the community in which the facility is situated
Indicate the number of jobs to be retained or created as a result of rehabilitating the facility, including expected construction employment <u>2,400- 3,000</u>		
Each year, the State Treasurer may approve 25 additional reductions of half the school operating and state education taxes for a period not to exceed six years. Check the following box if you wish to be considered for this exclusion.		
<input checked="" type="checkbox"/>		

### APPLICANT'S CERTIFICATION

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 of the information is truly descriptive of the property for which this application is being submitted. Further, the undersigned is aware that, if any statement or information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy.

The applicant certifies that this application relates to a rehabilitation program that, when completed, constitutes a rehabilitated facility, as defined by Public Act 146 of 2000, as amended, and that the rehabilitation of the facility would not be undertaken without the applicant's receipt of the exemption certificate.

It is further certified that the undersigned is familiar with the provisions of Public Act 146 of 2000, as amended, 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 Obsolete Property Rehabilitation Exemption Certificate by the State Tax Commission.

Name of Company Officer (no authorized agents)	Telephone Number	Fax Number
Ronald Lang	(313) 323-2067	(313) 845-4294
Mailing Address	Email Address	
1 American Rd., WHQ Rm. 612, Dearborn, MI 48126	gtptcomp@ford.com	
Signature of Company Officer (no authorized agents)	Title	
<i>Ronald Lang</i>	Chief Tax Officer, Ford Motor Co.	

### LOCAL GOVERNMENT UNIT CLERK CERTIFICATION

The Clerk must also complete Parts 1, 2 and 4 on Page 2. Part 3 is to be completed by the Assessor.

Signature	Date application received

### FOR STATE TAX COMMISSION USE

Application Number	Date Received	LUCI Code

### LOCAL GOVERNMENT ACTION

This section is to be completed by the clerk of the local governing unit before submitting the application to the State Tax Commission. Include a copy of the resolution which approves the application and Instruction items (a) through (f) on page 1, and a separate statement of obsolescence from the assessor of record with the State Assessor's Board. All sections must be completed in order to process.

#### PART 1: ACTION TAKEN

Action Date _____		
<input type="checkbox"/> Exemption Approved for _____ Years, ending December 30, _____ (not to exceed 12 years)		
<input type="checkbox"/> Denied		
Date District Established	LUCI Code	School Code

#### PART 2: RESOLUTIONS (the following statements must be included in resolutions approving)

<p>A statement that the local unit is a Qualified Local Governmental Unit.</p> <p>A statement that the Obsolete Property Rehabilitation District was legally established including the date established and the date of hearing as provided by section 3 of Public Act 146 of 2000.</p> <p>A statement indicating whether the taxable value of the property proposed to be exempt plus the aggregate taxable value of property already exempt under Public Act 146 of 2000 and under Public Act 198 of 1974 (IFT's) exceeds 5% of the total taxable value of the unit.</p> <p>A statement of the factors, criteria and objectives, if any, necessary for extending the exemption, when the certificate is for less than 12 years.</p> <p>A statement that a public hearing was held on the application as provided by section 4(2) of Public Act 146 of 2000 including the date of the hearing.</p> <p>A statement that the applicant is not delinquent in any taxes related to the facility.</p> <p>If it exceeds 5% (see above), a statement that exceeding 5% will not have the effect of substantially impeding the operation of the Qualified Local Governmental Unit or of impairing the financial soundness of an affected taxing unit.</p> <p>A statement that all of the items described under "Instructions" (a) through (f) of the Application for Obsolete Property Rehabilitation Exemption Certificate have been provided to the Qualified Local Governmental Unit by the applicant.</p>	<p>A statement that the application is for obsolete property as defined in section 2(h) of Public Act 146 of 2000.</p> <p>A statement that the commencement of the rehabilitation of the facility did not occur before the establishment of the Obsolete Property Rehabilitation District.</p> <p>A statement that the application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of Public Act 146 of 2000 and that is situated within an Obsolete Property Rehabilitation District established in a Qualified Local Governmental Unit eligible under Public Act 146 of 2000 to establish such a district.</p> <p>A statement that completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, create employment, retain employment, prevent a loss of employment, revitalize urban areas, or increase the number of residents in the community in which the facility is situated. The statement should indicate which of these the rehabilitation is likely to result in.</p> <p>A statement that the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at commencement of the rehabilitation as provided by section 2(l) of Public Act 146 of 2000.</p> <p>A statement of the period of time authorized by the Qualified Local Governmental Unit for completion of the rehabilitation.</p>
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#### PART 3: ASSESSOR RECOMMENDATIONS

Provide the Taxable Value and State Equalized Value of the Obsolete Property, as provided in Public Act 146 of 2000, as amended, for the tax year immediately preceding the effective date of the certificate (December 31st of the year approved by the STC).

	Taxable Value	State Equalized Value (SEV)	
Building(s)			
Name of Governmental Unit		Date of Action on application	Date of Statement of Obsolescence

#### PART 4: CLERK CERTIFICATION

The undersigned clerk certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way. Further, the undersigned is aware that if any information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy.

Name of Clerk	Clerk Signature	Date	
Clerk's Mailing Address	City	State	ZIP Code
	Telephone Number	Fax Number	Email Address

Mail completed application and attachments to: Michigan Department of Treasury  
 State Tax Commission  
 P.O. Box 30471  
 Lansing, Michigan 48909-7971

If you have any questions, call (517) 373-2408.

For guaranteed receipt by the State Tax Commission, it is recommended that applications and attachments are sent by certified mail.

**Application for Obsolete Property Rehabilitation Exemption Certificate**

**Ford Motor Company (New Investment Properties I LLC)**

**Corktown OPRA District**

**2001 15<sup>th</sup> Street (Parcel ID No. 10005873.002L)**

**LEGAL DESCRIPTION OF OBSOLETE PROPERTY**

Legal Description: W 15TH BLK 26 PT OF 20&21 BLK 23 PT OF 1 THRU 4 7 THRU 11 BLK 22 PT OF 10 THRU 1 BLK 27 PT OF 22 THRU 18 BLK 28 PT OF 8 THRU 12 BLK 21 PT OF 1 THRU 7 ALSO VAC DALZELLE & 16TH STS AND ALLEYS ADJ FRONT SUB OF LAFONTAINE FARM LS9 P154-5 DEEDS, WC R 10/9 PT OF LOTS 252,253,257,258,264 265,272,273,263&259 ALSO VAC 17TH ST & ALLEY ADJ SUB OF PT PC 473 STANTON FARM L47 P558-9 DEEDS, WC R 10/8 ALL DESC AS BEG AT INTSEC SLY LINE LACOMBE DR & WLY LINE 15TH ST TH S 23D 38M 17S E 44 FT ALG SD 15TH ST TH S 160 04M 36S W 259.60 FT TH S 73D 35M 46S E 216.70 FT FT TO WLY LINE 15TH ST TH S 23D 38M 17S E 64.74 FT ALG SD 15TH ST TH N 73D 55M 39S W 178.25 FT TH S 16D 01M 23S W 73.69 FT TH N 73D 44M 12S W 583.50 FT TH N 17D 12M 20S E 256.95 FT ALG ELY LINE VERNOR HWY TH N 56D 56M 20S E 177.19 FT ALG SD VERNOR HWY TO WLY LINE 16TH ST TH N 82D 19M 53S E 61.71 FT TH S 72D 55M E 304.46 FT ALG SLY LINE LACOMBE DR TO P O B 216, 755 SQ FT OR 4.976 AC

**Application for Obsolete Property Rehabilitation Exemption Certificate**

**Ford Motor Company (New Investment Properties I LLC)**

**Corktown OPRA District**

**2001 15<sup>th</sup> Street (Parcel ID No. 10005873.002L)**

Attachment A – General Description of Obsolete Facility

The qualifying Obsolete Facility is commonly known as the Michigan Central Station in Corktown, Detroit. The building is a vacant 17-story building originally constructed in 1913, consisting of approximately 650,000 total square feet including the Grand Hall concourse on the main level and thirteen floors in the tower. Michigan Central Station is a historic structure, placed on the National Registry of Historic Places in 1975.

**Application for Obsolete Property Rehabilitation Exemption Certificate**

**Ford Motor Company (New Investment Properties I LLC)**

**Corktown OPRA District**

**2001 15<sup>th</sup> Street (Parcel ID No. 10005873.002L)**

**Attachment B – General Description of the Proposed Use of the Rehabilitated Facility**

Ford Motor Company, through its wholly-owned real estate development subsidiary (Ford Land) will rehabilitate the Michigan Central Station property as a commercial office building, with public and retail space in the Grand Hall on the main floor and office space and a small amount of residential property in the top floors of the tower.

**Application for Obsolete Property Rehabilitation Exemption Certificate**

**Ford Motor Company (New Investment Properties I LLC)**

**Corktown OPRA District**

**2001 15<sup>th</sup> Street (Parcel ID No. 10005873.002L)**

Attachment C – Description of the Nature and Extent of the Rehabilitation to be Undertaken

The Obsolete Facility is vacant and rapidly deteriorating due to weather and other conditions. The rehabilitation project would require renovation of the exterior of the structure in keeping with standards for historic structures as well as modernization and improvement to the building's mechanical, structural, plumbing and electrical functional and infrastructure components. Demolition and rehabilitation of unsafe or non-historically correct masonry, concrete and roof structures is required.



**Application for Obsolete Property Rehabilitation Exemption Certificate**

**Ford Motor Company (New Investment Properties I LLC)**

**Corktown OPRA District**

**2001 15<sup>th</sup> Street (Parcel ID No. 10005873.002L)**

Attachment D- Descriptive list of the Fixed Building Equipment that will be part of the Rehabilitated Facility

Facility to be maintained as existing 17-story structure in existing building footprint and restored to historic standards. Condition of the building and structural or other elements is actively being investigated and will determine scope of required building fixed equipment to be included in the final rehabilitation project.

SPECIFIC LISTING TO BE DEVELOPED.

**Application for Obsolete Property Rehabilitation Exemption Certificate**

**Ford Motor Company (New Investment Properties I LLC)**

**Corktown OPRA District**

**2001 15<sup>th</sup> Street (Parcel ID No. 10005873.002L)**

Attachment E – Time Schedule

Nov. 1, 2018 – Initiate winterization and immediate health/safety mitigation for structure

January 2022 – Anticipated completion of renovation

## **Application for Obsolete Property Rehabilitation Exemption Certificate**

**Ford Motor Company (New Investment Properties I LLC)**

**Corktown OPRA District**

**2001 15<sup>th</sup> Street (Parcel ID No. 10005873.002L)**

### **Attachment F – Economic Advantages Expected from the Exemption**

Michigan Central Station (“MCS”) today sits vacant and rapidly deteriorating. Ford’s plans include its investment in MCS as well as a number of buildings or vacant parcels in the Corktown neighborhood. The completed project will include rehabilitation of the historic MCS, the adjacent DPS Book Depository/Post Office building as well as construction of new parking decks and additional office/laboratory space to support its autonomous and electrified vehicle development initiatives. The Ford development would add a total of 1.2 million square feet of rehabilitated or new commercial office/laboratory space with retail and public spaces to Corktown by 2022. The construction phase is expected to generate 2,400 to 3,000 construction jobs. Upon completion, the project is expected to support 5,000 permanent jobs; approximately half of which would be direct Ford employees and the other half from associated Ford supplier firms as well as local retail and restaurant opportunities and jobs within the Ford buildings. Estimated city income taxes from the increased Corktown employment, upon completion of the project, are in excess of \$7.5 million/year.

**Application for Obsolete Property Rehabilitation Exemption Certificate**

**Ford Motor Company (New Investment Properties I LLC)**

**Corktown OPRA District**

**2001 15<sup>th</sup> Street (Parcel ID No. 10005873.002L)**

Attachment G – Assessor’s Office Statement of Eligibility for Obsolete Property Rehabilitation Exemption pursuant to PA 146 of 2000.

SEE ATTACHED.



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

July 23, 2018

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

Re: **Obsolete Property Rehabilitation District**  
Address: 2001 15<sup>th</sup> Street and 2231 Dalzelle Street and 2091 15<sup>th</sup> Street  
Parcel Numbers: See attached list

Dear Mr. Cox:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the proposed Obsolete Property Rehabilitation District located at **2001 15<sup>th</sup> Street, 2231 Dalzelle Street and 2091 15<sup>th</sup> Street.**

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.

**Ford Motor Company** plans to rehabilitate the 17 story vacant qualified historic Michigan Central Station office building, built in 1914 with 646,236 square feet of building area and to rehabilitate the 3 story vacant storage warehouse formerly a Post Office / Book Depository Building, built in 1969 with 204,300 square feet of building area. The developer plans a comprehensive rehabilitation of the Michigan Central Station building at 2201 15<sup>th</sup> Street into a mixed-use development to include commercial office building space with public and retail space on the first floor and approximately 40 proposed neighborhood enterprise zone residential condominium units on the top floors. Ford also plans to rehabilitate the former Post Office / Book Depository Building at 2231 Dalzelle Street to be used for commercial office and supporting retail. 2091 15<sup>th</sup> Street is a paved parking lot with .432 acres of land. Renovation will include the exterior façade of the structure according to standards required for historic structures as well as modernization and improvements to the mechanical structural, electrical and functional components. Demolition and rehabilitation of unsafe or non-historically correct masonry, concrete and roof structures is required.

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.



CITY OF DETROIT  
FINANCE DEPARTMENT  
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Obsolete Property Rehabilitation District  
2001 15<sup>th</sup> Street and 2231 Dalzelle Street and 2091 15<sup>th</sup> Street  
Page 2

A field investigation indicated that the proposed Obsolete Property Rehabilitation District located at **2001 15<sup>th</sup> Street, 2231 Dalzelle Street and 2091 15<sup>th</sup> Street** located in the **Corktown District** 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



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](http://WWW.DETROITMI.GOV)

Obsolete Property Rehabilitation District  
2001 15<sup>th</sup> Street and 2231 Dalzelle Street and 2091 15<sup>th</sup> Street  
Page 3

Property Address: 2001 15<sup>th</sup> St

Parcel Number: 10005873.002L

Property Owner: New Investment Properties 1 LLC

Legal Description: W 15TH BLK 26 PT OF 20&21 BLK 23 PT OF 1 THRU 4 7 THRU 11 BLK 22 PT OF 10 THRU 1 BLK 27 PT OF 22 THRU 18 BLK 28 PT OF 8 THRU 12 BLK 21 PT OF 1 THRU 7 ALSO VAC DALZELLE & 16TH STS AND ALLEYS ADJ FRONT SUB OF LAFONTAINE FARM L59 P154-5 DEEDS, W C R 10/9 PT OF LOTS 252,253,257,258,264 265,272,273,263&259 ALSO VAC 17TH ST & ALLEY ADJ SUB OF PT P C 473 STANTON FARM L47 P558-9 DEEDS, W C R 10/8 ALL DESC AS BEG AT INTSEC SLY LINE LACOMBE DR & WLY LINE 15TH ST TH S 23D 38M 17S E 44 FT ALG SD 15TH ST TH S 16D 04M 36S W 259.60 FT TH S 73D 35M 46S E 216.70 FT FT TO WLY LINE 15TH ST TH S 23D 38M 17S E 64.74 FT ALG SD 15TH ST TH N 73D 55M 39S W 178.25 FT TH S 16D 01M 23S W 73.69 FT TH N 73D 44M 12S W 583.50 FT TH N 17D 12M 20S E 256.95 FT ALG ELY LINE VERNOR HWY TH N 56D 56M 20S E 177.19 FT ALG SD VERNOR HWY TO WLY LINE 16TH ST TH N 82D 19M 53S E 61.71 FT TH S 72D 55M E 304.46 FT ALG SLY LINE LACOMBE DR TO P O B 216,755 SQ FT OR 4.976 AC

Property Address: 2231 Dalzelle

Parcel Number: 10005306-9

Property Owner: New Investment Properties 1 LLC

Legal Description: W FOURTEENTH 42,47,48,53,54,59,60,65,66&71 AND VAC ALLEY ADJ SUB OF GODFROY FARM L1 P132 PLATS, W C R 10/24 3 THRU 13 BLK 24 LAFONTAINE FARM L59 P154-5 DEEDS, W C R 10/9 128,496 SQ FT

Property Address: 2091 15<sup>th</sup> St

Parcel Number: 10005873.001

Property Owner: Penn Cent Trans Co

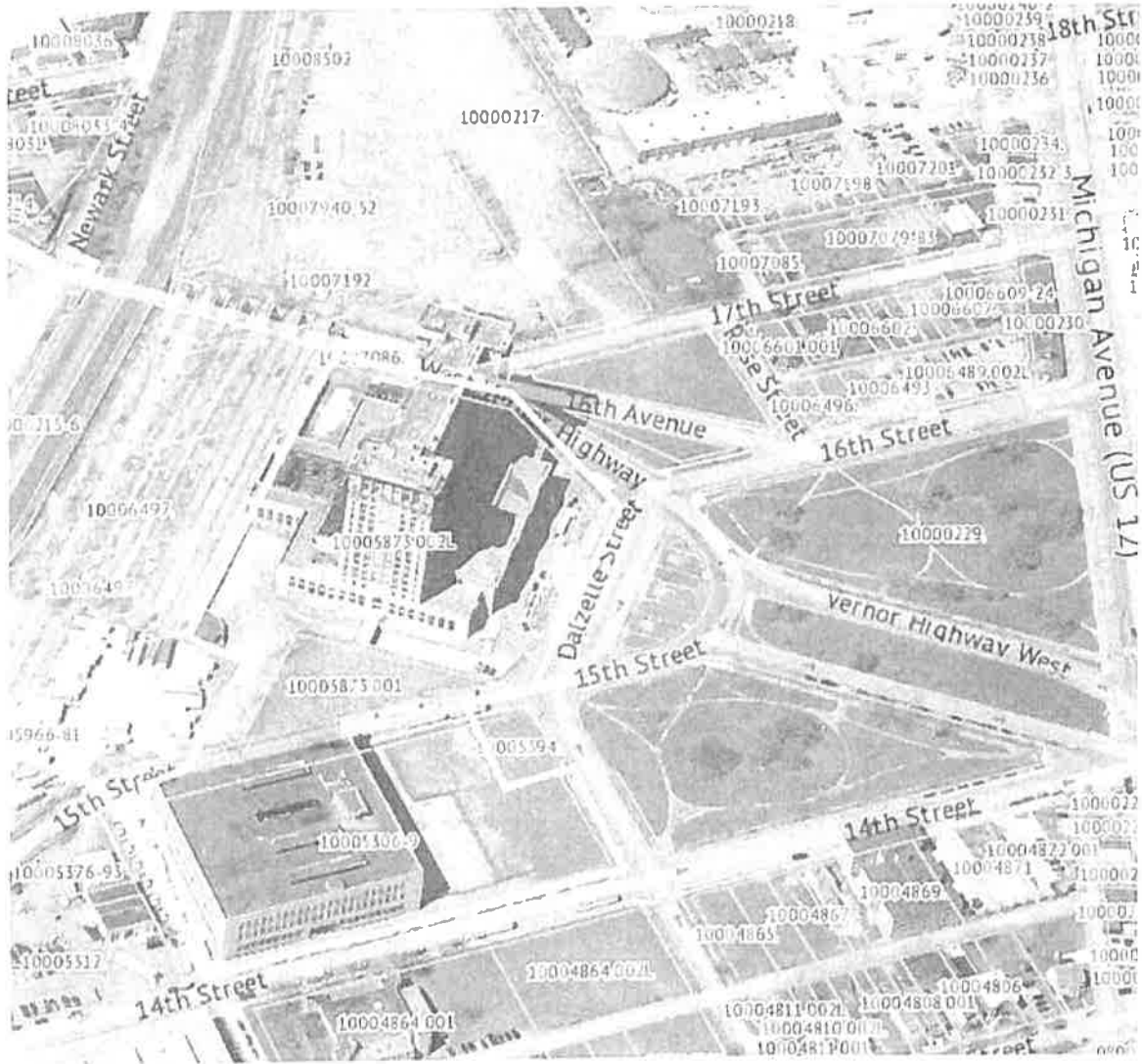
Legal Description: W 15TH TRIANG POR OF NYC RR 15TH ST TERMINAL GROUNDS LYG W & ADJ 15TH ST S OF DALZELLE EXT WLY AS LEASED TO RADCLIFFE MGMT CO FOR PKG LOT 10/--- 18,900 SQ FT



CITY OF DETROIT  
FINANCE DEPARTMENT  
BOARD OF ASSESSORS

COLEMAN A. YOUNG MUNICIPAL CENTER  
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Obsolete Property Rehabilitation District  
2001 15<sup>th</sup> Street and 2231 Dalzelle Street and 2091 15<sup>th</sup> Street  
Page 4







CITY OF DETROIT  
PLANNING AND DEVELOPMENT DEPARTMENT

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVE., SUITE 808  
DETROIT, MICHIGAN 48226  
PHONE 313•224•1339  
WWW.DETROITMI.GOV

TO: Veronica Farley, Housing and Revitalization  
FROM: John Baran, Planning and Development  
RE: Master Plan Interpretation for **Obsolete Property District** for the Michigan Central Station (2001 15<sup>th</sup> St.) and the former Post Office / Book Depository Building (2231 Dalzelle St.)  
DATE: July 19, 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:

Ford Motor Company

Project Description:

Rehabilitation of the Michigan Central Station to include commercial office building with public retail space on the first floor and develop residential properties on the top floors. And, rehabilitation of the former Post Office / Book Depository Building to be used for commercial office and supporting retail.

Project Location:

2001 15<sup>th</sup> Street and 2231 Dalzelle Street.

Interpretation:

The Master Plan Future General Land Use designation of the central portion of the site is **Mixed Residential-Commercial**. 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. Policy 4.2 of the Corktown Neighborhood recommends major office and retail development for the Michigan Central Depot site.

**The development conforms to the Future General Land Use characteristics of the area and conforms to various Master Plan policies.**



CITY OF DETROIT  
 OFFICE OF THE CHIEF FINANCIAL OFFICER  
 OFFICE OF THE ASSESSOR

COLEMAN A. YOUNG MUNICIPAL CENTER  
 2 WOODWARD AVENUE, SUITE 824  
 DETROIT, MICHIGAN 48226  
 (313) 224-3011 • TTY:711  
 (313) 224-9400  
 WWW.DETROITMI.GOV

September 10, 2018

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

Re: **Two Obsolete Property Rehabilitation Certificates – Ford Motor Company**  
**(wholly-owned affiliate New Investment Properties I LLC and New Investment Properties II LLC)**  
 Address: 2001 15<sup>th</sup> Street and 2231 Dalzelle Street  
 Parcel Number: 10005873.002L and 10005306-9

Dear Mr. Cox:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the two proposed Obsolete Property Rehabilitation certificate applications for the properties located at **2201 15<sup>th</sup> Street and 2231 Dalzelle Street** in the City of Detroit.

The rationale for granting Obsolete Property Rehabilitation certificates 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.

**Ford Motor Company** plans to rehabilitate the 17 story vacant qualified historic Michigan Central Station office building at 2001 15<sup>th</sup> Street built in 1914 with 646,236 square feet of building area on 4.997 acres of land and to rehabilitate the 3 story vacant storage warehouse formerly a Post Office / Book Depository Building at 2231 Dalzelle Street built in 1969 with 204,300 square feet of building area on .432 acres of land. The developer plans a comprehensive rehabilitation of the Michigan Central Station building at 2201 15<sup>th</sup> Street into a mixed-use development to include commercial office building space with public and retail space on the first floor 89% of the building and approximately 40 proposed neighborhood enterprise zone residential condominium units on the top floors, 11% of the building. Ford also plans to rehabilitate the former Post Office / Book Depository Building at 2231 Dalzelle Street to be used for a commercial office building.

The 2018 values are as follows:

Parcel #	Address	Building Assessed Value (SEV)	Building Taxable Value	Land Assessed Value (SEV)	Land Taxable Value
10005873.002L	2001 15th St	\$ 48,400	\$ 38,317	\$ 154,300	\$ 122,134
10005306-9	2231 Dalzelle	\$ 114,500	\$ 39,088	\$ 102,700	\$ 35,059

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.

Renovation will include the exterior façade of the structure according to standards required for historic structures as well as modernization and improvements to the mechanical structural, electrical and functional components. Demolition and rehabilitation of unsafe or non-historically correct masonry, concrete and roof structures is required. The finished project will result in new permanent jobs to the City as well as local retail and restaurant opportunities and jobs within the Ford buildings in the **Corktown District**.



CITY OF DETROIT  
OFFICE OF THE CHIEF FINANCIAL OFFICER  
OFFICE OF THE ASSESSOR

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVENUE, SUITE 824  
DETROIT, MICHIGAN 48226  
(313) 224-3011 • TTY: 711  
(313) 224-9400  
WWW.DETROITMI.GOV

Two Obsolete Property Rehabilitation Certificates  
2001 15<sup>th</sup> Street and 2231 Dalzelle  
Page 2

A field investigation indicated that the properties located **2001 15 Street and 2231 Dalzelle Street** is eligible as it pertains to the Obsolete Property Rehabilitation Act under P.A. 146 of 2000, as amended.

Sincerely,

A handwritten signature in blue ink, appearing to read "Charles Ericson".

Charles Ericson, MMAO  
Assessor, Board of Assessors

mmp



**Two Obsolete Property Rehabilitation Certificates  
2001 15<sup>th</sup> Street and 2231 Dalzelle  
Page 3**

Property Address: 2001 15<sup>th</sup> St

Parcel Number: 10005873.002L

Property Owner: New Investment Properties I LLC

Legal Description: W 15TH BLK 26 PT OF 20&21 BLK 23 PT OF 1 THRU 4 7 THRU 11 BLK 22 PT OF 10 THRU 1 BLK 27 PT OF 22 THRU 18 BLK 28 PT OF 8 THRU 12 BLK 21 PT OF 1 THRU 7 ALSO VAC DALZELLE & 16TH STS AND ALLEYS ADJ FRONT SUB OF LAFONTAINE FARM L59 P154-5 DEEDS, W C R 10/9 PT OF LOTS 252,253,257,258,264 265,272,273,263&259 ALSO VAC 17TH ST & ALLEY ADJ SUB OF PT P C 473 STANTON FARM L47 P558-9 DEEDS, W C R 10/8 ALL DESC AS BEG AT INTSEC SLY LINE LACOMBE DR & WLY LINE 15TH ST TH S 23D 38M 17S E 44 FT ALG SD 15TH ST TH S 16D 04M 36S W 259.60 FT TH S 73D 35M 46S E 216.70 FT FT TO WLY LINE 15TH ST TH S 23D 38M 17S E 64.74 FT ALG SD 15TH ST TH N 73D 55M 39S W 178.25 FT TH S 16D 01M 23S W 73.69 FT TH N 73D 44M 12S W 583.50 FT TH N 17D 12M 20S E 256.95 FT ALG ELY LINE VERNOR HWY TH N 56D 56M 20S E 177.19 FT ALG SD VERNOR HWY TO WLY LINE 16TH ST TH N 82D 19M 53S E 61.71 FT TH S 72D 55M E 304.46 FT ALG SLY LINE LACOMBE DR TO P O B 216,755 SQ FT OR 4.976 AC



Property Address: 2231 Dalzelle

Parcel Number: 10005306-9

Property Owner: New Investment Properties II LLC

Legal Description: W FOURTEENTH 42,47,48,53,54,59,60,65,66&71 AND VAC ALLEY ADJ SUB OF GODFROY FARM L1 P132 PLATS, W C R 10/24 3 THRU 13 BLK 24 LAFONTAINE FARM L59 P154-5 DEEDS, W C R 10/9 128,496 SQ FT





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

27

October 9, 2018

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

**Re: Request for Public Hearing to Approve a Commercial Rehabilitation Certificate on behalf of Basco of Michigan Inc., in the area of 44 Michigan Avenue, Detroit, Michigan, in accordance with Public Act 210 of 2005 (Petition #1478).**

Honorable City Council:

The Housing and Revitalization Department, Planning & Development Department and Finance Department have reviewed the application of **Basco of Michigan Inc.**, and find that it satisfies the criteria set forth by P.A. 210 of 2005 and would be consistent with development and economic goals of the Master Plan.

Public Act 210 of 2005 states that the legislative body of the qualified local governmental unit, shall by resolution either approve or disapprove the application for a Commercial Rehabilitation Exemption Certificate in accordance with Section 3 and other provisions of this act. 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.

We request that a Public Hearing be scheduled on the issue of approving the application for the Commercial Rehabilitation Certificate. 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, PDD  
D. Rencher, HRD  
V. Farley, HRD

CITY CLERK 2018 OCT 12 PM 12:28



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

**WHEREAS**, pursuant to Public Act 210 of 2005 (“the Act”) this City Council may adopt a resolution approving the application of a Commercial Rehabilitation Exemption Certificate within the boundaries of the City of Detroit; and

**WHEREAS**, **Basco of Michigan Inc.** has made application for a Commercial Rehabilitation Exemption Certificate 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 a 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

Caven West  
Deputy City Clerk/Chief of Staff

July 16, 2018

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

Re: Basco of Michigan Inc.

Please find attached *amended* Commercial Rehabilitation Exemption Certificate for Basco of Michigan Inc. for property located at 44 Michigan Ave (aka 100 Michigan Ave.) **(RELATED TO PETITION #1478)**

Respectfully submitted,

Michael J. O'Connell, Jr. Asst. City Council Clerk  
Office of the City Clerk

STATE USE ONLY		
Application Number	Date Received	LUCI Code

## Application for Commercial Rehabilitation Exemption Certificate

Issued under authority of Public Act 210 of 2005, as amended.

Read the instructions page before completing the form. **This application should be filed after the commercial rehabilitation district is established.** The applicant must complete Parts 1, 2 and 3 and file one original application form (with required attachments) and one additional copy with the clerk of the local governmental unit (LGU). Attach the legal description of property on a separate sheet. This project will not receive tax benefits until approved by the State Tax Commission (STC). Applications received after October 31 may not be acted upon in the current year. This application is subject to audit by the STC.

PART 1: OWNER / APPLICANT INFORMATION (applicant must complete all fields)			
Applicant (Company) Name (applicant must be the owner of the facility) <b>Basco of Michigan Inc.</b>			NAICS or SIC Code
Facility's Street Address <b>44 Michigan Avenue (aka 100 Michigan Avenue)</b>		City <b>Detroit</b>	State <b>MI</b>
Name of City, Township or Village (taxing authority) <b>Detroit</b>		County <b>Wayne</b>	ZIP Code <b>48226</b>
<input checked="" type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village		School District Where Facility is Located <b>Detroit</b>	
Date of Rehabilitation Commencement (mm/dd/yyyy) <b>08/01/2018</b>		Planned Date of Rehabilitation Completion (mm/dd/yyyy) <b>08/01/2019</b>	
Estimated Cost of Rehabilitation <b>\$1,500,000</b>		Number of Years Exemption Requested (1-10) <b>10</b>	
Expected Project Outcomes (check all that apply)			
<input checked="" type="checkbox"/> Increase Commercial Activity <input type="checkbox"/> Retain Employment <input checked="" type="checkbox"/> Revitalize Urban Areas <input checked="" type="checkbox"/> Create Employment <input type="checkbox"/> Prevent Loss of Employment <input type="checkbox"/> Increase Number of Residents in Facility's Community			
No. of jobs to be created due to facility's rehabilitation <b>116</b>	No. of jobs to be retained due to facility's rehabilitation	No. of construction jobs to be created during rehabilitation <b>25</b>	
PART 2: APPLICATION DOCUMENTS			
Prepare and attach the following items:			
<input checked="" type="checkbox"/> General description of the facility (year built, original use, most recent use, number of stories, square footage)		<input checked="" type="checkbox"/> Statement of the economic advantages expected from the exemption	
<input checked="" type="checkbox"/> Description of the qualified facility's proposed use		<input checked="" type="checkbox"/> Legal description	
<input checked="" type="checkbox"/> Description of the general nature and extent of the rehabilitation to be undertaken		<input type="checkbox"/> Description of the "underserved area" (Qualified Retail Food Establishments only)	
<input checked="" type="checkbox"/> Descriptive list of the fixed building equipment that will be a part of the qualified facility		<input type="checkbox"/> Commercial Rehabilitation Exemption Certificate for Qualified Retail Food Establishments (Form 4753) (Qualified Retail Food Establishments only)	
<input checked="" type="checkbox"/> Time schedule for undertaking and completing the facility's rehabilitation			
PART 3: APPLICANT CERTIFICATION			
Name of Authorized Company Officer (no authorized agents) <b>Roger Basmajian</b>		Telephone Number <b>313-502-5117</b>	
Fax Number		E-mail Address <b>RogerB@basco.mi.com</b>	
Street Address <b>607 Shelby #400</b>		City <b>Detroit</b>	State <b>MI</b>
		ZIP Code <b>48226</b>	
<p>I certify that, to the best of my knowledge, the information contained herein and in the attachments is truly descriptive of the property for which this application is being submitted. Further, I am familiar with the provisions of Public Act 210 of 2005, as amended, and to the best of my knowledge the company 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 governmental unit and the issuance of a Commercial Rehabilitation Exemption Certificate by the State Tax Commission.</p> <p>I further certify that this rehabilitation program, when completed, will constitute a rehabilitated facility, as defined by Public Act 210 of 2005, as amended, and that the rehabilitation of this facility would not have been undertaken without my receipt of the exemption certificate.</p>			
Signature of Authorized Company Officer (no authorized agents) 		Title <b>president</b>	Date <b>7-3-18</b>



<b>PART 4: ASSESSOR RECOMMENDATIONS</b> (assessor of LGU must complete Part 4)			
Provide the Taxable Value and State Equalized Value of Commercial Property, as provided in Public Act 210 of 2005, as amended, for the tax year immediately preceding the effective date of the certificate (December 31 of the year approved by the STC).			
	<b>Taxable Value</b>	<b>State Equalized Value (SEV)</b>	
<b>Land</b>			
<b>Building(s)</b>			
The property to be covered by this exemption may not be included on any other specific tax roll while receiving the Commercial Rehabilitation Exemption. For example, property on the Eligible Tax Reverted Property (Land Bank) specific tax roll cannot be granted a Commercial Rehabilitation Exemption that would also put the same property on the Commercial Rehabilitation specific tax roll.			
<input type="checkbox"/> By checking this box I certify that, if approved, the property to be covered by this exemption will be on the Commercial Rehabilitation Exemption specific tax roll and not on any other specific tax roll.			
Name of Local Government Body			
Name of Assessor (first and last name)		Telephone Number	
Fax Number		E-mail Address	
<i>I certify that, to the best of my knowledge, the information contained in Part 4 of this application is complete and accurate.</i>			
Assessor's Signature			Date
<b>PART 5: LOCAL GOVERNMENT ACTION</b> (clerk of LGU must complete Part 5)			
Action Taken By LGU (attach a certified copy of the resolution):			
<input type="checkbox"/> Exemption approved for _____ years, ending December 30, _____ (not to exceed 10 years)			
<input type="checkbox"/> Exemption Denied			
Date District Established (attach resolution for district)	Local Unit Classification Identification (LUCI) Code	School Code	
<b>PART 6: LOCAL GOVERNMENT CLERK CERTIFICATION</b> (clerk of LGU must complete Part 6)			
Clerk's Name (first and last)		Telephone Number	
Fax Number		E-mail Address	
Mailing Address	City	State	ZIP Code
LGU Contact Person for Additional Information	LGU Contact Person Telephone Number	Fax Number	
<i>I certify that, to the best of my knowledge, the information contained in this application and attachments is complete and accurate and hereby request the State Tax Commission issue a Commercial Rehabilitation Exemption Certificate, as provided by Public Act 210 of 2005, as amended.</i>			
Clerk's Signature			Date

The clerk must retain the original application at the local unit and mail one copy of the completed application with attachments to:

State Tax Commission  
P.O. Box 30471  
Lansing, MI 48909

## **Instructions for Completing Form 4507**

### **Application for Commercial Rehabilitation Exemption Certificate**

The Commercial Rehabilitation Exemption Certificate was created by Public Act 210 of 2005, as amended. The application is initially filed, reviewed, and approved by the LGU and then reviewed and approved by the State Tax Commission. According to Section 3 of Public Act 210 of 2005, as amended, the LGU must establish a Commercial Rehabilitation District. **Rehabilitation may commence after establishment of the Commercial Rehabilitation District.**

#### **Owner / Applicant Instructions**

1. Complete Parts 1, 2 and 3 of application
2. Prepare and attach all documents required under Part 2 of the application:
  - a. General description of the facility (year built, original use, most recent use, number of stories, square footage)
  - b. Description of the qualified facility's proposed use
  - c. Description of the general nature and extent of the rehabilitation to be undertaken
  - d. Descriptive list of the fixed building equipment that will be a part of the qualified facility
  - e. Time schedule for undertaking and completing the facility's rehabilitation
  - f. Statement of the economic advantages expected from the exemption
  - g. Legal description of the facility
  - h. Description of the "underserved area" (Qualified Retail Food Establishments only)
3. Qualified Retail Food Establishments:
  - a. Complete Part 1 of the *Commercial Rehabilitation Exemption Certification for Qualified Retail Food Establishments* (Form 4753). Submit to LGU clerk along with application.
  - b. Describe the "underserved area" and provide supporting documentation to show how the project area meets one or more of the following requirements:
    - i. An area that contains a low to moderate income census tract(s) which, based on per capita income, are tracts below the 66.67 percentile (\$23,643 in 1999 dollars) and a below average supermarket density
    - ii. An area that has a supermarket customer base with more than 50% living in a low income census tract(s) which based on the per capita income, are tracts below the 66.67 percentile (\$23,643 in 1999 dollars)
    - iii. An area that has demonstrated significant access limitations due to travel distance and has no Qualified Retail Food Establishments within two miles of the geo-center for an urban area or has no Qualified Retail Food Establishments within nine-miles of the geo-center for a rural area.

For assistance in determining the project area's eligibility, visit [www.michigan.gov/propertytaxexemptions](http://www.michigan.gov/propertytaxexemptions) and click on Commercial Rehabilitation Act.
4. Submit the application and all attachments to the clerk of the LGU where the property is located.

#### **LGU Assessor Instructions**

Complete and sign Part 4 of the application.

#### **LGU Clerk Instructions**

1. After LGU action, complete Part 5 of the application.
2. After reviewing the application for complete and accurate information, complete Part 6 and sign the application to certify the application meets the requirements as outlined by Public Act 210 of 2005, as amended.
3. Assemble the following for a complete application:
  - a. Completed *Application for Commercial Rehabilitation Exemption Certificate* (Form 4507)
  - b. All required attachments listed under Part 2
  - c. A copy of the resolution by the LGU establishing the district
  - d. A certified copy of the resolution by the LGU approving the application
  - e. Complete Form 4753 (Qualified Retail Food Establishments only)
4. Submit the completed application to: State Tax Commission, P.O. Box 30471, Lansing, MI 48909

#### **Application Deadline**

The State Tax Commission must receive complete applications on or before October 31 to ensure processing and certificate issuance for the following tax year. Applications received after October 31 may not be processed in time for certificate issuance for the following tax year.

For guaranteed receipt by the State Tax Commission, send applications and attachments via certified mail.

If you have questions or need additional information or sample documents, visit [www.michigan.gov/propertytaxexemptions](http://www.michigan.gov/propertytaxexemptions) or call (517) 373-2408.

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

Janice M. Winfrey  
City Clerk

Caven West  
Deputy City Clerk/Chief of Staff

July 6, 2018

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

Re: Basco of Michigan Inc.

Please find attached *amended* Commercial Rehabilitation District for Basco of Michigan Inc. for property located at 44 Michigan Ave (aka 100 Michigan Ave.) **(Previously rescinded on July 17, 2017) (RELATED TO PETITION #1478)**

Respectfully submitted,

Michael J. O'Connell, Jr. Asst. City Council Clerk  
Office of the City Clerk



July 3, 2018

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

**RE: Request for the Establishment of a Commercial Rehabilitation District for 44 Michigan Avenue (also known as 100 Michigan Avenue), Detroit, Michigan 48226 for Basco of Michigan, Inc.**

Honorable City Council:

Please accept this letter as a request to establish a Commercial Rehabilitation District (CRD) for 44 Michigan Avenue, Detroit, Michigan 48226, known as the First Independence Bank Building. The property is also listed under the address of 100 Michigan Avenue, Detroit, Michigan 48226. The parcel is located on the northeast corner of the intersection at Griswold Street and Michigan Avenue, which is referred to herein as the "Property" and further described in Attachment A. The Property was acquired by Basco of Michigan, Inc. December 29, 2015.

### **Company Synopsis**

Basco was established in 2001 by Roger Basmajian with his father. Mr. Basmajian holds a degree in business and architecture from the University of Michigan. Basco's initial objective was to invest in and redevelop underutilized and neglected buildings in the walkable communities of Royal Oak, MI and Ferndale, MI. At that time, the real estate market in Royal Oak began to take off; however, there remained a lack of investment in Ferndale. Ferndale had a vacancy level above 40% and its downtown was considerably neglected. Basco first began to purchase properties along West Nine Mile Road, an artery of downtown Ferndale, and slowly redeveloped the acquired properties into revamped retail uses. With the help of Ferndale's Downtown Development Authority, Basco was instrumental in transforming the landscape of Downtown Ferndale into what it is today.

In Royal Oak, Basco developed several properties along Main Street, most notably the Royal Oak Savings Bank building, which laid vacant for a number of years primarily due to the lack of a roof. Basco extensively rehabilitated the Bank building, including saving the building's original 1920's-era façade and restoring the façade to its original glory. Between the two communities, Basco has redeveloped approximately 100,000 square feet of retail, mixed use and office space. Basco currently owns and manages six of the nine properties that they have successfully redeveloped in Royal Oak and Ferndale.

Understanding that the young, educated generation puts a premium on the experience and excitement of high-density urban city living, Basco recognized the economic need to redevelop southeast Michigan's commercial cores to retain and attract young professionals.

Basco's ultimate goal was to become involved in the redevelopment of Detroit's beautiful, but neglected, buildings and to slowly bring vibrancy and diversity to Detroit's communities. In 2013, Basco purchased The First State Bank property at 751 Griswold Street and embarked on its first Detroit project. 751 Griswold celebrated the opening of Marx Moda's new space and the completion of the 751 Griswold renovation with a ribbon cutting earlier this year. Basco followed up to its initial Detroit project quickly and purchased 607 Shelby Street for the redevelopment of

*Request for Establishment of an Commercial Rehabilitation District at  
44 Michigan Avenue, Detroit, Michigan 48226 for  
Basco of Michigan, Inc.*

the building's office and retail space. Prior to Basco's purchase of 607 Shelby Street, the property was operating at around a 40% occupancy rate, which was quickly declining due to deferred maintenance and antiquated office space. The building is 90% occupied and recently celebrated the grand opening of Brome Modern Eatery, bringing a new restaurant in the heart of the financial district. -

To date, Basco has purchased multiple properties in and around Downtown Detroit totaling of approximately 400,000 sq. feet. Each project consists of planned rehabilitations that seek to preserve the historical integrity of the buildings and the culture and aesthetics of the surrounding areas.

### **Project Synopsis**

The proposed CRD is located in Downtown Detroit, Wayne County on the northeast corner of Michigan Avenue (M-12) and Griswold Street. The Property consists of one approximate 0.15 acre parcel containing a vacant, two-story building with a lower-level and sub-basement totaling approximately 29,500 square feet of which 21,000 is rentable square footage. The Property borders the iconic 1001 Woodward Avenue building in the heart of Downtown across the street from Lafayette and American Coney Islands. The Property is also within walking distance to many of the City's amenities, including the RiverWalk, Detroit Opera House, Greektown, Cobo Center, Campus Martius Park and Capitol Park.

The First Independence Bank building, originally known as the Manufacturer's Bank building, was constructed in the early 20th century. Originally eight stories tall and clad with ornate stone the building was renovated in the 1930s and 1960s and reduced to two stories. At the same time the original masonry façade was replaced with stamped concrete. In 2006 the bank exterior was cleaned and a curtain wall installed. The building's large arching windows remain its distinctive feature.

Basco will renovate the former bank building into a modern mixed use building offering great views of Michigan Ave, Griswold and Laffayete. 44 Michigan will receive extensive improvements with a plan to house new tenants that will improve the overall area. Proposed tenants include restaurant, retail and/or office.

The building is located between two important Detroit Districts, the Capitol Park District and the Financial District. The Capitol Park District was added to the National Register of Historic Places in 1999 and it once housed Michigan's Capitol building. In 2009 the Downtown Development Authority instituted a comprehensive investment strategy for the District beginning with redevelopment of the park to draw new business into the area. While, the Financial District houses some of Detroit's most prominent structures of the skyline including the Guardian Building, Ally Detroit Center and One Woodward Avenue.

This investment will redevelop a vacant property in the heart of Downtown complimenting the redevelopment occurring in the Capitol Park and Financial Districts including the First State Bank building, which is a Basco redevelopment. Additional information on the project is included in Attachment A.

### **The Necessity for Tax Relief**

Substantial investment is necessary to rehabilitate the existing building into a viable, long-term development and the rehabilitation project would not be possible without the receipt of an exemption certificate.

In order to secure this financing and future tenants for the development, the operating costs of the proposed renovations and redevelopment of the District needs to be kept as low as possible (including property taxes).

### **PA 210 Request**

This application documents the request for the establishment of a Commercial Rehabilitation District. A 10-year abatement is being requested.

### **Economic Advantages of the Rehabilitation**

The project will increase day-time density, investment and foot traffic to the parks and retail centers of Downtown.

The granting of the District will not result in any fewer taxes to the City of Detroit in the short-term or long-term. Upon successful redevelopment, the project will generate increased income taxes, aid in the retention of skilled, local talent and fill a need for additional office and commercial tenant spaces. The proposed redevelopment will encourage continued redevelopment and improvements in the surrounding area.

On a short term basis 25 temporary construction jobs will be created during renovation and new construction activities. On a long-term basis the proposed redevelopment associated with the project will create approximately 1 full-time job directly by the developer. It is estimated that future tenants will create an additional 115 (FTE) jobs. Basco is experienced in employing Detroit residents on our projects and will utilize the D2D program and a Skilled Trades Task Force to ensure Detroit-based contractors and workers benefit from the redevelopment.

On a long-term basis, following expiration of the 10-year abatement the renovated and rehabilitated building will deliver a significant increase in tax revenue. Over time, the successful redevelopment and cultural growth will have a city-wide impact.

### **Closing**

Basco has a historic/architecturally value-oriented investment strategy and has designed 44 Michigan to enhance and promote the redevelopment efforts underway in Downtown Detroit. Basco has a proven record of utilizing Detroit based contractors and Detroit residents on redevelopment projects and is eager to instill the same approach on this development. Basco is looking forward to pursuing this redevelopment and continuing investing in Downtown Detroit.

Respectfully submitted,



Roger Basmajian, **Basco of Michigan**

***Request for Establishment of an Commercial Rehabilitation District at  
44 Michigan Avenue, Detroit, Michigan 48226 for  
Basco of Michigan, Inc.***

**Attachments:**

- Attachment A: Detailed Project Description
- Attachment B: Parcel Map
- Attachment C: Paid Receipt of Current Taxes
- Attachment D: Project Data Sheet
- Attachment E: Incentive Information Chart
- Attachment F: Support Letters

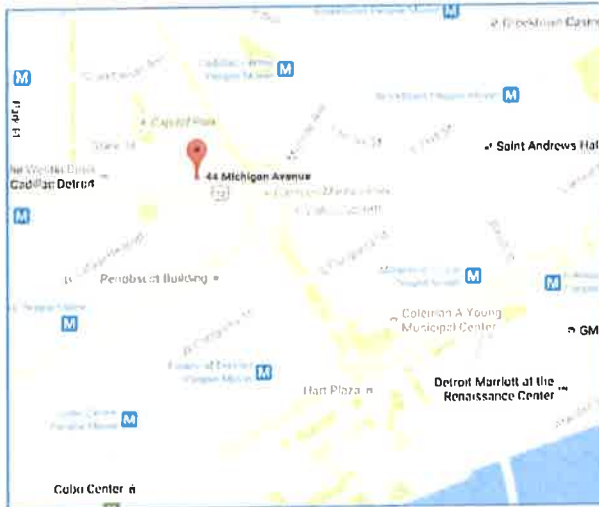
## Attachment A: Detailed Project Description





## General Description

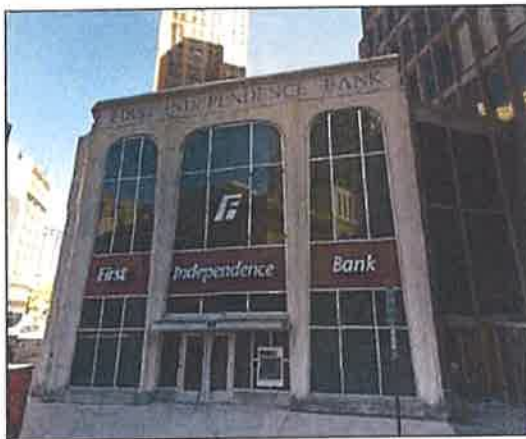
The proposed Commercial Rehabilitation District (CRD) project is in the heart of Downtown Detroit on the northeast corner of Griswold Street and Michigan Avenue. The Property contains a vacant, two-story building with a lower level and sub-basement totaling approximately 21,000 of rentable square feet and a total building square footage of approximately 29,500. The parcel is approximately 0.15 acres in a prime location for redevelopment, between the Capitol Park District and Financial District.



The Property borders the iconic 1001 Woodward Avenue building and is a block from Capitol Park. The development is within walkable distance to many other City's amenities, including the RiverWalk, Detroit Opera House, Greektown, and Cobo Center.

Sitting on the border of two important Detroit Districts, the Property is in a prime location for commercial success. In the past five years, Capitol Park has become ground zero for Detroit's revitalization, rehabilitating the character of one of the most central parts of Downtown. Capitol Park is complemented to the south by the Financial

District. The Financial District houses some of Detroit's most prominent structures of the skyline including the Guardian Building, One Woodward Avenue and the Ally Detroit Center.



Constructed around 1915 the Property was originally known as the Manufacturer's Bank building and historically stood eight stories tall, clad with ornate stone. The Property was reduced to two stories between the 1930's and 1960's along with a façade replacement resulting in a precast concrete and aluminum covered curtain wall. In 2006 in preparation for the Superbowl, the former curtain wall was replaced along with façade cleaning and new exterior lighting. However, upgrades within the building have not taken place since the 1980's leaving a property characterized by tight enclosed office spaces and antiquated amenities.



### General Description of Proposed Use

The proposed redevelopment will gut, renovate and modernize the existing structure while maintaining the bank aesthetic into a mixed retail and office building. Future restaurant, retail and/or office tenants are planned to fill the building.



Spurring off the successfully renovated Capitol Park and the Capitol Park District developments, this renovation will create a placemaking opportunity at an important intersection of the City. The property will include bike racks, planters, and new energy efficient windows to create the feel of bringing the outside in. The interior floor plans will be re-arranged to create modern office spaces that many Detroit tenants are craving. Redevelopment will provide an opportunity to extend the revitalization occurring throughout Downtown by providing additional day-time foot traffic.



### **Nature and Extent of the Rehabilitation**

The building has sustained significant deferred maintenance and has a lack in functional use due to office size and underutilized spaces, particularly within the basement. Redevelopment will require extensive repairs, major renovations and improvements.

Demolition of the outdated interior layout will occur along with electrical, plumbing and mechanical/HVAC upgrades and replacement to improve the current conditions and meet modern demands while providing increased efficiency. Upgrades and repairs to the freight and passenger elevators will be required along with a complete overhaul of the restrooms to become ADA compliant. Replacement of the windows to a modern energy efficient system will also take place. The bank vault, original marble, original brass fixtures and teller windows will be preserved and incorporated into future designs.





Basco of Michigan intends to apply for a 10 year real property tax abatement under the provisions of a PA 210 Commercial Rehabilitation tax abatement. The remaining sources of funds for the project are through Owner Equity and Permanent Financing. Hard-cost investment is estimated at \$1.5 million, with total project investment estimated at \$4.6 million.

### **Descriptive List of the Fixed Building Equipment/Renovations**

Renovations, new fixed building equipment and materials for the project include;

- Interior Demolition
- Mechanical; plumbing and HVAC
- Electrical; electrical work and communications
- Window Replacement
- Elevator repair of both freight and passenger
- Three ADA Bathrooms
- Rough carpentry
- Interior build-outs
- Masonry; restoration activities and interior walls
- Finishes; drywall and steel studs/insulation, hard tile, flooring, painting
- Specialties; fire extinguishers, toilet accessories, appliances
- Fire protection systems
- Doors and Windows; curtain wall and exterior doors, interior doors/frames/hardware
- Green Roof Installation with thermal and moisture protection

### **Time Schedule**

Renovation activities are anticipated to commence immediately following establishment of the district with a completion goal of winter 2019. Timelines are dependent upon the approval schedule for the CRD.

### **Statement of Economic Advantages**

The proposed development will create a sense of place, encourage increased spending and create new jobs in the heart of Detroit. The newly renovated and modernized commercial office space will bring a new international company into the City.

The granting of the tax abatement will not result in any fewer taxes to the City of Detroit in the short-term or long-term. All City of Detroit taxes are now current. Upon successful redevelopment, the development will generate increased property and income taxes. Furthermore, the District will retain and curate local talent, create new jobs, increase daytime density, and strengthen security.

On a short term basis 25 construction jobs will be created during renovation activities. On a long-term basis the proposed redevelopment associated with the project will create approximately 1 full-time job directly by the developer. It is estimated that future tenants will



create an additional 115 (FTE) jobs. The development team will present at D2D meetings and skilled trades task force meetings to garner opportunities to employ Detroit residents. This has proven successful on Basco's recent developments of 607 Shelby and 751 Griswold.

The increase in tenant based jobs within the building will increase City collected income tax at a 1.2% rate for non-residents and 2.4% rate for Detroiters. This is estimated at approximately \$110,000 more than what is currently collected on an annual basis if 75% of those employed are Detroit residents. This estimate is based on an average annual salary estimate of \$45,000 for the one developer created job and the estimated 115 tenant employees that are anticipated.

On a long-term basis, following expiration of the 10-year abatement the building will deliver a significant increase in tax revenue.

### **Legal Descriptions**

44 Michigan Avenue:

Parcel: 02000264-6

N MICHIGAN REAR 48 47 FRTS ON GRISWOLD ST PLAT OF SEC 8 GOVERNOR & JUDGES PLAN L34 P543 DEEDS, W C R 2/1 45.56 IRREG

## Attachment B: Parcel Map



# Wayne County Parcel Viewer



September 27, 2016

1:2,257



Sources: Esri, HERE, DeLorme, Intermap, increment P Corp., GEBCO, JGSJ, FAO, IAP, IGN, IPC, NRCAN, GEBCO, IGN, Mapbox, NL, Candance, Swire, Esri Japan, METI, Esri China, (Hong Kong), Swisstopo, Mapbox, OpenStreetMap contributors, and the GIS



CITY OF DETROIT  
 OFFICE OF THE CHIEF FINANCIAL OFFICER  
 OFFICE OF THE ASSESSOR

COLEMAN A. YOUNG MUNICIPAL CENTER  
 2 WOODWARD AVENUE, SUITE 824  
 DETROIT, MICHIGAN 48226  
 (313) 224-3011 • TTY:711  
 (313) 224-9400  
 WWW.DETROITMI.GOV

August 30, 2018

Maurice Cox, Director  
 City of Detroit -Planning & Development  
 2 Woodward Ave, Suite 808  
 Detroit, MI 48226

RE: Commercial Rehabilitation Certificate  
**Basco of Michigan Inc. – 100 Michigan Avenue (aka 44 Michigan Avenue)**  
 Parcel Number: 02000264-6

Dear Mr. Cox:

The Office of the Chief Financial Officer, Assessors Office, has reviewed the Commercial Rehabilitation District certificate application for the property located at **100 Michigan Avenue (aka 44 Michigan Avenue)**.

The rationale for issuing Commercial Rehabilitation certificates under PA 210 of 2005, 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.

The proposed project by **Basco of Michigan Inc.** consists of a full rehabilitation the former bank with 12,725 square feet of above ground floor area along with 7,965 square feet of office space in the basement built in 1938 located Downtown on .15 acres of land. The proposed project consists of interior demolition and build-outs; new mechanical, electrical, plumbing, fire protection and HVAC; masonry restoration; elevator repair, and installation of a green roof with thermal and moisture protection. The bank aesthetic will be maintained and building reconfigured into a mixed retail and office with a potential restaurant space on the ground floor.

The 2018 values are as follows:

Parcel #	Address	Building Assessed Value (SEV)	Building Taxable Value	Land Assessed Value (SEV)	Land Taxable Value
02000264-6	100 Michigan Avenue	\$ 112,100	\$ 55,676	\$ 322,400	\$ 324,565

This property meets the criteria set forth under PA 210 of 2005, as amended. It applies to a building or a group of contiguous buildings, a portion of a building or group of contiguous buildings previously used for commercial or industrial purposes, obsolete industrial property, and vacant property which, within the immediately preceding 15 years, was operating as a commercial business enterprise.

A review of the general plans, along with the criteria set forth under the Commercial Rehabilitation Act, indicated that the proposed project located at **100 Michigan Avenue (aka 44 Michigan Avenue)** is eligible as it pertains to the Commercial Rehabilitation certificate criteria under P.A. 210 of 2005, as amended.

Sincerely,

Charles Ericson, MMAO  
 Assessor, Board of Assessors

mmp





CITY OF DETROIT  
OFFICE OF THE CHIEF FINANCIAL OFFICER  
OFFICE OF THE ASSESSOR

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVENUE, SUITE 824  
DETROIT, MICHIGAN 48226  
(313) 224-3011 • TTY:711  
(313) 224-9400  
WWW.DETROITMI.GOV

Commercial Rehabilitation Exemption Certificate  
Basco of Michigan Inc.  
Page 2

Property Address: 100 Michigan Avenue (aka 44 Michigan Avenue)  
Parcel Number: 02000264-6  
Legal Description: N MICHIGAN REAR 48 47 FRTS ON GRISWOLD ST PLAT OF SEC 8 GOVERNOR & JUDGES PLAN L34 P543 DEEDS, W  
C R 2/1 45.56 IRREG





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: Dinah Bolton, Housing & Revitalization Department  
FROM: John Baran, Planning Division  
RE: Master Plan Interpretation for Commercial Rehabilitation District at 44 Michigan Avenue.  
DATE: March 17, 2017  
CC: Maurice Cox, Director

In order to ensure that the issuance of a certificate for a Commercial Rehabilitation District is consistent 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 210 of 2005 (section 207.841), the Planning and Development Department's Planning Division submits the following interpretation.

The proposed Commercial Rehabilitation District is being requested by Basco of Michigan to renovate the building into commercial/office use.

#### Location

44 Michigan Avenue.

#### Existing Site Information

The subject site is zoned B5 (Major Business District). The subject site is approximately .15 acre with a two story vacant building. The Master Plan Future General Land Use designation for the site is MRC (Mixed-Residential/Commercial).

#### Surrounding Site Information

The surrounding area is also zoned B5. Adjacent to the east is a high-density office building. To the north is a vacant commercial building. Across Griswold is a parking structure with residential on the roof. Across Michigan Avenue is an office building. The Master Plan Future General Land Use for the area on the north side of Michigan is MRC. On the south side of Michigan, the designation is CM (Major Commercial).

#### Project Proposal

The proposed project is to renovate the former bank building into commercial/office use.

#### Interpretation

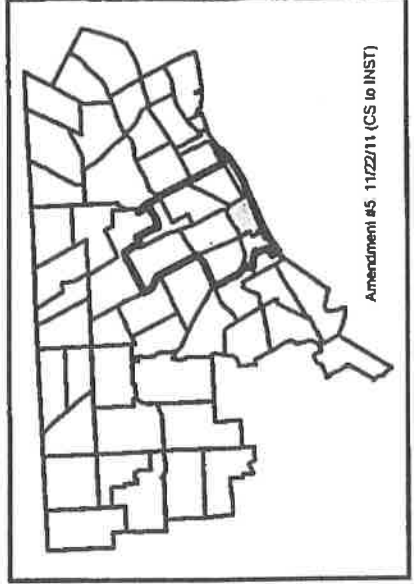
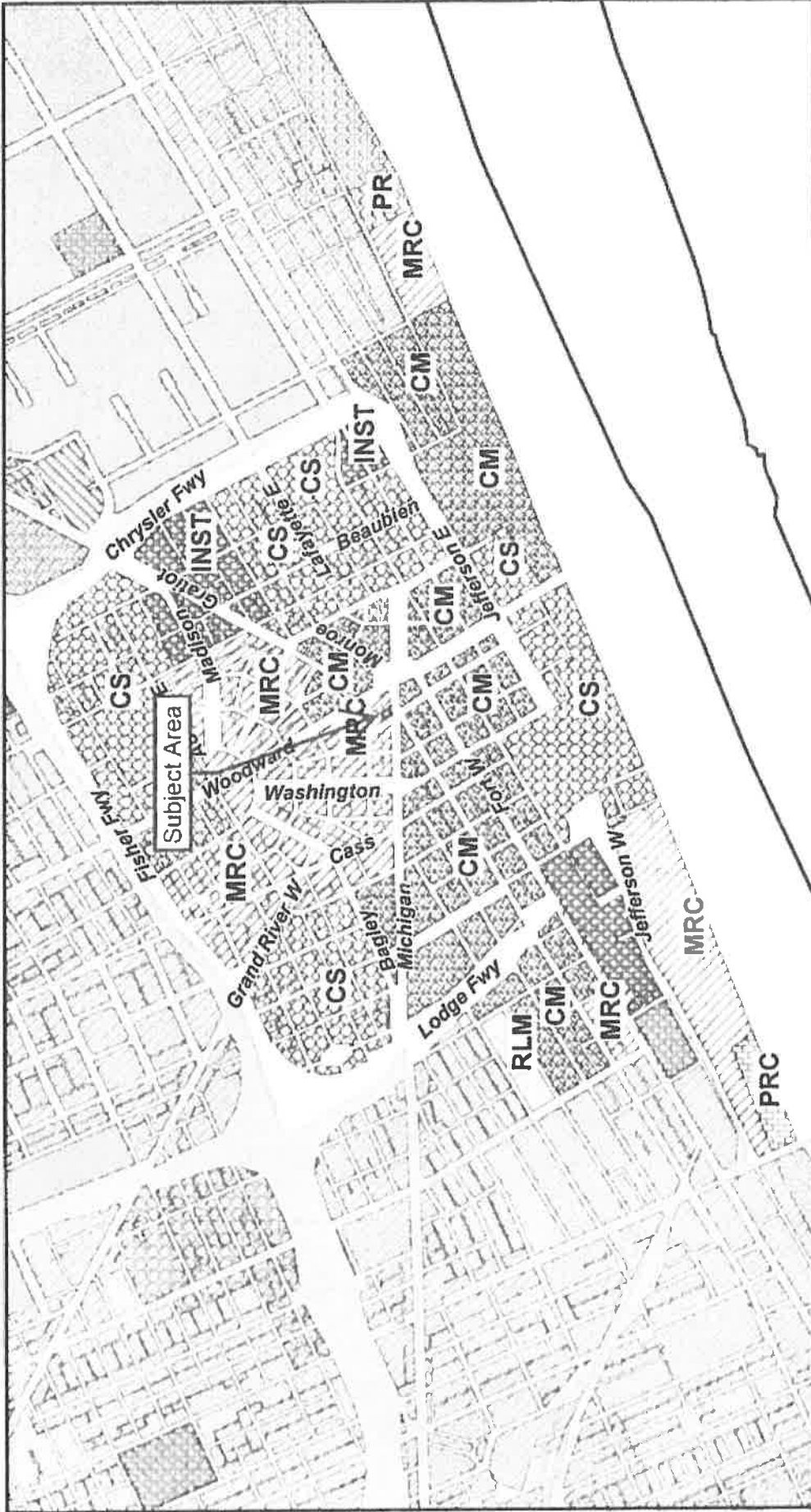
##### Impact on Surrounding Land Use

The development of the building will the variety of uses in the Central Business District.

##### Impact on Transportation

The building is just east of Woodward Avenue which includes multiple bus routes and the M-1 Rail (which is currently under construction). There is also a bus route along Michigan Avenue.

100 MICH



Amendment #5 11/22/11 (CS to INST)

**Future Land Use -**

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

**Map 4-1B**  
**City of Detroit**  
**Master Plan of**  
**Policies**

**Neighborhood Cluster 4**  
**Central Business District**



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

28

October 10, 2018

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

**Re: Request for Public Hearing to Approve an Obsolete Property Rehabilitation Certificate on behalf of Temple Group Holdings, LLC in the area of 640, 650, 660 and 674 Temple Street, Detroit, Michigan, in accordance with Public Act 146 of 2000 (Petition # 1789).**

Honorable City Council:

The Housing and Revitalization Department and Finance Departments have reviewed the application of **Temple Group Holdings, 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.

Public Act 146 of 2000 states that the legislative body of the qualified local governmental unit, shall by resolution either approve or disapprove the application for an Obsolete Property Rehabilitation Exemption Certificate in accordance with Section 8 and other provisions of this act. 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.

We request that a Public Hearing be scheduled on the issue of approving the application for the Obsolete Property Rehabilitation Certificate. 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 OCT 12 PM 12:23



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

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

**WHEREAS, Temple Group Holdings, LLC** has made application for an Obsolete Property Rehabilitation Certificate 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

Caven West  
Deputy City Clerk/Chief of Staff

August 1, 2018

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

Re: Temple Group Holdings, LLC.

Please find attached application for Obsolete Property Rehabilitation Exemption Certificate for property located at 640 Temple Street, Detroit, MI 48201. **(RELATED TO PETITION #1789)**

Respectfully submitted,



Michael J. O'Connell, Jr. Asst. City Council Clerk  
Office of the City Clerk



## Application for Obsolete Property Rehabilitation Exemption Certificate

This form is issued as provided by Public Act 146 of 2000, as amended. This application should be filed after the district is established. This project will not receive tax benefits until approved by the State Tax Commission. Applications received after October 31 may not be acted upon in the current year. This application is subject to audit by the State Tax Commission.

**INSTRUCTIONS:** File the original and two copies of this form and the required attachments with the clerk of the local government unit. (The State Tax Commission requires two copies of the Application and attachments. The original is retained by the clerk.) Please see State Tax Commission Bulletin 9 of 2000 for more information about the Obsolete Property Rehabilitation Exemption. The following must be provided to the local government unit as attachments to this application: (a) General description of the obsolete facility (year built, original use, most recent use, number of stories, square footage); (b) General description of the proposed use of the rehabilitated facility, (c) Description of the general nature and extent of the rehabilitation to be undertaken, (d) A descriptive list of the fixed building equipment that will be a part of the rehabilitated facility, (e) A time schedule for undertaking and completing the rehabilitation of the facility, (f) A statement of the economic advantages expected from the exemption. A statement from the assessor of the local unit of government, describing the required obsolescence has been met for this building, is required with each application. Rehabilitation may commence after establishment of district.

Applicant (Company) Name (applicant must be the OWNER of the facility) Temple Group Holdings, LLC		
Company Mailing address (No. and street, P.O. Box, City, State, ZIP Code) 1 Kercheval Avenue, Grosse Pointe Farms, Michigan 48236		
Location of obsolete facility (No. and street, City, State, ZIP Code) 640 Temple Street, Detroit, Michigan 48201		
City, Township, Village (indicate which) City of Detroit		County Wayne
Date of Commencement of Rehabilitation (mm/dd/yyyy) 9/1/2018	Planned date of Completion of Rehabilitation (mm/dd/yyyy) 9/1/2020	School District where facility is located (include school code) D - Detroit Schools
Estimated Cost of Rehabilitation \$66,363,000.00	Number of years exemption requested 12	Attach Legal description of Obsolete Property on separate sheet
Expected project likelihood (check all that apply):		
<input checked="" type="checkbox"/> Increase Commercial activity	<input type="checkbox"/> Retain employment	<input checked="" type="checkbox"/> Revitalize urban areas
<input checked="" type="checkbox"/> Create employment	<input type="checkbox"/> Prevent a loss of employment	<input checked="" type="checkbox"/> Increase number of residents in the community in which the facility is situated
Indicate the number of jobs to be retained or created as a result of rehabilitating the facility, including expected construction employment <u>232</u>		
Each year, the State Treasurer may approve 25 additional reductions of half the school operating and state education taxes for a period not to exceed six years. Check the following box if you wish to be considered for this exclusion. <input checked="" type="checkbox"/>		

### APPLICANT'S CERTIFICATION

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 of the information is truly descriptive of the property for which this application is being submitted. Further, the undersigned is aware that, if any statement or information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy.

The applicant certifies that this application relates to a rehabilitation program that, when completed, constitutes a rehabilitated facility, as defined by Public Act 146 of 2000, as amended, and that the rehabilitation of the facility would not be undertaken without the applicant's receipt of the exemption certificate.

It is further certified that the undersigned is familiar with the provisions of Public Act 146 of 2000, as amended, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has compiled 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 Obsolete Property Rehabilitation Exemption Certificate by the State Tax Commission.

Name of Company Officer (no authorized agents) Christos Moisides	Telephone Number 313-575-7880	Fax Number
Mailing Address 1 Kercheval Ave, Grosse Pointe Farms, MI 48236	Email Address c.moisides@tdmcorp.com	
Signature of Company Officer (no authorized agents) Christos Moisides	Title Manager	

### LOCAL GOVERNMENT UNIT CLERK CERTIFICATION

The Clerk must also complete Parts 1, 2 and 4 on Page 2. Part 3 is to be completed by the Assessor.

Signature	Date application received
-----------	---------------------------

### FOR STATE TAX COMMISSION USE

Application Number	Date Received	LUCI Code
--------------------	---------------	-----------

**LOCAL GOVERNMENT ACTION**

This section is to be completed by the clerk of the local governing unit before submitting the application to the State Tax Commission. Include a copy of the resolution which approves the application and instruction items (a) through (f) on page 1, and a separate statement of obsolescence from the assessor of record with the State Assessor's Board. All sections must be completed in order to process.

**PART 1: ACTION TAKEN**

Action Date: _____		
<input type="checkbox"/> Exemption Approved for _____ Years, ending December 30, _____ (not to exceed 12 years)		
<input type="checkbox"/> Denied		
Date District Established	LUCI Code	School Code

**PART 2: RESOLUTIONS (the following statements must be included in resolutions approving)**

<p>A statement that the local unit is a Qualified Local Governmental Unit.</p> <p>A statement that the Obsolete Property Rehabilitation District was legally established including the date established and the date of hearing as provided by section 3 of Public Act 146 of 2000.</p> <p>A statement indicating whether the taxable value of the property proposed to be exempt plus the aggregate taxable value of property already exempt under Public Act 146 of 2000 and under Public Act 198 of 1974 (IFT's) exceeds 5% of the total taxable value of the unit.</p> <p>A statement of the factors, criteria and objectives, if any, necessary for extending the exemption, when the certificate is for less than 12 years.</p> <p>A statement that a public hearing was held on the application as provided by section 4(2) of Public Act 146 of 2000 including the date of the hearing.</p> <p>A statement that the applicant is not delinquent in any taxes related to the facility.</p> <p>If it exceeds 5% (see above), a statement that exceeding 5% will not have the effect of substantially impeding the operation of the Qualified Local Governmental Unit or of impairing the financial soundness of an affected taxing unit.</p> <p>A statement that all of the items described under "Instructions" (a) through (f) of the Application for Obsolete Property Rehabilitation Exemption Certificate have been provided to the Qualified Local Governmental Unit by the applicant.</p>	<p>A statement that the application is for obsolete property as defined in section 2(h) of Public Act 146 of 2000.</p> <p>A statement that the commencement of the rehabilitation of the facility did not occur before the establishment of the Obsolete Property Rehabilitation District.</p> <p>A statement that the application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of Public Act 146 of 2000 and that is situated within an Obsolete Property Rehabilitation District established in a Qualified Local Governmental Unit eligible under Public Act 146 of 2000 to establish such a district.</p> <p>A statement that completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, create employment, retain employment, prevent a loss of employment, revitalize urban areas, or increase the number of residents in the community in which the facility is situated. The statement should indicate which of these the rehabilitation is likely to result in.</p> <p>A statement that the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at commencement of the rehabilitation as provided by section 2(l) of Public Act 146 of 2000.</p> <p>A statement of the period of time authorized by the Qualified Local Governmental Unit for completion of the rehabilitation.</p>
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

**PART 3: ASSESSOR RECOMMENDATIONS**

Provide the Taxable Value and State Equalized Value of the Obsolete Property, as provided in Public Act 146 of 2000, as amended, for the tax year immediately preceding the effective date of the certificate (December 31st of the year approved by the STC).

	Taxable Value	State Equalized Value (SEV)
Building(s)		
Name of Governmental Unit	Date of Action on application	Date of Statement of Obsolescence

**PART 4: CLERK CERTIFICATION**

The undersigned clerk certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way. Further, the undersigned is aware that if any information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy.

Name of Clerk	Clerk Signature	Date	
Clerk's Mailing Address	City	State	ZIP Code
	Telephone Number	Fax Number	Email Address

Mail completed application and attachments to: Michigan Department of Treasury  
 State Tax Commission  
 P.O. Box 30471  
 Lansing, Michigan 48909-7971

If you have any questions, call (517) 373-2408.

For guaranteed receipt by the State Tax Commission, it is recommended that applications and attachments are sent by certified mail.



**ATTACHMENT A**  
Facility Description

# ATTACHMENT A

## Eligible Property Description

The eligible property is located at 640 Temple Street in Detroit. The parcel at 640 Temple Street has been determined to be a *facility* as defined by Michigan Public Act 381 of 1996, as amended. The parcel currently contains an eight-story office building originally constructed in 1921. The property is currently vacant and has been for several years. The property was purchased by Temple Group Holdings, LLC with intentions of rehabilitating the commercial building. The parcel encompasses approximately 0.545 acres.

### Legal Description:

640 TEMPLE STREET; 04000575  
N TEMPLE 21-20 W 1/2 19 BLK 84 CASS FARM  
SUB L1 P131 PLATS, W C R 4/123 125 X 190

## **ATTACHMENT B**

General Description of the Proposed Use of the Rehabilitated Facility

## **ATTACHMENT B**

### **General Description of the Proposed Use of the Rehabilitated Facility**

The Developer plans to invest approximately \$66,000,000 to comprehensively rehabilitate the existing 169,337-square foot, eight-story commercial building at 640 Temple Street. The newly redeveloped commercial building is proposed to include a 100-key boutique hotel with hotel auxiliary facilities, a restaurant and banquet facility, rooftop pool, 70 residential apartment units and night club in the building's basement.

The project is located in the Cass Park Historic District, steps away from the Masonic Temple and blocks away from the new Qline. The rehabilitated site will add commercial attractions to the neighborhood and create jobs.

**ATTACHMENT C**  
Nature and Extent of Rehabilitation

# **ATTACHMENT C**

## **Nature and Extent of Rehabilitation**

The historic building was originally constructed in 1921 and had a variety of commercial tenants over its lifetime including several commercial businesses and governmental entities. During rehabilitation, the interior space will be drastically transformed to accommodate reuse for a boutique hotel and hotel auxiliary facilities, a restaurant and banquet facility, residential apartments and night club. Unique historic features of the building, including its façade, wood paneled lobby and the executive suites on the 3<sup>rd</sup> floor, will be preserved and restored during renovation activities.

Rehabilitation activities include replacing all windows, modernizing the elevators, adding additional elevators, replacing the flooring, repainting most of the interior space, constructing a rooftop pool and converting the building's large basement into a nightclub/lounge. The completed building will also feature new HVAC, electrical and plumbing systems.

**ATTACHMENT D**  
Fixed Building Equipment List

# ATTACHMENT D

## Fixed Building Equipment List

<b>Trade</b>	<b>Total</b>
Plumbing	\$1,140,000
Fire Suppression	\$532,070
HVAC	\$1,840,000
Electrical	\$1,266,000
Elevator	\$2,050,000
<b>Total Estimated Cost:</b>	<b>\$6,828,070</b>



**ATTACHMENT E**  
Estimated Schedule

# **ATTACHMENT E**

## **Estimated Schedule**

Commencement of rehabilitation and construction activities is anticipated for the fall of 2018, dependent upon closing of financing. Rehabilitation activities are expected to take approximately 24 months to complete.

**ATTACHMENT F**  
Economic Advantages

# ATTACHMENT F

## Economic Advantages

Completion of the rehabilitated facility is expected to, and will at the time of issuance of an OPRA exemption certificate, increase commercial activity, increase urban density, create employment opportunities, rehabilitate and preserve a historic building and revitalize an urban area in the community in which the facility is situated. The development as a whole will result in additional tax revenue for all taxing jurisdictions.

The developer anticipates investing over \$66,000,000 to redevelop the property which is expected to increase the property's taxable value to over \$7,000,000, more than doubling the real property taxes. Further, the project is anticipated to create over 80 full time equivalent jobs and 152 temporary construction jobs. The Developer is working with local contractor organizations, such as the AGC, and local labor groups to increase job opportunities for Detroit residents.

Approval of an exemption certificate is critical to making the project economically viable. The applicant is not delinquent in the payment of any taxes related to the facility.

**CITY OF DETROIT  
CIVIL RIGHTS, INCLUSION AND OPPORTUNITY**

**Decision Regarding Employment Clearance for Tax Abatement**

**August 1, 2018**

**Tax Abatement Type:** Public Act 146  
New  Renewal

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

**Parcel/Facility Address:** 640 Temple Street

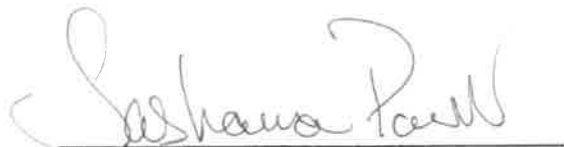
**Applicant/Recipient:** Temple Group Holdings LLC.

**Contact:** Christos Moises  
(313) 575-7880

---

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

8/1/18  
Date



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

August 30, 2018

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

Re: **Obsolete Property Rehabilitation Certificate – Temple Group Holdings LLC**  
Property Address: 640 Temple Street  
Parcel Number: 04000575.

Dear Mr. Cox:

The Office of the Chief Financial Officer, Assessments Division, has reviewed the proposed Obsolete Property Rehabilitation certificate application for the property located at **640 Temple Street** in the City of Detroit.

The rationale for granting Obsolete Property Rehabilitation certificates 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.

**Temple Group Holdings LLC** plans to substantially redevelop the commercial building to include a 100-key boutique hotel with hotel auxiliary facilities, a restaurant and banquet facility, rooftop pool, 70 residential apartment units and night club in the building's basement. The property at 640 Temple Street is a vacant 169,337 square foot, eight-story office building built in 1921 on .545 acres of land.

The 2018 values are as follows:

Parcel #	Address	Building Assessed Value (SEV)	Building Taxable Value	Land Assessed Value (SEV)	Land Taxable Value
04000575.	640 Temple	\$ 4,037,000	\$ 4,037,000	\$ 132,900	\$ 132,900

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 includes replacing all windows, modernizing the elevators, adding additional elevators, replacing the flooring, constructing a rooftop pool and converting the large basement into a nightclub/lounge along with new HVAC, electrical and plumbing systems. the building's interior units, first floor lobby and basement, exterior facade, replacement of plumbing and electrical as well as new heating and air conditioning systems. Unique historic features of the building, including the façade, wood paneled lobby and the executive suites on the 3<sup>rd</sup> floor will be preserved and restored. The finished project will result in increased commercial activity, increased urban density, create employment opportunities and revitalize an urban in the **Cass Park Historic District**.



CITY OF DETROIT  
OFFICE OF THE CHIEF FINANCIAL OFFICER  
OFFICE OF THE ASSESSOR

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVENUE, SUITE 824  
DETROIT, MICHIGAN 48226  
(313) 224-3011 • TTY:711  
(313) 224-9400  
WWW.DETROITMI.GOV

Obsolete Property Rehabilitation Certificate  
Temple Group Holdings LLC  
Page 2

A field investigation indicated that the property located **640 Temple Street** with 40 Davenport LLC is eligible as it pertains to the Obsolete Property Rehabilitation Act under P.A. 146 of 2000, as amended.

Sincerely,

A handwritten signature in cursive script, appearing to read "Charles Ericson".

Charles Ericson, MMAO  
Assessor, Board of Assessors

mmp

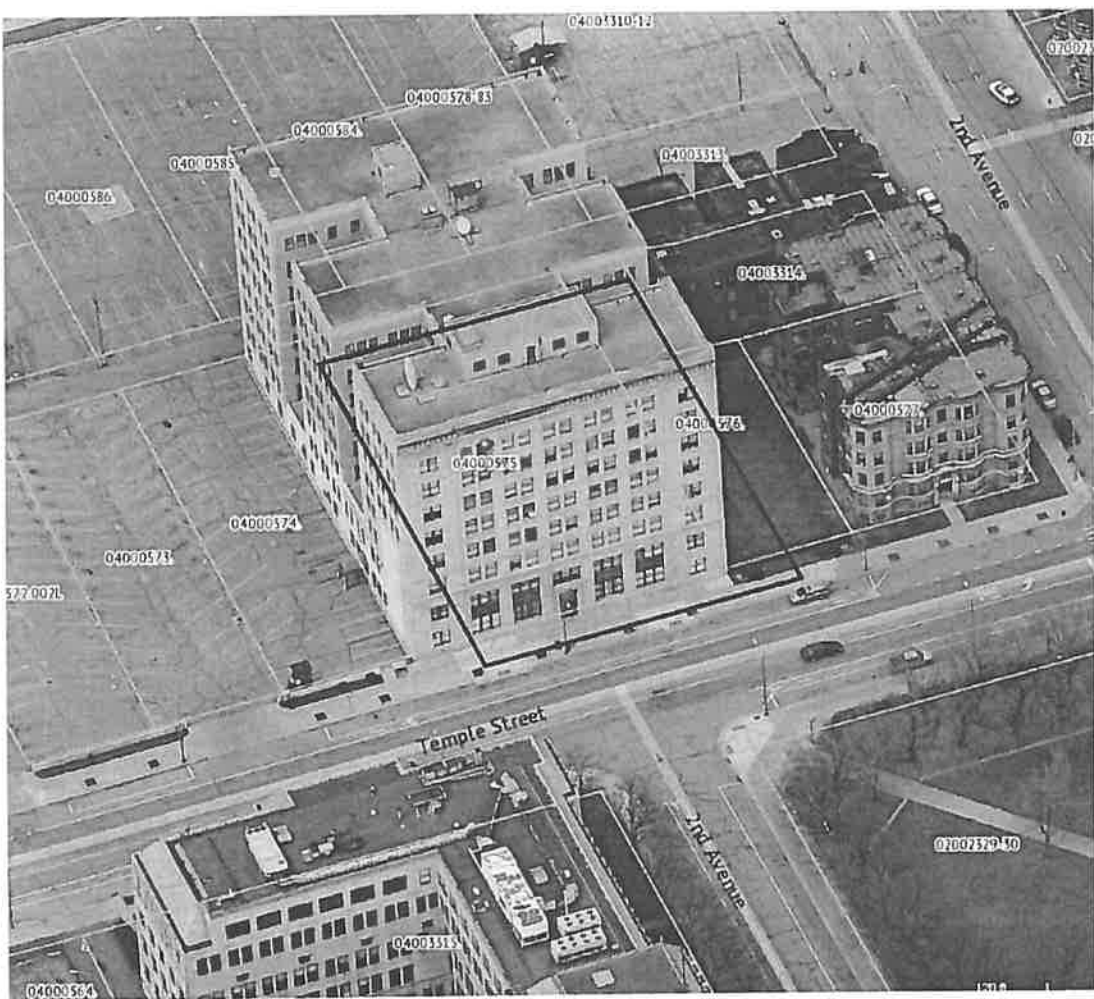


CITY OF DETROIT  
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**Obsolete Property Rehabilitation Certificate  
Temple Group Holdings LLC  
Page 3**

Parcel Number: 04000575.  
Property Address: 640 Temple  
Property Owner: Temple Group Holdings LLC  
N TEMPLE 21-20 W 1/2 19 BLK 84 CASS FARM SUB L1 P131 PLATS, W C R 4/123 125 X 190







TO: Veronica Farley, Housing and Revitalization  
FROM: John Baran, Planning and Development  
RE: Master Plan Interpretation for Obsolete Property District located at 640, 650, 660 and 674 Temple.  
DATE: October 3, 2017  
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.

The proposed Obsolete Property District is being requested by Temple Group Holdings LLC for the property located at 640, 650, 660 and 674 Temple.

#### **Location**

640, 650, 660 and 674 Temple.

#### **Existing Site Information**

The subject site is zoned R5 (Medium Density Residential District). The property consists of four parcels and includes one building, at 640 Temple, of approximately 190,930 square feet. The remaining parcels are surface parking. The Master Plan Future Land Use designation for the site is MRC (Mixed – Residential / Commercial).

#### **Surrounding Site Information**

The immediate surrounding zoning is B4 (General Business District), except for the parcels across the alley to the north which are zoned R5. To the west and north of the subject site are surface parking lots. To the east, at the northwest corner of Temple and Second, is a four story apartment building; and to the north, along Second, is a vacant four story apartment building. To the south, across Temple, is Cass Park and an office building which was the headquarters for the S.S. Kresge Company. The Master Plan Future General Land Use designation for the immediate surrounding area is also MRC.

#### **Project Proposal**

The project is for the renovation of the building at 640 Temple to be converted to apartment, hotel and commercial restaurant/banquet use.

#### **Interpretation**

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

The development of the subject site contributes to the mixed use residential and commercial development of the area and the rehabilitation of a vacant building.



Impact on Transportation

There are DDOT transit routes to the east and west, along 2<sup>nd</sup> and 3<sup>rd</sup> Streets and a block south along Ledyard.

Master Plan Interpretation

The Master Plan Future General Land Use designation for the site is 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 development conforms to the Master Plan policies and to the Future General Land Use designation of the area.

Attachments

**Future General Land Use Map:** Map 4-5B, Neighborhood Cluster 4, Lower Woodward Neighborhood.



Map 4-5B

City of Detroit  
Master Plan of  
Policies

**Neighborhood Cluster 4  
Lower Woodward**



**Future Land Use -**

- |                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>□ Low Density Residential (RL)</li> <li>▤ Low-Medium Density Residential (RLM)</li> <li>▥ Medium Density Residential (RM)</li> <li>▧ High Density Residential (RH)</li> <li>▨ Major Commercial (CM)</li> <li>▩ Retail Center (CRC)</li> <li>▪ Neighborhood Commercial (CN)</li> <li>▫ Thoroughfare Commercial (CT)</li> <li>▬ Special Commercial (CS)</li> <li>▭ General Industrial (IG)</li> </ul> | <ul style="list-style-type: none"> <li>▮ Light Industrial (IL)</li> <li>▯ Distribution/Port Industrial (IDP)</li> <li>▰ Mixed-Residential/Commercial (MRC)</li> <li>▱ Mixed-Residential/Industrial (MRI)</li> <li>▲ Mixed-Town Center (MTC)</li> <li>△ Recreation (PRC)</li> <li>▴ Regional Park (PR)</li> <li>▵ Private Marina (PMR)</li> <li>▶ Airport (AP)</li> <li>▷ Cemetery (CEM)</li> <li>▸ Institutional (INST)</li> </ul> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|



Amendment #1: 11/10/09 (PRC to INST)  
 Amendment #8: 10/14/14 (INST to RM, INST to MRC, RM to RH)  
 Amendment #12: 03/29/16 (INST to MRC, RM to MRC)

**OBSOLETE PROPERTY REHABILITATION EXEMPTION CERTIFICATE  
AGREEMENT**

THIS AGREEMENT ("Agreement"), by and between the City of Detroit ("City"), a Michigan municipal corporation acting by and through its Planning & Development Department with an office at 2 Woodward Avenue, Suite 808, Detroit, MI 48226 and Temple Group Holdings, LLC ("Applicant") with an office at 1 Kercheval Avenue, Grosse Pointe Farms, MI 48236 is made this 26th day of July, 2018.

**WITNESSETH:**

WHEREAS, Public Act 146 of 2000 as amended, also known as the Obsolete Property Rehabilitation Act ("Act"), (1) provides for the establishment of obsolete property rehabilitation districts by local governmental units, (2) provides for the abatement or exemption from certain taxes for qualified obsolete property owners, and (3) allows local governmental units to levy and collect a specific tax from the owners of an obsolete property, among other provisions; and

WHEREAS, the Applicant has submitted an Application for Obsolete Property Rehabilitation Exemption Certificate ("Application") for the property located at: 640 Temple Street, Detroit MI ("Property") A copy of the Application is attached hereto as Exhibit A and made a part hereof; and

WHEREAS, the City has previously approved an obsolete property rehabilitation district pursuant to the Act and the Property is located in such district; and

WHEREAS, the Applicant shall complete a Rehabilitation of the Property and the Applicant shall hire or retain a certain amount of full time employees within the City of Detroit during the term of the OPREC; and

WHEREAS, the City has approved the Application by adopting a resolution granting the Obsolete Property Rehabilitation Exemption Certificate ("OPREC"), pending approval also by the Michigan State Tax Commission. A copy of the City resolution granting the OPREC is attached hereto as Exhibit B and made a part hereof; and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

I. General.

- a. Unless earlier revoked as provided for in Section 12 of the Act, being MCL 125.2792, or as provided for in this Agreement, the OPREC term and the term of this Agreement shall be for a period of twelve (12) years beginning on the certificate beginning date stated in the OPREC issued by the Michigan State Tax Commission
- b. The Applicant will complete the Property "Rehabilitation" as defined in the Act and as set forth in the Application by 9.30.2020

- c. The Applicant shall create, or cause to be created, at least eighty (80) full time employees at the Property within two (2) years of the effective date of the Agreement.
- d. The Applicant will take action to recruit and hire City of Detroit residents in accordance with specified targets as set forth in an initial City of Detroit Resident Employment Plan ("Employment Plan") submitted by the Applicant to the City and approved by the Human Rights Department as part of the OPREIC application process. The Employment Plan shall be updated or modified annually throughout the term of this Agreement.
- e. For purposes of this Agreement, a "full-time employee" is defined as a person: 1) who is employed by the Applicant or its affiliates on a salary, wage, commission, or other basis, for a minimum period of forty (40) hours a week and 2) from whose compensation the Applicant or its affiliates, including a staffing agency, are required by law to withhold City of Detroit income taxes. Affiliates may include Applicant's tenant(s) that lease space at the Property.

2. Applicant Representations.

In compliance with the Act and intending to induce the City to grant an OPREIC to the Applicant, the Applicant represents that:

- a. The Applicant is the owner of the Property at the time of the Application.
- b. The Property is an "Obsolete Property" as defined under the Act
- c. The Property will not include property to be used as a professional sports stadium.
- d. The Property will not include property to be used, owned or operated by a casino or affiliated company as defined in the Act.
- e. The project would not have been considered without an OPREIC.
- f. Rehabilitation of the Property was not started prior to establishment of the obsolete property rehabilitation district for which the Property sits.
- g. There are no delinquent taxes owed on the Property.
- h. The Applicant will pay any applicable taxes on the Property as they become due.
- i. The Rehabilitation and operation of the Property is in compliance with the City of Detroit Zoning Ordinance and Master Plan.
- j. If Rehabilitation of the Property will result in the provision of commercial housing, the Applicant must agree to Fair Housing Practices that meet guidelines set forth by the U.S. Fair Housing Act (42 U.S.C. 3601 through 3619)

3. Prevailing Wage Requirements.

Pursuant to Section 18-5-65 of the Detroit City Code, Conditions for tax abatement, the Applicant agrees that it is receiving tax abatements under the OPREC for the Property and, therefore, the Application shall pay, or cause to be paid, prevailing wages on all construction work performed on the Property.

4. Community Benefits Requirements.

Pursuant to City of Detroit Ordinance 35-16 ("Ordinance"), also known as the Community Benefits Ordinance, if the Property involves a Tier 2 Development Project as defined by the Ordinance, then the Applicant shall:

- a. Partner with the City, and when appropriate, a workforce development agency to promote the hiring, training and employability of Detroit residents consistent with State and Federal Law.
- b. Partner with the Director of the Planning & Development to address and mitigate negative impact that the Tier 2 Development Project may have on the community and local residents. Applicant shall adhere to those mitigation requirements, if any, stated in the attached Addendum 1 -- 4. b. Requirements, which is incorporated herein by reference.

5. Reporting by the Applicant to the City.

Applicant agrees to provide the City with sufficient information, which is subject to review and audit by the City, in order to determine compliance with this Agreement. At a minimum, the Applicant shall provide the City with the following during the OPREC term:

- a. Upon request, the Applicant shall provide the Planning & Development Department copies of all construction plans, building permits and certificates of occupancy related to Rehabilitation of the Property. These documents, along with periodic site visits to the Property by the City, will serve to establish whether the Applicant is making the Rehabilitation to the Property as required by the Act and this Agreement.
- b. Within two (2) weeks after the first year of the OPREC term and for each year thereafter, Applicant shall submit to the Planning & Development Department a certified status report ("Status Report") signed by an authorized officer of the Applicant. The Status Report shall set forth for the previous year: 1) the Rehabilitation work completed at the Property and the Applicant's financial investment in the Property for that year and 2) the number of full-time employees at the Property for that year.
- c. Within two (2) weeks after the first year of the OPREC term and for each year thereafter, Applicant shall submit to the Human Rights Department an updated Employment Plan on forms acceptable to the City.

- d. During any construction on the Property for the term of the OPREC, the Applicant shall report monthly to the Human Rights Department with copies of certified payroll information for such construction in order for the City to verify that Prevailing Wages have been paid.

6. Revocation of OPREC and Termination of Agreement

The City may, in its sole discretion and by resolution of Detroit City Council, revoke the OPREC if the City finds that the completion of Rehabilitation of the Property has not occurred within the time authorized by the City in this Agreement or within a duly authorized extension of that time, or that the Applicant has not proceeded in good faith with the operation of the rehabilitated Property in a manner consistent with the purposes of the Act and in the absence of circumstances that are beyond the control of the Applicant.

Good faith efforts include, but are not limited to, the following: 1) Applicant is actively working with an agency or City Department to hire and ascertain methods of recruiting and employing Detroit residents, and 2) Applicant is actively working with the Detroit Economic Growth Corporation and the City's Planning & Development Department to ascertain methods of obtaining available resources to improve Applicant's business in a manner that will allow for compliance with this Agreement.

7. Payment of Exempted Taxes for Shortfall of Employment.

If the average number of full-time employees at the Property for any given year is less than the number of full-time employees set for in Section 1. c. above, the Applicant agrees to pay the City, in addition to the Obsolete Properties Tax due under the OPREC on the Property, an amount equal to the difference between the amount of ad valorem tax otherwise due on the Property without the OPREC, and the amount of Obsolete Properties Tax due on the Property under the OPREC, for that given year, multiplied by a fraction, the numerator of which is the shortfall in the number of full-time employees indicated in the Status Report, and the denominator of which is the total number of full-time employees set forth in Section 1. c. above. Prior to taking any action to require the Applicant to pay an amount to the City in addition to the Obsolete Properties Tax pursuant to this Section, the City must afford the Applicant an opportunity to present at a public hearing reasons for the employment shortfall.

In the event that the Applicant fails to report the number of full-time employees at the Property for a given year in either the Status Report or Employment Plan, the number of full-time employees at the Property for purposes of this Section shall be deemed zero (0).

8. Notice to City of Discontinuance of Operations

If during the term of the OPREC the Applicant discontinues operations at the Property, the Applicant will take affirmative steps to provide thirty (30) day prior written notice of such shutdown of operations to the Director of the Planning & Development Department.

9. Reservation of Remedies.

The City and the Applicant agree that each of the rights and remedies provided by this Agreement may be exercised separately or cumulatively, and shall not be exclusive of any other rights and remedies provided by law. Invalidation of any of the provisions contained in the Agreement by operation of law, judgment, court order or otherwise shall not invalidate any of the other provisions of the Agreement.

10. Transfer.

The OPREC may be transferred and assigned by the Applicant to a new owner of the Property if the City, in its sole discretion, approves transfer of the OPREC after application by the new owner. For purposes of this Section, a transfer of the Property shall include any sale of the Property or any lease of more than fifty percent (50%) of the total usable space of the Property for a period longer than five (5) years.

11. Headings.

The headings contained in this Agreement are for descriptive purposes only, and do not alter or govern the substantive content of the provisions of the Agreement.



IN WITNESS WHEREOF, the City and the Applicant, by and through their authorized officers and representatives, have executed this Agreement as follows:

**APPLICANT:**

Temple Holdings, LLC

BY: Christos Moises

Print: Christos Moises

ITS: Manager

**CITY OF DETROIT**

PLANNING & DEVELOPMENT DEPT.

BY: Maurice D. Cox

Print: Maurice D. Cox

ITS: Planning Director

**THIS AGREEMENT IS NOT EFFECTIVE OR VALID UNTIL AN OBSOLETE PROPERTY REHABILITATION CERTIFICATE IS APPROVED BY THE MICHIGAN STATE TAX COMMISSION**

**ADDENDUM 1**  
**4. b. Requirements**

**ADDENDUM 2**  
**Affordability Requirements**

1. Affordable Housing Undertaking. The Applicant, as developer of the 640 Temple Street mixed-use project (the "Project") on the Property, will implement the following affordable housing plan for the planned 70 residential apartments to be included within the Project:
  - a. The Applicant will offer for lease 14 apartment units ("Affordable Units") to those earning not more than 80% of the Detroit SMSA area median income ("AMI") based on the income limits most recently published by the United States Department of Housing and Urban Development ("HUD")<sup>1</sup>. Rental rates will be based upon occupancy of 1 person in a studio, 2 people in a one-bedroom, and 4 people in a two-bedroom apartment.
  - b. Applicant will verify the income of an applicant proposing to lease an Affordable Unit.
  - c. In the event that a tenant's income is no longer not more than 80% of AMI, his or her unit shall be considered to comply with paragraph 1 above notwithstanding renewals of the lease and until the termination of the lease for his or her unit.
  - d. Applicant currently intends to offer 3 studios, 11 one-bedroom units and 0 two-bedroom units as Affordable Units. Applicant may alter this unit mix in its discretion.
  - e. A vacant unit offered for rent pursuant to this paragraph 1 counts toward satisfaction of paragraph 1a above.
  - f. The commitments set forth herein may be terminated in the event an arms-length lender forecloses on a mortgage secured by the Project.
  
2. Payment for Exempted Taxes for Violation of Undertaking. If Applicant is not in compliance with its obligations under paragraph 1 of this Addendum and fails to cure its non-compliance within 60 days of written notice from the City, the Applicant shall pay the City, in addition to the Obsolete Properties Tax due under the OPREC on the Property, an amount equal to the difference for the year of non-compliance between the amount of ad valorem tax otherwise due on the Property without the OPREC and the amount of the Obsolete Properties Tax due on the Property with the OPREC, multiplied by a fraction, the numerator of which is shortfall of the number of units that are not in compliance and the denominator of which is 14. Prior to taking any action to require the Applicant to pay any amount to the City pursuant to this paragraph 2, the City shall afford the Applicant an opportunity to present at a public hearing reasons for any shortfall by the Applicant in its compliance with this Addendum and shall consider whether to waive the payment obligation described in this paragraph 2.
  
3. Applicant's obligations under this Addendum are subject to the issuance of an Obsolete Property Rehabilitation Exemption Certificate for the Project pursuant to Public Act 146 of 2000, as amended ("PA 146"), for a term of twelve (12) years after completion of

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<sup>1</sup> In the event that the AMI decreases in a subsequent year, the prior year AMI shall continue in effect for the Project until and to the extent the AMI level later increases.

construction, and shall terminate in the event the certificate is revoked prior to its initial stated expiration date.

4. Applicant's express obligations under Sections 1, 2 and 3 of this Addendum shall not be materially affected by changes in City policies or practices after the date hereof. For purposes hereof, "materially affected" shall mean actions first required of the Applicant subsequent to the date hereof but which if so taken would impose an undue burden or cost on the Applicant.

**EXHIBIT A**

**Application for Obsolete Property Rehabilitation Exemption Certificate**

**EXHIBIT B**

**Detroit City Council Resolution  
Granting the Obsolete Property Rehabilitation Exemption Certificate**



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

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October 10, 2018

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

**Re: Request for a Public Hearing on behalf of 600 Ventures II, LLC (Petition # 475) to Establish an Obsolete Property Rehabilitation District, in the area of 600 West Lafayette Boulevard, Detroit, Michigan, in accordance with Public Act 146 of 2000.**

Honorable City Council:

The Housing and Revitalization Department has reviewed the application of **600 Ventures, II, 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.

CITY CLERK 2018 OCT 12 PM 12:22

Respectfully submitted,

  
Donald Rencher  
Director

DR/vf

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



**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, 600 Ventures II, 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

Caven West  
Deputy City Clerk/Chief of Staff

**DEPARTMENTAL REFERENCE COMMUNICATION**

*Wednesday, August 01, 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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PLANNING AND DEVELOPMENT DEPARTMENT    LEGISLATIVE POLICY DIVISION  
CITY PLANNING COMMISSION    FINANCE DEPARTMENT

**475**    *600 Ventures II, LLC, request to establish an Obsolete Property Rehabilitation District at 600 West Lafayette Boulevard in accordance with PA 146 of 2000.*



333 W Fort St., Ste. 1410  
Detroit, MI 48226  
T (313) 962-9353  
[www.aktpeerless.com](http://www.aktpeerless.com)

July 25, 2018

Detroit City Council  
c/o City Clerk  
Coleman A. Young Municipal Building, Room 200  
Detroit, Michigan 48226

**RE: Petition to Establish the 600 W Lafayette Obsolete Property Rehabilitation Act (OPRA) District**

Dear Honorable City Council Members:

AKT Peerless, on behalf of 600 Ventures II, LLC, is submitting this package to facilitate establishment of an Obsolete Property Rehabilitation Act district pursuant to Michigan Public Act 146 of 2000, the Obsolete Property Rehabilitation Act (the "Act").

**District Description**

The proposed district (the "600 W Lafayette OPRA District") consists of a single parcel located at 600 W Lafayette Boulevard, Detroit, Wayne County, Michigan (the "subject property"). Parcel information is included in the following table:

**Parcel Information**

Address	Ward/Item Number	Owner of Record	Approximate Acreage
600 West Lafayette Boulevard	04000134-67	600 Ventures II, LLC	0.72

The subject property is located at the northeast corner of 3<sup>rd</sup> Avenue and W. Lafayette Boulevard. This letter summarizes the qualifications of the proposed district.

The proposed 600 W Lafayette OPRA District includes one 5-story building of approximately 31,537 square feet. The building, though occupied, is in need of numerous upgrades and improvements. The building will undergo interior rehabilitation to improve the existing office spaces and create space for new hotel amenities. The building will be connected to the new construction located immediately north at 659 Howard Street via a sky bridge. Guests of the Cambria Hotel at 659 Howard will have access to amenities, anticipated to include a fitness center and meeting rooms, in the rehabilitated 600 W Lafayette building.

600 Ventures II, LLC is planning major renovations to the office building including window replacement, flooring replacement, upgrades to major mechanical, plumbing and electrical systems, and installation of new furniture and fixtures. A portion of the third floor will also be built-out to accommodate hotel amenity space.

Creation of the district and approval of an exemption certificate is critical to making the project economically viable. The applicant is not delinquent in the payment of any taxes related to the facility.

### **Purpose for Rehabilitation of 600 W Lafayette Boulevard**

Rehabilitation is necessary to counter the following conditions: obsolete fixed building equipment, including electrical, HVAC, and plumbing; inadequate and obsolete flooring and walls; deteriorated interior appearances of the building; and other conditions that need to be mitigated in order to restore the subject property to an economically efficient condition.

### **Benefits to the Community**

Completion of the rehabilitated facility will, at the time of issuance of an OPRA exemption certificate, have the reasonable likelihood to increase commercial activity, create employment, and increase the property's taxable value, contributing more to the local tax rolls.

### **Eligibility**

The 600 W Lafayette OPRA District will be classified as "blighted," according to the definition in Act 381 of 1996, as amended, and currently contains an obsolete commercial structure. The project is seeking approval of an OPRA abatement.

### **Projected Start and Completion Date**

The development team is planning to begin renovations in the first quarter of 2019 and renovation is expected to be completed within nine months of commencement.

### **Property Ownership**

600 Ventures II, LLC, the organization making the petition for the 600 W Lafayette OPRA District, is the owner of the subject property. The property was acquired by 600 Ventures II, LLC in July 2018.

### **Total Capital Investment**

Total capital investment for the rehabilitation project is estimated to be \$10 million.

## Legal Description

### Property Information

Address	Ward/Item Number	Legal Description
600 W Lafayette Boulevard	04000134-67	N W LAFAYETTE 19 AND S 10 FT OF VAC ALLEY ADJ DETROIT URBAN RENWAL PLAT NO 1 L90 P85-6 PLATS, W C R 4/125 225 IRREG

A map of the proposed district is attached.

Thank you for your consideration of this petition.

Sincerely,



Bret Stuntz  
Vice President, Economic Development  
AKT Peerless  
333 W. Fort St., Ste. 1410  
Detroit, MI 48226  
(248) 302-1398

On behalf of:

600 Ventures II, LLC  
535 Griswold Street, Suite 111  
Detroit, MI 48226

cc. Kenyetta Hairston-Bridges, Detroit Economic Growth Corporation  
Eric Tuomey, Detroit Economic Growth Corporation

## **Attachments**

## **Proposed District Map**

**PROPOSED 600 W LAFAYETTE OPRA DISTRICT**



2018-08-01

**475**

**475**     *Petition of 600 Ventures II, LLC,  
request to establish an Obsolete  
Property Rehabilitation District at  
600 West Lafayette Boulevard in  
accordance with PA 146 of 2000.*

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REFERRED TO THE FOLLOWING DEPARTMENT(S)

PLANNING AND DEVELOPMENT DEPARTMENT  
LEGISLATIVE POLICY DIVISION  
CITY PLANNING COMMISSION    FINANCE DEPARTMENT





TO: Veronica Farley, Housing and Revitalization  
FROM: John Baran, Planning and Development  
RE: Master Plan Interpretation for **Obsolete Property District** for property located at  
600 West Lafayette  
DATE: August 18, 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:

600 Ventures II, LLC

Project Description:

Rehabilitation of five story building to improve existing office and create space for new hotel amenities. The building will be connected by a sky bridge to the new construction to the north at 659 Howard

Project Location:

600 West Lafayette

Interpretation:

The Master Plan Future General Land Use designation for the site is **Major Commercial**. Major Commercial areas are generally distinguished by high density office buildings with ground floor retail. Included within these areas may be department stores, specialized shops and services catering to area office or residential land uses. Areas should be accessible to mass transit routes and automobile parking located on the street or in structures. Ground level activity should be pedestrian-oriented. Downtown and New Center are Detroit's major commercial areas.

**The proposed development conforms to the Future General Land Use designation of the area.**



CITY OF DETROIT  
OFFICE OF THE CHIEF FINANCIAL OFFICER  
OFFICE OF THE ASSESSOR

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVENUE, SUITE 824  
DETROIT, MICHIGAN 48226  
(313) 224-3011 • TTY:711  
(313) 224-9400  
WWW.DETROITMI.GOV

August 30, 2018

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

Re: **Obsolete Property Rehabilitation District - 600 Ventures II LLC**  
Address: 600 West Lafayette Boulevard  
Parcel Numbers: 04000134-67

Dear Mr. Cox:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the proposed Obsolete Property Rehabilitation District located at **600 West Lafayette Boulevard** in the **Downtown** area in the City of Detroit.

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 Ventures II LLC** plans to rehabilitate the interior of the building to improve the existing office space and to create space for new hotel amenities including a fitness center and meeting rooms and as well as building a sky bridge to connect to the proposed Cambria Hotel new construction located at 659 Howard Street. The buildings consist of a 32,500 square foot five-story office building built in 1936, a 5,406 square foot three-story office building built in 1951 and a 35,156 square foot two-story office building built in 1951 located on .724 acres of land. Rehabilitation will include window replacement, upgrade to the mechanical, plumbing and electrical systems, replacement of inadequate and obsolete flooring and walls, and build-out to accommodate hotel amenity space.

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 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 **600 West Lafayette Boulevard** 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

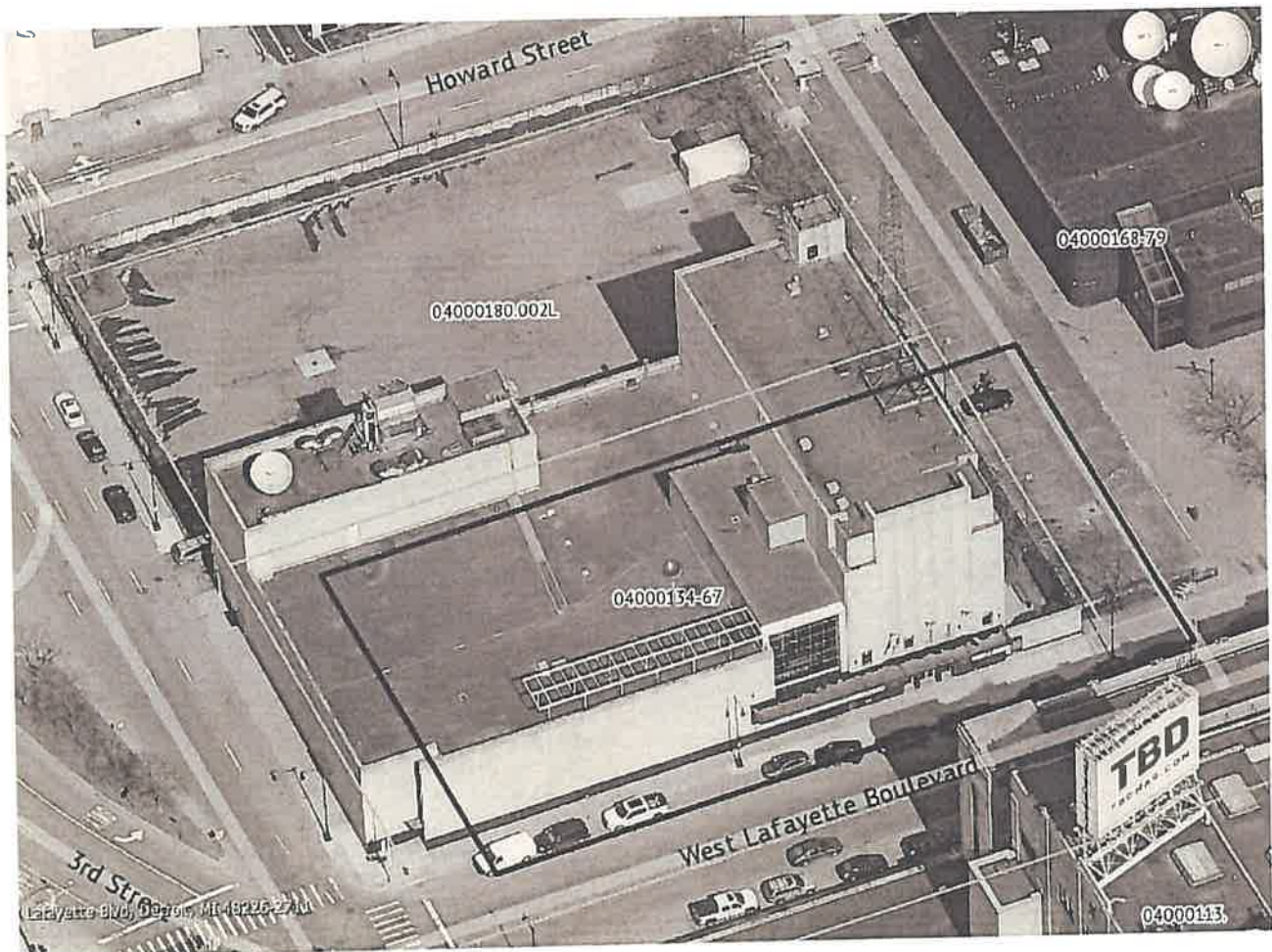
mmp



Obsolete Property Rehabilitation District  
600 Ventures II LLC  
Page 2

Property Address: 600 West Lafayette  
Parcel Number: 04000134-67  
Legal Description: N W LAFAYETTE 19 AND S 10 FT OF VAC ALLEY ADJ DETROIT URBAN RENEWAL PLAT NO 1 L90 P85-6  
PLATS, W C R 4/125 225 IRREG

The legal description matches the OPRA district request.





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

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October 10, 2018

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

**Re: Request for Public Hearing to Approve an Obsolete Property Rehabilitation Certificate on behalf of Hotel St. Regis Holdings, LLC in the area of 3071 West Grand Boulevard, Detroit, Michigan, in accordance with Public Act 146 of 2000 (Petition # 365).**

Honorable City Council:

The Housing and Revitalization Department and Finance Departments have reviewed the application of **Hotel St. Regis Holdings, 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.

Public Act 146 of 2000 states that the legislative body of the qualified local governmental unit, shall by resolution either approve or disapprove the application for an Obsolete Property Rehabilitation Exemption Certificate in accordance with Section 8 and other provisions of this act. 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.

We request that a Public Hearing be scheduled on the issue of approving the application for the Obsolete Property Rehabilitation Certificate. 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 OCT 12 9:12:22



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

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

**WHEREAS**, **Hotel St. Regis Holdings, LLC** has made application for an Obsolete Property Rehabilitation Certificate 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*

**Caven West**  
*Deputy City Clerk/Chief of Staff*

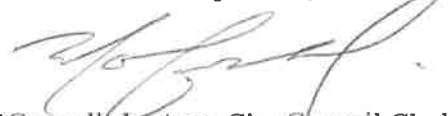
August 9, 2018

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

Re: Hotel St. Regis Holdings, LLC

Please find attached application for Obsolete Property Rehabilitation Exemption Certificate for property located at 3071 West Grand Boulevard. **(RELATED TO PETITION #365)**

Respectfully submitted,



Michael J. O'Connell, Jr. Asst. City Council Clerk  
Office of the City Clerk

## Application for Obsolete Property Rehabilitation Exemption Certificate

This form is issued as provided by Public Act 146 of 2000, as amended. This application should be filed after the district is established. This project will not receive tax benefits until approved by the State Tax Commission. Applications received after October 31 may not be acted upon in the current year. This application is subject to audit by the State Tax Commission.

**INSTRUCTIONS:** File the original and two copies of this form and the required attachments with the clerk of the local government unit. (The State Tax Commission requires two copies of the Application and attachments. The original is retained by the clerk.) Please see State Tax Commission Bulletin 9 of 2000 for more information about the Obsolete Property Rehabilitation Exemption. The following must be provided to the local government unit as attachments to this application: (a) General description of the obsolete facility (year built, original use, most recent use, number of stories, square footage); (b) General description of the proposed use of the rehabilitated facility. (c) Description of the general nature and extent of the rehabilitation to be undertaken, (d) A descriptive list of the fixed building equipment that will be a part of the rehabilitated facility, (e) A time schedule for undertaking and completing the rehabilitation of the facility, (f) A statement of the economic advantages expected from the exemption. A statement from the assessor of the local unit of government, describing the required obsolescence has been met for this building, is required with each application. Rehabilitation may commence after establishment of district.

Applicant (Company) Name (applicant must be the OWNER of the facility) Hotel St. Regis Holdings, LLC		
Company Mailing address (No. and street, P.O. Box, City, State, ZIP Code) 1 Kercheval Avenue, Grosse Pointe Farms, Michigan 48236		
Location of obsolete facility (No. and street, City, State, ZIP Code) 3071 West Grand Boulevard, Detroit, Michigan 48202		
City, Township, Village (indicate which) City of Detroit		County Wayne
Date of Commencement of Rehabilitation (mm/dd/yyyy) 9/1/2018	Planned date of Completion of Rehabilitation (mm/dd/yyyy) 9/1/2025	School District where facility is located (include school code) D - Detroit Schools
Estimated Cost of Rehabilitation \$24,427,000.00	Number of years exemption requested 12	Attach Legal description of Obsolete Property on separate sheet
Expected project likelihood (check all that apply)		
<input checked="" type="checkbox"/> Increase Commercial activity	<input checked="" type="checkbox"/> Retain employment	<input checked="" type="checkbox"/> Revitalize urban areas
<input checked="" type="checkbox"/> Create employment	<input type="checkbox"/> Prevent a loss of employment	<input type="checkbox"/> Increase number of residents in the community in which the facility is situated
Indicate the number of jobs to be retained or created as a result of rehabilitating the facility, including expected construction employment <u>299</u>		
Each year, the State Treasurer may approve 25 additional reductions of half the school operating and state education taxes for a period not to exceed six years. Check the following box if you wish to be considered for this exclusion <input checked="" type="checkbox"/>		

### APPLICANT'S CERTIFICATION

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 of the information is truly descriptive of the property for which this application is being submitted. Further, the undersigned is aware that, if any statement or information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy.

The applicant certifies that this application relates to a rehabilitation program that, when completed, constitutes a rehabilitated facility, as defined by Public Act 146 of 2000, as amended, and that the rehabilitation of the facility would not be undertaken without the applicant's receipt of the exemption certificate.

It is further certified that the undersigned is familiar with the provisions of Public Act 146 of 2000, as amended, 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 Obsolete Property Rehabilitation Exemption Certificate by the State Tax Commission.

Name of Company Officer (no authorized agents) Christos Moisides	Telephone Number (313) 575-7880	Fax Number
Mailing Address 1 Kercheval Avenue, Grosse Pointe Farms, MI 48236		Email Address cmoisides@400monroe.com
Signature of Company Officer (no authorized agents) 		Title Manager

### LOCAL GOVERNMENT UNIT CLERK CERTIFICATION

The Clerk must also complete Parts 1, 2 and 4 on Page 2. Part 3 is to be completed by the Assessor.

Signature	Date application received
-----------	---------------------------

### FOR STATE TAX COMMISSION USE

Application Number	Date Received	LUCI Code
--------------------	---------------	-----------



**LOCAL GOVERNMENT ACTION**

This section is to be completed by the clerk of the local governing unit before submitting the application to the State Tax Commission. Include a copy of the resolution which approves the application and Instruction items (a) through (f) on page 1, and a separate statement of obsolescence from the assessor of record with the State Assessor's Board. All sections must be completed in order to process.

**PART 1: ACTION TAKEN**

Action Date: _____		
<input type="checkbox"/> Exemption Approved for _____ Years, ending December 30, _____ (not to exceed 12 years)		
<input type="checkbox"/> Denied		
Date District Established	LUCI Code	School Code

**PART 2: RESOLUTIONS (the following statements must be included in resolutions approving)**

<p>A statement that the local unit is a Qualified Local Governmental Unit.</p> <p>A statement that the Obsolete Property Rehabilitation District was legally established including the date established and the date of hearing as provided by section 3 of Public Act 146 of 2000.</p> <p>A statement indicating whether the taxable value of the property proposed to be exempt plus the aggregate taxable value of property already exempt under Public Act 146 of 2000 and under Public Act 198 of 1974 (IFT's) exceeds 5% of the total taxable value of the unit.</p> <p>A statement of the factors, criteria and objectives, if any necessary for extending the exemption, when the certificate is for less than 12 years.</p> <p>A statement that a public hearing was held on the application as provided by section 4(2) of Public Act 146 of 2000 including the date of the hearing.</p> <p>A statement that the applicant is not delinquent in any taxes related to the facility.</p> <p>If it exceeds 5% (see above), a statement that exceeding 5% will not have the effect of substantially impeding the operation of the Qualified Local Governmental Unit or of impairing the financial soundness of an affected taxing unit.</p> <p>A statement that all of the items described under "Instructions" (a) through (f) of the Application for Obsolete Property Rehabilitation Exemption Certificate have been provided to the Qualified Local Governmental Unit by the applicant.</p>	<p>A statement that the application is for obsolete property as defined in section 2(h) of Public Act 146 of 2000.</p> <p>A statement that the commencement of the rehabilitation of the facility did not occur before the establishment of the Obsolete Property Rehabilitation District.</p> <p>A statement that the application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of Public Act 146 of 2000 and that is situated within an Obsolete Property Rehabilitation District established in a Qualified Local Governmental Unit eligible under Public Act 146 of 2000 to establish such a district.</p> <p>A statement that completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, create employment, retain employment, prevent a loss of employment, revitalize urban areas, or increase the number of residents in the community in which the facility is situated. The statement should indicate which of these the rehabilitation is likely to result in.</p> <p>A statement that the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at commencement of the rehabilitation as provided by section 2(l) of Public Act 146 of 2000.</p> <p>A statement of the period of time authorized by the Qualified Local Governmental Unit for completion of the rehabilitation.</p>
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

**PART 3: ASSESSOR RECOMMENDATIONS**

Provide the Taxable Value and State Equalized Value of the Obsolete Property, as provided in Public Act 146 of 2000, as amended, for the tax year immediately preceding the effective date of the certificate (December 31st of the year approved by the STC).

	Taxable Value	State Equalized Value (SEV)
Building(s)		
Name of Governmental Unit	Date of Action on application	Date of Statement of Obsolescence

**PART 4: CLERK CERTIFICATION**

The undersigned clerk certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way. Further, the undersigned is aware that if any information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy.

Name of Clerk	Clerk Signature	Date
Clerk's Mailing Address	City	State
	ZIP Code	
	Telephone Number	Fax Number
		Email Address

Mail completed application and attachments to: Michigan Department of Treasury  
 State Tax Commission  
 P.O. Box 30471  
 Lansing, Michigan 48909-7971

If you have any questions, call (517) 373-2408.

For guaranteed receipt by the State Tax Commission, it is recommended that applications and attachments are sent by certified mail.



# ATTACHMENT A

## Eligible Property Description

The eligible property is located at 3071 West Grand Boulevard in Detroit's New Center neighborhood. The parcel at 3071 West Grand Boulevard has been determined to be a *facility* as defined by Michigan Public Act 381 of 1996, as amended. The parcel currently contains one building originally constructed in 1966. The building is obsolete and in a state of significant disrepair. The property was purchased by Hotel St. Regis Holdings, LLC with intentions of rehabilitating the commercial building. The parcel encompasses approximately 0.77 acres.

### Legal Description:

3071 WEST GRAND BOULEVARD; 02001102  
N GRAND BLVD W UNIT 1 WAYNE COUNTY  
CONDOMINIUM SUBDIVISION PLAN NO 783 "ST  
REGIS CONDOMINIUM" RECORDED L40613 P14-57  
DEEDS, WCR 02/196

## **ATTACHMENT B**

### **General Description of the Proposed Use of the Rehabilitated Facility**

The Developer plans to immediately invest an estimated \$18,427,000 with further investment of \$6 million within the next 3 to 7 years to comprehensively rehabilitate the existing hotel at 3071 West Grand Boulevard. The rehabilitated, six-story commercial building will contain a 120-key hotel and 6,300-square foot restaurant. Additional improvements are to include constructing a rooftop patio, a 2,900-square foot luxury spa build-out, banquet room improvements, restaurant upgrades, exterior façade restoration, and additional exterior improvements.

The project is located in the New Center area, steps away from the north end of the new Qline. The rehabilitated site will add commercial attractions to the neighborhood and create jobs.

# ATTACHMENT C

## Nature and Extent of Rehabilitation

The building was originally constructed in 1966 and was designed to be an elegant, luxurious hotel, designed and marketed to serve high-ranking auto-industry executives, but has since fallen into a state of disrepair and is in need of major rehabilitation work. Currently, the hotel offers 124 rooms and one main restaurant. Rehabilitation will occur in two phases. The initial investment will begin the renovations to rooms, bathrooms, common spaces and the restaurant space as well as major operating systems of HVAC, boiler/domestic hot water systems and elevator modernization. In the long-term (next 7 years), an additional \$6 million is expected to be invested in the construction of a rooftop patio, a luxury spa build-out in the basement, improvements to the banquet room, restaurant upgrades, exterior façade restoration, and additional exterior improvements.

# ATTACHMENT D

## Fixed Building Equipment List

Trade	Total
Plumbing	\$434,000
Fire Suppression	\$25,000
HVAC	\$2,304,500
Electrical	\$458,885
Electronic Safety & Security	\$25,000
Elevator	\$690,000
<b>Total Estimated Cost:</b>	<b>\$3,937,385</b>

# **ATTACHMENT E**

## **Estimated Schedule**

Commencement of rehabilitation and construction activities is anticipated for July of 2018, dependent upon closing of financing and incentives. Rehabilitation activities are expected to take approximately 3 to 7 years to complete. The facility will remain open during the construction period.

# ATTACHMENT F

## Economic Advantages

Completion of the rehabilitated facility is expected to, and will at the time of issuance of an OPRA exemption certificate, increase commercial activity, create employment opportunities, rehabilitate and preserve a historically significant building and spur additional investment in the community. The rehabilitation will result in additional tax revenue for all taxing jurisdictions.

The developer anticipates investing over \$24,000,000 to redevelop the property which is expected to increase the property's taxable value to \$4,59,000, increasing the real property taxes by ten-fold. Further, the project is anticipated to create over 20 full time equivalent jobs and 260 temporary construction jobs. The Developer is working with local contractor organizations, such as the AGC, and local labor groups to increase job opportunities for Detroit residents.

Approval of an exemption certificate is critical to making the project economically viable. The applicant is not delinquent in the payment of any taxes related to the facility.



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

August 30, 2018

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

RE: **Obsolete Property Rehabilitation Certificate – Hotel St. Regis Holdings LLC**  
Property Address: 3071 West Grand Boulevard  
Parcel Number: 02001102.

Dear Mr. Cox:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the proposed Obsolete Property Rehabilitation certificate application for the property located at **3071 West Grand Boulevard** in the **New Center** area in the City of Detroit.

The rationale for granting Obsolete Property Rehabilitation certificates 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.

**Hotel St. Regis Holdings LLC** plans to rehabilitate the 6 story hotel that is in a state of significant disrepair built in 1966 on .769 acres of land. The rehabilitated building will continue to operate as a 120 room hotel and 6,300 square foot restaurant.

The 2018 values are as follows:

Parcel #	Address	Building Assessed Value (SEV)	Building Taxable Value	Land Assessed Value (SEV)	Land Taxable Value
02001102.	3071 W Grand Blvd 1	\$ 320,200	\$ 281,822	\$50,200	\$44,183

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.

The proposed redevelopment plan includes renovations to interior rooms, bathrooms, common spaces and restaurant space as well as update the HVAC, hot water systems, and elevator modernization. In the next 7 years, additional investment roll include the construction of a rooftop patio, a luxury spa, build-out of the basement, improvements to the banquet room, restaurant upgrades, exterior façade restoration and additional exterior improvements. The finished project will add commercial attractions to the neighborhood and create jobs in the New Center area.

A field investigation indicated that the property located at **3071 West Grand Boulevard** 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



CITY OF DETROIT  
FINANCE DEPARTMENT  
BOARD OF ASSESSORS

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVE., SUITE 824  
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Obsolete Property Rehabilitation Certificate  
Hotel St. Regis Holdings LLC  
Page 2

Property Address: 3071 W Grand Blvd 1  
Parcel Number: 02001102.  
Property Owner: ST REGIS REAL ESTATE HOLDINGS, LLC  
Legal Description: N GRAND BLVD W UNIT 1 WAYNE COUNTY CONDOMINIUM SUBDIVISIONPLAN NO 783 "ST REGIS CONDOMINIUM" RECORDED L40613 P14-57 DEEDS, WCR 02/196

The legal description on the request for the district matches the assessment roll.







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 3071 West Grand Boulevard  
DATE: June 1, 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:

Hotel St. Regis Holdings, LLC

Project Description:

Renovating hotel rooms, common spaces and restaurant space with update of major operating systems. Long term renovations include rooftop patio, banquet room and exterior façade restoration.

Project Location:

3071 West Grand Boulevard

Interpretation:

The Master Plan Future General Land Use designation for the site is **Major Commercial**. Major Commercial areas are generally distinguished by high density office buildings with ground floor retail. Included within these areas may be department stores, specialized shops and services catering to area office or residential land uses. Areas should be accessible to mass transit routes and automobile parking located on the street or in structures. Ground level activity should be pedestrian-oriented. Downtown and New Center are Detroit's major commercial areas.

**The proposed development with hotel, restaurant and banquet facilities to service the area's offices conforms to the Master Plan's Future General Land Use designation.**



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

**September 10, 2018**

**Tax Abatement Type:** Public Act 146  
New  Renewal

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

**Parcel/Facility Address:** **3071 W Grand Blvd**


**Applicant/Recipient:** Hotel St Regis Holdings, LLC


**Contact:** Christos Moisides  
(313) 575-7880

---

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

  
\_\_\_\_\_  
Date

**OBSOLETE PROPERTY REHABILITATION EXEMPTION CERTIFICATE  
AGREEMENT**

THIS AGREEMENT ("Agreement"), by and between the City of Detroit ("City"), a Michigan municipal corporation acting by and through its Planning & Development Department with an office at 2 Woodward Avenue, Suite 808, Detroit, MI 48226 and Hotel St Regis Holdings, LLC ("Applicant") with an office at 1 Kercheval Avenue, Grosse Point Farms, MI 48236 is made this 26th day of July, 2018.

**WITNESSETH:**

WHEREAS, Public Act 146 of 2000 as amended, also known as the Obsolete Property Rehabilitation Act ("Act"), (1) provides for the establishment of obsolete property rehabilitation districts by local governmental units, (2) provides for the abatement or exemption from certain taxes for qualified obsolete property owners, and (3) allows local governmental units to levy and collect a specific tax from the owners of an obsolete property, among other provisions; and

WHEREAS, the Applicant has submitted an Application for Obsolete Property Rehabilitation Exemption Certificate ("Application") for the property located at: 3071 W. Grand Boulevard, Detroit, MI ("Property"). A copy of the Application is attached hereto as Exhibit A and made a part hereof; and

WHEREAS, the City has previously approved an obsolete property rehabilitation district pursuant to the Act and the Property is located in such district; and

WHEREAS, the Applicant shall complete a Rehabilitation of the Property and the Applicant shall hire or retain a certain amount of full time employees within the City of Detroit during the term of the OPREC; and

WHEREAS, the City has approved the Application by adopting a resolution granting the Obsolete Property Rehabilitation Exemption Certificate ("OPREC"), pending approval also by the Michigan State Tax Commission. A copy of the City resolution granting the OPREC is attached hereto as Exhibit B and made a part hereof; and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

I. General.

- a. Unless earlier revoked as provided for in Section 12 of the Act, being MCL 125.2792, or as provided for in this Agreement, the OPREC term and the term of this Agreement shall be for a period of twelve (12) years beginning on the certificate beginning date stated in the OPREC issued by the Michigan State Tax Commission.
- b. The Applicant will complete the Property "Rehabilitation" as defined in the Act and as set forth in the Application by 9/30/2025.

- e. The Applicant shall create, or cause to be created, at least twenty (20) full time employees at the Property within two (2) years of the effective date of the Agreement.
- d. The Applicant will take action to recruit and hire City of Detroit residents in accordance with specified targets as set forth in an initial City of Detroit Resident Employment Plan ("Employment Plan") submitted by the Applicant to the City and approved by the Human Rights Department as part of the OPREC application process. The Employment Plan shall be updated or modified annually throughout the term of this Agreement.
- c. For purposes of this Agreement, a "full-time employee" is defined as a person: 1) who is employed by the Applicant or its affiliates on a salary, wage, commission, or other basis, for a minimum period of forty (40) hours a week and 2) from whose compensation the Applicant or its affiliates, including a staffing agency, are required by law to withhold City of Detroit income taxes. Affiliates may include Applicant's tenant(s) that lease space at the Property.

2. Applicant Representations.

In compliance with the Act and intending to induce the City to grant an OPREC to the Applicant, the Applicant represents that:

- a. The Applicant is the owner of the Property at the time of the Application.
- b. The Property is an "Obsolete Property" as defined under the Act.
- c. The Property will not include property to be used as a professional sports stadium.
- d. The Property will not include property to be used, owned or operated by a casino or affiliated company as defined in the Act.
- e. The project would not have been considered without an OPREC.
- f. Rehabilitation of the Property was not started prior to establishment of the obsolete property rehabilitation district for which the Property sits.
- g. There are no delinquent taxes owed on the Property.
- h. The Applicant will pay any applicable taxes on the Property as they become due.
- i. The Rehabilitation and operation of the Property is in compliance with the City of Detroit Zoning Ordinance and Master Plan.
- j. If Rehabilitation of the Property will result in the provision of commercial housing, the Applicant must agree to Fair Housing Practices that meet guidelines set forth by the U.S. Fair Housing Act (42 U.S.C. 3601 through 3619).

3. Prevailing Wage Requirements.

Pursuant to Section 18-5-65 of the Detroit City Code, Conditions for tax abatement, the Applicant agrees that it is receiving tax abatements under the OPREC for the Property and, therefore, the Application shall pay, or cause to be paid, prevailing wages on all construction work performed on the Property.

4. Community Benefits Requirements.

Pursuant to City of Detroit Ordinance 35-16 ("Ordinance"), also known as the Community Benefits Ordinance, if the Property involves a Tier 2 Development Project as defined by the Ordinance, then the Applicant shall:

- a. Partner with the City, and when appropriate, a workforce development agency to promote the hiring, training and employability of Detroit residents consistent with State and Federal Law.
- b. Partner with the Director of the Planning & Development to address and mitigate negative impact that the Tier 2 Development Project may have on the community and local residents. Applicant shall adhere to those mitigation requirements, if any, stated in the attached Addendum 1 – 4. b. Requirements, which is incorporated herein by reference.

5. Reporting by the Applicant to the City.

Applicant agrees to provide the City with sufficient information, which is subject to review and audit by the City, in order to determine compliance with this Agreement. At a minimum, the Applicant shall provide the City with the following during the OPREC term:

- a. Upon request, the Applicant shall provide the Planning & Development Department copies of all construction plans, building permits and certificates of occupancy related to Rehabilitation of the Property. These documents, along with periodic site visits to the Property by the City, will serve to establish whether the Applicant is making the Rehabilitation to the Property as required by the Act and this Agreement.
- b. Within two (2) weeks after the first year of the OPREC term and for each year thereafter, Applicant shall submit to the Planning & Development Department a certified status report ("Status Report") signed by an authorized officer of the Applicant. The Status Report shall set forth for the previous year: 1) the Rehabilitation work completed at the Property and the Applicant's financial investment in the Property for that year and 2) the number of full-time employees at the Property for that year.
- c. Within two (2) weeks after the first year of the OPREC term and for each year thereafter, Applicant shall submit to the Human Rights Department an updated Employment Plan on forms acceptable to the City.

d. During any construction on the Property for the term of the OPREC, the Applicant shall report monthly to the Human Rights Department with copies of certified payroll information for such construction in order for the City to verify that Prevailing Wages have been paid.

6. Revocation of OPREC and Termination of Agreement.

The City may, in its sole discretion and by resolution of Detroit City Council, revoke the OPREC if the City finds that the completion of Rehabilitation of the Property has not occurred within the time authorized by the City in this Agreement or within a duly authorized extension of that time, or that the Applicant has not proceeded in good faith with the operation of the rehabilitated Property in a manner consistent with the purposes of the Act and in the absence of circumstances that are beyond the control of the Applicant.

Good faith efforts include, but are not limited to, the following: 1) Applicant is actively working with an agency or City Department to hire and ascertain methods of recruiting and employing Detroit residents, and 2) Applicant is actively working with the Detroit Economic Growth Corporation and the City's Planning & Development Department to ascertain methods of obtaining available resources to improve Applicant's business in a manner that will allow for compliance with this Agreement.

7. Payment of Exempted Taxes for Shortfall of Employment.

If the average number of full-time employees at the Property for any given year is less than the number of full-time employees set for in Section 1. c. above, the Applicant agrees to pay the City, in addition to the Obsolete Properties Tax due under the OPREC on the Property, an amount equal to the difference between the amount of ad valorem tax otherwise due on the Property without the OPREC, and the amount of Obsolete Properties Tax due on the Property under the OPREC, for that given year, multiplied by a fraction, the numerator of which is the shortfall in the number of full-time employees indicated in the Status Report, and the denominator of which is the total number of full-time employees set forth in Section 1. c. above. Prior to taking any action to require the Applicant to pay an amount to the City in addition to the Obsolete Properties Tax pursuant to this Section, the City must afford the Applicant an opportunity to present at a public hearing reasons for the employment shortfall.

In the event that the Applicant fails to report the number of full-time employees at the Property for a given year in either the Status Report or Employment Plan, the number of full-time employees at the Property for purposes of this Section shall be deemed zero (0).

8. Notice to City of Discontinuance of Operations.

If during the term of the OPREC the Applicant discontinues operations at the Property, the Applicant will take affirmative steps to provide thirty (30) day prior written notice of such shutdown of operations to the Director of the Planning & Development Department.

9. Reservation of Remedies.

The City and the Applicant agree that each of the rights and remedies provided by this Agreement may be exercised separately or cumulatively, and shall not be exclusive of any other rights and remedies provided by law. Invalidation of any of the provisions contained in the Agreement by operation of law, judgment, court order or otherwise shall not invalidate any of the other provisions of the Agreement.

10. Transfer.

The OPREC may be transferred and assigned by the Applicant to a new owner of the Property if the City, in its sole discretion, approves transfer of the OPREC after application by the new owner. For purposes of this Section, a transfer of the Property shall include any sale of the Property or any lease of more than fifty percent (50%) of the total usable space of the Property for a period longer than five (5) years.

11. Headings.

The headings contained in this Agreement are for descriptive purposes only, and do not alter or govern the substantive content of the provisions of the Agreement.

IN WITNESS WHEREOF, the City and the Applicant, by and through their authorized officers and representatives, have executed this Agreement as follows:

**APPLICANT:**

Hotel St Regis Holdings, LLC

BY: Christos Moises

Print: Christos Moises

ITS: Manager

**CITY OF DETROIT**

PLANNING & DEVELOPMENT DEPT.

BY: Maurice D. Cox

Print: Maurice D. Cox

ITS: Planning Director

**THIS AGREEMENT IS NOT EFFECTIVE OR VALID UNTIL AN OBSOLETE PROPERTY REHABILITATION CERTIFICATE IS APPROVED BY THE MICHIGAN STATE TAX COMMISSION**



**ADDENDUM 1**  
**4. b. Requirements**

**EXHIBIT A**

**Application for Obsolete Property Rehabilitation Exemption Certificate**

**EXHIBIT B**  
**Detroit City Council Resolution**  
**Granting the Obsolete Property Rehabilitation Exemption Certificate**



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

October 12, 2018

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

**Re: Request for Public Hearing to Approve the Transfer of Commercial Rehabilitation Certificate C2013-017 on behalf of Mid-City Properties, LLC, in the area of 4209 Woodward, 4219 Woodward and 22 W. Willis, Detroit, Michigan, in accordance with Public Act 210 of 2005 (Petition #2399).**

Honorable City Council:

The Housing and Revitalization Department, Planning & Development Department and Finance Department have reviewed the application of **Mid-City Properties, LLC**, and find that it satisfies the criteria set forth by P.A. 210 of 2005 and would be consistent with development and economic goals of the Master Plan.

Public Act 210 of 2005 states that the legislative body of the qualified local governmental unit, shall by resolution either approve or disapprove the application for a Commercial Rehabilitation Exemption Certificate in accordance with Section 3 and other provisions of this act. 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.

We request that a Public Hearing be scheduled on the issue of approving the application for the Commercial Rehabilitation Certificate. 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, PDD  
D. Rencher, HRD  
V. Farley, HRD



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

**WHEREAS**, pursuant to Public Act 210 of 2005 (“the Act”) this City Council may adopt a resolution approving the application of a Commercial Rehabilitation Exemption Certificate within the boundaries of the City of Detroit; and

**WHEREAS**, **Mid-City Properites, LLC** has made application for a Commercial Rehabilitation Exemption Certificate 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 a 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*

**Caven West**  
*Deputy City Clerk/Chief of Staff*

August 20, 2018

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

Re: Mid-City Properties LLC

Please find attached application for Transfer of Commercial Rehabilitation Certificate 2013-017, Pursuant to PA 210 of 2005, as amended, for property at 4219 Woodward, 4209 Woodward, 22 W. Willis, Detroit, Michigan. **(RELATED TO PETITION #2399)**

Respectfully submitted,



Michael J. O'Connell, Jr. Asst. City Council Clerk  
Office of the City Clerk

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# HONIGMAN

Honigman Miller Schwartz and Cohn LLP  
Attorneys and Counselors

Richard A. Barr

(313) 465-7308  
Fax: (313) 465-7309  
rbarr@honigman.com

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*By Hand Delivery*

August 14, 2018

Office of Detroit City Clerk  
2 Woodward Avenue  
Coleman A. Young Municipal Center  
Suite 200  
Detroit, MI 48226

**Re: *Transfer Request for Commercial Rehabilitation Certificate 2013-017 Pursuant to 2005 PA 210, as amended, for property at 4219 Woodward, 22 W. Willis, 4209 Woodward, Detroit, Michigan***

Ladies and Gentlemen:

On behalf of Mid-City Properties LLC ("Company"), enclosed is a request for approval of the transfer of Commercial Rehabilitation Certificate 2013-017 issued in 2013 for property located at 4219 Woodward, 22 W. Willis, 4209 Woodward, Detroit, Michigan. The property was recently purchased by Mid-City Properties LLC, which is continuing to operate the property in the same manner as the developer/previous owner, Woodward Willis LLC (an affiliate of Midtown Detroit Inc.).

The enclosed Application, which uses the same form as an original request for a certificate, has been completed as suggested by the City's Housing & Revitalization Department and State Tax Commission staff with reference primarily to the information on the original application previously approved by the City Council, a copy of which also is attached for your reference.

Thank you for your attention to this matter.

Very truly yours,

Honigman Miller Schwartz and Cohn LLP

  
Richard A. Barr

Enclosure

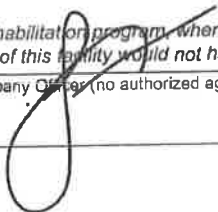
STATE USE ONLY		
Application Number	Date Received	LUCI Code

(TRANSFER REQUEST)

## Application for Commercial Rehabilitation Exemption Certificate

Issued under authority of Public Act 210 of 2005, as amended.

Read the instructions page before completing the form. **This application should be filed after the commercial rehabilitation district is established.** The applicant must complete Parts 1, 2 and 3 and file one original application form (with required attachments) and one additional copy with the clerk of the local governmental unit (LGU). Attach the legal description of property on a separate sheet. This project will not receive tax benefits until approved by the State Tax Commission (STC). Applications received after October 31 may not be acted upon in the current year. This application is subject to audit by the STC.

PART 1: OWNER / APPLICANT INFORMATION (applicant must complete all fields)									
Applicant (Company) Name (applicant must be the owner of the facility) Mid-City Properties LLC		NAICS or SIC Code 531120							
Facility's Street Address 4219 Woodward, 22 W. Willis, 4209 Woodward		City Detroit	State MI						
Name of City, Township or Village (taxing authority) Detroit		County Wayne	ZIP Code 48201						
<input checked="" type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village		School District Where Facility is Located Detroit							
Date of Rehabilitation Commencement (mm/dd/yyyy) 07/15/2013		Planned Date of Rehabilitation Completion (mm/dd/yyyy) 09/30/2014							
Estimated Cost of Rehabilitation \$7,750,000		Number of Years Exemption Requested (1-10) 10							
Expected Project Outcomes (check all that apply) <table border="0" style="width:100%"> <tr> <td><input checked="" type="checkbox"/> Increase Commercial Activity</td> <td><input checked="" type="checkbox"/> Retain Employment</td> <td><input checked="" type="checkbox"/> Revitalize Urban Areas</td> </tr> <tr> <td><input checked="" type="checkbox"/> Create Employment</td> <td><input type="checkbox"/> Prevent Loss of Employment</td> <td><input type="checkbox"/> Increase Number of Residents In Facility's Community</td> </tr> </table>				<input checked="" type="checkbox"/> Increase Commercial Activity	<input checked="" type="checkbox"/> Retain Employment	<input checked="" type="checkbox"/> Revitalize Urban Areas	<input checked="" type="checkbox"/> Create Employment	<input type="checkbox"/> Prevent Loss of Employment	<input type="checkbox"/> Increase Number of Residents In Facility's Community
<input checked="" type="checkbox"/> Increase Commercial Activity	<input checked="" type="checkbox"/> Retain Employment	<input checked="" type="checkbox"/> Revitalize Urban Areas							
<input checked="" type="checkbox"/> Create Employment	<input type="checkbox"/> Prevent Loss of Employment	<input type="checkbox"/> Increase Number of Residents In Facility's Community							
No. of jobs to be created due to facility's rehabilitation 0		NOTE THAT DATES AND PROJECT COSTS ARE AS SUBMITTED WITH THE ORIGINAL APPLICATION No. of jobs to be retained due to facility's rehabilitation 0							
		No. of construction jobs to be created during rehabilitation 37							
PART 2: APPLICATION DOCUMENTS									
Prepare and attach the following items:									
<input checked="" type="checkbox"/> General description of the facility (year built, original use, most recent use, number of stories, square footage)	<input checked="" type="checkbox"/> Statement of the economic advantages expected from the exemption								
<input checked="" type="checkbox"/> Description of the qualified facility's proposed use	<input checked="" type="checkbox"/> Legal description								
<input checked="" type="checkbox"/> Description of the general nature and extent of the rehabilitation to be undertaken	<input type="checkbox"/> Description of the "underserved area" (Qualified Retail Food Establishments only)								
<input checked="" type="checkbox"/> Descriptive list of the fixed building equipment that will be a part of the qualified facility	<input type="checkbox"/> Commercial Rehabilitation Exemption Certificate for Qualified Retail Food Establishments (Form 4753) (Qualified Retail Food Establishments only)								
<input checked="" type="checkbox"/> Time schedule for undertaking and completing the facility's rehabilitation									
PART 3: APPLICANT CERTIFICATION									
Name of Authorized Company Officer (no authorized agents) Craig Piligian		Telephone Number (805) 432-2780							
Fax Number N/A		E-mail Address craigpiligian@gmail.com							
Street Address 1261 La Granada Drive		City Thousand Oaks	State CA						
		ZIP Code 91362							
I certify that, to the best of my knowledge, the information contained herein and in the attachments is truly descriptive of the property for which this application is being submitted. Further, I am familiar with the provisions of Public Act 210 of 2005, as amended, and to the best of my knowledge the company 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 governmental unit and the issuance of a Commercial Rehabilitation Exemption Certificate by the State Tax Commission.									
I further certify that this rehabilitation program, when completed, will constitute a rehabilitated facility, as defined by Public Act 210 of 2005, as amended, and that the rehabilitation of this facility would not have been undertaken without my receipt of the exemption certificate.									
Signature of Authorized Company Officer (no authorized agents) 		Title Manager	Date August 9, 2018						



<b>PART 4: ASSESSOR RECOMMENDATIONS (assessor of LGU must complete Part 4)</b>			
Provide the Taxable Value and State Equalized Value of Commercial Property, as provided in Public Act 210 of 2005, as amended, for the tax year immediately preceding the effective date of the certificate (December 31 of the year approved by the STC).			
	<b>Taxable Value</b>	<b>State Equalized Value (SEV)</b>	
<b>Land</b>			
<b>Building(s)</b>			
The property to be covered by this exemption may not be included on any other specific tax roll while receiving the Commercial Rehabilitation Exemption. For example, property on the Eligible Tax Reverted Property (Land Bank) specific tax roll cannot be granted a Commercial Rehabilitation Exemption that would also put the same property on the Commercial Rehabilitation specific tax roll.			
<input checked="" type="checkbox"/> By checking this box I certify that, if approved, the property to be covered by this exemption will be on the Commercial Rehabilitation Exemption specific tax roll and not on any other specific tax roll.			
Name of Local Government Body <b>City of Detroit City Council</b>			
Name of Assessor (first and last name)		Telephone Number	
Fax Number		E-mail Address	
<i>I certify that, to the best of my knowledge, the information contained in Part 4 of this application is complete and accurate.</i>			
Assessor's Signature			Date
<b>PART 5: LOCAL GOVERNMENT ACTION (clerk of LGU must complete Part 5)</b>			
Action Taken By LGU (attach a certified copy of the resolution):			
<input type="checkbox"/> Exemption approved for _____ years, ending December 30, _____ (not to exceed 10 years)			
<input type="checkbox"/> Exemption Denied			
Date District Established (attach resolution for district) <b>03/05/13</b>	Local Unit Classification Identification (LUCI) Code	School Code	
<b>PART 6: LOCAL GOVERNMENT CLERK CERTIFICATION (clerk of LGU must complete Part 6)</b>			
Clerk's Name (first and last)		Telephone Number	
Fax Number		E-mail Address	
Mailing Address		City	State      ZIP Code
LGU Contact Person for Additional Information		LGU Contact Person Telephone Number	Fax Number
<i>I certify that, to the best of my knowledge, the information contained in this application and attachments is complete and accurate and hereby request the State Tax Commission issue a Commercial Rehabilitation Exemption Certificate, as provided by Public Act 210 of 2005, as amended.</i>			Date
Clerk's Signature			

The clerk must retain the original application at the local unit and mail one copy of the completed application with attachments to:

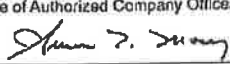
State Tax Commission  
P.O. Box 30471  
Lansing, MI 48909

STATE USE ONLY		
Application Number	Date Received	LUCI Code

## Application for Commercial Rehabilitation Exemption Certificate

Issued under authority of Public Act 210 of 2005, as amended.

Read the instructions page before completing the form. This application should be filed after the commercial rehabilitation district is established. The applicant must complete Parts 1, 2 and 3 and file one original application form (with required attachments) and one additional copy with the clerk of the local governmental unit (LGU). Attach the legal description of property on a separate sheet. This project will not receive tax benefits until approved by the State Tax Commission (STC). Applications received after October 31 may not be acted upon in the current year. This application is subject to audit by the STC.

PART 1: OWNER / APPLICANT INFORMATION (applicant must complete all fields)			
Applicant (Company) Name (applicant must be the owner of the facility) Woodward Willis LLC			NAICS or SIC Code
Facility's Street Address 22 & 34 W. Willis, 4209 & 4219 Woodward		City Detroit	State MI
Name of City, Township or Village (taxing authority) Detroit		County Wayne	ZIP Code 48201
<input checked="" type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village		School District Where Facility is Located Detroit	
Date of Rehabilitation Commencement (mm/dd/yyyy) 07/15/2013		Planned Date of Rehabilitation Completion (mm/dd/yyyy) 09/30/2014	
Estimated Cost of Rehabilitation \$7,750,000		Number of Years Exemption Requested (1-10) 10	
Expected Project Outcomes (check all that apply)			
<input checked="" type="checkbox"/> Increase Commercial Activity <input checked="" type="checkbox"/> Retain Employment <input checked="" type="checkbox"/> Revitalize Urban Areas <input checked="" type="checkbox"/> Create Employment <input type="checkbox"/> Prevent Loss of Employment <input type="checkbox"/> Increase Number of Residents in Facility's Community			
No. of jobs to be created due to facility's rehabilitation 30	No. of jobs to be retained due to facility's rehabilitation 30	No. of construction jobs to be created during rehabilitation 37	
PART 2: APPLICATION DOCUMENTS			
Prepare and attach the following items:			
<input checked="" type="checkbox"/> General description of the facility (year built, original use, most recent use, number of stories, square footage)		<input checked="" type="checkbox"/> Statement of the economic advantages expected from the exemption	
<input checked="" type="checkbox"/> Description of the qualified facility's proposed use		<input checked="" type="checkbox"/> Legal description	
<input checked="" type="checkbox"/> Description of the general nature and extent of the rehabilitation to be undertaken		<input type="checkbox"/> Description of the "underserved area" (Qualified Retail Food Establishments only)	
<input checked="" type="checkbox"/> Descriptive list of the fixed building equipment that will be a part of the qualified facility		<input type="checkbox"/> Commercial Rehabilitation Exemption Certificate for Qualified Retail Food Establishments (Form 4753) (Qualified Retail Food Establishments only)	
<input checked="" type="checkbox"/> Time schedule for undertaking and completing the facility's rehabilitation			
PART 3: APPLICANT CERTIFICATION			
Name of Authorized Company Officer (no authorized agents) Susan T. Mosey		Telephone Number (313) 420-6000	
Fax Number (313) 420-6200		E-mail Address smosey@midtowndetroitinc.org	
Street Address 3939 Woodward, Suite 100		City Detroit	State MI
			ZIP Code 48201
<p><i>I certify that, to the best of my knowledge, the information contained herein and in the attachments is truly descriptive of the property for which this application is being submitted. Further, I am familiar with the provisions of Public Act 210 of 2005, as amended, and to the best of my knowledge the company 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 governmental unit and the issuance of a Commercial Rehabilitation Exemption Certificate by the State Tax Commission.</i></p> <p><i>I further certify that this rehabilitation program, when completed, will constitute a rehabilitated facility, as defined by Public Act 210 of 2005, as amended, and that the rehabilitation of this facility would not have been undertaken without my receipt of the exemption certificate.</i></p>			
Signature of Authorized Company Officer (no authorized agents) 		Title President	Date 03/26/2013

<b>PART 4: ASSESSOR RECOMMENDATIONS</b> (assessor of LGU must complete Part 4)			
Provide the Taxable Value and State Equalized Value of Commercial Property, as provided in Public Act 210 of 2005, as amended, for the tax year immediately preceding the effective date of the certificate (December 31 of the year approved by the STC).			
	Taxable Value	State Equalized Value (SEV)	
Land			
Building(s)			
The property to be covered by this exemption may not be included on any other specific tax roll while receiving the Commercial Rehabilitation Exemption. For example, property on the Eligible Tax Reverted Property (Land Bank) specific tax roll cannot be granted a Commercial Rehabilitation Exemption that would also put the same property on the Commercial Rehabilitation specific tax roll.			
<input type="checkbox"/> By checking this box I certify that, if approved, the property to be covered by this exemption will be on the Commercial Rehabilitation Exemption specific tax roll and not on any other specific tax roll.			
Name of Local Government Body			
Name of Assessor (first and last name)		Telephone Number	
Fax Number		E-mail Address	
I certify that, to the best of my knowledge, the information contained in Part 4 of this application is complete and accurate.			
Assessor's Signature			Date
<b>PART 5: LOCAL GOVERNMENT ACTION</b> (clerk of LGU must complete Part 5)			
Action Taken By LGU (attach a certified copy of the resolution):			
<input type="checkbox"/> Exemption approved for _____ years, ending December 30, _____ (not to exceed 10 years)			
<input type="checkbox"/> Exemption Denied			
Date District Established (attach resolution for district)	Local Unit Classification Identification (LUCI) Code	School Code	
<b>PART 6: LOCAL GOVERNMENT CLERK CERTIFICATION</b> (clerk of LGU must complete Part 6)			
Clerk's Name (first and last)		Telephone Number	
Fax Number		E-mail Address	
Mailing Address	City	State	ZIP Code
LGU Contact Person for Additional Information	LGU Contact Person Telephone Number	Fax Number	
I certify that, to the best of my knowledge, the information contained in this application and attachments is complete and accurate and hereby request the State Tax Commission issue a Commercial Rehabilitation Exemption Certificate, as provided by Public Act 210 of 2005, as amended.			
Clerk's Signature			Date

The clerk must retain the original application at the local unit and mail one copy of the completed application with attachments to:

State Tax Commission  
P.O. Box 30471  
Lansing, MI 48909

## Instructions for Completing Form 4507 Application for Commercial Rehabilitation Exemption Certificate

The Commercial Rehabilitation Exemption Certificate was created by Public Act 210 of 2005, as amended. The application is initially filed, reviewed, and approved by the LGU and then reviewed and approved by the State Tax Commission. According to Section 3 of Public Act 210 of 2005, as amended, the LGU must establish a Commercial Rehabilitation District. **Rehabilitation may commence after establishment of the Commercial Rehabilitation District.**

### Owner / Applicant Instructions

1. Complete Parts 1, 2 and 3 of application
2. Prepare and attach all documents required under Part 2 of the application:
  - a. General description of the facility (year built, original use, most recent use, number of stories, square footage)
  - b. Description of the qualified facility's proposed use
  - c. Description of the general nature and extent of the rehabilitation to be undertaken
  - d. Descriptive list of the fixed building equipment that will be a part of the qualified facility
  - e. Time schedule for undertaking and completing the facility's rehabilitation
  - f. Statement of the economic advantages expected from the exemption
  - g. Legal description of the facility
  - h. Description of the "underserved area" (Qualified Retail Food Establishments only)
3. Qualified Retail Food Establishments:
  - a. Complete Part 1 of the *Commercial Rehabilitation Exemption Certification for Qualified Retail Food Establishments* (Form 4753). Submit to LGU clerk along with application.
  - b. Describe the "underserved area" and provide supporting documentation to show how the project area meets one or more of the following requirements:
    - i. An area that contains a low to moderate income census tract(s) which, based on per capita income, are tracts below the 66.67 percentile (\$23,643 in 1999 dollars) and a below average supermarket density
    - ii. An area that has a supermarket customer base with more than 50% living in a low income census tract(s) which based on the per capita income, are tracts below the 66.67 percentile (\$23,643 in 1999 dollars)
    - iii. An area that has demonstrated significant access limitations due to travel distance and has no Qualified Retail Food Establishments within two miles of the geo-center for an urban area or has no Qualified Retail Food Establishments within nine miles of the geo-center for a rural area.

For assistance in determining the project area's eligibility, visit [www.michigan.gov/propertytaxexemptions](http://www.michigan.gov/propertytaxexemptions) and click on Commercial Rehabilitation Act.
4. Submit the application and all attachments to the clerk of the LGU where the property is located.

### LGU Assessor Instructions

Complete and sign Part 4 of the application.

### LGU Clerk Instructions

1. After LGU action, complete Part 5 of the application.
2. After reviewing the application for complete and accurate information, complete Part 6 and sign the application to certify the application meets the requirements as outlined by Public Act 210 of 2005, as amended.
3. Assemble the following for a complete application:
  - a. Completed *Application for Commercial Rehabilitation Exemption Certificate* (Form 4507)
  - b. All required attachments listed under Part 2
  - c. A copy of the resolution by the LGU establishing the district
  - d. A certified copy of the resolution by the LGU approving the application
  - e. Complete Form 4753 (Qualified Retail Food Establishments only)
4. Submit the completed application to: State Tax Commission, P.O. Box 30471, Lansing, MI 48909

### Application Deadline

The State Tax Commission must receive complete applications on or before October 31 to ensure processing and certificate issuance for the following tax year. Applications received after October 31 may not be processed in time for certificate issuance for the following tax year.

For guaranteed receipt by the State Tax Commission, send applications and attachments via certified mail.

If you have questions or need additional information or sample documents, visit [www.michigan.gov/propertytaxexemptions](http://www.michigan.gov/propertytaxexemptions) or call (517) 373-2408.

March 22, 2013

Detroit City Council  
C/o City Clerk  
Coleman A. Young Municipal Building  
2 Woodward Avenue, Room 200  
Detroit, MI 48226

**RE: Petition by Woodward Willis LLC to Approve a Commercial Rehabilitation  
Exemption Certificate Request for 22 & 34 W. Willis and 4209 & 4219 Woodward**

Dear Honorable Council Members:

Submitted by the property owner Woodward Willis, LCC, this letters serves to petition your Honorable Body to consider approval a Commercial Rehabilitation Exemption Certificate for 22 & 34 W. Willis and 4209 & 4219 Woodward. The area is generally bounded by Canfield (N), Woodward (E), Willis (S), and Cass (W).



**Project Description**

Midtown Detroit, Inc. has formed the real estate entity Woodward Willis, LCC to own and renovate 22 & 34 W. Willis and 4209 & 4219 Woodward, in Midtown, Detroit (Wayne County), Michigan. Located at the northwest corner of Woodward Avenue and Willis Street, the site is currently a vacant lot. In order to clear the site for redevelopment, a vacant structure was recently demolished on Willis and since that time the land the site been maintained as a vacant lot.

The Woodward Willis Project will develop the vacant site into a new construction, mixed-use development project. All four parcels of land needed for this development project are owned by MDI, held by Woodward Willis, LLC. In all, the project will provide a 3-story, 31,000 SF mixed use development with 35 surface parking spaces provided onsite. 2,500 SF of retail space will be provided on the ground floor, with 28,800 SF of loft office space on the second and third floor. Total project investment: \$7.75 Million.

This site is ideal for development due to it location along Woodward Avenue. This offers a new opportunity to develop a mixed-use space along Woodward which would contribute to the walkability and vitality of this district which is already home to: the historic Whitney

restaurant, the Museum of Contemporary Arts Detroit (MOCAD), Studio One Apartments and 55 W. Canfield Apartments.

Improvements will include: The construction of a 3-story, 31,000 sf, new mixed-use development consisting of 28,800 sf of commercial office space with approximately 2,500 sf of retail space located on the first floor facing Woodward Avenue. Surface parking will be developed behind the retail space, with the majority of spaces located within the building footprint as a single-story, "open parking garage" below the upper office floors and screened from the public right-of way.

### **Purpose of the Commercial Rehabilitation Exemption Certificate**

This project is located in the low income Census Tract 5180, where 41.9% of the population lives at or below the poverty line. Due to the economic conditions of the area, project revenues and land values are not at a level high enough to support the costs related with the redevelopment of this site. Operating expenses must be decrease through this property tax abetment to create a financially feasible development project.

Despite the distressed status of this area, this particular development site was selected in order to capitalize on the ongoing investments already made in the Midtown District, along Woodward Avenue. This development project will meet the increased demand for office space in Midtown, as Midtown does not currently have much office space to provide. Further, this project will develop a substantially underutilized vacant lot along Woodward Avenue, Detroit's premier corridor, filling the gap in the urban fabric, creating more eyes on the street for an added sense of safety.

### **Benefits to the Community**

The proposed Certificate will provide financial feasibility to this development project, which will counter disinvestment and decline and promote community revitalization.

#### Counter Disinvestment

The project compliments MDI's North Cass Strategy which has the goal to mitigate blight and spur redevelopment in the North Cass Neighborhood. This project will also address other goals of the North Cass Strategy, including: introduction of more mixed-use development into the neighborhood; increased density; and creation of a pedestrian-oriented environment along the Woodward-Cass Avenue corridor, to name a few. The project is located along the next phase of the Midtown Loop Greenway, which will serve as a destination spot for greenway users.

It is important to note that, although Midtown has undergone redevelopment, it has been in a scattered fashion, with vacant and blighted properties interspersed with quality housing

and commercial properties. Gaps created by blighted and vacant parcels hamper future development projects, break-up the physical fabric of the street, and create an unwelcoming environment. Perhaps even more devastating, these gaps and areas of decay decrease economic values and the perception of safety in the community. This project will develop a significant, highly visible vacant lot on Woodward Avenue.

Promote Community Revitalization

- The Project will add income tax to the City of Detroit.
- Currently, the development site is an underutilized site on an otherwise dense and renovated Woodward Avenue. This Project offers a tremendous opportunity to develop the site with retail and commercial, further contributing to the walkability and vitality of this area in Midtown, which includes: the Park Shelton, the Inn on Ferry Street, the DIA, the historic Whitney restaurant, the Museum of Contemporary Art Detroit (MOCAD), Studio One Apartments, the Majestic Theater Complex, and a variety of retail stores and services.
- Renovating this site into an active ground floor retail space with office above will transform this currently blighted eyesore into a signature development and providing jobs in Midtown Detroit, home to the City's cultural arts district and major medical and educational institutions.
- Over time, the Project will increase the desirability of land and instantly impact the vitality of the North Cass and Art Center District. It is anticipated this project will encourage secondary economic growth due to the projected increase in commercial foot traffic that the development is projected to create.
- This Project that will increase the foot-traffic, create jobs, and add "eyes on the street", improving neighborhood safety, creating a more vibrant, attractive neighborhood.

**Project Timeline**

It is anticipated that this development project will break ground July 2013 and will finish construction and lease up by November 2014.

**Project Budget**

Total project investment: \$7.75 Million. Please see the attached construction budget and operating profroma. As you can see, with the Commercial Rehabilitation tax benefit, this project will just break even. The project would not be feasible without the benefit the Commercial Rehabilitation certificate will bring.

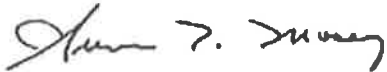
**Legal Description**

Address	Legal Description
4209 Woodward	W WOODWARD E 69 FT 10 SUB PT PK LOTS L1 P128 PLATS, W C R 2/108 54.11 X 70.57A
4219 Woodward	W WOODWARD 11 SUB PT PK LOTS L1 P128 PLATS, W C R 2/108 54.11 X 191.12A
22 West Willis	N WILLIS W 81 FT OF E 150 FT 10 SUB PT PK LOTS L1 P128 PLATS, W C R 2/108 81 X 54
34 West Willis	N WILLIS W 36.4 FT 10 SUB PT PK LOTS L1 P128 PLATS, W C R 2/108 36.4 X 54

**Property Ownership**

Woodward Willis, LCC is in control of the development site, which includes 22 & 34 W. Willis and 4209 & 4219 Woodward located in Detroit, Michigan. This development entity was created by Midtown Detroit, Inc. to hold, develop, and own the property located at this site.

Sincerely,



Susan T. Mosey

cc: Brian Watkins, Planning & Development Department



Woodward White- Detroit, MI

SOURCES AND USES - PROPERTY OWNER

	ONE DAY	TOTAL	NET CREDIT	CAPITALIZE	FUNDED EXPENDITURE	NON-RECURRING
1st Mortgage - NCB		\$ 1,346,744				
2nd Mortgage - DIF		\$ 1,200,000				
3rd Mortgage - PFI Loan		\$ 800,000				
4th Mortgage - Real Estate Asset Fund		\$ -				
Managing Member Equity		1,285,579				
DIF Land Loans	75,278	0				
State HTC Equity	450,000	0				
CRP Grant		500,000				
Community Foundation	30,000	30,000				
National City Grant	10,000	10,000				
Knight Foundation	0	0				
Chase Grant	75,000	75,000				
Property Grant	40,000	40,000				
Brownfield Tax Credit	40,000	407,522				
MITC Subsidy on Tax Credit Equity		2,253,989				
Delema's Developer Fee (assumes by Master Tenant when property is placed in service)		0				
<b>Total Sources of Funds</b>	<b>\$ 600,273</b>	<b>\$ 7,748,844</b>				
Land & Bldg Shell Acquisition	500,000	500,000		\$ 400,000	\$ 100,000	
Architects, Engineering & Interior design	70,529	70,529		250,000		
Developer Fee - Construction Management		47,000		47,000		
Developer Fee - (partially reimbursed)		1,286,141		1,286,141		
Investment Period Interest		200,000		200,000		
Office Leasing Commission		25,000		25,000		
Legal	23,513	300,000		300,000		
Accounting	585	20,000		20,000		
Economic Consultant	18,561	8,000		8,000		
Appraisal	0	3,000		3,000		
Environmental	0	1,000		1,000		
Title & Recording	2,426	25,000		25,000		
Marketing	0	3,000		3,000		
Survey	925	25,000		25,000		
Construction Insurance	0	50,000		50,000		
Taxes during Construction	41,452	60,000		60,000		
Professional Expenses	8,325	281,983		281,983		
DIF Acquisition Loan Repayment	0	24,000		24,000		
Construction Period Interest	0	24,000		24,000		
DIF Financing Fee	12,933	286,973		286,973		
CBE Fee/Cont. During Operations Reserve	0	15,000		15,000		
Audit/Rate (Construction)	0	25,000		25,000		
Accounting	0	5,200		5,200		
Start-Up Costs	0	15,600		15,600		
Software/IT	0	75,000		75,000		
CRS Hold-Up	0	600,000		600,000		
Commercial Space (TI \$2015)	0	2,998,142		2,998,142		
Lawrence Tech Buildout	0	26,983		26,983		
Construction Costs before Contingency	537	10,000		10,000		
Performance Bond	2	298,814		298,814		
Soft Cost Contingency	0	300,000		300,000		
Rem Up Reserve	0	298,814		298,814		
Construction Contingency	10.00%	300,000		300,000		
Operating Reserves						
<b>Total Development Costs</b>		<b>\$ 7,748,844</b>		<b>\$ 7,748,844</b>		<b>\$ 658,973</b>

Woodward Whis - Detroit, MI

OPERATING ASSUMPTIONS		F of Units										
Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
Potential Gross Revenue	0	3%	3%	3%	3%	3%	3%	3%	3%	3%		
Potential Residential Revenue	0	0	0	0	0	0	0	0	0	0		
Potential Commercial Income	504,018	519,139	534,713	550,754	567,277	584,235	601,824	619,879	638,475	657,629		
Absorption & Turnover	(201,607)	(156,742)	(153,471)	(155,075)	(156,725)	(158,430)	(160,122)	(161,963)	(163,847)	(165,763)		
Scheduled Base Rental Rev	302,411	363,397	424,241	495,679	510,549	525,868	541,641	557,891	574,627	591,865		
Storage Units	0	0	0	0	0	0	0	0	0	0		
Parking Spaces	0	0	0	0	0	0	0	0	0	0		
Water & Sewer Reimbursement	2,500	2,575	2,652	2,729	2,814	2,898	2,985	3,075	3,167	3,262		
Total Potential Gross Revs	304,811	365,972	423,894	498,410	513,363	528,764	544,627	560,965	577,794	595,128		
Residential Vacancy	0	0	0	0	0	0	0	0	0	0		
Commercial Vacancy	(40,321)	(41,531)	(42,777)	(44,050)	(45,382)	(46,744)	(48,145)	(49,590)	(51,079)	(52,610)		
Effective Gross Revenue	264,490	324,441	441,117	454,360	467,981	482,020	496,481	511,375	526,716	542,518		
Operating Expenses												
Admin Expense	10,584	12,978	17,645	18,174	18,719	19,281	19,859	20,455	21,069	21,701		
Prop Management	25,000	25,750	26,523	27,318	28,138	28,982	29,851	30,747	31,669	32,619		
Audit Expense	0	0	0	0	0	0	0	0	0	0		
Other Expenses	6,000	6,180	6,366	6,556	6,753	6,956	7,164	7,379	7,601	7,829		
Electric-Common	2,500	2,575	2,652	2,732	2,814	2,898	2,985	3,075	3,167	3,262		
Water & Sewer-Units	7,000	7,210	7,427	7,645	7,873	8,115	8,359	8,609	8,868	9,134		
Replacement Reserves	0	0	0	0	0	0	0	0	0	0		
Maintenance	0	0	0	0	0	0	0	0	0	0		
Contract Repairs	7,700	7,931	8,169	8,414	8,666	8,926	9,194	9,470	9,754	10,047		
Taxes & Insurance	11,000	11,330	11,670	12,020	12,381	12,752	13,135	13,528	13,934	14,353		
Property & Liability	50,000	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239		
Property Taxes	0	0	0	0	0	0	0	0	0	0		
Total Operating Expenses	119,784	125,454	132,495	137,500	141,625	145,874	150,250	154,758	159,400	164,182		
Net Operating Income	144,806	198,987	307,621	316,850	325,356	336,146	346,231	356,618	367,316	378,336		
Preparation Costs	0	0	0	0	0	0	0	0	0	0		
NOI After Leasing	144,806	198,987	307,621	316,850	325,356	336,146	346,231	356,618	367,316	378,336		
Adjustment for Reserve Capitalization	7,500	7,210	7,427	7,649	7,879	8,115	8,359	8,603	8,859	9,134		
NOI for Pro Forma (fiscal)	151,806	206,197	315,048	324,499	334,234	344,261	354,589	365,227	376,184	387,469		
1st Mortgage - NCB	(87,538)	(87,538)	(87,538)	(87,538)	(87,538)	(87,538)	(87,538)	(87,538)	(87,538)	(87,538)		
2nd Mortgage - DIF	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)		
3rd Mortgage - PRI Loan	(30,300)	(30,300)	(30,300)	(30,300)	(30,300)	(30,300)	(30,300)	(30,300)	(30,300)	(30,300)		
4th Mortgage - Rural Lstak Asset Fund	0	0	0	0	0	0	0	0	0	0		
Refinance Mortgage of All Debt (20yr amort, 8% rate)	0	0	0	0	0	0	0	0	0	0		
Preferred Return - NMTC Investor	0	0	0	0	0	0	0	0	0	0		
Cash Available	(55,731)	(1,341)	107,510	116,961	126,656	136,723	147,038	157,601	168,416	179,483		
Total Loans Balance:	3,146,744											
Weighted Average Interest Rate:	6.00%											
Potential Sinking Fund Req w 20yr Amort	(\$30,215.16)	(\$65,505.64)	(\$91,145.03)	(\$87,156.35)	(\$103,586.14)							
Refinance mortgage assuming Sinking Fund												
Cash after Potential Sinking Fund Required:	(\$55,731)	(\$81,556)	\$22,004	\$25,816	\$30,540	\$33,169	\$34,068	\$34,656	\$35,053	\$35,358		

Woodward Wilfis - Detroit, MI

GENERAL ASSUMPTIONS

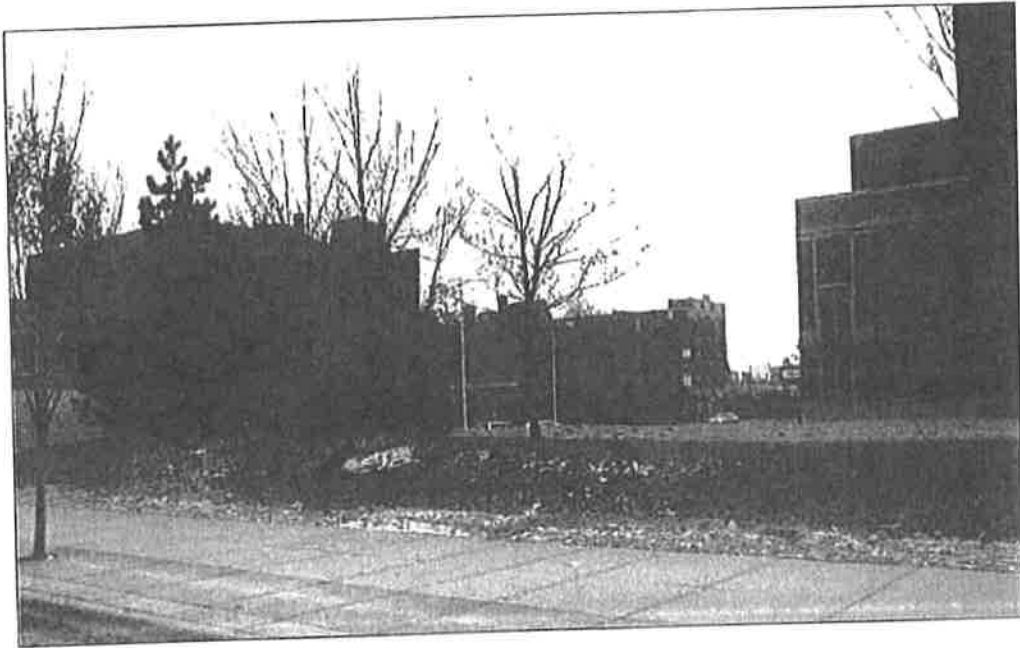
BoFA Contact	Richard Hoxey
Project Name:	Woodward Wilfis
Key Dates:	
Investor Entry	1-Jan-13
Construction Start	1-Jan-13
Construction Period (months)	12
Construction Completion	1-Jan-14
Depreciation Start	1-Jan-14
Operations Begin:	1-Jan-14
Sales Crd:	2021
Expense Assumptions:	
General inflation rate (P-BC)	3.00%
Capital Reserve (per unit)	\$350.00
Incentive Management Fee	5.00%
Vacancy (on Leased Space)	5.00%
Vacancy (on Speculative Space)	20.00%
Federal Historic Credit Percentage	20.00%
State Historic Credit Percentage	35.00%
Federal Tax Rate - Investor	35.00%
Federal Tax Rate - Sale	1.50%
State Tax Rate	1.50%
State Tax Rate - Sale	3.00%
Interest Rate on Lease-Up Reserve	3.00%
Interest Rate on Replacement Reserve	
Managing Member Deficit Restoration arr:	\$

TOTAL DEVELOPMENT COSTS

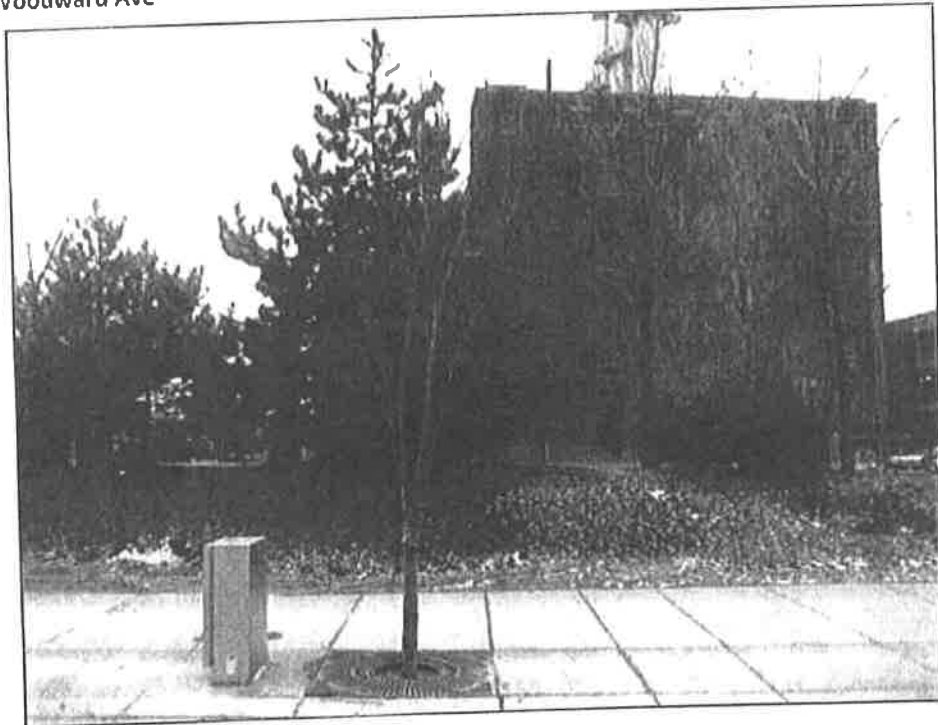
Land & Bldg Shell Acquisition	\$ 500,000
Architect's, Engineering & Interior design	250,000
Developer's Fee - Current/Project Management	47,000
Developer's Fee - (partially recredited)	1,286,141
Invest Detroit Carried Interest	200,000
Office Leasing Commissions	25,000
Legal	300,000
Accounting	0
Economic Consultant	20,000
Appraisal	8,000
Environmental	3,000
Title & Recording	1,000
Marketing	25,000
Survey	3,000
Construction Insurance	25,000
Taxes during Construction	50,000
Predevelopment Expenses	80,000
DJF Acquisition Loan Repayment	250,000
Construction Period Interest	251,980
DJF Financing Fee	24,000
CDE Fees/Costs During Operations Reserve	
CDE Upfront Fee	288,973
Audit/Tax (construction)	15,000
Accounting	25,000
Plan and Cost Review	5,200
Site Visits - CDE	15,600
DTE Hook-Up	75,000
Commercial Space (11 \$20/sf)	600,000
Lawrence Tech Buildout	0
Construction Costs before Contingency	2,988,142
Performance Bond	26,983
Soft Cost Contingency	10,000
Rent Up Reserve	0
Construction Contingency	256,814
Operating Reserves	300,000
	<u>\$ 7,988,844</u>
	250,000

FINANCING ASSUMPTIONS

Leverage Loans	\$ 1,346,744	87,538
1st Mortgage - NCB	5.500%	84
Interest Rate		240
Term		1
Amortization		1,00%
Commences (Mo./Yr.)		2014
Fee		
Standard PMT		
2nd Mortgage - DJF	\$ 1,200,000	90,000
Interest Rate	7.500%	84
Term		240
Amortization		1
Commences (Mo./Yr.)		2014
Fee		2.00%
3rd Mortgage - PRI Loan	\$ 500,000	30,000
Interest Rate	5.000%	84
Term		120
Amortization		1
Commences (Mo./Yr.)		1,00%
Fee		
4th Mortgage - Real Estate Asset Fund	\$	
Interest Rate	4.000%	84
Term		84
Amortization		1
Commences (Mo./Yr.)		1,00%
Fee		
	\$ 3,146,744	



4219 Woodward Ave



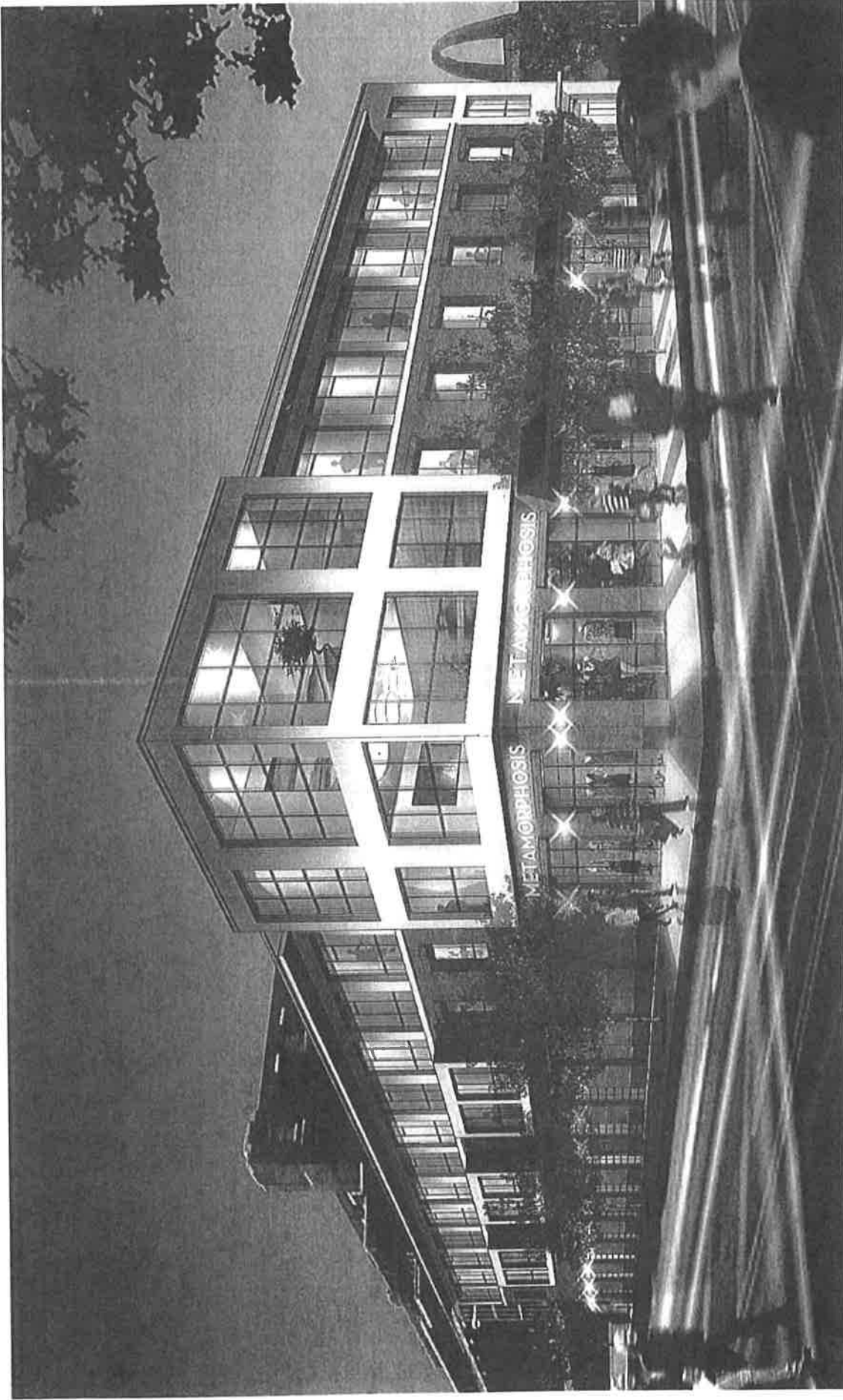
4209 Woodward Ave

22 W. Willis



34 W. Willis





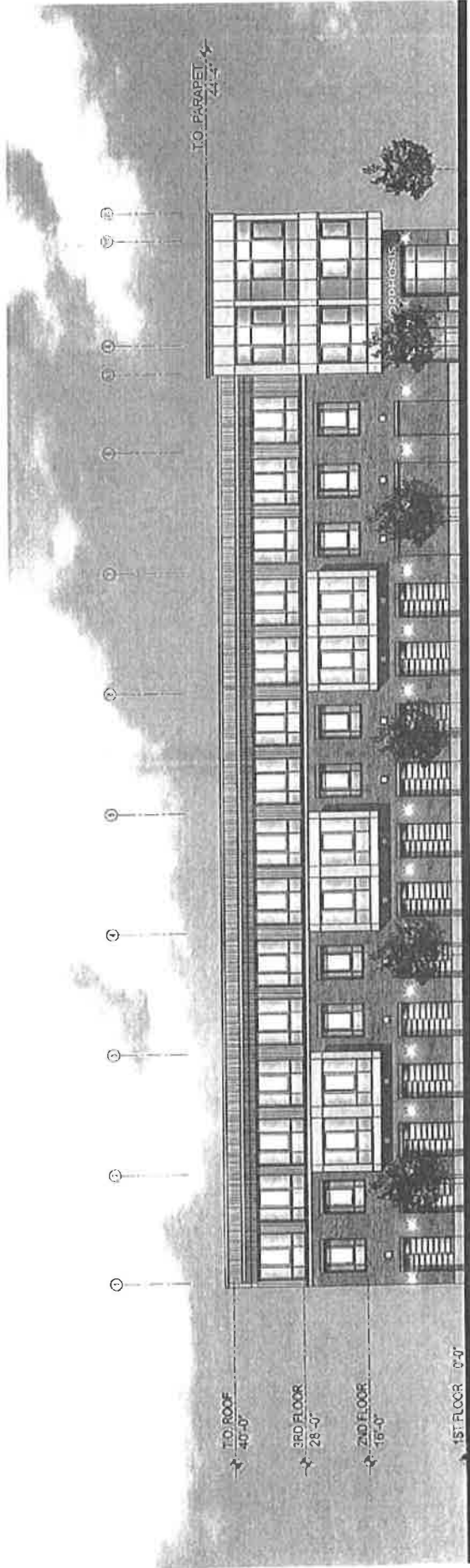
Corner Street View

# Woodward Willis Mixed-Use Development, Detroit

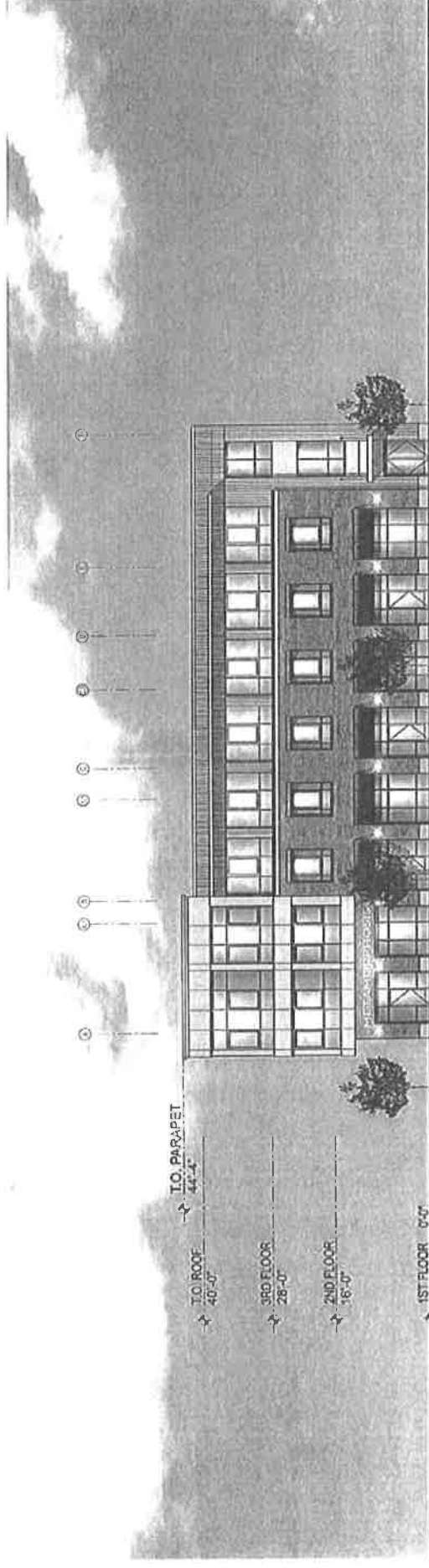


QUINN EVANS  
ARCHITECTS





Facade Elevation Facing Willis St.



Facade Elevation Facing Woodward Ave.

# Woodward Willis Mixed-Use Development, Detroit



QUINN EVANS  
ARCHITECTS









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

September 12, 2018

Maurice Cox, Director  
City of Detroit  
Planning & Development  
2 Woodward Ave, Suite 808  
Detroit, MI 48226

RE: Commercial Rehabilitation Certificate 2013-017 Transfer Request  
**4209 and 4219 Woodward, 22 and 34 W. Willis**  
Parcel Numbers: 02001797., 02001996., 02000878., 02000877., 23002013.017N

Dear Mr. Cox:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the request to transfer Commercial Rehabilitation Certificate 2013-017 expiring on 12/30/2029 from **Woodward Willis LLC** to **Mid-City Property LLC** for the property located at **4209 and 4219 Woodward along with 22 and 34 W. Willis.**

A certificate may be transferred and assigned by the holder of the certificate to a new owner of the rehabilitated facility if the qualified local governmental unit approves the transfer after application by the new owner.

A review of the request for the transfer of the Obsolete Property Rehabilitation Certificate to **Mid-City Property LLC** indicates that the project located at **4209 and 4219 Woodward along with 22 and 34 W. Willis** is eligible as it pertains to the Commercial Rehabilitation Act, PA 210 of 2005, as amended.

Sincerely,

Charles Ericson, MMAO  
Assessor, Board of Assessors

mmp



CITY OF DETROIT  
PLANNING AND DEVELOPMENT DEPARTMENT

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

TO: Veronica Farley, Housing and Revitalization  
FROM: Esther Yang, Planning and Development  
RE: Master Plan Interpretation for **Commercial Rehabilitation District** for 4209  
Woodward  
DATE: October 10, 2018  
CC: Maurice Cox, Director

In order to ensure that the Commercial Rehabilitation District Certificate is consistent 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 210 of 2005 (section 207.841), the Planning and Development Department's Planning Division submits the following interpretation.

Project Description:

Petitioner, Mid-City Properties, LLC is requesting the transfer of Commercial Rehabilitation Certificate 2013-017 issued in 2013 for property located at 4209 Woodward, 4219 Woodward, 22 W. Willis, and 34 W. Willis. The property was recently purchased by Mid-City Properties LLC. This property will continue to operate identically in the same manner as previous owner, Woodward Willis LLC.

Project is 3-stories and contains 31,000 SF of mixed-use development with 35 surface parking spaces provided onsite. The ground floor provides 2,500 SF of retail space, and 28,800 SF of office space on the second and third floor.

Project Location:

4209 Woodward

Interpretation:

The Master Plan Future General Land Use designation of this project 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 development conforms to the Future General Land Use designation for the area.**

Attachments

**Future General Land Use Map: Map 4-5B, Neighborhood Cluster 4, Lower Woodward.**



Map 4-5B

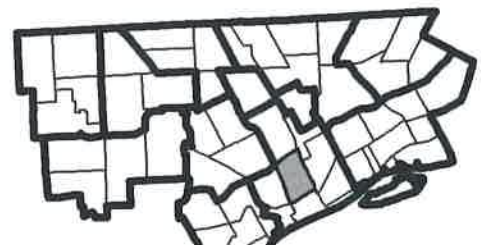
City of Detroit  
Master Plan of  
Policies

## Nearhood Cluster 4 Lower Woodward



### Future Land Use

Low Density Residential (RL)	Thoroughfare Commercial (CT)	Mixed - Town Center (MTC)
Low / Medium Density Residential (RLM)	Special Commercial (CS)	Recreation (PR)
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 (MRI)	Institutional (INST)



Amendment #1: 11/10/09 (PRC to INST)  
 Amendment #6: 10/14/14 (INST to RH, INST to MRC, RM to RH)  
 Amendment #9: 01/23/16 (MRC to CS)  
 Amendment #12: 03/29/16 (INST to MRC, RM to MRC)  
 Amendment #13: 11/14/17 (INST to MRC, RH to MRC)

# City of Detroit

CITY COUNCIL

COUNCIL PRESIDENT BRENDA JONES

## INCENTIVE INFORMATION CHART:

Project Type	Incentive Type	Investment Amount	District
Office & Commercial Bldg.	PA 210 Transfer	\$7,750,000 (completed in 2014)	6

Jobs Available							
Construction				Post Construction			
Professional	Non-Professional	Skilled Labor	Non-Skilled Labor	Professional	Non-Professional	Skilled Labor	Non-Skilled Labor
0	0	0	0	0	0	0	0

1. What is the plan for hiring Detroiters?

The request is to transfer a PA 210 certificate for an office and commercial building located at 4219 Woodward that was completed in 2014 by Woodward Willis LLC, an affiliate of Midtown Detroit, Inc. The property was sold recently to Mid-City Properties LLC. The property owner does not have any employees at the property, as the property's tenants are the employers of all employees in the building.

2. Please give a detailed description of the jobs available as listed in the above chart, i.e: job type, job qualifications, etc.

See above.

3. Will this development cause any relocation that will create new Detroit residents?

Not expected.

4. Has the developer reached out to any community groups to discuss the project and/or any potential jobs?

See above.

5. When is construction slated to begin?

Completed in 2014.

6. What is the expected completion date of construction?

Completed in 2014.

\*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.

Coleman A. Young Municipal Center • 2 Woodward Avenue • Suite 1340 • Detroit, Michigan 48226  
(313) 224-1245 Fax (313) 224-4095







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

October 10, 2018

32 [Redacted]

add 487  
9.9.8

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

**RE: Request for Public Hearing for Petition #209 to Establish a Commercial Rehabilitation District for Lafayette Acquisition Partners, LLC in the area of 1401 Rivard Street, Detroit, Michigan, in accordance with Public Act 210 of 2005.**

Honorable City Council:

The Housing and Revitalization Department has reviewed the request of **Lafayette Acquisition Partners, LLC** to establish a Commercial Rehabilitation District, and find that it satisfies the criteria set forth by Public Act 210 of 2005 and that it would be consistent with the development and economic goals of the Master Plan.

Per Public Act 210 of 2005, prior to acting upon the resolution to approve a district, 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 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 adopting a resolution to establish a new commercial 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, PDD  
D. Rencher, HRD  
V. Farley, HRD

CITY CLERK 2018 OCT 12 PM 2:40



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

**WHEREAS**, pursuant to Public Act No. 210 of 2005 (“the Act”) this City Council may adopt resolution which approves the request to establish a Commercial Rehabilitation District within the boundaries of the City of Detroit; and

**WHEREAS**, **Lafayette Acquisition Partners, LLC**, has requested that a Commercial Rehabilitation District be established as particularly described in the legal description and illustrated in the map 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 \_\_\_\_\_, 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, **such notices to be provided not less than 10 days or more than 30 days** before the date of the hearing.

Janice M. Winfrey  
City Clerk

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

Caven West  
Deputy City Clerk/Chief of Staff

**DEPARTMENTAL REFERENCE COMMUNICATION**

*Monday, August 06, 2018*

*To: The Department or Commission Listed Below*

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

---

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.

---

PLANNING AND DEVELOPMENT DEPARTMENT    LEGISLATIVE POLICY DIVISION  
CITY PLANNING COMMISSION    FINANCE DEPARTMENT

**487**    *Lafayette Acquisition Partners, LLC, request to establish a Commercial Rehabilitation District at 1401 Rivard Street.*



333 W. Fort St., Ste. 1410  
Detroit, MI 48226  
T (313) 962-9353  
[www.aktpeerless.com](http://www.aktpeerless.com)

July 19, 2018

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

**RE: Request for the Establishment of a Commercial Rehabilitation District at  
1401 Rivard Street**

Honorable City Council:

Please accept this letter as a request to establish a Commercial Rehabilitation Development District for the property located at **1401 Rivard Street** and described on Attachment A.

The project is a comprehensive, mixed-use redevelopment of the site. The current, vacant, obsolete 8-story university building and dilapidated parking lot will be demolished. The redevelopment, Lafayette West, is planned to consist of a 12-story tower, two 4-story residential buildings, and approximately 56 for-sale condominium townhomes. The tower will be serviced by a 3-story parking structure, and the mid-rise residential buildings will be podium style developments with integrated ground level parking and four stories of apartments atop the parking. The Petitioner anticipates investing approximately \$111 million to redevelop the property. It is currently anticipated construction will begin in the summer of 2018.

The Petitioner, Lafayette Acquisitions Partners, LLC, is a subsidiary of Ginosko Development Company. Ginosko Development Company is a real estate development company specializing in quality affordable housing creation and preservation. Ginosko Development Company communities are known for their careful planning, attention to detail and respect for the environment. They strive to lead in the evolution of real estate use in order to meet the market needs of a global economy.

Creation of the district and approval of an exemption certificate is necessary for the viability of the project. The project would not be undertaken without the tax exemption and other incentives being contemplated. The property has lain vacant since 2002 and previous attempts to redevelop the site never came to fruition. The project is estimated to

CITY CLERK 19 JUL create 5 full-time equivalent employees and 348 construction jobs.





333 W. Fort St., Ste. 1410  
Detroit, MI 48226  
T (313) 962-9353  
[www.aktpeerless.com](http://www.aktpeerless.com)

The number of years requested for the CRA exemption is ten (10).

The redevelopment will greatly increase urban density in the City of Detroit and provide owner occupied housing and residential market value options, in addition to much-needed new commercial and retail space. The new development will further be supported by integrated parking decks. The project will create jobs for local residents, increase commercial activity, spur redevelopment of adjacent underutilized and vacant properties and will provide additional tax revenue for the City of Detroit. The applicant is not delinquent in the payment of any taxes related to the subject property. The applicant is also applying for the Neighborhood Enterprise Zone (for the owner-occupied townhomes) and Tax Increment Financing.

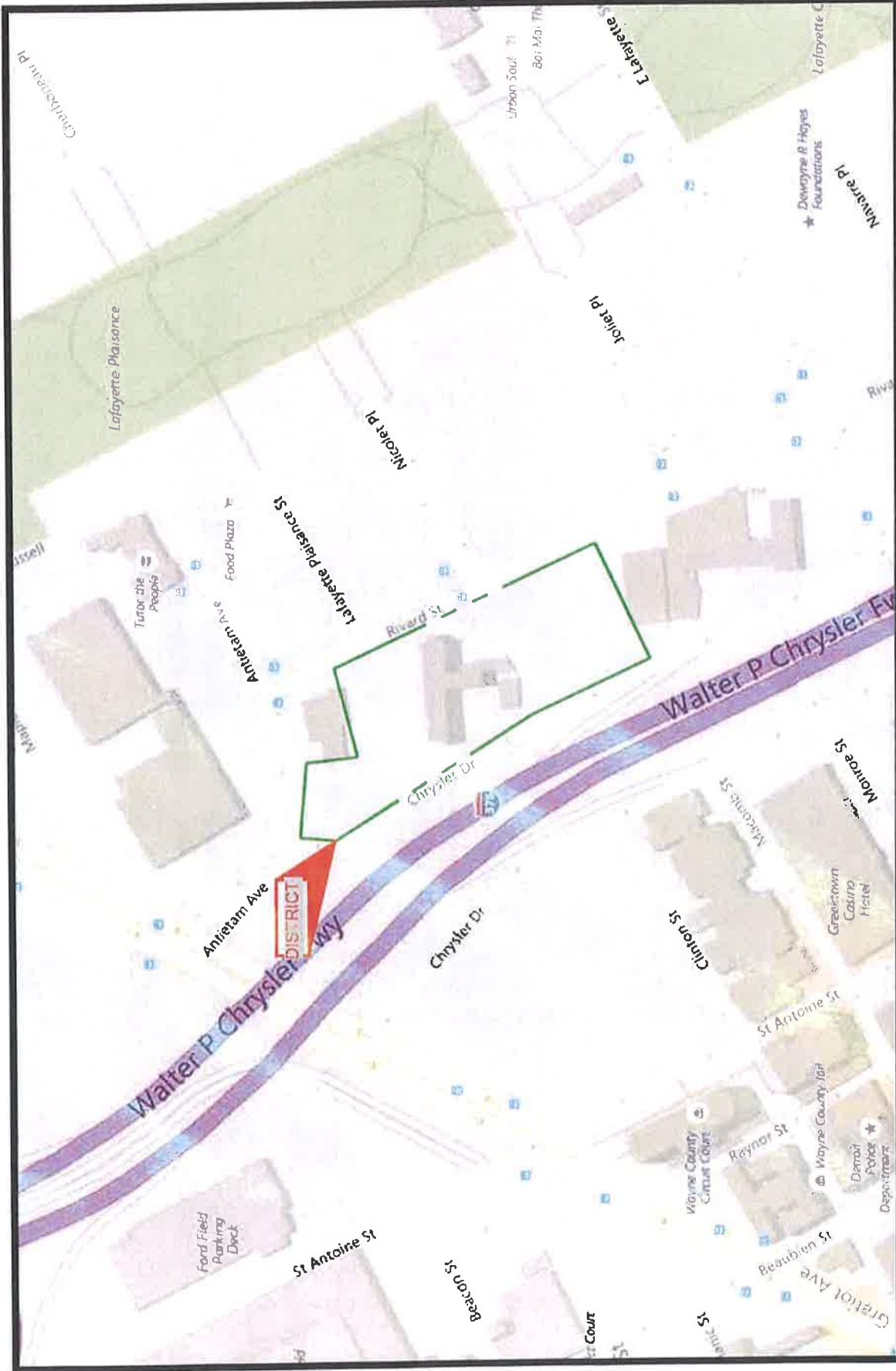
Lafayette Acquisition Partners, LLC is dedicated to "building a brighter future today" for the residents of their communities. They believe in the enhancement of useful space through creating and preserving safe, decent, and quality affordable housing. Lafayette Acquisition Partners, LLC will bring housing options, commercial and retail space and parking solutions to downtown Detroit.

Respectfully submitted,

Bret Stuntz  
Vice President  
AKT Peerless  
333 W. Fort St., Ste. 1410  
Detroit, MI 48226  
(248) 302-1398

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

cc: K. Bridges, DEGC  
N. Marsh, DEGC  
D. Bolton, Planning



DRAWN BY: ARR  
 DATE: 11/27/2017

LEGEND

**PROPOSED DISTRICT MAP**  
 1401 RIVARD STREET  
 DETROIT, MICHIGAN  
 PROJECT NUMBER: 12862F-2-17

**AKTPEERLESS**  
[www.aktpeerless.com](http://www.aktpeerless.com)

**1401 RIVARD** (Property Address)

Parcel Number: 05003750-82

**Property Owner: ELIZABETH STREET LOFTS INC**

**Summary Information**

- > Commercial/Industrial Building Summary
  - Yr Built: N/A
  - Total Sq.Ft: N/A
  - # of Buildings: 1
- > Assessed Value: \$306,800 | Taxable Value: \$278,104
- > Property Tax Information found

Error Loading Image

Item 1 of 3      2 Images / 1 Sketch

**Owner and Taxpayer Information**

<b>Owner</b>	ELIZABETH STREET LOFTS INC 743 BEAUBIEN STE 210 DETROIT, MI 48226	<b>Taxpayer</b>	SEE OWNER INFORMATION
--------------	-------------------------------------------------------------------------	-----------------	-----------------------

**Legal Description**

W RIVARD PART OF LOT 24 LAFAYETTE PARK SUB L80 P87-91 PLATS WCR 5/148 DESC AS BEG AT A PTE DISTANT S 28D 04 M 53 S 169.01 FT FROM THE INTERSECTION OF THE SLY LINE ANTIETAM AND THE WLY LINE OF RIVARD THENCE S 28D 04M 53S E 111.27 FT THENCE S 26D 02M 57S E 526.67 FT THENCE S 59D 52M 15S 287.05 FT THENCE N 26D 02M 57S 315.07 FT THENCE N 32D 09M 51S W 560.00 FT THENCE N 04D 48M 18S E 53.48 FT THENCE ALG THE SLY LINE OF ANTIETAM ON A CUR TO THE LEFT WHOSE RADIUS IS 358.34 AN ARC DISTANCE OF 158.14 FT CH OF SD CUR BEARS S 86D 07M 51S E 156.86 FT THENCE S 09D 22M 51S E 122.37 FT THENCE N 80D 37M 09S E 223.13 FT TO POB 227 283 SQ FT

**Recalculate amounts using a different Payment Date**

You can change your anticipated payment date in order to recalculate amounts due as of the specified date for this property.

Enter a Payment Date

**Tax History**

Year	Season	Total Amount	Total Paid	Last Paid	Total Due
2017	Winter	\$2,638.24	\$2,638.24	01/12/2018	\$0.00
2017	Summer	\$21,861.44	\$21,861.44	01/12/2018	\$0.00
2016	Winter	\$3,171.64	\$3,171.64	12/29/2016	\$0.00
2016	Summer	\$21,450.93	\$21,450.93	12/29/2016	\$0.00

\*\*Disclaimer: BS&A Software provides AccessMyGov.com as a way for municipalities to display information online and is not responsible for the content or accuracy of the data herein. This data is provided for reference only and WITHOUT WARRANTY of any kind, expressed or inferred. Please contact your local municipality if you believe there are errors in the data.

2018-08-06

**487**

**487** *Petition of Lafayette Acquisition Partners, LLC, request to establish a Commercial Rehabilitation District at 1401 Rivard Street.*

---

REFERRED TO THE FOLLOWING DEPARTMENT(S)

PLANNING AND DEVELOPMENT DEPARTMENT  
LEGISLATIVE POLICY DIVISION  
CITY PLANNING COMMISSION    FINANCE DEPARTMENT



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

March 20, 2018

Maurice Cox, Director  
Planning & Development Department  
2 Woodward Ave, CAYMC  
Suite 810  
Detroit, MI 48226

RE: Commercial Rehabilitation District – Lafayette Acquisitions Partners LLC  
Property Address: 1401 Rivard Street  
Parcels Number: 05003750-82

Dear Mr. Cox:

The Office of the Chief Financial Officer, Assessors Office, has reviewed the proposed Commercial Rehabilitation District located at 1401 Rivard Street in the **Lafayette Park District** of the City of Detroit.

The rationale for creating Commercial Rehabilitation Districts under PA 210 of 2005, as amended, is based on the anticipation of increased market value upon completion of new construction and/or significant rehabilitation of commercial and former industrial property where the primary purpose and use is the operation of a commercial business enterprise or multifamily residential use. Commercial property also includes facilities related to a commercial business enterprise under the same ownership at that location, including, but not limited to, office, engineering, research and development, warehousing, parts distribution, retail sales, and other commercial activities. Commercial property also includes a building or group of contiguous buildings previously used for industrial purposes that will be converted to the operation of a commercial business enterprise.

The district, as proposed by the **Lafayette Acquisition Partners LLC**, consists of the vacant, obsolete 8-story university building and dilapidated parking on 5.218 acres of land that will be demolished. Redevelopment is planned to consist of a new 24-story tower, two 5 story residential buildings with integrated ground level parking and four stories of apartments atop the parking.

This area meets the criteria set forth under PA 210 of 2005, as amended. It applies to blighted, functionally obsolete and contaminated properties. "Commercial rehabilitation district" or "district" means an area not less than 3 acres in size of a qualified local governmental unit established as provided in section 3. However, if the commercial rehabilitation district is located in a downtown or business area or contains a qualified retail food establishment as determined by the legislative body of the qualified local governmental unit, the district may be less than 3 acres in size. The local government unit may establish by resolution a district that contains 1 or more parcels or tracts of land if at the time the resolution is adopted the parcel or tract of land or portion of a parcel or tract of land within the district is a qualified facility.

A field investigation and application review indicated that the proposed Commercial Rehabilitation District located in the **Lafayette Park District** is eligible as it pertains to the Commercial Rehabilitation Act under P.A. 210 of 2005, as amended.

Sincerely,

Charles Ericson, MMAO  
Assessor, Board of Assessors

mmp



Property Owner: Elizabeth Street Lofts Inc.

Property Address: 1401 Rivard

Parcel Number: 05003750-82

Legal Description: W RIVARD PART OF LOT 24 LAFAYETTE PARK SUB L80 P87-91 PLATS WCR 5/148 DESC AS BEG AT A PTE DISTANT S 28D 04 M 53 S 169.01 FT FROM THE INTERSECTION OF THE SLY LINE ANTIETAM AND THE WLY LINE OF RIVARD THENCE S 28D 04M 53S E 111.27 FT THENCE S 26D 02M 57S E 526.67 FT THENCE S 59D 52M 15S 287.05 FT THENCE N 26D 02M 57S 315.07 FT THENCE N 32D 09M 51S W 560.00 FT THENCE N 04D 48M 18S E 53.48 FT THENCE ALG THE SLY LINE OF ANTIETAM ON A CUR TO THE LEFT WHOSE RADIUS IS 358.34 AN ARC DISTANCE OF 158.14 FT CH OF SD CUR BEARS S 86D 07M 51S E 156.86 FT THENCE S 09D 22M 51S E 122.37 FT THENCE N 80D 37M 09S E 223.13 FT TO POB 227 283 SQ FT





TO: Dinah Bolton, Housing and Revitalization Department  
FROM: Esther Yang, Planning Division  
RE: Master Plan Interpretation for Commercial Rehabilitation District at 1401 Rivard.  
DATE: September 19, 2018  
CC: Maurice Cox, Director

In order to ensure that the issuance of a certificate for a **Commercial Rehabilitation District** is consistent 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 210 of 2005 (section 207.841), the Planning and Development Department's Planning Division submits the following interpretation.

**Petitioner**

Lafayette Acquisitions Partners, LLC

**Location**

1401 Rivard Street

**Project Description**

Demolition of existing 8-story building, then construction of a 12 story tower residential building (134 units) with a 4 –story parking structure (1 floor above grade, 2 floors below-grade, 182 parking spaces), two podium 4-story residential buildings (80 units & 100 units) with one level of parking on each with residential units above (34 parking spaces & 46 parking spaces respectively) and 60 for-sale condominium townhomes

**Master Plan Interpretation**

The site is approximately 5½ acres. Medium - Density Residential areas should have an overall density of 16 to 24 dwelling units per net residential acre. The areas are often characterized by multi-unit apartment buildings with a common entrance and shared parking. The overall density of the proposed development exceeds the density for RLM areas. The area adjacent to Rivard is to be developed with townhomes; the higher density is to be on the west side of the site. The developers and City agencies, with input from area residents, should coordinate efforts to design the site to insure lower density development along Rivard.

The Master Plan Future General Land use categories used on all the maps are generalized. Boundaries are not meant to be precise as to blocks or property lines. Categories are descriptive of general development recognizing that some intermixtures are permissible or desirable.

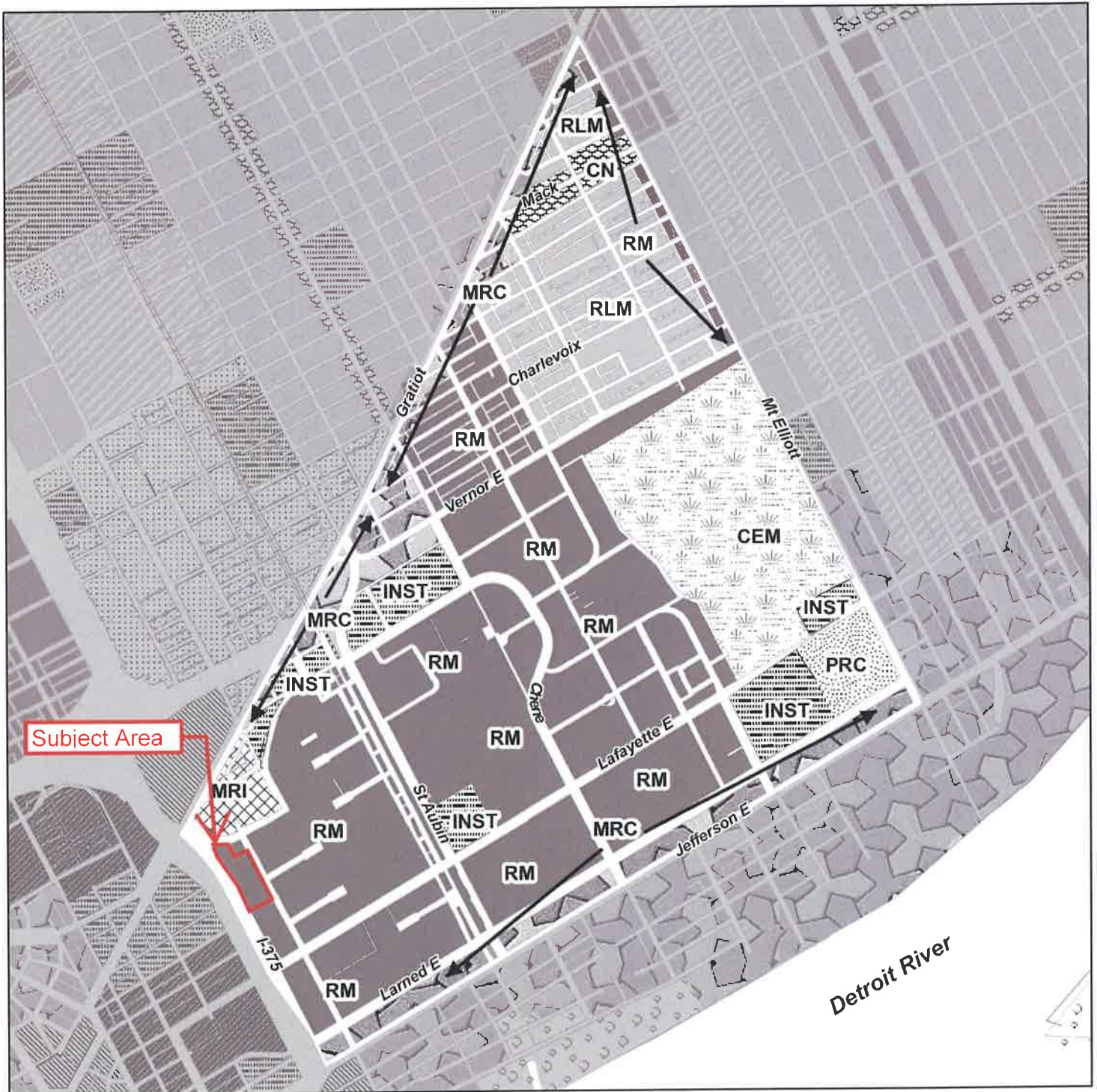
The development is in proximity to two Major Streets and accessible by a Secondary Street and freeway service drive to the west.

**The proposed development does not change the Future General Land Use characteristics of the area and conforms to the policies of the City's Master Plan.**

**Attachments**


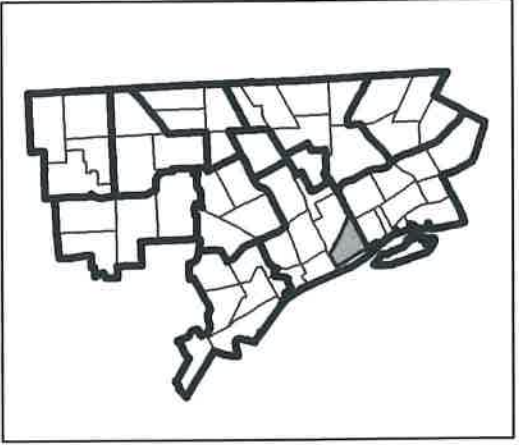
**Future General Land Use Map:** Map 4-4B, Neighborhood Cluster 4, Lower East Central.





**Map 4-4B**  
**City of Detroit**  
**Master Plan of**  
**Policies**

**Neighborhood Cluster 4**  
**Lower East Central**

**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 (MRI)	Institutional (INST)





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

33

October 10, 2018

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

**Re: Request for Public Hearing to Approve an Obsolete Property Rehabilitation Certificate on behalf of 1249 Griswold Street, LLC in the area of 1249 Griswold Street, Detroit, Michigan, in accordance with Public Act 146 of 2000 (Petition #2636).**

Honorable City Council:

The Housing and Revitalization Department and Finance Departments have reviewed the application of **(1249 Griswold Street, 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.

Public Act 146 of 2000 states that the legislative body of the qualified local governmental unit, shall by resolution either approve or disapprove the application for an Obsolete Property Rehabilitation Exemption Certificate in accordance with Section 8 and other provisions of this act. 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.

We request that a Public Hearing be scheduled on the issue of approving the application for the Obsolete Property Rehabilitation Certificate. 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 OCT 12 11:44



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

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

**WHEREAS**, 1249 Griswold Street, LLC has made application for an Obsolete Property Rehabilitation Certificate 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.

Rec'd 4/14/16

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

Janice M. Winfrey  
City Clerk

Vivian A. Hudson  
Deputy City Clerk

April 14, 2016

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

**RECEIVED**

**APR 15 2016**

**CITY OF DETROIT  
PLANNING & DEVELOPMENT DEPT  
DIRECTOR'S OFFICE**

Re: 1249 Griswold

Please find attached AMENDED Application for Obsolete Property Rehabilitation Exemption Certificate for 1249 Griswold Street LLC. **(RELATED TO PETITION 2636)**

Respectfully submitted,

Andre Gilbert II, Jr. Asst. City Council Clerk  
Office of the City Clerk

#2631

# AMENDMENT

Michigan Department of Treasury  
3674 (Rev. 05-13)

## Application for Obsolete Property Rehabilitation Exemption Certificate

This form is issued as provided by Public Act 146 of 2000, as amended. This application should be filed after the district is established. This project will not receive tax benefits until approved by the State Tax Commission. Applications received after October 31 may not be acted upon in the current year. This application is subject to audit by the State Tax Commission.

**INSTRUCTIONS:** File the original and two copies of this form and the required attachments with the clerk of the local government unit. (The State Tax Commission requires two copies of the Application and attachments. The original is retained by the clerk.) Please see State Tax Commission Bulletin 9 of 2000 for more information about the Obsolete Property Rehabilitation Exemption. The following must be provided to the local government unit as attachments to this application: (a) General description of the obsolete facility (year built, original use, most recent use, number of stories, square footage); (b) General description of the proposed use of the rehabilitated facility, (c) Description of the general nature and extent of the rehabilitation to be undertaken, (d) A descriptive list of the fixed building equipment that will be a part of the rehabilitated facility, (e) A time schedule for undertaking and completing the rehabilitation of the facility, (f) A statement of the economic advantages expected from the exemption. A statement from the assessor of the local unit of government, describing the required obsolescence has been met for this building, is required with each application. Rehabilitation may commence after establishment of district.

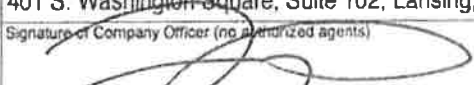
Applicant (Company) Name (applicant must be the OWNER of the facility) 1249 Griswold Street LLC		
Company Mailing address (No. and street, P.O. Box, City, State, ZIP Code) 401 S. Washington Square, Suite 102, Lansing, MI 48933		
Location of obsolete facility (No. and street, City, State, ZIP Code) 1249 Griswold Street		
City, Township, Village (indicate which) Detroit		County Wayne
Date of Commencement of Rehabilitation (mm/dd/yyyy) 12/01/16	Planned date of Completion of Rehabilitation (mm/dd/yyyy) 06/30/18	School District where facility is located (include school code) Detroit City (82010)
Estimated Cost of Rehabilitation \$17,140,000.00	Number of years exemption requested 12	Attach Legal description of Obsolete Property on separate sheet See Attachment G
Expected project likelihood (check all that apply):		
<input checked="" type="checkbox"/> Increase Commercial activity	<input type="checkbox"/> Retain employment	<input checked="" type="checkbox"/> Revitalize urban areas
<input checked="" type="checkbox"/> Create employment	<input type="checkbox"/> Prevent a loss of employment	<input checked="" type="checkbox"/> Increase number of residents in the community in which the facility is situated
Indicate the number of jobs to be retained or created as a result of rehabilitating the facility, including expected construction employment <u>445</u>		
Each year, the State Treasurer may approve 25 additional reductions of half the school operating and state education taxes for a period not to exceed six years. Check the following box if you wish to be considered for this exclusion.		
<input checked="" type="checkbox"/>		

### APPLICANT'S CERTIFICATION

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 of the information is truly descriptive of the property for which this application is being submitted. Further, the undersigned is aware that, if any statement or information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy.

The applicant certifies that this application relates to a rehabilitation program that, when completed, constitutes a rehabilitated facility, as defined by Public Act 146 of 2000, as amended, and that the rehabilitation of the facility would not be undertaken without the applicant's receipt of the exemption certificate.

It is further certified that the undersigned is familiar with the provisions of Public Act 146 of 2000, as amended, 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 Obsolete Property Rehabilitation Exemption Certificate by the State Tax Commission.

Name of Company Officer (no authorized agents) Richard Karp	Telephone Number (517) 708-3004	Fax Number (517) 485-1104
Mailing Address 401 S. Washington Square, Suite 102, Lansing, MI 48933		Email Address rk@buildtech.com
Signature of Company Officer (no authorized agents) 		Title Authorized Agent

### LOCAL GOVERNMENT UNIT CLERK CERTIFICATION

The Clerk must also complete Parts 1, 2 and 4 on Page 2. Part 3 is to be completed by the Assessor.

Signature	Date application received
-----------	---------------------------

### FOR STATE TAX COMMISSION USE

Application Number	Date Received	LUCI Code
--------------------	---------------	-----------

CLERK [Signature] 1 APR 2018 10:13:50

# AMENDMENT

3674, Page 2

## LOCAL GOVERNMENT ACTION

This section is to be completed by the clerk of the local governing unit before submitting the application to the State Tax Commission. Include a copy of the resolution which approves the application and instruction items (a) through (f) on page 1, and a separate statement of obsolescence from the assessor of record with the State Assessor's Board. All sections must be completed in order to process.

### PART 1: ACTION TAKEN

Action Date: _____		
<input type="checkbox"/> Exemption Approved for _____ Years, ending December 30, _____ (not to exceed 12 years)		
<input type="checkbox"/> Denied		
Date District Established	LUCI Code	School Code

### PART 2: RESOLUTIONS (the following statements must be included in resolutions approving)

<p>A statement that the local unit is a Qualified Local Governmental Unit.</p> <p>A statement that the Obsolete Property Rehabilitation District was legally established including the date established and the date of hearing as provided by section 3 of Public Act 146 of 2000.</p> <p>A statement indicating whether the taxable value of the property proposed to be exempt plus the aggregate taxable value of property already exempt under Public Act 146 of 2000 and under Public Act 198 of 1974 (IFT's) exceeds 5% of the total taxable value of the unit.</p> <p>A statement of the factors, criteria and objectives, if any, necessary for extending the exemption, when the certificate is for less than 12 years.</p> <p>A statement that a public hearing was held on the application as provided by section 4(2) of Public Act 146 of 2000 including the date of the hearing.</p> <p>A statement that the applicant is not delinquent in any taxes related to the facility.</p> <p>If it exceeds 5% (see above), a statement that exceeding 5% will not have the effect of substantially impeding the operation of the Qualified Local Governmental Unit or of impairing the financial soundness of an affected taxing unit.</p> <p>A statement that all of the items described under "Instructions" (a) through (f) of the Application for Obsolete Property Rehabilitation Exemption Certificate have been provided to the Qualified Local Governmental Unit by the applicant.</p>	<p>A statement that the application is for obsolete property as defined in section 2(h) of Public Act 146 of 2000.</p> <p>A statement that the commencement of the rehabilitation of the facility did not occur before the establishment of the Obsolete Property Rehabilitation District.</p> <p>A statement that the application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of Public Act 146 of 2000 and that is situated within an Obsolete Property Rehabilitation District established in a Qualified Local Governmental Unit eligible under Public Act 146 of 2000 to establish such a district.</p> <p>A statement that completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, create employment, retain employment, prevent a loss of employment, revitalize urban areas, or increase the number of residents in the community in which the facility is situated. The statement should indicate which of these the rehabilitation is likely to result in.</p> <p>A statement that the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at commencement of the rehabilitation as provided by section 2(i) of Public Act 146 of 2000.</p> <p>A statement of the period of time authorized by the Qualified Local Governmental Unit for completion of the rehabilitation.</p>
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

### PART 3: ASSESSOR RECOMMENDATIONS

Provide the Taxable Value and State Equalized Value of the Obsolete Property, as provided in Public Act 146 of 2000, as amended, for the tax year immediately preceding the effective date of the certificate (December 31st of the year approved by the STC).

	Taxable Value	State Equalized Value (SEV)
Building(s)		
Name of Governmental Unit	Date of Action on application	Date of Statement of Obsolescence

### PART 4: CLERK CERTIFICATION

The undersigned clerk certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way. Further, the undersigned is aware that if any information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy.

Name of Clerk	Clerk Signature	Date	
Clerk's Mailing Address	City	State	ZIP Code
	Telephone Number	Fax Number	Email Address

Mall completed application and attachments to: Michigan Department of Treasury  
 State Tax Commission  
 P.O. Box 30471  
 Lansing, Michigan 48909-7971

If you have any questions, call (517) 373-2408.

For guaranteed receipt by the State Tax Commission, it is recommended that applications and attachments are sent by certified mail.



1249 GRISWOLD STREET LLC  
300 RIVERFRONT DRIVE, SUITE 22B  
DETROIT, MI 48226

## AMENDMENT

### Attachment A

The building at 1249 Griswold Street was built in 1915 where the building was to supply the growing demand of office space in downtown Detroit. In 1956 the building underwent alterations throughout and most recently was purchased in the 1970s where it was renovated further for office space, however it has been vacant since 1984. The building has 8 stories and totals 109,136 square feet.

### Attachment B

Rehabilitation will convert the building into having 83 modern loft units and 19,000 square feet of commercial space.

### Attachment C

The project calls for the reuse and rehabilitation of an underutilized building. The project will renovate this functionally obsolete structure and transform it into a modern, energy efficient development. Difficult rehabilitation projects, like this one, often incur extraordinary costs both on the construction and operating side. Restoring historic elements, removing any asbestos, and lead-based paint, replacing mechanical and plumbing systems, replacing windows, walls, and floors as well as improving the exterior of the buildings and demolishing deteriorated elements are a few of the tasks that increase construction costs. Also excessive are the operating costs, such as heating and cooling for buildings with high ceilings, and the additional cost of security and maintenance in order to satisfy concerns of residents, and their sense of safety within the neighborhood.

### Attachment D

It is not anticipated that any fixed building equipment will be a part of the rehabilitated facility.

### Attachment E

Predevelopment activities have already begun. The construction is expected to begin in September 2015 and be completed by December 2016.

### Attachment F

Development in Detroit costs more in construction costs than the final stabilized property will garner in appraisal value. The City of Detroit contributes greatly by creating OPRA Districts. The City does not incur any cost of this subsidy but gains the benefit of revitalization and increased taxable value after the expiration of the OPRA abatement period. The Detroit School System gains the benefit of increased taxes immediately upon completion.

Without the OPRA abatement, the redevelopment of this blighted property would not be possible. The debt available to a property is a function of how much income a property can generate after payment of all expenses including property taxes. Taxes represent 26% of this property's expenses



1 249 GRISWOLD STREET LLC  
 300 RIVERFRONT DRIVE, SUITE 22B  
 DETROIT, MI 48226

even with an OPRA abatement and more than 63% without. Below is the expected Net Operating Income w/Abatement:

	Year 1	Year 2 (Stabilized)	Year 3	Year 4	Year 5	Year 6	Year 12	Year 13 (Post Abatement)
Net Revenue	1,110,646	1,526,919	1,572,727	1,619,909	1,668,506	1,718,561	2,052,052	2,113,613
Less: Operating Expenses (before Property Taxes)	345,178	377,307	391,356	405,936	421,066	436,769	544,285	564,655
Less: Property Taxes (w/Abatement)	116,439	119,932	123,530	127,236	131,053	134,985	300,848	914,559
Net Operating Income (w/Abatement)	649,029	1,029,680	1,057,841	1,086,737	1,116,387	1,146,807	1,206,919	634,399
Less: Debt Service	633,738	760,485	760,485	760,485	760,485	760,485	760,485	476,943
Cash Available After Debt Service	15,292	269,195	297,356	326,252	355,902	386,322	446,434	157,456

Cash available after Debt Service when the project is stabilized represents a 3% return on investment for the developer. This is below the minimum that developers require for development risk. This is why generally smaller developers and non-profits engage in urban revitalization while larger developers pursue 20% plus returns in the suburbs. This will continue until urban revitalization becomes more profitable which will be when the area has been fully revitalized like downtown Chicago.

Without the Abatement, the NOI would be:

Net Revenue	1,526,919
Less: Operating Expenses (before Property Taxes)	377,307
Less: Property Taxes (w/out Abatement)	<u>753,621</u>
Net Operating Income (w/out Abatement)	<u>395,991</u>

The property could only support debt of \$4,300,000 and the developer would need to contribute additional funds bringing the total developer contribution to \$4,200,000. The developer return would then be less than 1%. Even non-profit and small community developers could not pursue the risk and years of work to make the project work in hopes of earning a return less than the U.S. Treasury rate.

The purpose and length of the Abatement Period is shown in the numbers as well. The Abatement over ten years will give the Project time to grow rents enough to absorb the higher taxes and still provide the developer with their expected return.

The effect is a win-win for the City. Without the Abatement, the property will continue to generate minimal taxes. With the Abatement, the school tax increases 20 times the current amount and the city gets a better appearance. In addition to this, the City gets 30 times the tax amount after the abatement period ends. Another, less obvious, benefit that has proven true for Midtown and Downtown development is that a significant portion of the tenants are people returning from the suburbs to the City. As these market-rate projects appeal to young



1249 GRISWOLD STREET LLC  
300 RIVERFRONT DRIVE, SUITE 22B  
DETROIT, MI 48226

professional and "empty nesters" averaging \$50,000 in income, each returnee brings (2.5% x \$50,000) or \$1,250 in City taxes willingly back to the City. As this project will have 83 units, that translates to \$104,000 in new City Income Tax which is 6 times what the City collects on the current building. The Abatement is beneficial to the City and imperative for the project.

Attachment G (Legal Description of Obsolete Property)

W GRISWOLD 61&60 PLAT OF SEC 8 GOVERNOR & JUDGES PLAN L34 P543 DEEDS, W C R  
2/1 121.54 X 100





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

September 26, 2016

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

RE: **Obsolete Property Rehabilitation Certificate**  
Address: 1249 Griswold Street  
Parcel # 02002006.

Dear Mr. Cox:

The Office of the Chief Financial Officer, Assessments Division, has reviewed the proposed Obsolete Property Rehabilitation certificate application for the property located at **1249 Griswold Street**.

The rationale for granting Obsolete Property Rehabilitation certificates 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.

**1249 Griswold Street LLC** plans to reuse and rehabilitate an underutilized building into 82 modern loft units and 29,670 square feet of commercial space. The property is currently a vacant historic eight-story office building with a total of 109,136 square feet.

The 2016 values are as follows:

Parcel #	Address	Building Assessed Value (SEV)	Building Taxable Value	Land Assessed Value (SEV)	Land Taxable Value
02002006.	1249 Griswold	\$ 39,000	\$ 39,000	\$ 212,500	\$ 212,500

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.

The developer proposes to completely rehabilitate this functionally obsolete property by replacing and upgrading existing core utilities, mechanical systems, window replacement and structural components, among other things, to its historic elements. The finished project will result in the creation of viable loft units and commercial space, potentially adding to the economic development and investment in **Capital Park Historic District**.

A field investigation indicated that the property located at **1249 Griswold Street** is eligible as it pertains to the Obsolete Property Rehabilitation Act under P.A. 146 of 2000, as amended.

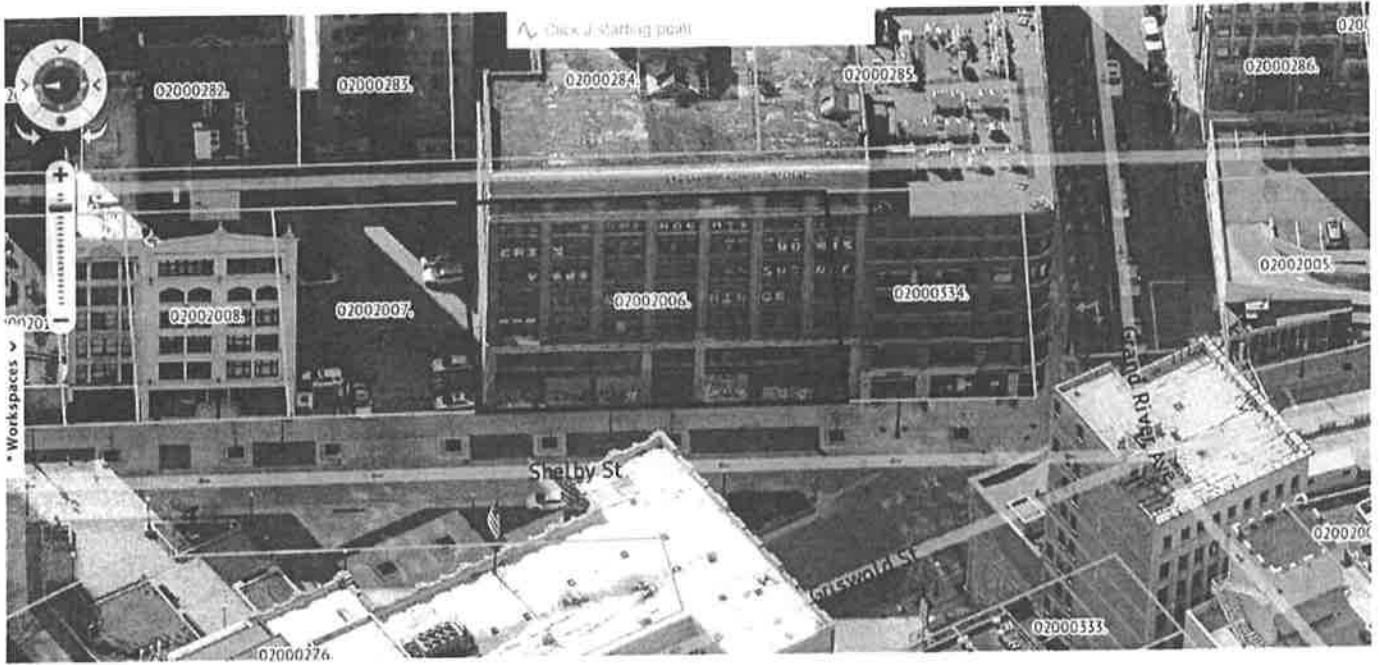
Sincerely,

Lisa A. Hobart, MMAO  
Chief Assessor, Board of Assessors

mmp

Legal Description and Aerial for 1249 Griswold Street OPRA

02002006. 1249 Griswold Street  
W GRISWOLD 61&60 PLAT OF SEC 8 GOVERNOR & JUDGES PLAN L34 P543 DEEDS, W C R 2/1 121.54 X 100



1249 GRISWOLD STREET LLC

D3: Detroit-17M

County: 82 WAYNE Unit: CITY OF DETROIT

\*\*\*\*\* Owner's Name \*\*\*\*\* Parcel Number \*\*\*\* Class Zone \* Property Address \* PRE % Tran%

1249 GRISWOLD STREET LLC 02002006. 0 0 265 2011 1249 GRISWOLD 0.000 0.00

Totals for all Parcels: Count= 1, S.E.V.= 0, Taxable= 0

**OBSELETE PROPERTY REHABILITATION EXEMPTION CERTIFICATE  
AGREEMENT**

THIS AGREEMENT ("Agreement"), by and between the City of Detroit, a Michigan municipal corporation, acting by and through its Planning and Development Department ("City") with an office at 2 Woodward Avenue, Suite 808, Detroit, MI 48226 and 1249 Griswold Street, LLC ("Applicant") with an office at 401 S. Washington Square, Suite 102, Lansing, MI 48933 is made this 26 day of April, 2016.

**WITNESSETH:**

WHEREAS, 2000 PA 146, also known as the Obsolete Property Rehabilitation Act ("Act"), (1) provides for the establishment of obsolete property rehabilitation districts by local governmental units under certain criteria, (2) provides for the exemption from certain taxes for obsolete property owners that qualify, and (3) allows local governmental units to levy and collect specific taxes upon qualified owners of certain property, among other provisions; and

WHEREAS, it is the policy of the City to grant tax exemptions allowable under the Act to encourage rehabilitation of obsolete property that will facilitate redevelopment, remove blighted conditions and expand the tax base for the City of Detroit; and

WHEREAS, the Applicant has submitted an Application for Obsolete Property Rehabilitation Exemption Certificate ("Application") for the City's consideration for property located at 1249 Griswold, Detroit, MI 48226 ("Property"). A copy of the Application is attached hereto as Exhibit A and made a part hereof; and

WHEREAS, the City has previously approved an obsolete property rehabilitation district pursuant to the Act of which district the Property is located; and

WHEREAS, the Applicant shall complete a Rehabilitation of the Property and the Applicant shall hire or retain a certain amount of full time employees during the term of the OPREC; and

WHEREAS, the City has approved the Application by resolution granting the Obsolete Property Rehabilitation Exemption Certificate ("OPREC"), pending approval also by the Michigan State Tax Commission. A copy of the City resolution granting the OPREC is attached hereto as Exhibit B and made a part hereof; and

NOW, THEREFORE, to encourage approval of an OPREC and in recognition of the investments the City will make toward the economic growth of the Applicant, which in turn will benefit the City, the parties hereby agree as follows:

1. General.
  - a. The Applicant will complete the Property "Rehabilitation" as defined in the Act and as set forth in the Application by June 30, 2018.

- b. The Applicant will take action to recruit and hire City of Detroit residents in accordance with specified targets as set forth in a City of Detroit Resident Employment Plan ("Employment Plan") submitted by the Applicant to the City and approved by the Human Rights Department. The Employment Plan may be updated or modified throughout the term of this Agreement with approval from the Human Rights Department.
- c. This Agreement shall become effective upon approval by the Michigan State Tax Commission of an OPREC covering the Property. Unless earlier revoked as provided for in Section 12 of the Act, being MCL 125.2792, or this Agreement, the OPREC term and the term of this Agreement shall be for a period of twelve (12) years from the Michigan State Tax Commission's approval of the OPREC.
- d. The Applicant shall establish, or cause to be established, at least Ninety (90) full time employees at the Property within two years of the effective date of the Agreement.
- e. For purposes of this Agreement, a "full-time employee" shall include a person: 1) who is employed by the Applicant or its affiliates on a salary, wage, commission, or other basis, for a minimum period of forty (40) hours a week and 2) from whose compensation the Applicant or its affiliates, including a staffing agency, are required by law to withhold City of Detroit income taxes. Affiliates may include Applicant's tenant(s) that lease space at the Property.

2. Applicant Representations

In compliance with the Act and intending to induce the City to grant an OPREC to the Applicant, the Applicant represents that:

- a. The Applicant is the owner of the Property at the time of the Application.
- b. The Property is an "Obsolete Property" as defined under the Act.
- c. The Property will not include property to be used as a professional sports stadium.
- d. The Property will not include property to be used, owned or operated by a casino or affiliated company as defined in the Act.
- e. The project would not have been considered without an OPREC.
- f. Rehabilitation of the Property was not started prior to establishment of the obsolete property rehabilitation district for which the Property sits.
- g. There are no delinquent taxes owed on the Property.
- h. The Applicant will pay any applicable taxes on the Property as they become due.

- i. The Rehabilitation and operation of the Property is in compliance with the City of Detroit Zoning Ordinance and Master Plan.
- j. The Applicant will make a concerted effort to partner or form a joint venture with small business enterprises, minority business enterprises or woman-owned business enterprises that are located in Detroit, or with community-based groups. If the Applicant is unsuccessful in these efforts, upon request, the Applicant will explain in writing to the City the efforts undertaken and the reasons why partnering or forming a joint venture has not been feasible for the project.
- k. If the Rehabilitation of the Property will result in the provision of commercial housing, the Applicant must agree to Fair Housing Practices that meet guidelines set forth by the U.S. Fair Housing Act (42 U.S.C. 3601 through 3619).

3. Reporting by the Applicant to the City.

Within one week after the first year of the Agreement and for each year thereafter, Applicant shall submit to the Planning & Development Department and Human Rights Department of the City of Detroit the following annual reports: 1) a Detroit Resident Hiring Report, 2) a Contract Compliance Report (Form EEO-1) and 3) a current Employer Information Report (Form EEO-2) on forms acceptable to the City.

The Applicant shall provide the Planning & Development Department copies of all construction plans, building permits and certificates of occupancy. These documents, along with periodic site visits to the Property by the City, will serve to establish whether the Applicant is making the Rehabilitation to the Property as required by the Act and this Agreement.

4. Annual Status Report by the Application.

Within one week after the first year of the Agreement and for each year thereafter, Applicant shall submit to the Planning and Development Department a certified status report ("Status Report") signed by an authorized officer of the Applicant. The Status Report shall set forth for the previous year 1) the Rehabilitation work completed at the Property and the Applicant's financial investment in the Property for that year and 2) the average number of full-time employees at the Property for that year. The average number of full-time employees shall be computed as the average of the number of full-time employees at the Property on March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup>, and December 31<sup>st</sup> of that year.

5. Review and Audit of Applicant Employment Information.

Applicant agrees to provide the City with sufficient information, and the City may review and audit the information provided by Applicant, in order to determine compliance with this Agreement. If Applicant fails to provide employment information satisfying the needs of the City, Applicant will provide the City and the Michigan Unemployment Insurance Agency ("UIA") written authorization, in a form acceptable to the City and the UIA, to use and develop appropriate UIA documents, such as, but not limited to, the UIA

Multiple Worksite Report, to verify the number of full-time employees stated in the annual Status Report. In the event Applicant fails to provide the City with any information required under this Agreement, Applicant agrees to reimburse the City for all costs, including attorney fees, incurred by the City in obtaining and verifying such information.

6. Revocation of OPREC and Termination of Agreement.

The City may, in its sole discretion and by resolution of Detroit City Council, revoke the OPREC if the City finds that the completion of Rehabilitation of the Property has not occurred within the time authorized by the City in this Agreement or within a duly authorized extension of that time, or that the Applicant has not proceeded in good faith with the operation of the rehabilitated Property in a manner consistent with the purposes of the Act and in the absence of circumstances that are beyond the control of the Applicant.

Good faith efforts include, but are not limited to, the following: 1) Applicant is actively working with an agency or City Department to hire and ascertain methods of recruiting and employing Detroit residents, and 2) Applicant is actively working with the Detroit Economic Growth Corporation and the City's Planning & Development Department to ascertain methods of obtaining available resources to improve Applicant's business in a manner that will allow for compliance with this Agreement.

7. Payment of Exempted Taxes for Shortfall of Employment.

If the average number of full-time employees at the Property for any given year is less than the number of full-time employees set for in Section 1. d. above, the Applicant agrees to pay the City, in addition to the Obsolete Properties Tax due under the OPREC on the Property, an amount equal to the difference between the amount of ad valorem tax otherwise due on the Property without the OPREC, and the amount of Obsolete Properties Tax due on the Property under the OPREC, for that given year, multiplied by a fraction, the numerator of which is the shortfall in the number of full-time employees indicated in the Status Report, and the denominator of which is the total number of full-time employees set forth in Section 1. d. above. Prior to taking any action to require the Applicant to pay any amount to the City in addition to the Obsolete Properties Tax pursuant to this Section, the City must afford the Applicant an opportunity to present at a public hearing reasons for any shortfall by the Applicant in its compliance with this Agreement.

8. Reimbursement of City Costs upon Discontinuance of Operations.

- a. To enable the Applicant to make the improvements and Rehabilitation of the Property as set forth in this Agreement, the City may incur costs for site acquisition, infrastructure improvements, or for other related purposes, as may be agreed to in writing between the City and the Applicant. If during the term of the OPREC the Applicant shall discontinue operations at the Property, the Applicant agrees to reimburse the City for any such agreed upon costs incurred by the City.

- b. The Applicant agrees that if during the term of the OPREC it shall decide to discontinue operations at the Property, the Applicant shall send written notification to the Director of the Planning & Development Department within thirty (30) days of the decision. The Applicant further agrees that, within thirty (30) days of the actual discontinuance of operations, the Applicant shall send written notification of the actual date of discontinuance to the Director of the Planning & Development Department.

9. Prevailing Wage Requirements

Pursuant to Section 18-5-65. Conditions for tax abatement. of the Detroit City Code, the Applicant agrees that it is receiving tax abatements under the OPREC for the Property and, therefore, the Application shall pay, or cause to be paid, prevailing wages on all construction work performed on the Property.

10. Reservation of Remedies.

The City and the Applicant agree that each of the rights and remedies provided by this Agreement may be exercised separately or cumulatively, and shall not be exclusive of any other rights and remedies provided by law. Invalidation of any of the provisions contained in the Agreement by operation of law, judgment, court order or otherwise shall not invalidate any of the other provisions of the Agreement.

11. Transfer

The OPREC may be transferred and assigned by the Applicant to a new owner of the Property if the City, in its sole discretion, approves the transfer of the OPREC after application by the new owner. For purposes of this section a transfer of the Property shall include any sale of the Property or any lease of more than fifty percent (50%) of the total usable space of the Property for a period longer than five years.

12. Headings

The headings contained in this Agreement are for descriptive purposes only, and do not alter or govern the substantive content of the provisions of the Agreement.



IN WITNESS WHEREOF, the City and the Applicant, by and through their authorized officers and representatives, have executed this Agreement as follows:

WITNESSES:

1. Beth Curran  
Print: Beth Curran

2. Keith Shaw  
Print: KEITH SHAW

APPLICANT:

1249 Griswold Street, LLC

BY: [Signature]  
Print: Richard Karp  
ITS: Authorized Agent

WITNESSES:

1. [Signature]  
Print: PAUL ALDOBIA

2. Caroline Holland  
Print: Caroline Holland

CITY OF DETROIT

PLANNING & DEVELOPMENT DEPT.

BY: [Signature]  
Print: Maurice D. Cox  
ITS: Director

THIS AGREEMENT IS NOT EFFECTIVE OR VALID UNTIL AN OBSOLETE PROPERTY REHABILITATION CERTIFICATE IS APPROVED BY THE MICHIGAN STATE TAX COMMISSION

APPLICANT ACKNOWLEDGMENT

STATE OF MICHIGAN )  
                                  )SS.  
COUNTY OF WAYNE )

The foregoing instrument was acknowledged before me on this 26<sup>th</sup> day of April 2016, by Richard Karp, the Authorized Agent of 1249 Griswold Street LLC on behalf of the Applicant.

**SARAH MCDONNELL**  
Notary Public, State of Michigan  
County of Ingham  
My Commission Expires 08-27-2018  
Acting in the County of Ingham

Sarah McDonnell

Notary Public, Wayne County, MI

My commission expires: 08-27-18

CITY ACKNOWLEDGMENT

STATE OF MICHIGAN )  
                                  )SS.  
COUNTY OF WAYNE )

The foregoing instrument was acknowledged before me on this 25<sup>th</sup> day of May 2016, by Mance Cox, the Director of the City of Detroit, Michigan, a municipal corporation.

**DINAH L. BOLTON**  
NOTARY PUBLIC, STATE OF MI  
COUNTY OF WAYNE  
MY COMMISSION EXPIRES Jun 10, 2017  
ACTING IN COUNTY OF Wayne

Dinah L. Bolton

Notary Public, Wayne County, MI

My commission expires: 6/10/17

**EXHIBIT A**  
**Application for Obsolete Property Rehabilitation Exemption Certificate**

**EXHIBIT B**  
**Detroit City Council Resolution**  
**Granting the Obsolete Property Rehabilitation Exemption Certificate**

# City of Detroit

CITY COUNCIL

COUNCIL PRESIDENT BRENDA JONES

## INCENTIVE INFORMATION CHART:

Project Type	Incentive Type	Investment Amount	District
Mixed Use	OPRA	Tax Abatement	

Jobs Available							
Construction				Post Construction			
Professional	Non-Professional	Skilled Labor	Non-Skilled Labor	Professional	Non-Professional	Skilled Labor	Non-Skilled Labor
		100	240				90

1. What is the plan for hiring Detroiters?  
*Please see attached Detroit Hiring Plan*
2. Please give a detailed description of the jobs available as listed in the above chart, i.e: job type, job qualifications, etc.  
*Please see attached Job Descriptions*
3. When is construction slated to begin?  
*June 1, 2014*
4. What is the expected completion date of construction?  
*June 30, 2018*

\*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.



1249 Griswold Street LLC  
401 S. Washington Square, Ste. 102  
Lansing, MI 48933

### DETROIT HIRING PLAN

1249 Griswold Street LLC's number one priority is to employ Detroit residents for its project. Below is a list of initiatives we will undertake to further our commitment to the neighborhood, the community and the City of Detroit:

Skilled Trades Task Force	Contact organizations participating in the Skilled Trades Task Force.
Detroit Workforce and Development Department (DWDD)	Require contractors submitting bids to have communication and hiring processes set up with the DWDD.  Contact DWDD to provide local contractor employers who are located within Detroit who we can use for construction.
Detroit-Based Contractors	Identify contractors who are headquartered in Detroit. They will be given preferential treatment during the bid process.  Several contractors have already been identified. Please see below.
College/University	Contact Wayne State University, Wayne Community College and the University of Detroit for intern programs in the field of construction.

### LIST OF DETROIT-BASED CONTRACTORS

Brinker Team Construction Company	815 West Grand Boulevard, Detroit, MI 48216
Devon Industrial Group	65 Cadillac Square, Detroit, MI 48226
Giffels-Webster Engineers, Inc.	28 W. Adams, Suite 1200, Detroit, MI 48226
Jenkins Enterprise, Inc.	985 East Jefferson, Suite 300, Detroit, MI 48207
Kraemer Design Group, PLC	1420 Broadway, Detroit, MI 48226
Michigan Industrial Group, LLC	607 Shelby, Suite 300, Detroit, MI 48226
Tooles Contracting Group, LLC	500 Griswold Avenue, Suite 1620, Detroit, MI 48226
3 L.K. Construction, LLC	18401 Weaver, Detroit, MI 48228
U.S. Builders Group	6465 French Road, Detroit, MI 48213
VanKampen Company, Robert	12836 Fenkell, Detroit, MI 48227
White Construction	1120 W. Baltimore Street, Detroit, MI 48202



1249 Griswold Street LLC  
401 S. Washington Square, Ste. 102  
Lansing, MI 48933

## JOB DESCRIPTIONS

### CONSTRUCTION

**Skilled Labor:** Laborers who are skilled in a trade. Training and knowledge is required.

**Non-Skilled Labor:** Laborers who are not skilled in a trade. No specific training is required.

### POST CONSTRUCTION

**Non-Skilled Labor:** Service workers who are not skilled in a trade. No specific training is required.

**CITY OF DETROIT  
HUMAN RIGHTS DEPARTMENT**

**Decision Regarding Employment Clearance for Tax Abatement**

**August 11, 2016**

**Tax Abatement Type:** Public Act 146      New       Renewal

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

**Parcel/Facility Address:** 1249 Griswold

**Applicant/Recipient:** The Farwell – 1249 Griswold St.

**Contact:** Richard Karp  
517-708-3003

---

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  
Human Rights Department

8/11/16  
Date





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

October 12, 2018

39

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

**Re: Request for Public Hearing for Petition #496 – TATA Technologies, Application for a New Personal Property Exemption Certificate in the area of 6001 Cass Avenue, Detroit, MI, in accordance with Public Act 328 of 1998.**

Honorable City Council:

The Housing & Revitalization Department and the Finance Department have reviewed the application of **TATA Technologies** and find that it satisfies the criteria set forth by P.A. 328 of 1998 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.

We request that a Public Hearing be scheduled on the issue of approving the application for the New Personal Property Exemption Certificate. 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, PDD  
D. Rencher, HRD  
V. Farley, HRD

CITY CLERK 2018 OCT 12 PM 12:14:40



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

**WHEREAS**, pursuant to Public Act No. 328 of 1998 (“the Act”) this City Council may adopt a resolution which approves the application of a New Personal Property Exemption Certificate within the boundaries of the City of Detroit; and

**WHEREAS**, **TATA Technologies** has made application for a New Personal Property Exemption Certificate 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.

Janice M. Winfrey  
City Clerk

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

Caven West  
Deputy City Clerk/Chief of Staff

**DEPARTMENTAL REFERENCE COMMUNICATION**

*Thursday, August 09, 2018*

*To: The Department or Commission Listed Below*

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

---

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.

---

FINANCE DEPARTMENT    LAW DEPARTMENT  
LEGISLATIVE POLICY DIVISION    PLANNING AND DEVELOPMENT DEPARTMENT

**496**    *TATA Technologies, request for a New Personal Property Exemption Certificate at 6001 Cass Avenue, 6th Floor, Detroit, MI 48202*



7/24/2018

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

**RE: Request for the Establishment of a New Personal Property Exemption Certificate at 6001 Cass Ave., 6<sup>th</sup> Floor, Detroit MI 48202**

Honorable City Council:

**Paragraph #01**

Please accept this letter as a request to establish a New Personal Property Exemption Certificate for the property located at **6001 Cass Ave., 6<sup>th</sup> Floor** and described on Attachment A.

Tata Technologies is a global engineering consulting organization with core specialization in the automotive, aerospace and industrial heavy machinery verticals. The company delivers customized solutions for engineering and design, product lifecycle management and enterprise IT system integration for the manufacturing sector. Tata Technologies is a company of engineers, led by engineers, with more than 8,500 associates representing 27 nationalities globally.

Tata Technologies is a Tata Group company. The Tata Group is a global enterprise headquartered in India, comprising over 100 independent operating companies. The group operates in more than 100 countries, with a mission "to improve the quality of life of the communities we serve globally, through long-term stakeholder value creation based on Leadership with Trust." In 2016-17, the revenue of Tata companies, taken together, was \$100.39 billion. These companies collectively employ over 695,000 people.

Each Tata company or enterprise operates independently under the guidance and supervision of its own board of directors and shareholders. There are 29 publicly listed Tata enterprises with a combined market capitalization of about \$144.79 billion (as of March 31, 2018). Tata Sons is the principle investment holding company and promoter of

**TATA TECHNOLOGIES**

41050 W Eleven Mile Road Novi MI 48375 USA

Phone 1 248 426 1482 Fax 1 248 426 6243 [www.tatatechnologies.com](http://www.tatatechnologies.com)



Tata companies. Sixty-six percent of the equity of Tata Sons is held by philanthropic trusts, which support education, health, livelihood generation, art and culture.

This project involves leasing the 6<sup>th</sup> floor at 6001 Cass Ave. for Tata Technologies' North American Headquarters. Tata Technologies will be responsible for all personal property taxes on Office Equipment, Computers, Furniture and Fixtures, IT Equipments, Electricals Software Licenses. The initial fit outs of approximately \$600k towards Furniture Fixture, Electricals and IT equipment to the property and also capital expenditure cost above Tenant Improvement Budget will be done within year from the date of start of the lease i.e. April 1, 2019.

**Paragraph #02**

For over one year, we explored and evaluated a number of real estate opportunities. Some of the other options we considered included staying at our current location in Novi, and other buildings in nearby cities viz. Troy, Novi, Northville, Southfield etc.

The PA 328 abatement is an important consideration to help bridge the financial gap between the other locations we were considering. By moving to Detroit, we are paying a rent premium and incurring additional costs for parking and taxes. We estimate this cost to be a 35% premium vs. our other options, with an estimated value of \$20,000 per month.

Tata Technologies anticipates moving [120 FTE employees] to 6001 Cass Ave., immediately upon move-in. The company also has aggressive expansion plans, and expects to hire 100 FTEs over next 10 years. Some of these jobs may be sourced from local institutions such as Wayne State University.

**Paragraph #03**

The property is located in an eligible district: Brownfield Development Zone, which was established on April 30, 1998. Tata Technologies is applying for a Personal Property Tax Abatement under PA 328 for a period of 10 years.

**Paragraph #04**

Statement of Economic Advantages Expected from the Exemption – Detroit will become the North American Headquarters for Tata Technologies. As the anchor tenant at 6001 Cass, we expect that our move will help expedite the redevelopment of the building, which will create a ripple effect in the surrounding areas.

We are committed to investing in the community, below are examples of the Corporate Sustainability Programs (CSP) that Tata Technologies Inc has spearheaded in the local community over the previous years:

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Phone 1 248 426 1482 Fax 1 248 426 6243 [www.tatatechnologies.com](http://www.tatatechnologies.com)



Focus Area	Activity Name	Description of activity
Primary Education	Athletes For Charity	PK-6th grade STEM Youth Literacy sponsorship, Books and Volunteering
Ready Engineer	Undergraduate Internship Program	Internship for undergraduates
Charity	Holiday Outreach	Local charities that need donations around holiday, keeping our impact on our community
Education	First Book: Truck of Books Event	Arranged over 20k books for teachers to come in and pick from "book fair" style for their classes. TTL Paid for food/beverages for volunteers.
Secondary Education	Square One Network	Donation and mentoring of High School Innovative Vehicle Design team
Secondary Education	Novi HS FIRST Robotics	Donation and mentoring of Novi High School FIRST Robotic team
Charity	United Way Flint Water Fund	Support for local Lead poison issue to citizens of Flint
Charity	Troy Bulldogs	Support for community Youth Organization

Below are programs that Tata Technologies is planning in the coming Financial Year:

Focus Area	Activity Name	Description of activity
Primary Education	Athletes For Charity	STEM Youth Literacy Program at Clark Prep Elementary with Athletes for Charity: Monthly Books and Quarterly Volunteering for multiple grades
Secondary Education	Square One Network	Donation and mentoring of High School Innovative Vehicle Design team
Secondary Education	Novi HS FIRST Robotics	Donation and mentoring of Novi High School FIRST Robotic team with I GET IT Training
Ready Engineer	Undergraduate Internship Program	Undergraduate internship program with local university recruitment
Charity	Holiday Outreach	Local charities that need donations around holiday, keeping our impact on our community
Charity	Key Client Program	Assisting key client with annual charity initiative that they run.
Charity	Unforeseen Disaster Support	Support for any unforeseen local or national natural disasters (Hurricanes, tornado, earthquake, etc...)

## TATA TECHNOLOGIES

41050 W Eleven Mile Road Novi MI 48375 USA  
 Phone 1 248 426 1482 Fax 1 248 426 6243 [www.tatatechnologies.com](http://www.tatatechnologies.com)



In addition, Tata Technologies anticipates local partnership opportunities with TechTown, relationships with surrounding schools, such as Wayne State and College for Creative Studies, would provide further opportunities for internships, STEM skills development and other mentoring programs for the youth.

**Paragraph #05**

The Tata Group has placed community at the core of its purpose for over 150 years. In keeping with that ethos, Tata Technologies has actively contributed to community development since opening an office in Michigan in 1989. An example of this is mentoring of Novi High School FIRST Robotic team with I GET IT Training and donation of free Learning Management System licenses (IGETIT). With our move to Detroit, we look forward to becoming even more active in the community and focusing on STEM (Science, Technology, Engineering, and Math) opportunities.

Respectfully submitted,  
For **Tata Technologies Inc.**

A handwritten signature in blue ink that reads 'Sonal Ramrakhiani'.

**Sonal Ramrakhiani**  
**Chief Operating Officer**

**Attachment A: Site Map that includes the parcel(s) of property / Legal Description**  
**Attachment B: Paid Receipt of Current Taxes**

cc: K. Bridges, DEGC  
N. Marsh, DEGC  
D. Bolton, Planning

**TATA TECHNOLOGIES**

41050 W Eleven Mile Road Novi MI 48375 USA  
Phone 1 248 426 1482 Fax 1 248 426 6243 [www.tatatechnologies.com](http://www.tatatechnologies.com)

200 West Main Street  
 Suite 1000  
 Des Moines, IA 50319  
 Phone: 515.281.8200  
 Fax: 515.281.8208  
 www.giffelswebster.com

Scale:	1/8" = 1'-0"
North:	As Shown
Date:	11/11/2011
Project:	6001 Cass Avenue
Sheet:	1 of 1



NO. 1	1/8" = 1'-0"
NO. 2	1/4" = 1'-0"
NO. 3	1/2" = 1'-0"
NO. 4	3/4" = 1'-0"
NO. 5	1" = 1'-0"
NO. 6	1 1/4" = 1'-0"
NO. 7	1 1/2" = 1'-0"
NO. 8	1 3/4" = 1'-0"
NO. 9	2" = 1'-0"
NO. 10	2 1/4" = 1'-0"
NO. 11	2 1/2" = 1'-0"
NO. 12	2 3/4" = 1'-0"
NO. 13	3" = 1'-0"
NO. 14	3 1/4" = 1'-0"
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NO. 222	55 1/4" = 1'-0"
NO. 223	55 1/2" = 1'-0"
NO. 224	55 3/4" = 1'-0"
NO. 225	56" = 1'-0"
NO. 226	56 1/4" = 1'-0"
NO. 227	56 1/2" = 1'-0"
NO. 228	56 3/4" = 1'-0"
NO. 229	57" = 1'-0"
NO. 230	57 1/4" = 1'-0"
NO. 231	57 1/2" = 1'-0"
NO. 232	57 3/4" = 1'-0"
NO. 233	58" = 1'-0"
NO. 234	58 1/4" = 1'-0"
NO. 235	58 1/2" = 1'-0"
NO. 236	58 3/4" = 1'-0"
NO. 237	59" = 1'-0"
NO. 238	59 1/4" = 1'-0"
NO. 239	59 1/2" = 1'-0"
NO. 240	59 3/4" = 1'-0"
NO. 241	60" = 1'-0"
NO. 242	60 1/4" = 1'-0"
NO. 243	60 1/2" = 1'-0"
NO. 244	60 3/4" = 1'-0"
NO. 245	61" = 1'-0"
NO. 246	61 1/4" = 1'-0"
NO. 247	61 1/2" = 1'-0"
NO. 248	61 3/4" = 1'-0"
NO. 249	62" = 1'-0"
NO. 250	62 1/4" = 1'-0"
NO. 251	62 1/2" = 1'-0"
NO. 252	62 3/4" = 1'-0"
NO. 253	63" = 1'-0"
NO. 254	63 1/4" = 1'-0"
NO. 255	63 1/2" = 1'-0"
NO. 256	63 3/4" = 1'-0"
NO. 257	64" = 1'-0"
NO. 258	64 1/4" = 1'-0"
NO. 259	64 1/2" = 1'-0"
NO. 260	64 3/4" = 1'-0"
NO. 261	65" = 1'-0"
NO. 262	65 1/4" = 1'-0"
NO. 263	65 1/2" = 1'-0"
NO. 264	65 3/4" = 1'-0"
NO. 265	66" = 1'-0"
NO. 266	66 1/4" = 1'-0"
NO. 267	66 1/2" = 1'-0"
NO. 268	66 3/4" = 1'-0"
NO. 269	67" = 1'-0"
NO. 270	67 1/4" = 1'-0"
NO. 271	67 1/2" = 1'-0"
NO. 272	67 3/4" = 1'-0"
NO. 273	68" = 1'-0"
NO. 274	68 1/4" = 1'-0"
NO. 275	68 1/2" = 1'-0"
NO. 276	68 3/4" = 1'-0"
NO. 277	69" = 1'-0"
NO. 278	69 1/4" = 1'-0"
NO. 279	69 1/2" = 1'-0"
NO. 280	69 3/4" = 1'-0"
NO. 281	70" = 1'-0"
NO. 282	70 1/4" = 1'-0"
NO. 283	70 1/2" = 1'-0"
NO. 284	70 3/4" = 1'-0"
NO. 285	71" = 1'-0"
NO. 286	71 1/4" = 1'-0"
NO. 287	71 1/2" = 1'-0"
NO. 288	71 3/4" = 1'-0"
NO. 289	72" = 1'-0"
NO. 290	72 1/4" = 1'-0"
NO. 291	72 1/2" = 1'-0"
NO. 292	72 3/4" = 1'-0"
NO. 293	73" = 1'-0"
NO. 294	73 1/4" = 1'-0"
NO. 295	73 1/2" = 1'-0"
NO. 296	73 3/4" = 1'-0"
NO. 297	74" = 1'-0"
NO. 298	74 1/4" = 1'-0"
NO. 299	74 1/2" = 1'-0"
NO. 300	74 3/4" = 1'-0"
NO. 301	75" = 1'-0"
NO. 302	75 1/4" = 1'-0"
NO. 303	75 1/2" = 1'-0"
NO. 304	75 3/4" = 1'-0"
NO. 305	76" = 1'-0"
NO. 306	76 1/4" = 1'-0"
NO. 307	76 1/2" = 1'-0"
NO. 308	76 3/4" = 1'-0"
NO. 309	77" = 1'-0"
NO. 310	77 1/4" = 1'-0"
NO. 311	77 1/2" = 1'-0"
NO. 312	77 3/4" = 1'-0"
NO. 313	78" = 1'-0"
NO. 314	78 1/4" = 1'-0"
NO. 315	78 1/2" = 1'-0"
NO. 316	78 3/4" = 1'-0"
NO. 317	79" = 1'-0"
NO. 318	79 1/4" = 1'-0"
NO. 319	79 1/2" = 1'-0"
NO. 320	79 3/4" = 1'-0"
NO. 321	80" = 1'-0"
NO. 322	80 1/4" = 1'-0"
NO. 323	80 1/2" = 1'-0"
NO. 324	80 3/4" = 1'-0"
NO. 325	81" = 1'-0"
NO. 326	81 1/4" = 1'-0"
NO. 327	81 1/2" = 1'-0"
NO. 328	81 3/4" = 1'-0"
NO. 329	82" = 1'-0"
NO. 330	82 1/4" = 1'-0"
NO. 331	82 1/2" = 1'-0"
NO. 332	82 3/4" = 1'-0"
NO. 333	83" = 1'-0"
NO. 334	83 1/4" = 1'-0"
NO. 335	83 1/2" = 1'-0"
NO. 336	83 3/4" = 1'-0"
NO. 337	84" = 1'-0"
NO. 338	84 1/4" = 1'-0"
NO. 339	84 1/2" = 1'-0"
NO. 340	84 3/4" = 1'-0"
NO. 341	85" = 1'-0"
NO. 342	85 1/4" = 1'-0"
NO. 343	85 1/2" = 1'-0"
NO. 344	85 3/4" = 1'-0"
NO. 345	86" = 1'-0"
NO. 346	86 1/4" = 1'-0"
NO. 347	86 1/2" = 1'-0"
NO. 348	86 3/4" = 1'-0"
NO. 349	87" = 1'-0"
NO. 350	87 1/4" = 1'-0"
NO. 351	87 1/2" = 1'-0"
NO. 352	87 3/4" = 1'-0"
NO. 353	88" = 1'-0"
NO. 354	88 1/4" = 1'-0"
NO. 355	88 1/2" = 1'-0"
NO. 356	88 3/4" = 1'-0"
NO. 357	89" = 1'-0"
NO. 358	89 1/4" = 1'-0"
NO. 359	89 1/2" = 1'-0"
NO. 360	89 3/4" = 1'-0"
NO. 361	90" = 1'-0"
NO. 362	90 1/4" = 1'-0"
NO. 363	90 1/2" = 1'-0"
NO. 364	90 3/4" = 1'-0"
NO. 365	91" = 1'-0"
NO. 366	91 1/4" = 1'-0"
NO. 367	91 1/2" = 1'-0"
NO. 368	91 3/4" = 1'-0"
NO. 369	92" = 1'-0"
NO. 370	92 1/4" = 1'-0"
NO. 371	92 1/2" = 1'-0"
NO. 372	92 3/4" = 1'-0"
NO. 373	93" = 1'-0"
NO. 374	93 1/4" = 1'-0"
NO. 375	93 1/2" = 1'-0"
NO. 376	93 3/4" = 1'-0"
NO. 377	94" = 1'-0"



## Application for Exemption of New Personal Property

Issued under P.A. 328 of 1998. An exemption will not be effective until approved by the State Tax Commission.

**INSTRUCTIONS:** Read instructions on page 2 of this form before completing this application. File the original and two copies of this form and the required attachments (a copy of the legal description, resolution, written agreement, and a detailed description of the business operations) with the clerk of the local government unit.

PART 1: APPLICANT INFORMATION			
1a. Applicant/Company Name (Applicant must be an ELIGIBLE BUSINESS) Tata Technologies Inc.		2. County Wayne	
1b. Company Mailing Address (No. and Street, P.O. Box, City, State, ZIP Code) 41050 11 Mile Rd, Novi, MI 48375		3. City/Township/Village (Indicate which) Detroit	
1c. Location of Eligible Business (No. and Street, City, State, ZIP Code) 6001 Cass Ave, 6th Floor, Detroit, MI 48202		4a. Local School District Detroit	4b. School Code 82010
5. Check below the type of business in which you are engaged and provide a detailed description of the business operation on a separate sheet			
<input type="checkbox"/> Manufacturing		<input type="checkbox"/> Research & Development	
<input type="checkbox"/> Mining		<input checked="" type="checkbox"/> Office Operations	
<input type="checkbox"/> Wholesale Trade			
6a. Identify type of ELIGIBLE DISTRICT where Eligible Business and New Personal Property will be located Brownfield Redevelopment Zone		6b. Governing Unit that Established ELIGIBLE DISTRICT City of Detroit	6c. Date ELIGIBLE DISTRICT was Established April 30, 1998
7. Name of Person in the Eligible Business to Contact for Further Information Richard Le Jeune		8. Telephone Number (248) 444-3347	
9. Mailing Address ricahrd.lejcune@tatatechnologies.com			

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 of the information is truly descriptive of the property for which application is being made. The undersigned, authorized officer further certifies that the applicant is an Eligible Business as defined in P.A. 328 of 1998.

11. Name of Company Official Sonal Ramrakhiani		12. Title Chief Operating Officer	
13. Signature (No Authorized Agents) <i>Sonal Ramrakhiani</i>		14. Date 07/24/18	
15. Mailing Address (include City, State and ZIP Code) 41050 W. Eleven Mile Road, Novi, MI 48375			
16. E-mail Address sonal.ramrakhiani@tatatechnologies.co		17. Telephone Number (248) 229-6580	18. Fax Number (248) 426-6243

### PART 2: LOCAL GOVERNMENT UNIT CLERK VERIFICATION

19. Name of Local Governmental Unit Which Passed Resolution for Exemption of New Personal Property		20. Date of Resolution (Attach Copy)	21. Expiration Date of Exemption
22. Name of Clerk		23. Date application received by Local Unit	24. Date of Agreement (Attach Copy)
25. Clerk's Signature		26. Clerk's Mailing Address	
27. Telephone Number		28. Fax Number	29. E-mail Address
30. LUCI Code		31. School Code	32. Date District was Established

### STATE TAX COMMISSION USE ONLY

Application No.	Date Received	LUCI Code	School Code
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## **Instructions for Completing Form 3427, Application for Exemption of New Personal Property**

As a supplement to the following instructions, please read State Tax Commission (STC) Bulletin No. 9 of 1999 which explains the provisions of Public Act (P.A.) 328 of 1998, as amended.

**Line 1:** P.A. 328 of 1998, as amended, states that, to qualify for exemption, New Personal Property must be owned or leased by an Eligible Business. Please see page 2 of STC Bulletin No. 9 of 1999 for the definition of an Eligible Business. Please note that a copy of the legal description for the property where the Eligible Business is located must be attached.

**Line 2, 3, 4:** Indicate the county; the city or township; or village; and the local school district in which the New Personal Property and the Eligible Business will be located.

**Line 5:** P.A. 328 of 1998, as amended, provides that an Eligible Business must be engaged in one of the following types of businesses: manufacturing, mining, research and development, wholesale trade, or office operations. Please see page 2 of STC Bulletin No. 9 of 1999 for the definition of an Eligible Business. Please note that a detailed description of the business operation must be provided on a separate sheet.

**Line 6 a-c:** P.A. 328 of 1998, as amended, provides that New Personal Property and the Eligible Business must be located in an Eligible District. Please see page 4 of STC Bulletin No. 9 of 1998 for a listing of the eight different types of Eligible Districts.

**Line 7:** If there is someone in your business, other than the person signing this application, who should be contacted if further information is needed, please name the person on line 7.

**Line 10b:** Note that a signature from a company official is required on line 13. This application cannot be processed without a signature.

**Lines 19 to 31:** These lines must be completed by the Clerk of the Local Governmental Unit which has adopted the resolution required by P.A. 328 of 1998, as amended.

Note that a copy of the resolution, the written agreement between the applicant and the local governmental unit with required statements, a legal description, and a detailed description of the business operations must be sent to the State Tax Commission along with this application. Once issued, the exemption will pertain to all new personal property placed in the eligible district for the entire length of time approved by the local unit and issued by the State Tax Commission. The exemption may not be limited to specific new personal property or a lesser time than the full length of issuance. If any of the information requested on lines 19 to 31 is missing, this form will be returned to the Clerk.

2014-12-11

**496**

*Petition of TATA Technologies,  
request for a New Personal Property  
Exemption Certificate at 6001 Cass  
Avenue, 6th Floor, Detroit, MI 48202*

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REFERRED TO THE FOLLOWING DEPARTMENT(S)

FINANCE DEPARTMENT    LAW DEPARTMENT  
LEGISLATIVE POLICY DIVISION    PLANNING AND  
DEVELOPMENT DEPARTMENT



CITY OF DETROIT  
OFFICE OF THE CHIEF FINANCIAL OFFICER  
OFFICE OF THE ASSESSOR  
PERSONAL PROPERTY

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVE., SUITE 804  
DETROIT, MI 48226  
PHONE 313•224•3024  
FAX: 313•224•4270  
WWW.DETROITMI.GOV

October 10, 2018

Maurice Cox, Director  
Planning & Development Department  
808 CAYMC  
Detroit, MI 48226

Re: Evaluation of Exemption of New Personal Property, P.A. 328 of 1998 for Tata Technologies to be located at 6001 Cass Ave., 6<sup>th</sup> Floor

Dear Mr. Cox:

The Assessments Division of the Finance Department has reviewed the application of the Exemption of New Personal Property for Tata technologies to be located at 6001 Cass Ave., 6<sup>th</sup> Floor

State Tax Commission (STC) Bulletin No. 9 of 1998 requires (5) conditions are met for the exemption of New Personal Property. The conditions are:

1. The personal property must be New Personal Property. New Personal Property means that it was not previously subject to taxation under the General Property Tax Act.
2. The personal property must be located in an Eligible Local Assessing District. P.A. 328 of 1998 defines a Local Assessing District as a city, village or township that contains an ELIGIBLE DISTRESSED AREA. *The City of Detroit is an eligible distressed area.*
3. The New Personal Property must be OWNED or LEASED by an ELIGIBLE BUSINESS. The New Personal Property and eligible business must be located in an ELIGIBLE DISTRICT on tax day. *6001 Cass Ave., 6<sup>th</sup> Floor is located in the Downtown Development Authority.*
4. The eligible local assessing district must adopt a resolution that provides for the exemption.

The Office of the Assessor finds that Tata Technologies fulfills the first four requirements of STC Bulletin #9 of 1998 and may be considered for Exemption of New Personal Property at this time.

Sincerely,

Charles Ericson, MMAO  
Assessor

avb

CC: John Saad



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

October 12, 2018

35

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

**Re: Request for Public Hearing for Petition #505 – HNTB Corporation, Application for a New Personal Property Exemption Certificate in the area of 535 Griswold St., Detroit, MI, in accordance with Public Act 328 of 1998.**

Honorable City Council:

The Housing & Revitalization Department and the Finance Department have reviewed the application of **HNTB Corporation** and find that it satisfies the criteria set forth by P.A. 328 of 1998 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.

We request that a Public Hearing be scheduled on the issue of approving the application for the New Personal Property Exemption Certificate. 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, PDD  
D. Rencher, HRD  
V. Farley, HRD



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

**WHEREAS**, pursuant to Public Act No. 328 of 1998 (“the Act”) this City Council may adopt a resolution which approves the application of a New Personal Property Exemption Certificate within the boundaries of the City of Detroit; and

**WHEREAS, HNTB Corporation** has made application for a New Personal Property Exemption Certificate 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

Caven West  
Deputy City Clerk/Chief of Staff

**DEPARTMENTAL REFERENCE COMMUNICATION**

*Monday, August 20, 2018*

*To: The Department or Commission Listed Below*

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

---

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.

---

PLANNING AND DEVELOPMENT DEPARTMENT    LEGISLATIVE POLICY DIVISION  
CITY PLANNING COMMISSION    LAW DEPARTMENT

**505**    *HNTB Corporation, request for New Personal Property Exemption Certificate for property located at 535 Griswold St. Suite 1100, Detroit, MI 48226*

### Application for Exemption of New Personal Property

Issued under P.A. 328 of 1988. An exemption will not be effective until approved by the State Tax Commission.

**INSTRUCTIONS:** Read instructions on page 2 of this form before completing this application. File the original and two copies of this form and the required attachments (a copy of the legal description, resolution, written agreement, and a detailed description of the business operations) with the clerk of the local government unit.

<b>PART 1: APPLICANT INFORMATION</b>			
1a. Applicant/Company Name (Applicant must be an ELIGIBLE BUSINESS) HNTB Corporation		2. County Wayne	
1b. Company Mailing Address (No. and Street, P.O. Box, City, State, ZIP Code) 535 Griswold Street, Ste 1100, Detroit, MI 48226		3. City/Township/Village (indicate which) City	
1c. Location of Eligible Business (No. and Street, City, State, ZIP Code) 535 Griswold Street, Ste 1100, Detroit, MI 48226	4a. Local School District Detroit Public Schools CD	4b. School Code 82010	
5. Check below the type of business in which you are engaged and provide a detailed description of the business operation on a separate sheet			
<input type="checkbox"/> Manufacturing	<input type="checkbox"/> Research & Development	<input checked="" type="checkbox"/> Office Operations	
<input type="checkbox"/> Mining	<input type="checkbox"/> Wholesale Trade		
6a. Identify type of ELIGIBLE DISTRICT where Eligible Business and New Personal Property will be located Downtown Development District	6b. Governing Unit that Established ELIGIBLE DISTRICT City of Detroit	6c. Date ELIGIBLE DISTRICT was Established 5/20/76	
7. Name of Person in the Eligible Business to Contact for Further Information LaDonna Gorden		8. Telephone Number (816) 527-2757	
9. Mailing Address 715 Kirk Drive, Kansas City, MO 64105			

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 of the information is truly descriptive of the property for which application is being made. The undersigned, authorized officer further certifies that the applicant is an Eligible Business as defined in P.A. 328 of 1988.

11. Name of Company Official LaDonna Gorden	12. Title Assoc VP/Director Tax & Licensing
13. Signature (No Authorized Agents) <i>LaDonna Gorden</i>	14. Date
15. Mailing Address (include City, State and ZIP Code) 715 Kirk Drive, Kansas City, MO 64105	
16. E-mail Address lgorden@hntb.com	17. Telephone Number (816) 527-2757
18. Fax Number (816) 472-6924	

<b>PART 2: LOCAL GOVERNMENT UNIT CLERK VERIFICATION</b>		
19. Name of Local Governmental Unit Which Passed Resolution for Exemption of New Personal Property	20. Date of Resolution (Attach Copy)	21. Expiration Date of Exemption
22. Name of Clerk	23. Date application received by Local Unit	24. Date of Agreement (Attach Copy)
25. Clerk's Signature	26. Clerk's Mailing Address	
27. Telephone Number	28. Fax Number	29. E-mail Address
30. LUCI Code	31. School Code	32. Date District was Established

STATE TAX COMMISSION USE ONLY			
Application No.	Date Received	LUCI Code	School Code



August 8, 2018

**HNTB**

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

**RE: Request for the Establishment of a New Personal Property Exemption  
Certificate at 535 Griswold Street, Suite 1100, Detroit, MI 48226**

Honorable City Council:

Please accept this letter as a request to establish a New Personal Property Exemption Certificate for the property located at 535 Griswold Street, Suite 1100, Detroit, MI 48226 and described on Attachment A.

HNTB Corporation has offices across the county and has considered adding new jobs in its other Midwest offices, where they could receive refundable tax credits and cash incentives. Incentives received from Michigan and Detroit will assist HNTB by providing the funds necessary to assist in the purchase of additional equipment that will be needed for the new employees.

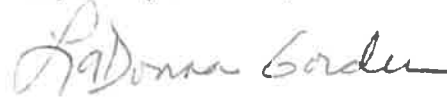
Currently 59 people are employed at HNTB Corporation's 535 Griswold Street, Detroit, MI, office and it plans to create an additional 15 net new jobs in Detroit over a 3 year period.

A \$15,000 PA 328 Property Tax Abatement has been offered to HNTB Corporation by the City of Detroit for 5 years, in correlation with the Michigan Business Development Program.

HNTB Corporation has had a presence in Detroit since 1990 and has worked with the Michigan Department of Transportation on several projects in the state including the I-75 Ambassador Bridge Gateway Project, the I-96 Reconstruction Project, the Truck Parking Information Management System and ITS Asset Management System. It will benefit Detroit to have high paying, professional jobs available for the area's residents, not to mention the ripple effect of the improved infrastructure that Michigan residents gain as a result of HNTB's completed projects. HNTB is a financially solid corporation with sales that have been steadily growing. It is current on its payment of taxes to the City of Detroit.

As HNTB Corporation continues to grow in Detroit, we are excited about the continuing opportunities to work on infrastructure solution projects for Detroit, Michigan and the surrounding area.

Respectfully submitted,



LaDonna Gorden  
Assoc. VP/Director Tax & Licensing

**Attachment A: Site Map that includes the parcel(s) of property / Legal Description**  
**Attachment B: Paid Receipt of Current Taxes**

cc: K. Bridges, DEGC  
N. Marsh, DEGC  
D. Bolton, Planning

## Attachment A for HNTB Corporations' Petition Certificate

### (a) General description of HNTB's business

The Company is an employee-owned infrastructure solutions firm serving public and private owners and contractors. In the 1950's, President Eisenhower's Federal Aid Highway Act, which created the country's interstate highway system, drove the Company to diversify into transportation services. The Company expanded its environmental practice in the 1970's and during the 1980's the firm added track signal service communications and traction power systems design services to its portfolio.

### (b) General description of the proposed personal property to be purchased

Additional capital expenditures of approximately \$6,000/new employee or \$90,000 will be needed.

### (c) A time schedule for undertaking and completing the fit out and the purchase of personal property

The personal property will be purchased as new employees are hired over the next 3 years, beginning in 2018.

### Legal Description of building leased by HNTB:

Parcel ID: 02-002016

W GRISWOLD 6 THRU 4 ALSO S CONGRESS 18 E 27.73 FT ON N LINE AND E 27.81 FT ON S LINE 17 MILITARY RESERVE L5 P218 CITY RECORDS, W C R 2/58 22,500 SQFT

# Attachment B

225397/#83707



**2017 CITY OF DETROIT**  
 CITY, COUNTY, SCHOOL TAX/FEES BILL  
 DEPARTMENT 268301  
 CITY OF DETROIT - PROPERTY TAX  
 PO BOX 55000  
 DETROIT, MI 48255-2683

**PARCEL # 02992914.05**

**TOTAL DUE \$138.46**

**AMOUNT PAID**

**Please Note: This bill is for 2017 only. Prior years, unpaid taxes/fees are billed separately.  
 Make checks payable to: Treasurer, City of Detroit**

\$138.46 Winter Balance Due 01/15/2018

HNTB CORPORATION  
 PO BOX 412197  
 KANSAS CITY, MO 64141-2197

Partial Legal Description:  
 PERSONAL PROPERTY IN THE CITY OF DETROIT

**Property Address: 535 GRISWOLD 1100**

DESCRIPTION	MILLS	TAX
WAYNE COUNTY	0.9897	14.44
W C JAILS	0.9381	13.69
W C PARKS	0.2459	3.59
W C HCMA	0.2140	3.12
W C RESA	0.0965	1.40
W C RESA SP ED	3.3678	49.16
W C COMM COLLEGE	3.2408	47.31
W C ZOO	0.1000	1.46
W C DIA	0.2000	2.92
<b>Winter Mills/Tax</b>	<b>9.3928</b>	<b>137.09</b>
Admin Fee		1.37
<b>Total</b>		<b>138.46</b>
<b>TOTAL DUE:</b>		<b>\$138.46</b>

Taxable Value: 14,600  
 State Equalized Value: 14,600  
 School District: DETROIT SCHOOL  
 Property Class: 251-COMMERCIAL PERSONAL  
 Special Classification: DDA Z140 (TID 1-4)  
 P.R.E. / M.B.T: 100%  
 (For additional information on principal residence, see back of bill)

**NOTICE:**  
 Current amounts due may be paid at <http://www.detroitmi.gov/fintreasury> or by calling 1-855-894-2400. The credit card processor charges a 2.5 percent (2.5%) convenience fee for this service. For help in making a credit card payment, please call 1-888-891-6064 ext #1.  
  
 The City of Detroit, Treasury Division does not mail property tax payment receipts back to the taxpayer. The taxpayer's canceled check or money order will be accepted as proof of payment.  
  
 If your mailing address is incorrect, please call the Assessor's Office at (313)224-3035.

WHEN PAYING IN PERSON, PLEASE BRING THE ENTIRE BILL  
 WHEN MAILING, RETURN BOTTOM PORTION WITH YOUR PAYMENT IN ENCLOSED BLUE ENVELOPE



**2017 CITY OF DETROIT**  
 CITY, COUNTY, SCHOOL TAX/FEES BILL  
 DEPARTMENT 268301  
 CITY OF DETROIT - PROPERTY TAX  
 PO BOX 55000  
 DETROIT, MI 48255-2683

**PARCEL # 02992914.05**

**TOTAL DUE \$138.46**

**AMOUNT PAID** 138.46

0000201702002683010000029929141050002000000138469

\$138.46 Winter Balance Due 01/15/2018

Partial Legal Description:  
 PERSONAL PROPERTY IN THE CITY OF DETROIT

\*\*\*\*AUTO\*\*ALL FOR AADC 640 672/1/12 225397  
 HNTB CORPORATION  
 PO BOX 412197  
 KANSAS CITY, MO 64141-2197



**Property Address: 535 GRISWOLD 1100**

2018-08-20

**505**

**505** *Petition of HNTB Corporation,  
request for New Personal Property  
Exemption Certificate for property  
located at 535 Griswold St. Suite  
1100, Detroit, MI 48226*

---

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

PLANNING AND DEVELOPMENT DEPARTMENT  
LEGISLATIVE POLICY DIVISION  
CITY PLANNING COMMISSION    LAW DEPARTMENT



CITY OF DETROIT  
OFFICE OF THE CHIEF FINANCIAL OFFICER  
OFFICE OF THE ASSESSOR  
PERSONAL PROPERTY

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVE., SUITE 804  
DETROIT, MI 48226  
PHONE 313•224•3024  
FAX: 313•224•4270  
WWW.DETROITMI.GOV

---

October 10, 2018

Maurice Cox, Director  
Planning & Development Department  
808 CAYMC  
Detroit, MI 48226

Re: Evaluation of Exemption of New Personal Property, P.A. 328 of 1998 for the HNTB Corporation to be located at 535 Griswold Street, Suite 1100

Dear Mr. Cox:

The Assessments Division of the Finance Department has reviewed the application of the Exemption of New Personal Property for the HNTB Corporation to be located at 535 Griswold Street, Suite 1100

State Tax Commission (STC) Bulletin No. 9 of 1998 requires (5) conditions are met for the exemption of New Personal Property. The conditions are:

1. The personal property must be New Personal Property. New Personal Property means that it was not previously subject to taxation under the General Property Tax Act.
2. The personal property must be located in an Eligible Local Assessing District. P.A. 328 of 1998 defines a Local Assessing District as a city, village or township that contains an **ELIGIBLE DISTRESSED AREA**. *The City of Detroit is an eligible distressed area.*
3. The New Personal Property must be **OWNED** or **LEASED** by an **ELIGIBLE BUSINESS**. The New Personal Property and eligible business must be located in an **ELIGIBLE DISTRICT** on tax day. *535 Griswold Street, Suite 1100 is located in the Downtown Development Authority.*
4. The eligible local assessing district must adopt a resolution that provides for the exemption.

The Office of the Assessor finds that the HNTB Corporation fulfills the first four requirements of STC Bulletin #9 of 1998 and may be considered for Exemption of New Personal Property at this time.

Sincerely,

Charles Ericson, MMAO  
Assessor

avb

CC: John Saad



TO: Veronica Farley, Housing and Revitalization  
FROM: Esther Yang, Planning and Development  
RE: Master Plan Interpretation for **New Personal Property Exemption Certificate** for 535 Griswold  
DATE: October 10, 2018  
CC: Maurice Cox, Director

In order to ensure that the issuance of an exemption certificate for **New Personal Property Tax** is consistent with the City's Master Plan of Policies, pursuant to State of Michigan, Public Act 328 of 1998 (MCL 211.9 f), the Planning and Development Department submits the following interpretation.

Petitioner:  
HNTB Corporation

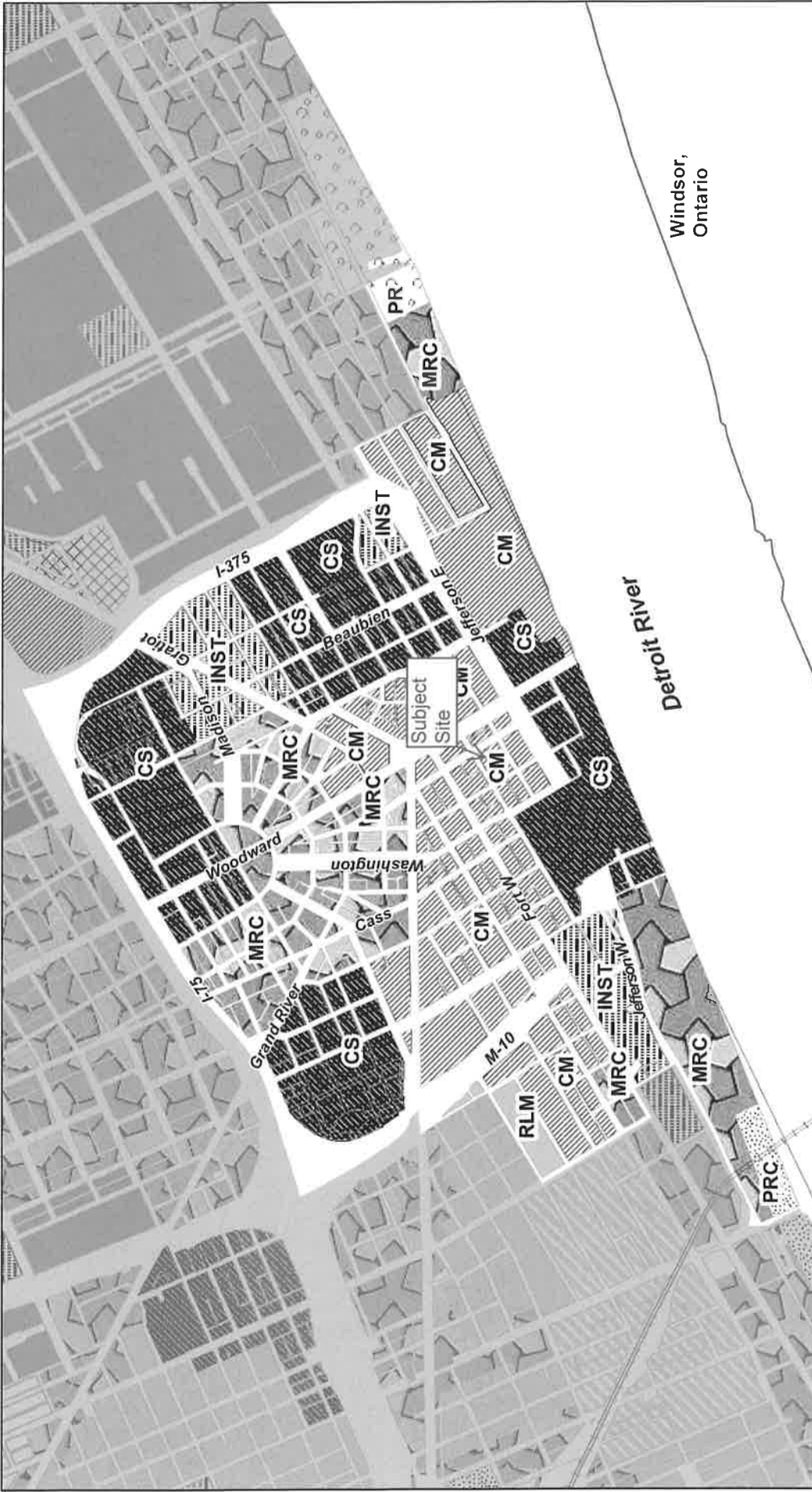
Project Description:  
HNTB has had a presence in Detroit since 1990 and has worked on many MDOT projects. Project is seeking to expand their current property to accommodate additional staff (approximately 15).

Project Location:  
535 Griswold

Interpretation:  
The Master Plan Future General Land Use designation of the site is **Major Commercial**. Major Commercial areas are generally distinguished by high density office buildings with ground floor retail. Included within these areas may be department stores, specialized shops and services catering to area office or residential land uses. Areas should be accessible to mass transit routes and automobile parking located on the street or in structures. Ground level activity should be pedestrian-oriented.

**The development conforms to the Future General Land Use designation for the area.**

Attachments  
**Future General Land Use Map:** Map 4-1B, Neighborhood Cluster 4, Central Business District.



Map 4-1B

City of Detroit  
Master Plan of  
Policies

## Neighborhood Cluster 4 Central Business District



### Future Land Use

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





# City of Detroit

CITY COUNCIL

COUNCIL PRESIDENT BRENDA JONES

## INCENTIVE INFORMATION CHART:

Project Type	Incentive Type	Investment Amount	District
Business Expansion	Tax Abatement	\$ 90,000	6

Jobs Available							
Construction				Post Construction			
Professional	Non-Professional	Skilled Labor	Non-Skilled Labor	Professional	Non-Professional	Skilled Labor	Non-Skilled Labor
				15			

- Job postings on RNTB.com, MiTalent.org, Glassdoor,*
1. What is the plan for hiring Detroiters? *Monster, Recruit.net, Direct Employees, LinkedIn, ACEC Michigan, WTE (Women's Transportation Seminar) + ITE (Institute of Transportation Engineers)*
  2. Please give a detailed description of the jobs available as listed in the above chart, i.e: job type, job qualifications, etc. *See attached*
  3. Will this development cause any relocation that will create new Detroit residents? *Possibly*
  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? *Unknown at this time.*
  6. What is the expected completion date of construction? *Unknown at this time.*

\*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.



HNTB

Job Growth Projection for Detroit, MI

Position Information	Projected 5-Year Job Growth					Position Compensation Information				Overall
	# of Positions Created - Year 1	# of Positions Created - Year 2	# of Positions Created - Year 3	# of Positions Created - Year 4	# of Positions Created - Year 5	Wages Per Hr Per Position	Hrs Worked Per Week	Bonus/Commission Per Position	Wages per position	
Engineer	1	1	1			3	\$ 40.00	40	\$ 83,200	\$ 249,600
Construction Inspector	1	1	2			4	\$ 30.00	40	\$ 62,400	\$ 249,600
Project Manager		1	1			2	\$ 65.00	40	\$ 135,200	\$ 270,400
Project Engineer			1			1	\$ 50.00	40	\$ 104,000	\$ 104,000
Section Manager		1				1	\$ 60.00	40	\$ 124,800	\$ 124,800
Sr Project Analyst	1					1	\$ 40.00	40	\$ 83,200	\$ 83,200
Scheduler		1				1	\$ 45.00	40	\$ 93,600	\$ 93,600
Project Finance Assistant			1			1	\$ 25.00	40	\$ 52,000	\$ 52,000
Small Business Enterprise Representative	1					1	\$ 40.00	40	\$ 83,200	\$ 83,200
						-			\$ -	\$ -
						-			\$ -	\$ -
						-			\$ -	\$ -
						-			\$ -	\$ -
						-			\$ -	\$ -
						-			\$ -	\$ -
<b>TOTAL</b>	4	5	6	0	0	15				\$ 1,310,400
<b>Cumulative jobs</b>	4	9	15	15	15					

PROJECTED OVERALL	Hourly	Annual
Avg. Total wage	\$ 42.00	87,360
Avg. Base wage	\$ 42.00	87,360

## Qualifications for New Jobs in Detroit

### Engineer

- Bachelor's degree in Engineering. Master's preferred. EIT Certification.
- 5 years of relevant work experience.
- Responsible for completion of discipline engineering project elements such as report, designs, specifications and plans.
- Responsible for coordination and productivity of subordinates. Provides technical guidance to less experienced engineers.
- Works closely with other disciplines and multi-discipline projects.

### Construction Inspector

- High school graduate or equivalent.
- 5 years of construction related experience.
- All required jurisdictional certificates and state requirements.
- Ability to operate relevant testing equipment related to assigned duties.
- NICET Level III certification preferred.

### Project Manager

- Bachelor's degree in Engineering. PE/AICP license/certification preferred.
- 16 years of relevant experience.
- 6 years project management experience.
- Ability to oversee project staffing with departments, offices and divisions.
- Ability to develop project scope and fee quotation and assist in the preparation of proposals and contracts.
- Ability to provide oversight and monitoring of work to less experience project managers.

### Project Engineer

- Bachelor's degree in Engineering. Master's degree and PE/AICP license/certification preferred.
- 6 years of relevant experience.
- Ability to deliver project discipline scope elements within budget and schedule.
- Ability to oversee completeness and accuracy of project team's work. Guide team to overall project objectives.
- Ability to serve as technical liaison with client at staff level for work within the discipline.

### Section Manager

- Bachelor's degree in Engineering. Masters and PE/AICP license/certification preferred.
- 8 years of relevant work experience.
- Ability to performs technical discipline tasks including research, reports, design, specification and plan preparation to ensure the most efficient and cost-effective execution of assigned projects.
- Ability to actively manage project scope, schedule and budget. Serve as the primary client liaison to bring the schedule, budget and scope of work to completion and to the client's satisfaction.

### Sr. Project Analyst

- Bachelor's degree in Finance, Accounting or Business. Master's Degree in Business and Project Management certification preferred.
- 5 years of Finance, Accounting or Business related experience.
- Ability to lead or manage Project Analysts I and II.
- Ability to monitor and report on job budget and costs, labor charges, expense detail and work plans. Can ensure effective cash management by working with clients.
- Knowledge of all agreement types (client, sub-consultant, joint venture) and all fee types (lump sum, cost plus, rates, etc.).
- Ability to utilize situational and financial analysis methodologies and techniques to evaluate and identify potential implications and provide recommendations.
- Use of independent judgement with ability to assess people and situations to accurately perform opinion based on information experience and inference and offers solutions/alternatives and follows through on them.
- Technical excellence.

### Scheduler

- Bachelor's degree in Engineering, Architecture, Construction Management or Business. AACE PSP certification preferred.
- 4 years related experience.
- Ability to independently develop new project schedules for moderately complex projects using scheduling software. Also maintain progress updates, revised forecasts and evaluate impact of delays.
- Knowledge of risk analysis, including quantitative risk analysis.
- Ability to perform claims related analysis using contractor claims, EVA analysis and contemporaneous schedule analysis.
- Ability to review contractor schedule submittals, including baseline and progress updates.

### Project Finance Assistant

- Associate's degree or two years of relevant experience.
- Experience with Microsoft Dynamics AX
- Effective communication skills (written and verbal)
- Strong Excel and analysis experience.
- Attention to detail and organizational time management skills, ability to prioritize effectively
- Strong analysis and Excel skills
- Sound business acumen

### Small Business Enterprise Representative

- Bachelor's degree in Education, English, Business or Journalism or related fields. Advance degree is a plus, but not required.
- 3 years of related experience.
- Must have strong writing, reading, editing and verbal skills to interact with internal staff and external clients for develop and implement comprehensive communication strategies and plans for the small business program.
- Ability to write, prepare and implement training, workshop materials and online surveys and face-to-face interviews.
- Ability to research, track and monitor the development of new and potential small business clients and must be able to manage project databases, email addresses and web pages.



**City of Detroit**  
**CITY COUNCIL**

**LEGISLATIVE POLICY DIVISION**  
208 Coleman A. Young Municipal Center  
Detroit, Michigan 48226

Phone: (313) 224-4946 Fax: (313) 224-4336

- Christopher Gulock, AICP**
- Derrick Headd**
- Marcel Hurt, Esq.**
- Kimani Jeffrey**
- Anne Marie Langan**
- Jamie Murphy**
- Kim Newby**
- Analine Powers, Ph.D.**
- Jennifer Reinhardt**
- Sabrina Shockley**
- Thomas Stephens, Esq.**
- David Teeter**
- Theresa Thomas**
- Kathryn Lynch Underwood**

- David Whitaker, Esq.**  
*Director*
- Irvin Corley, Jr.**  
*Executive Policy Manager*
- Marcell R. Todd, Jr.**  
*Senior City Planner*
- Janese Chapman**  
*Deputy Director*

- LaKisha Barclift, Esq.**
- M. Rory Bolger, Ph.D., AICP**
- Elizabeth Cabot, Esq.**
- Tasha Cowen**
- Richard Drumb**
- George Etheridge**
- Deborah Goldstein**

TO: COUNCIL MEMBERS

FROM: David Whitaker, Director  
Legislative Policy Division Staff

DATE: October 11, 2018

RE: Eastern Market Gateway Brownfield Redevelopment Plan  
PA 381 of 1996 **PUBLIC HEARING**

2018 OCT 11 PM 3:42

**The Brownfield Redevelopment Financing Act 381 of 1996**

The Brownfield Redevelopment Financing Act 381 of 1996 provides tax incentives (i.e. tax increment financing) to develop brownfields properties in an area at or on which there has been a release (or threat of release) or disposal of a hazardous substance.

**Eastern Market Gateway Brownfield Redevelopment Plan**

Dev Detroit 1346 Gratiot LLC, an affiliate of Develop Detroit and Town Partners, is the project developer. The project, located at the southern gateway of Detroit's Eastern Market, involves the construction of approximately 200 residential units, with a minimum of 20% of those units priced to meet affordable unit requirements for 80% of the Area Median Income. The developer has indicated that the project at a minimum, will include approximately 20,000 square feet of retail and commercial space, inclusive of live/work spaces as well as restaurant/bar uses and additional tenants. The project will entail a mix of new construction and the rehabilitation of existing structures. A parking structure will be constructed in the central portion of the property with a minimum of 200 parking stalls, of both structured and surface parking to accommodate the development. The capture period is for 30 years.

**The total investment is estimated to be \$70 million.** The Developer is requesting a **\$16,531,896 TIF<sup>1</sup> reimbursement** and the total costs to under the plan is a **\$20,510,091<sup>2</sup> TIF.**

<sup>1</sup> Tax Increment Financing (TIF) subsidizes an entity by refunding or diverting a portion of their taxes to help finance development in an area or on a project site.

<sup>2</sup> Including the Authority Administrative costs at \$2,760,691, the State Brownfield Redevelopment Fund at \$1,107,017 and the Local Brownfield Revolving Fund at \$110,487.

There will be 70 temporary construction jobs and 40 FTE jobs. The 70 temporary construction jobs are expected to be created over a 2-year period once construction begins. The 40 FTE jobs are associated with the commercial and retail components of the project.

The eligible property consists of twenty-one (21) parcels, which will be combined into one parcel prior to City Council approval of the Plan: bounded loosely by Gratiot Avenue to the north, Russell Street to the east, Maple Street to the south, and Rivard Street to the west and includes the right-of-way in Detroit’s Eastern Market neighborhood. The Property is considered “eligible property” as defined by Act 381, Section 2 because (a) the Property was previously utilized or is currently utilized for a commercial and industrial use; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property is determined to be a “facility.”

The “eligible activities” that are intended to be carried out at the Property are considered “eligible activities” as defined by Section 2 of Act 381, because they include Pre-Approved Activities, Department Specific Activities (such as environmental remediation and abatement), Demolition Activities, Asbestos and Lead Abatement, Infrastructure Improvements, Site Preparation Activities, and Preparation and Implementation of a Brownfield Plan/Act 381 Work Plan. The eligible activities and budgeted costs are intended as part of the development of the Property and will be financed solely by the developer. The Authority is not responsible for any costs of eligible activities and will incur no debt. Construction is anticipated to begin in the spring of 2019 and eligible activities are slated to be completed within 24 months.

The developer is seeking reimbursement for the costs of eligible activities via the brownfield development plan. Tax increment revenue generated by the property will be captured by the DBRA and used to reimburse the cost of the eligible activities completed on the property after approval of this Plan pursuant to the terms of a Reimbursement Agreement with the DBRA.<sup>3</sup>

<b>COST TO BE REIMBURSED WITH TIF</b>	<b>Tax Capture</b>
1. Environmental Investigation and BEA	\$80,000
2. Demolition	\$300,000
3. Lead and Asbestos Activities	\$110,000
4. Site Preparation	\$2,183,913
5. Infrastructure Improvements	\$11,020,160
6. Brownfield Plan & Act 381 Work Plan	\$60,000
7. Department Specific Activities	\$639,750
8. Contingency – (15%)	\$2,138,073
<b>*Total Reimbursement to Developer</b>	<b><u>\$16,531,896</u></b>
10. Authority Administrative Costs	\$2,760,691
11. State Brownfield Redevelopment Fund	\$1,107,017
12. Local Site Remediation Revolving Fund	\$110,487
<b>TOTAL Estimated Costs</b>	<b><u>\$20,510,091</u></b>

<sup>3</sup> The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues of the DBRA from the property shall be governed by the terms of the Reimbursement Agreement.

The developer is also seeking additional incentives, which will include the approval of Commercial Rehabilitation Act (PA 210 of 2005)<sup>4</sup> for up to ten years, Michigan Community Revitalization Program funds,<sup>5</sup> Project Based Vouchers (PBV),<sup>6</sup> Low Income Housing Tax Credits (LIHTC),<sup>7</sup> and HOME funds.<sup>8</sup>

Tax increments are projected to be captured and applied to (1) reimbursement of eligible activity costs and payment of DBRA administrative and operating expenses, (2) make deposits into the State Brownfield Revolving Fund (SBRF), and (3) make deposits into the DBRA's Local Site Remediation Revolving Fund (LSRRF), as follows:

	<u>Reimbursements Costs</u>	<u>Admin. Costs</u>	<u>State Revolving Fund</u>	<u>Revolving Fund</u>
City Operating	\$4,496,797	\$1,258,204	-	\$56,365
Library	\$1,043,671	\$292,019	-	\$13,082
Wayne County	\$1,762,928	\$493,267	-	\$22,098
HCMA	\$48,367	\$13,533	-	\$606
RESA	\$780,787	\$218,464	-	\$9,787
WCCC	\$730,414	\$204,370	-	\$9,155
School Operating	\$5,751,700	-	-	-
SET	\$1,917,233	-	\$1,107,017	-

In addition, the following taxes are projected to be generated but shall not to be captured during the life of the Plan:

City Debt	\$	2,435,581
School Debt and Judgment	\$	3,843,943
Wayne County DIA	\$	59,138
Wayne County Zoo	\$	29,569
Total	\$	6,368,230

Source: Detroit Brownfield Redevelopment Authority

In no event shall the duration of this Plan exceed thirty-five (35) years following the date of the governing body's resolution approving this Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (5) of Section 13 of Act 381 or 30 years. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five (5) years after the date of the governing body's resolution approving this Plan or such other date as authorized by Act 381.

<sup>4</sup> Commercial Rehabilitation Act, PA 210 of 2005 MCL 207.841 et.al. (a tax incentive for the rehabilitation of commercial property) LPD will provide a report on this under a separate cover.

<sup>5</sup> The Michigan Community Revitalization Program (MCRP) is an incentive program available from the Michigan Strategic Fund (MSF), in cooperation with the Michigan Economic Development Corporation (MEDC), designed to promote community revitalization that will accelerate private investment in areas of historical disinvestment

<sup>6</sup> The Project Based Voucher (PBV) of the Michigan State Housing Development Authority's (MSHDA) Housing Choice Voucher (HCV) Program. The HCV program is federally funded by HUD and is the primary resource for providing rental assistance to very low to moderate income families.

<sup>7</sup> The Low-Income Housing Tax Credit (LIHTC)

<sup>8</sup> HOME Rent Limits <https://www.hudexchange.info/programs/home/home-rent-limits/>



**Parcel Information:**

Parcel Address	Parcel ID Number	Current Owner
<b>Russell Street Building – Phase 1A</b>		
2011 Russell Street	05003462-76	Dev Detroit 1346 Gratiot LLC
2033 Russell Street	05003461.00 2L	Dev Detroit 1346 Gratiot LLC
2105 Russell Street	5003461	Dev Detroit 1346 Gratiot LLC
1301 Maple Road	05000618-9	Dev Detroit 1346 Gratiot LLC
1325 Maple Road	5000620	Dev Detroit 1346 Gratiot LLC
1337 Maple Road	5000621	Dev Detroit 1346 Gratiot LLC
1399 Maple Road	5000623	Dev Detroit 1346 Gratiot LLC
<b>Gratiot Building – Phase 1B</b>		
1314 Gratiot Avenue	05000642-6	Dev Detroit 1346 Gratiot LLC
1328 Gratiot Avenue	5000641	Dev Detroit 1346 Gratiot LLC
1334 Gratiot Avenue	5000640	Dev Detroit 1346 Gratiot LLC
1336 Gratiot Avenue	5000639	Dev Detroit 1346 Gratiot LLC
1340 Gratiot Avenue	5000638	Dev Detroit 1346 Gratiot LLC
1346 Gratiot Avenue	5000637	Dev Detroit 1346 Gratiot LLC
1352 Gratiot Avenue	5000636	Dev Detroit 1346 Gratiot LLC
1358 Gratiot Avenue	5000635	Dev Detroit 1346 Gratiot LLC
1364 Gratiot Avenue	5000634	Dev Detroit 1346 Gratiot LLC
1380 Gratiot Avenue	5000633	Dev Detroit 1346 Gratiot LLC
1384 Gratiot Avenue	5000632	Dev Detroit 1346 Gratiot LLC
1388 Gratiot Avenue	5000631	Dev Detroit 1346 Gratiot LLC
1350 Service Street	5000625	Dev Detroit 1346 Gratiot LLC
1366 Service Street	5000624	Dev Detroit 1346 Gratiot LLC

Source: Detroit Brownfield Redevelopment Authority



## Feasibility of the Brownfield Approval

The proposed residential use will be situated along Gratiot Avenue and Russell Street. Retail and commercial spaces will front Gratiot Avenue and Maple Street and will be inclusive of live/work spaces. Office space is also proposed within the building along Maple Street. The overall project will provide additional tenants and merchants to support the Eastern Market. Currently 20 of the 21 parcels are eligible either because they are determined to be a “facility” or adjacent and contiguous to a “facility”. Once the parcel combination occurs, the entire Property will meet the definition of a “facility.” In 2014, a Phase II Environmental Site Assessment (ESA)<sup>9</sup> was conducted on 1346-1364 Gratiot Avenue and 1350-1366 Service Street. BVNA completed a scope of work consisting of advancing 12 soils borings, installing one temporary monitoring well, and collecting 12 soil samples and one groundwater sample for analysis.

PM Environmental, Inc. (PM) conducted a Phase II ESA in 2015 on the parcels identified as 1314-1340 and 1380-1388 Gratiot Avenue, 2011-2105 Russell Street, and 1301-1337 and 1399 Maple Street. The 2015 Phase II ESA consisted of 28 soil borings and collection of 40 soil samples. In addition, two temporary monitoring wells were installed in the subject building identified as 1325-1337 Maple Street to assess the non-aqueous phase liquid (NAPL)<sup>10</sup> identified, and a liquid sample and a groundwater sample were collected for laboratory analysis.

The soil and groundwater samples collected exceed the Michigan Department of Environmental Quality (MDEQ) Part 201 Residential and Nonresidential (Drinking Water Protection/Drinking Water (DWP/DW), cleanup criteria from the subject property and the presence of NAPL.

**The list of eligible activities follow on the next page.**

### Conclusion

The plan for Eastern Market Gateway, which includes a mixed-use project at the southern gateway of Eastern Market, will consist of 200 new residential units, of which 20% of the rental units are affordable. The project, which will also incorporate, live/work, retail, commercial uses and a parking structure, is a viable alternative to a contaminated site and its completion, would be in the best interest of the city of Detroit. Therefore, given the **\$70 million investment**, the 200 new units of housing, the creation of 70 temporary construction jobs and 40 FTE jobs and the remediation of a contaminated site, **LPD recommends approval** of the Eastern Market Gateway Brownfield Redevelopment Plan.

Please contact us if we can be of any further assistance.

cc: Auditor General's Office  
Arthur Jemison, Chief of Services and Infrastructure  
Maurice Cox, Planning and Development Department  
Donald Rencher, HRD  
Dinah Bolton, Planning and Development Department  
John Saad, Planning and Development Department  
Stephanie Grimes Washington, Mayor's Office  
Malinda Jensen, DEGC  
Kenyetta Bridges, DEGC  
Jennifer Kanalos, DEGC  
Brian Vosburg, DEGC

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<sup>9</sup> Phase II Environmental Site Assessment is an "intrusive" investigation which collects original samples of soil, groundwater or building materials to analyze for quantitative values of various contaminants. This investigation is normally undertaken when a Phase I ESA determines a likelihood of site contamination.

<sup>10</sup> Nonaqueous Phase Liquids (NAPLs) are hazardous organic liquids such as dry cleaning fluids, fuel oil, and gasoline that do not dissolve in water.

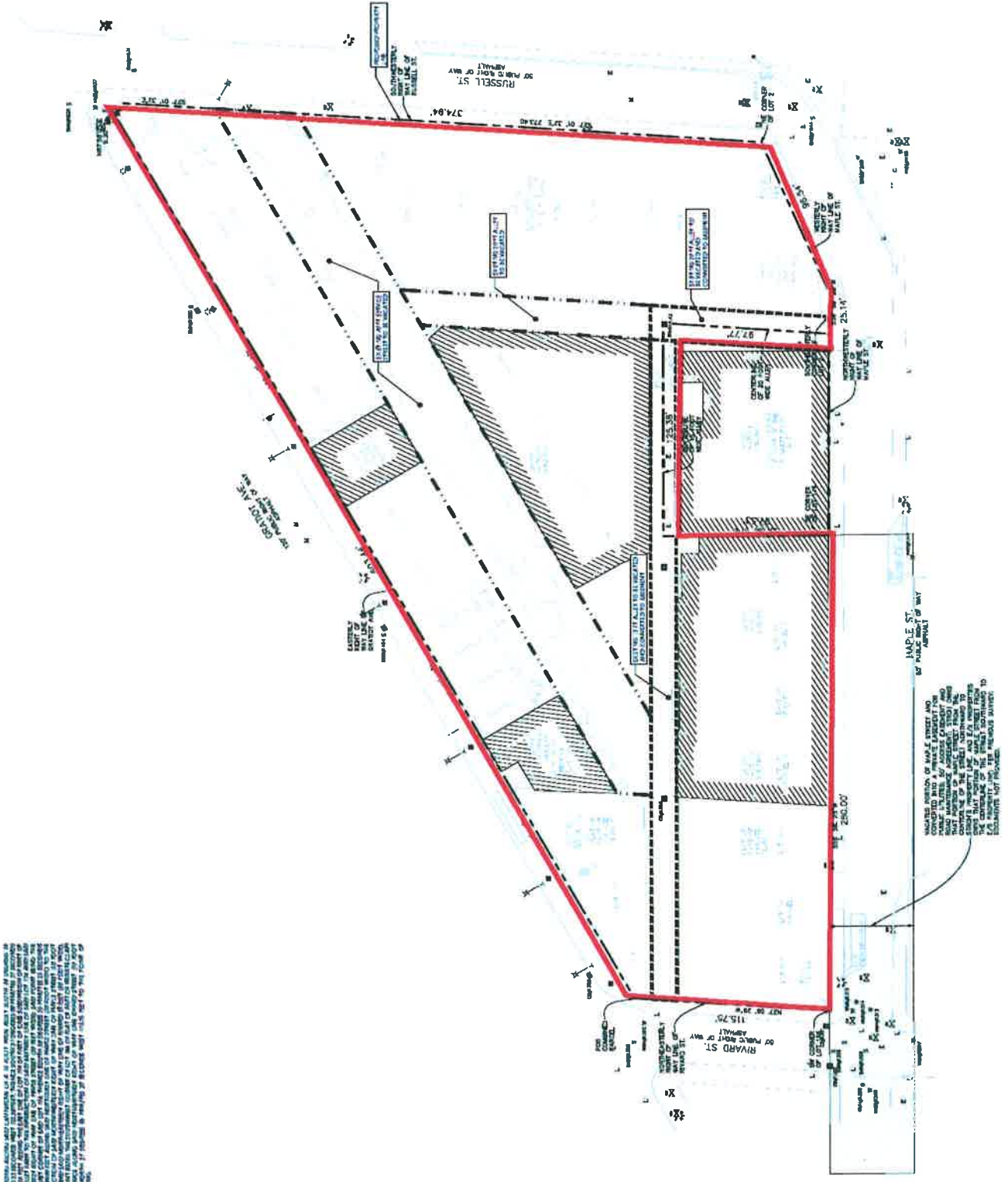
Table 1: Eligible Activities Cost Estimates					
Item/Activity	Total Request	MSF Act 381 Eligible Activities - Russell	MDEQ Act 381 Eligible Activities - Russell	MSF Act 381 Eligible Activities - Gratiot	MDEQ Act 381 Eligible Activities - Gratiot
<b>Pre-Approved Activities</b>					
Phase I ESAs	\$ 30,000	\$ -	\$ 15,000	\$ -	\$ 15,000
Phase II ESA/BEA/DDCC	\$ 40,000	\$ -	\$ 20,000	\$ -	\$ 20,000
Hazardous Materials Survey	\$ 10,000	\$ -	\$ 5,000	\$ -	\$ 5,000
<b>Baseline Environmental Assessments Sub-Total</b>	<b>\$ 80,000</b>	<b>\$ -</b>	<b>\$ 40,000</b>	<b>\$ -</b>	<b>\$ 40,000</b>
<b>Department Specific Activities</b>					
Contaminated Soil Excavation, Transport, and Disposal (Russell St/Service St and Maple Road)	\$ 437,250	\$ -	\$ 247,500	\$ -	\$ 189,750
Excavation, transport, and disposal of hazardous material (removal of NAPL (liquid) at 1325-1337 Maple Rd)	\$ 90,000	\$ -	\$ 90,000	\$ -	\$ -
Excavation equipment decon and decon wastewater handling	\$ 7,500	\$ -	\$ 7,500	\$ -	\$ -
Management and disposal of up to 2,000 gallons of contaminated groundwater	\$ 3,000	\$ -	\$ 3,000	\$ -	\$ -
Orphan Tank Removal (1364 Gratiot Ave)	\$ 22,000	\$ -	\$ -	\$ -	\$ 22,000
Oversight, sampling, reporting	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ -
Demarcation barriers for landscaped areas to address direct contact	\$ 30,000	\$ -	\$ 15,000	\$ -	\$ 15,000
<b>Department Specific Activities Sub-Total</b>	<b>\$ 639,750</b>	<b>\$ -</b>	<b>\$ 413,000</b>	<b>\$ -</b>	<b>\$ 226,750</b>
<b>Demolition</b>					
Building/Site Demolition Activities	\$ 300,000	\$ 136,500	\$ -	\$ 163,500	\$ -
<b>Demolition Sub-Total</b>	<b>\$ 300,000</b>	<b>\$ 136,500</b>	<b>\$ -</b>	<b>\$ 163,500</b>	<b>\$ -</b>
<b>Asbestos, Mold, and Lead Activities</b>					
Asbestos Abatement	\$ 110,000	\$ -	\$ 55,000	\$ -	\$ 55,000
<b>Asbestos and Lead Activities Sub-Total</b>	<b>\$ 110,000</b>	<b>\$ -</b>	<b>\$ 55,000</b>	<b>\$ -</b>	<b>\$ 55,000</b>
<b>Infrastructure Improvements</b>					
Urban Storm Water Management Systems - Green Roof Stormwater Retention	\$ 196,380	\$ 196,380	\$ -	\$ -	\$ -
Former Busy Bee Building Multi-level Parking Structure	\$ 9,500,000	\$ -	\$ -	\$ 9,500,000	\$ -
Podium Parking Cost Differential - Russell Building	\$ 1,026,780	\$ 1,026,780	\$ -	\$ -	\$ -
Curbs and Gutters and Sidewalks	\$ 110,000	\$ 55,000	\$ -	\$ 55,000	\$ -
Improvements to Public Right of Ways and Alleys	\$ 105,000	\$ 25,000	\$ -	\$ 80,000	\$ -
Public Right of Ways - Paving	\$ 80,000	\$ -	\$ -	\$ 80,000	\$ -
<b>Infrastructure Sub-Total</b>	<b>\$ 11,020,160</b>	<b>\$ 1,305,160</b>	<b>\$ -</b>	<b>\$ 9,716,000</b>	<b>\$ -</b>
<b>Site Preparation</b>					
Temporary Construction Access/Roads	\$ 71,500	\$ 35,750	\$ -	\$ 35,750	\$ -
Temporary Traffic Control	\$ 16,500	\$ 8,250	\$ -	\$ 8,250	\$ -
Temporary Site Control (fencing, gates, signage and/or lighting)	\$ 291,500	\$ 145,750	\$ -	\$ 145,750	\$ -
Temporary Facility	\$ 99,000	\$ 49,500	\$ -	\$ 49,500	\$ -
Temporary Sheeting and Shoring	\$ 330,000	\$ 66,000	\$ -	\$ 264,000	\$ -
Relocation of Active Utilities (Electric, Gas, Water, Sewer)	\$ 330,000	\$ 110,000	\$ -	\$ 220,000	\$ -
Geotechnical Engineering Including Investigating Existing Subsurface Conditions, Soil Sampling, Assessing Risks Posed by Site Conditions, Designing Earthworks and Structure Foundations	\$ 22,000	\$ 11,000	\$ -	\$ 11,000	\$ -
Excavation for Unstable Material (urban/historic fill) and related backfill	\$ 1,023,413	\$ 288,750	\$ -	\$ 734,663	\$ -
<b>Site Preparation Sub-Total</b>	<b>\$ 2,183,913</b>	<b>\$ 716,000</b>	<b>\$ -</b>	<b>\$ 1,468,913</b>	<b>\$ -</b>
<b>Preparation of Brownfield Plan and Act 381 Workplan</b>					
Brownfield Plan/381 Work Plan	\$ 30,000	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500
Brownfield Plan Implementation	\$ 30,000	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500
<b>Brownfield Plan and Act 381 Workplan Sub-Total</b>	<b>\$ 60,000</b>	<b>\$ 15,000</b>	<b>\$ 15,000</b>	<b>\$ 15,000</b>	<b>\$ 15,000</b>
<b>Eligible Activities Sub-Total</b>	<b>\$ 14,383,823</b>	<b>\$ 2,171,660</b>	<b>\$ 623,000</b>	<b>\$ 11,282,413</b>	<b>\$ 336,780</b>
15% Contingency*	\$ 2,138,073	\$ 323,469	\$ 70,200	\$ 1,702,112	\$ 42,203
<b>Developer Eligible Reimbursement Total</b>	<b>\$ 16,521,896</b>	<b>\$ 2,495,129</b>	<b>\$ 693,200</b>	<b>\$ 13,084,524</b>	<b>\$ 378,983</b>
Total MDEQ Request	\$ 972,213		\$ 503,200		\$ 378,013
Total MEDC/MSF Request	\$ 15,559,683	\$ 2,495,159		\$ 13,064,524	

\*15% Contingency excludes preparation of Brownfield Plan/381 Work Plan and Pre-Approved Activities



**LOCATION MAP of the Eastern Market Gateway**





Site Plan for the Eastern Market Gateway



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**MEMORANDUM**

**TO:** Tyrone Clifton, Director, DBA  
Ron Brundidge, Director, DPW

**FROM:** Scott Benson, City Council District 3

**CC:** Hon. Janice Winfrey, City Clerk  
Stephanie Washington, Mayor's Office  
Brian Farkas, DBA  
Erinn Harris, District 3 Manager

**VIA:** Hon. Brenda Jones, President, Detroit City Council

**DATE:** 11 Oct 2018

**RE: STATUS OF PROPERTIES ON MITCHELL BETWEEN  
MINNESOTA AND STENDER**

My office is requesting a status review/update of the vacant/dangerous buildings on Mitchell between Minnesota and Stender, with special interest to 17456 & 17468 Mitchell. In addition, please look at the sidewalks on Mitchell and identify flags that are eligible for replacement, and provide a timeline for repaving the ROW.

Please respond to this request by 1 Nov 2018. Thank you in advance for your consideration on this matter.

SRB

CITY CLERK 2018 OCT 12 PM 8:58