

Referrals  
6/4/19

**PLANNING AND  
ECONOMIC  
DEVELOPMENT  
STANDING  
COMMITTEE**



CITY OF DETROIT  
LAW DEPARTMENT

20

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVENUE, SUITE 500  
DETROIT, MICHIGAN 48226-3437  
PHONE 313•224•4550  
FAX 313•224•5505  
WWW.DETROITMI.GOV

Date: May 30, 2019

To: Honorable City Council

From: Law Department *LSW*

Re: Law Department Response to CM Castaneda-Lopez - Olympia Development  
Commitments

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The Law Department has filed a privileged and confidential memorandum in response to above-referenced matter. Please submit this item for referral to the Planning and Economic Development Committee so that City Council can take any action that is necessary.



CITY OF DETROIT  
HOUSING AND REVITALIZATION DEPARTMENT

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COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVENUE, SUITE 908  
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May 31, 2019

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 GPC Adams, LLC, in the area of 25 West Elizabeth and 2047 Woodward Avenue, Detroit, Michigan, in accordance with Public Act 210 of 2005 (Petition #593).**

Honorable City Council:

The Housing and Revitalization Department, Planning & Development Department and Finance Department have reviewed the application of **GPC Adams, 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,

Kelly R. Vickers  
Associate Director

KV/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**, **GPC Adams, 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 \_\_\_\_\_ 2019 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.

May 28, 2019

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

**RE: Request for the Commercial Rehabilitation Exemption Certificate for 25 West Elizabeth Street and 2047 Woodward Avenue, Detroit, Michigan 48201 for GPC Adams, LLC**

Honorable City Council:

A Commercial Rehabilitation Exemption (PA210) Certificate application submitted April 23, 2019 under Petition #593.

The application identified approximately 300 jobs that would be retained and 200-250 created over the next 5 years as part of Chemical Bank's move to Detroit and occupancy of the building. Chemical Bank is committed to the creation of these jobs and responsible for the creation not GPC Adams, LLC which is the proposed developer of the building and therefore applicant for this request. Please accept this letter and revised application form as clarification to this distinction.

In order to secure Chemical Bank as the flagship tenant for the development, this PA210 certificate is being requested. The project is anticipated to bring the proposed jobs to Detroit along with a significant increase to day-time density in downtown.

Respectfully submitted,

  
GPC Adams, LLC

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>GPC Adams, LLC</b>		NAICS or SIC Code <b>236220</b>	
Facility's Street Address <b>333 W Fort Street, Suite 1350</b>	City <b>Detroit</b>	State <b>MI</b>	ZIP Code <b>48226</b>
Name of City, Township or Village (taxing authority) <b>Detroit</b>		County <b>Wayne</b>	School District Where Facility Is Located <b>82010</b>
<input checked="" type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village			
Date of Rehabilitation Commencement (mm/dd/yyyy) <b>07/01/2019</b>		Planned Date of Rehabilitation Completion (mm/dd/yyyy) <b>12/21/2021</b>	
Estimated Cost of Rehabilitation <b>\$72,000,000</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 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 checked="" type="checkbox"/> Increase Number of Residents in Facility's Community			
No. of jobs to be created due to facility's rehabilitation <b>0</b>	No. of jobs to be retained due to facility's rehabilitation <b>0</b>	No. of construction jobs to be created during rehabilitation <b>371</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>Elie Torgow</b>		Telephone Number <b>(313) 963-1212</b>	
Fax Number		E-mail Address <b>eliet@sgdetroit.com</b>	
Street Address <b>333 W. Fort Street, Suite 1350</b>	City <b>Detroit</b>	State <b>MI</b>	ZIP Code <b>48226</b>
<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 <b>Manager</b>	Date <b>5/30/19</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.



April 19, 2019

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

**RE: Request for the Commercial Rehabilitation Exemption Certificate for 25 West Elizabeth Street and 2047 Woodward Avenue, Detroit, Michigan 48201 for GPC Adams, LLC**

Honorable City Council:

Please accept this letter as a request to establish a Commercial Rehabilitation Exemption Certificate pursuant to Michigan Public Act 210 of 2005 (Act 210) for 25 West Elizabeth Street and 2047 Woodward Avenue, Detroit, Michigan 48201. The parcels are located on the southwest corner of the intersection of West Elizabeth Street and Woodward Avenue, which is referred to herein as the "Property" and further described in Attachment A. GPC Adams, LLC, a development entity of Sterling Group, is the owner of the property and has proposed plans to redevelop the property into the new corporate headquarters of Chemical Bank.

#### **Company Synopsis**

Sterling Group, which has been actively involved for over 25 years and has participated in some of the region's most significant projects from historic restorations and renovations to operating in all real estate sectors, is the project developer. Founded in 1988, Sterling Group are skilled at new construction adaptive reuse/restoration techniques including the redeveloping of historic or challenged buildings.

Chemical Bank, the proposed tenant and project partner, has also made significant contributions to growing business in the City of Detroit. Chemical Bank led the strategic effort for investment in Detroit's neighborhoods through the Strategic Neighborhood Fund and has committed \$5 million to that effort. In the Marygrove Neighborhood, just south of Marygrove College, Chemical Bank launched the Marygrove Renovation Project to assist Detroit homeowners with home renovation grants and partnered with a local non-profit to develop move-in ready homes in the neighborhood. These efforts help to stabilize the neighborhood by improving property values and spurring additional development. In addition, Chemical Bank assisted in the creation of the Detroit Home Mortgage program, designed to enable banks to lend to qualifying homebuyers when a discrepancy exists between the actual cost of a home and, often, a lower appraised value. Chemical Bank also provides various other special lending programs with the City that ensure a path towards home ownership and rehabilitation in Detroit.

#### **Project Synopsis**

The proposed Commercial Rehabilitation Exemption Certificate ("Certificate") is being requested for the property located in Downtown Detroit, Wayne County on the southwest corner of Woodward Avenue and Elizabeth Street. The Property consists of two parcels of approximately 0.46 acres containing a ten-story 118,000 square foot office building with a parking garage and a surface parking lot. The Property is directly south of the iconic Fillmore Detroit at 2115 Woodward Avenue. The Property is also within walking distance to many of the City's amenities,

*Request for Establishment of a Commercial Rehabilitation Exemption Certificate at  
25 West Elizabeth Street and 2047 Woodward Avenue, Detroit, Michigan 48201 for  
Chemical Bank*

including Comerica Park, Ford Field, and Little Caesars Arena, the Detroit Opera House, Grand Circus and Campus Martius Park, and the Detroit Athletic Club.

The current building at the Property was constructed in 1951. Despite being functionally adequate at the time of initial construction, the building is obsolete in functionality. The building lacks modern electrical, mechanical, plumbing, and technological systems. In addition, floor plans and the overall building design does not support modern space planning or functionality of space for today's demand. The building materials are also in poor condition, with water damage, disrepair, and damage to the ceilings and walls observed throughout the building.

GPC Adams, LLC will demolish the current ten-story building in order to facilitate construction of a 20-story office building to become the new headquarters of Chemical Bank. The new headquarters will include ground-level commercial space, ten-stories of parking space, and nine-stories of Class-A office space. Chemical Bank is anticipated to occupy seven stories with the remaining two stories leased to other office tenants.

The Property is located in Downtown Detroit and is encompassed within the Entertainment District and the Downtown Business Improvement Zone (BIZ). Since creation of the BIZ in 2014, popularity of Downtown Detroit has grown, with more amenities to provide safety and security, cleanliness and maintenance, and much needed infrastructure planning to improve mobility, all with the goal of drawing businesses, talent, and residents to downtown Detroit.

This investment will redevelop an underutilized and obsolete property in the heart of Downtown complimenting and enhancing the redevelopment occurring in the Entertainment District by bringing in new day-time density and the sought after professional talent to the district. The project will also supply additional parking for local entertainment and sporting events within the Downtown. Additional information on the project is included in Attachment A.

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

Substantial investment is necessary to demolish the existing obsolete building and construct viable and useable office space. Due to the vertical density and parking requirements, the development project would not be possible without the receipt of an exemption certificate.

In order to secure Chemical Bank as the flagship tenant for the development, the operating costs of the proposed redevelopment of the District needs to be kept as low as possible (including the amount of payable property taxes).

### **PA 210 Request**

This application documents the request for the establishment of a District. A 10-year tax abatement certificate pursuant to PA 210 will also be requested.

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

The project will increase day-time density, investment, and foot traffic to the entertainment center of Downtown.

The granting of the Certificate 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

**Request for Establishment of a Commercial Rehabilitation Exemption Certificate at  
25 West Elizabeth Street and 2047 Woodward Avenue, Detroit, Michigan 48201 for  
Chemical Bank**

commercial tenant spaces. The project will encourage continued redevelopment and improvements in the surrounding area.

Sterling Group is committed to employing Detroit residents on projects and will utilize available workforce training and presentations to ensure Detroit-based contractors and workers benefit from the redevelopment. On a short term basis, approximately 380 temporary construction jobs will be created during demolition and new construction activities.

Chemical Bank as the proposed tenant anticipates relocating 300 existing jobs and is anticipated to create an additional 200 jobs over the next five years in the City of Detroit. As a result of this investment in the City of Detroit, Chemical Bank anticipates creating 100-200 *additional* jobs throughout the State of Michigan. Upon completion, there will be spin-off jobs associated with the facilities and maintenance of the property.

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

**Closing**

The redevelopment of 25 West Elizabeth Street and 2047 Woodward Avenue promotes the redevelopment efforts already underway in Downtown Detroit. Sterling Group is looking forward to pursuing this redevelopment and continuing investing in Downtown Detroit.

Chemical Bank has been a Michigan-headquartered bank for its entire 100+ year history. The move of its headquarters to Detroit illustrates Chemical Bank's ongoing commitment to Michigan, to Detroit, and to in-state stability and growth. At the same time Chemical Bank will continue to enhance all the communities it serves.

Respectfully submitted,  
**GPC Adams, LLC**



By: Eli Halpern  
Its: Authorized Representative  
[elih@sgdetroit.com](mailto:elih@sgdetroit.com)  
313.963.1212

**Attachments:**

Attachment A: Detailed Project Description  
Attachment B: Parcel Map  
Attachment C: Incentive Information Chart  
Attachment D: Support Letters

## **Attachment A**

## General Description



The proposed Commercial Rehabilitation Exemption Certificate is being requested for the property located in Downtown Detroit, Wayne County on the southwest corner of Woodward Avenue and Elizabeth Street. The Property consists of two parcels of approximately 0.46 acres containing a ten-story 118,000 square foot office building with a parking garage and a surface parking lot. The Property is directly south of the iconic Fillmore Detroit at 2115 Woodward Avenue. The

Property is also within walking distance to many of the City's amenities, including Comerica Park, Ford Field, and Little Caesars Arena, the Detroit Opera House, Grand Circus and Campus Martius Park, and the Detroit Athletic Club.

The Property is located in Downtown Detroit, and is encompassed within the Entertainment District and the Downtown Business Improvement Zone (BIZ). Since creation of the BIZ in 2014, popularity of Downtown Detroit has grown, with more amenities to provide safety and security, cleanliness and maintenance, and much needed infrastructure planning to improve mobility, all with the goal of drawing businesses, talent, and residents to downtown Detroit.



## General Description of Proposed Use

The current building at the Property was constructed in 1951. Despite being functionally adequate at the time of initial construction, the building is obsolete in functionality. The building lacks modern electrical, mechanical, plumbing, and technological systems. In addition, floor plans and the overall building design does not support modern space planning or functionality of space for today's demand. The building materials are also in poor condition, with water damage, disrepair, and damage to the ceilings and walls observed throughout the building.



GPC Adams, LLC will demolish the current ten-story building in order to facilitate construction of their new headquarters. The new headquarters will be approximately 20-stories tall and will include ground-level retail space with ten-stories of parking and nine office stories. Chemical Bank is anticipated to occupy seven stories with the remaining two stories leased to other office tenants.

The ground level of the building will include approximately 7,500 square feet of commercial space along Elizabeth Street and Woodward Avenue, in addition to the building lobby and entrance to the parking ramp. Above the commercial component will be the parking ramp housed within ten stories and nine stories of office atop. Each floor of office space contains nearly 21,000 gross square feet while the top two floors provide outdoor terraces that overlook Woodward Avenue and Comerica Park to the east.

Spurring off the successful entertainment district developments, this redevelopment will create a place making opportunity at a major thoroughfare and district of the City. The centralized location within the downtown core will allow for increased ridership of the existing public transit systems and the property will also include bike racks and electric vehicle charging stations within the parking structure levels.

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

The current building has sustained significant deferred maintenance and lacks in functional use due to office size and underutilized spaces. The building has been determined to be beyond its useful life and not suitable for reuse. Successful redevelopment will require abatement of hazardous materials and demolition of the building to facilitate redevelopment of competitive, useful office space in the City.

The new building will utilize current and upcoming building technologies for long-term functionality. Included in the construction will be modern lighting, electrical supply, and data systems to meet today's office and retail needs, as well as energy efficient HVAC systems that keep comfortable working conditions in all areas of the building. Structural column placement and the overall building design is expected to support maximum utility and modern space demands.

The design of the building will utilize the latest sustainable technology to promote energy efficiency through the implementation of highly efficient mechanical, electrical and plumbing systems as well as LED lighting and glazing systems. The office floor plans will feature open layouts with raised floors that will allow for maximum efficiency and flexibility to create modern office spaces that meet the demand of today's technological and space planning needs. The open floor plans will also allow for vast amounts of natural daylighting. Wherever possible the design team for the project will be sourcing and specifying local materials to be used in the construction of the building.

The proposed new building will cover nearly the entire majority of the property. The building will meet and/or exceed building code requirements.

GPC Adams, LLC 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 Brownfield tax increment financing (TIF), and Owner Equity. Hard-cost investment is estimated at \$71-72 million dollars.

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

Demolition and new construction for the project include;

- Full Building Demolition
- Upgraded parking structure
- New Mechanical; plumbing and HVAC
- New, efficient and upgraded electrical; electrical work and communications
- Energy Efficient windows, curtain walls, and exterior doors
- Modern elevators
- Interior build-outs
- Interior doors/frames/hardware
- Finishes; drywall and steel studs/insulation, hard tile, flooring, painting
- Specialties; fire extinguishers, toilet accessories, appliances
- Modern fire protection systems
- Improved thermal and moisture protection

### **Time Schedule**

Demolition activities are anticipated to commence in Summer 2019. Completion of construction activities is anticipated in December 2021.

## **Statement of Economic Advantages**

The project is anticipated to create immense spin-off spending in the downtown, create new jobs in the heart of Detroit, and create spin-off jobs through facilities maintenance.

The granting of the Certificate will not result in any fewer taxes to the City of Detroit in the short-term or long-term. Upon successful redevelopment, the development will generate increased property and income taxes. Furthermore, the project will attract, retain and curate the local job market, harness a talented workforce pool, increase daytime density, and strengthen security.

On a short term basis approximately 380 construction jobs will be created during demolition and construction activities. The proposed redevelopment associated with the new headquarters will relocate 300 existing jobs and create an additional 200 jobs over the next five years. Chemical Bank anticipates creating 100-200 additional jobs throughout Michigan. In addition, future office tenants are anticipated to create additional spin-off jobs in the City. The development team has presented at D2D meetings and intends to utilize skilled trades task force meetings to garner opportunities to employ Detroit residents.

The increase in banking and 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.

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

## **Legal Descriptions**

25 West Elizabeth Street: Parcel: 02000389

S ELIZABETH 26-25-24 PLAT PT PARK LOTS L7 P27 CITY RECORDS, W C R 2/71 120 X 90

2047 Woodward Avenue: Parcel: 02001865

W WOODWARD 4-3 PLAT PT PARK LOTS L7 P27 CITY RECORDS, W C R 2/71 95.22 X 97.14A

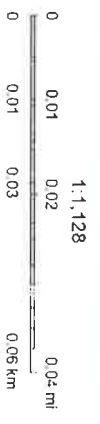


## **Attachment B**

# Parcel Map



July 10, 2018



SEVCOG, ENV. HERE, GARTH, INCREMENT P, USGS, EPA,  
USDA, AAFC, NRCH

## **Attachment C**

# City of Detroit

CITY COUNCIL

COUNCIL PRESIDENT BRENDA JONES

## INCENTIVE INFORMATION CHART:

Project Type	Incentive Type	Investment Amount	District
Mixed-Use – Office/Retail	Commercial Rehabilitation / Tax Abatement / Brownfield Plan	\$71-72mm Hard Cost Investment	Downtown – Central Business District

Jobs Available							
Construction				Post Construction			
Professional	Non-Professional	Skilled Labor	Non-Skilled Labor	Professional	Non-Professional	Skilled Labor	Non-Skilled Labor
9	0	371	0	200 new jobs	50 new jobs	0	0

1. What is the plan for hiring Detroiters?

The development team has presented at a D2D session following determination of the bid needs and procedures to obtain Detroit-based contractors for this project. The development team plans to also present at a Skilled Trades Task Force, to assist in connecting with additional Detroiters for the project. The development team is committed to the City of Detroit. Sterling Group has operated within the City for a long time and is committed pursuing local workforce trades.

Sterling Group and Chemical Bank will work closely with DEGC to ensure job opportunities are created for Detroit residents and that they will be included in the planning processes of the project.

2. Please give a detailed description of the jobs available as listed in the above chart, i.e: job type, job qualifications, etc.

In the short-term, approximately 275 construction jobs are anticipated to be created. The proposed redevelopment associated with the new headquarters will relocate 300 existing jobs and is anticipated to create an additional 200-300 jobs in the city of Detroit over the next five years. Chemical Bank anticipates creating 100-200 additional jobs throughout Michigan.

The Construction jobs will consist of;

- Abatement – Asbestos workers
- Demolition - Laborers
- Civil Work – Teamsters, Operators, Laborers
- Architectural/Interior Buildouts – Laborers, Carpenters, Cement Masons, Bricklayers, Glaziers, Iron Workers, Roofers, Painters, Tile Setters
- Elevators – Elevator Constructors
- Fire Protection – Pipe Fitters
- Mechanical – Pipe Fitters, Sheet Metal Workers
- Plumbing - Plumbers
- Electrical – Electricians

3. Will this development cause any relocation that will create new Detroit residents?

This development is not anticipated to cause any relocation as existing tenants have plans to establish leases in the adjacent building once current leases expire. The creation of approximately 500 new positions in the City will likely result in the retention of or creation of new residents (estimated at a retained 300 jobs and up to 200-300 new jobs)

4. Has the developer reached out to any community groups to discuss the project and/or any potential jobs?

Yes. We have discussed with the DEGC the need to participate in their D2D program. The development team has presented at a D2D session January 2019 to ensure Detroit-based contractors and workers benefit from the project. Support letters have also been received by nearby businesses such as the Detroit Theater District Business Association, NAACP, Michigan Chronicle, and City Market.

5. When is construction slated to begin?

Summer 2019

6. What is the expected completion date of construction?

December 2021

\*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.

## **Attachment D**



November 14, 2018

Ms. Jennifer Ross  
City of Detroit  
Historic District Commission

Re: 25 W. Elizabeth Street Annex Building and Chemical Bank Mixed Use project

Dear Jennifer:

On behalf of the Detroit Theatre District Association and the Grand Circus Park Conservancy, please accept this letter of support for the proposed Chemical Bank Mixed Use project which also involves the removal of the Elizabeth Street Annex building to allow the new construction. The Elizabeth Street Annex building (25 W. Elizabeth Street), a 1950 addition to the historic 1922 Grand Park Centre building (28 W. Adams Street), is a deterrent to the major improvement program of the Chemical Bank Mixed Use building (2047 Woodward Avenue) that will be of substantial benefit to the community.

The Chemical Bank project solidifies a density of development adjacent to our Theatre District's northern edge which extends the substance of the Grand Circus Park Historic District. The stabilization of the Grand Centre Building through the transfer of the mechanical and electrical systems in the Chemical Bank project, will allow this major high occupancy facility to continue its contributions to the Park district.

For the foregoing reasons, I strongly support the proposed Chemical Bank Mixed Use project.

Sincerely

A handwritten signature in cursive script that reads "David M. Di Rita".

David M. Di Rita

President -Detroit Theatre District Business Association  
Board Member - Grand Circus Park Conservancy



October 29th, 2018

Mr. Marcell R. Todd Jr.  
Director  
City of Detroit,  
City Planning Commission  
208 Coleman A. Young Municipal Center  
Detroit, MI 48226

Mr. Todd,

When I heard of a major bank like Chemical Bank choosing downtown Detroit as its new home, I was extremely elated. I would like to express my full support for Chemical Bank's proposed new headquarters located at 2047 Woodward Avenue in the Foxtown neighborhood. The decision to move Chemical Bank's headquarters to Detroit and its subsequent development is a significant and historic moment for the economy in the City of Detroit.

I believe Chemical Bank's attention to the unique needs of Detroit's Citizens and Stakeholders will prove to be an invaluable asset that will serve all Detroiters. With its ability to offer financial literacy and educational services, commercial and personal development opportunities, and an increasing number of jobs in Downtown Detroit.

Chemical Bank's commitment to the City of Detroit illustrated through the development of its Headquarters will continue to lift Detroit towards even more success. The Development will also offer additional retail, commercial, and residential space, offering more economic advantages to its neighbors. As a neighboring business owner we appreciate the inclusion of the community in the planning process and are excited to see the economic and community benefits of the new Chemical Bank Headquarters. I remain;

Sincerely Yours,

Paul Kado  
Managing Partner, City Market

575 Brush St. Detroit, MI 48226 Tel:313-222-0000





October 31, 2018

To the City of Detroit City Planning Commission:

Real Times Media/The Michigan Chronicle is in full support of Chemical Bank's proposed development for its new Detroit headquarters located at 2047 Woodward Avenue, Detroit, Michigan.

The move of Chemical Bank's headquarters to Detroit and its subsequent development is an added value to Detroit's economy, growth and future progress. With the hundreds of new jobs and employees moving to Detroit through the potential development, it continues to help enhance Detroit's attractiveness to businesses and people across the globe.

Chemical's new development also opens the doors for new jobs, financial literacy and education as well as small business, commercial and personal development opportunities. Its ongoing dedication to the city of Detroit – exemplified in its move and the development - will be an asset to this community. We also believe Chemical Bank has an awareness, understanding and respect for Detroit's diversity and will create an infrastructure that embraces the needs of Detroit citizens, businesses and partners.

As a neighboring business/property owner, we appreciate the inclusion of the community in the planning processes and are excited to see the economic and community benefits of the new Chemical Bank Detroit headquarters.

Respectfully,

Hiram E. Jackson  
President and CEO



8220 Second Avenue – Detroit, Michigan 48202 – (313) 871-2087 phone – (313) 871-7745 fax

Rev. Dr. Wendell Anthony,  
President  
Kamlia K. Landrum,  
Deputy Executive Director

October 31, 2018

City of Detroit  
City Planning Commission  
2 Woodward Ave, #202  
Detroit, MI 48226

To Whom It May Concern:

Please receive this letter in eager anticipation of the new development of Chemical Bank's Headquarters, in the city of Detroit. The city of Detroit is on a grand economic journey to rebuild not only downtown but hopefully our neighborhoods as well. Chemical Bank's commitment to the city of Detroit would include its national headquarters and also retail, commercial, and residential space. It will offer even more economic advantage to the citizens of Detroit.

The Chemical Bank organization has made more than just an economic development initiative in our city. We remain optimistic about the bank's commitment to offer educational services, financial literacy, and to increase job opportunities in our city. Chemical Bank and its leadership have a track record of being community sensitive and involved with neighborhood revitalization, as well as youth educational scholarship and support. There are unlimited possibilities of having a bank that is not only concerned about product but is also very clearly concerned about people.

Chemical Bank and its proposed new headquarters, located at 2047 Woodward Ave., serves as a signal to companies and businesses standing at the brink of *whether or not to invest in the city of Detroit*. Hopefully this new entity presenting such a unique opportunity to the city and its people will lead to even enhanced development from the riverfront to Eight Mile Road. We are in full support of Chemical Bank and what this opportunity represents. We are pleased for the city of Detroit and its people for the increased opportunities in the area of economic and community benefits in order to make a significant difference. If you need any further information, I am only too pleased to provide the same. I may be reached at (313) 347-2820 or [revwendellanthony@gmail.com](mailto:revwendellanthony@gmail.com).

Yours for Our City,

Rev. Dr. Wendell Anthony

22

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, May 29, 2019*

*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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HISTORIC DESIGNATION ADVISORY BOARD    LEGISLATIVE POLICY DIVISION  
CITY COUNCIL

**900**    *Detroit Sound Conservancy, request to declare the Legendary Blue Bird Inn at 5021 Tireman an interim historic district.*



22 May 2019

Brenda Jones, City Council President  
and Janice Winfrey, Detroit City Clerk  
Coleman A. Young Center  
Detroit, MI 48226

Dear Honorable City Council President Jones,

I am writing to request that Detroit City Council designate The Legendary Blue Bird Inn at 5021 Tireman on Detroit's West Side an interim historic district in Detroit.

The Blue Bird Inn, opened before WWII, became a launchpad for musical and social revolution during the Civil Rights movement in Detroit. Hundreds of jazz musicians performed at The Blue Bird until the club's closing earlier this century. These musicians, including national leaders in modern music like Miles Davis and John Coltrane explored rhythm, melody, and improvisation on a platform that foregrounded Detroit's commitment to serious listening. Local musicians, such as drummer Roy Brooks and saxophonist Wendell Harrison, who both attended nearby Northwestern High School, apprenticed at The Blue Bird, learning the "Detroit way" to communicate with audiences and fellow musicians.

The Blue Bird Inn building deserves to be protected under the City of Detroit's Ordinance in Chapter 25, Article 2 for Historic Districts. As the owner of the property, we wish to see this nationally and globally important property protected for future generations.

Sincerely,

A handwritten signature in black ink, appearing to read 'Janice Winfrey', written over a horizontal line.

Detroit Sound Conservancy  
440 Burroughs, Suite 195  
Detroit, MI 48202

cc: Janese Chapman, Historic Designation Advisory Board

Legislative Policy

MAY 23 2019

RECEIVED BY THE DETROIT CITY CLERK

2019-05-29

**900**

**900** *Petition of Detroit Sound  
Conservancy, request to declare the  
Legendary Blue Bird Inn at 5021  
Tireman an interim historic district.*

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REFERRED TO THE FOLLOWING DEPARTMENT(S)

HISTORIC DESIGNATION ADVISORY BOARD  
LEGISLATIVE POLICY DIVISION  
CITY COUNCIL

## Louise Jones

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**From:** Jasmine Barnes  
**Sent:** Thursday, May 30, 2019 3:52 AM  
**To:** Louise Jones; Deonte Agee; Andre Gilbert  
**Subject:** Fwd: Petition 900 - Detroit Sound Conservancy  
**Attachments:** 4934\_001.pdf

Please refer to ped on the 6-4 New Business Agenda.

Get [Outlook for iOS](#)

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**From:** Michael O'Connell  
**Sent:** Wednesday, May 29, 2019 4:38:15 PM  
**To:** Janese Chapman; Theresa Thomas; Jasmine Barnes  
**Cc:** Andre Gilbert  
**Subject:** Petition 900 - Detroit Sound Conservancy

Please see attached

Michael J. O'Connell  
Jr. Assistant City Council Committee Clerk  
Coleman A. Young Municipal Center  
2 Woodward Ave. Rm. 200  
Detroit, MI 48226  
[Direct:](tel:(313)224-2014) (313) 224-2014  
[Email:](mailto:oconnellm@detroitmi.gov) oconnellm@detroitmi.gov

**From:** cityclerkcanonir8505@detroitmi.gov [mailto:cityclerkcanonir8505@detroitmi.gov]  
**Sent:** Wednesday, May 29, 2019 5:38 PM  
**To:** Michael O'Connell  
**Subject:** Attached Image