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1. Article Addressed to:

Mr. Matthew Hoffman  
 The Traverse Group  
 400 Monroe Avenue, Suite 410  
 Detroit, MI 48226



9590 9402 4309 8190 5436 77

2. Article Number (Transfer from service label)

7018 2290 0000 8690 7098

**COMPLETE THIS SECTION ON DELIVERY**

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*S Anthony*

Agent

Addressee

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*S Anthony*

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PS Form 3811, July 2015 PSN 7530-02-000-9053

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Sent To

Street a

City, St

Mr. Matthew Hoffman  
 The Traverse Group  
 400 Monroe Avenue, Suite 410  
 Detroit, MI 48226

7018 2290 0000 8690 7098

PS Form 3811, July 2015 PSN 7530-02-000-9047

See Reverse for Instructions

Exhibit D  
City Council Resolution

**RESOLUTION  
ABOLISHING THE BROWNFIELD PLAN  
OF THE CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY  
FOR THE 1560 E. JEFFERSON AVENUE REDEVELOPMENT PROJECT;**

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City of Detroit  
County of Wayne, Michigan

---

**WHEREAS**, pursuant to 381 PA 1996, as amended (“Act 381”), the City of Detroit Brownfield Redevelopment Authority (“Authority”) has been established by resolution of the City Council of the City of Detroit (the “City Council”) for the purpose of promoting the revitalization of eligible properties in the City of Detroit; and

**WHEREAS**, on January 12, 2005, City Council approved the 1560 E. Jefferson Avenue Brownfield Redevelopment Plan (the “Plan”); and

**WHEREAS**, the eligible property described in Exhibit A, attached hereto, is the eligible property subject to the Plan; and

**WHEREAS**, Section 14(8)(a) of Act 381 permits a governing body to abolish a brownfield plan when it finds that the purposes for which the plan was established are accomplished, provided that the governing body first does both of the following: (i) gives 30 days’ prior written notice to the developer at its last known address by certified mail or other method that documents proof of delivery attempted, and (ii) provides the developer an opportunity to be heard at a public meeting; and

**WHEREAS**, the City Council is the governing body (as that term is defined by Act 381) of the Authority; and

**WHEREAS**, the Authority’s staff has confirmed that the project for which eligible activities were identified in the Plan has been completed and the purposes for which the Plan was established have been accomplished; and

**WHEREAS**, on August 28, 2019, the Board of Directors of the Authority adopted a resolution recommending abolishment of the Plan; and

**WHEREAS**, on October 3, 2017, City Council authorized the Authority, on behalf of City Council, to manage and/or administer the notices required by Act 381 in connection with any brownfield plan or plan amendment terminations; and

**WHEREAS**, the required notice of the termination of the Plan was given in accordance with Section 14(8)(b)(i) of Act 381, a copy of which is attached as Exhibit B; and

**WHEREAS**, in accordance with Section 14(8)(b)(ii) of Act 381, the developer identified in the Plan was provided with an opportunity to be heard at a public meeting on July 18, 2019.

**NOW, THEREFORE, BE IT RESOLVED, THAT:**

1. The Plan is hereby abolished by City Council in accordance with Section 14(8)(a) of Act 381.
2. City Council hereby ratifies the abolishment, if any, of any agreements or contracts between the developer of the Plan and the Authority that were executed in conjunction with the Plan, including, but not limited to, the reimbursement agreement.

The City Clerk is requested to submit one (1) certified copies of this Resolution to the DBRA, 500 Griswold Street, Suite 2200, Detroit, MI 48226

AYES:       Members

---

NAYS:       Members

---

RESOLUTION DECLARED ADOPTED.

---

Janice Winfrey, City Clerk  
City of Detroit  
County of Wayne, Michigan

WAIVER OF RECONSIDERATION IS REQUESTED

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Detroit, County of Wayne, State of Michigan, at a regular meeting held on \_\_\_\_\_, 2020, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

---

Janice Winfrey, City Clerk  
City of Detroit  
County of Wayne, Michigan



February 5, 2020

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

**Re: Abolishment of the Property at 6200 Second Brownfield Redevelopment Plan**

Dear Honorable Council Members:

The Property at 6200 Second Brownfield Redevelopment Plan (the "Plan") was approved by City Council more than two years ago in 2002. The legal descriptions for the property included in the Plan are attached (Exhibit A).

Over the years, the Detroit City Council has approved Brownfield Plans which describe projects that have been completed. 6200 Second is a Plan approved by Council on July 17, 2002. The project, developed by Farbman Group, proposed the redevelopment of an existing building into 51 residential units and adjacent parking facilities located in the New Center Area of Detroit. The project has been completed and the maximum allowable Credit has been received by the Developer. The purposes for which the Plan was established have been accomplished. Section 14(8)(b) of Act 381 of 1996, as amended, allows City Council to abolish the plan as a result.

It is the opinion of DBRA staff that the 6200 Second Plan should be abolished due to the fact that the project described in the Plan has been completed and the purposes for which the Plan was established have been accomplished. Abolishing the Plan will allow City and State staff to end ongoing administrative requirements for the Plan and officially complete and close out this tax incentive.

At the regularly scheduled August 28, 2019 DBRA Board of Directors meeting, DBRA staff recommended abolishment of the Plan on the basis that the project has been completed and the purposes for which the Plan was established have been accomplished in accordance with Section 14(8)(a) of Act 381. The DBRA subsequently adopted a resolution (Exhibit B) approving the abolishment of the Plan and authorizing the submission of a copy of its resolution to request that City Council adopt a resolution abolishing the Plan.

The DBRA, as authorized by City Council, sent a notification of termination of the Plan (Exhibit C) in accordance with Section 14(8)(b)(i).

Authority's Request

The Authority is respectfully requesting the following action from the City Council:

- a.) February 11, 2020

Referral of the resolution terminating the Plan to Detroit City Council Planning and Economic Development Standing Committee on February 13, 2020.

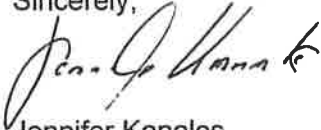
b.) February 13, 2020

Consideration of the City Council's Planning and Economic Development Standing Committee to terminate the Plan and opportunity for the Developer to be heard during public comment.

c.) February 18, 2020

City Council adoption of the Resolution (Exhibit D), terminating the Plan.

Sincerely,



Jennifer Kanalos  
Authorized Agent

C: Detroit City Council  
City Clerk  
Marcel Todd  
Irvin Corley, Jr.  
David Whitaker  
Malinda Jensen  
Allen Rawls  
Brian Vosburg  
Stephanie Washington  
DeAndree Watson

Exhibit A  
Legal Descriptions of Plans to be Terminated



## Exhibit A: Property Legal Description

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

### PARCEL I: 6200 Second

A parcel of land being a part of MANDLEBAUMS' SUBDIVISION of out Lot 117, Cass Farm, City of Detroit, Wayne County, Michigan, according to the plat thereof recorded in Liber 2 of Plats page 8 of Wayne County Records, said part consisting of Lots 51, 52, 53, 54, 55, 56, 57, 58, part of vacated alley (20 feet wide) lying Easterly of and adjoining the Easterly line of above mentioned lots and part of vacated Boston Street lying Northerly of and adjoining the Northerly line of said Lot 58 and Northerly of and adjoining the Northerly end of said vacated alley, said parcel being more particularly described as: Beginning at a point on the Easterly line of Second Blvd. (150 feet wide), said point also being on the Westerly end of vacated Boston St. and located 18.25 feet Northerly of the Northwesterly corner of said Lot 58; thence Southerly along the Easterly line of said Second Blvd. 338.25 feet to a point on the Northerly line of Amsterdam Avenue (50 feet wide), said point being the Southwesterly corner of said Lot 51; thence Easterly, along the Northerly line of said Amsterdam Avenue, 150.00 feet to a point in the center of said vacated alley; thence Northerly along the centerline of said vacated alley, 119.83 feet to a point; thence Easterly, parallel to the Northerly line of said Amsterdam Avenue, 0.53 feet to a point; thence Northerly, parallel to the Easterly line of said Second Blvd. 50.17 feet to a point; thence Easterly, parallel to the Northerly line of Amsterdam Avenue, 9.47 feet to a point on the Easterly line of said vacated alley, said point being the Southwesterly corner of Lot 59 of said MANDLEBAUM'S SUBDIVISION; thence Northerly along the Easterly line of said vacated alley (Westerly line of said Lot 59) and said line extended Northerly, 173.53 feet to a point in vacated Boston Street, said point being 23.53 feet Northerly of the Northwesterly corner of said Lot 59; thence Westerly in vacated Boston Street 160.05 feet to the point of beginning.

### PARCEL II: 6156 Second

Lot 46 of MANDLEBAUMS'S SUBDIVISION of out Lot 117, Cass Farm, according to the plat thereof recorded in Liber 2 of Plats page 8 of Wayne County Records.

### PARCEL III: 467 Amsterdam

The Westerly 30 feet of Lot 47, and the Northerly one-half (beginning ten feet more or less) of the vacated alley in the rear of said Lot 47, of MANDLEBAUM'S SUBDIVISION of out Lot 117, Cass Farm, according to the plat thereof recorded November 21, 1870, in Liber 2 of Plats page 8 of Wayne County Records.

Exhibit B  
DBRA Resolution



CODE DBRA 19-08-26-03

**PROPERTY AT 6200 SECOND BROWNFIELD PLAN: RECOMMENDATION TO CITY COUNCIL TO ABOLISH PLAN**

WHEREAS, the City of Detroit Brownfield Redevelopment Authority (the "DBRA") was created pursuant to Michigan Public Act 381 of 1996, as amended ("Act 381"); and

WHEREAS, the City Council of the City of Detroit ("City Council") is the governing body (as that term is defined by Act 381) of the DBRA; and

WHEREAS, on May 1, 2002, the DBRA Board of Directors approved the Property at 6200 Second Brownfield Plan (the "Plan") and recommended the approval of the Plan to City Council; and

WHEREAS, on July 17, 2002, City Council approved the Plan; and

WHEREAS, on July 24, 2002, the Mayor of the City of Detroit approved the Plan; and

WHEREAS, Section 14(8)(a) of Act 381 of 1996, as amended, permits a governing body to abolish a brownfield plan when it finds that the purposes for which the plan was established are accomplished; and

WHEREAS, on October 10, 2017, City Council delegated developer termination notices to the DBRA; and

WHEREAS, the "developer" for the Plan is Farbman Group (the "Developer"); and

WHEREAS, the DBRA has determined that the project identified in the Plan has been completed and the purposes for which the Plan was established have been accomplished; and

WHEREAS, the DBRA Board of Directors desires to recommend abolishment of the Plan to City Council.

NOW THEREFORE, BE IT RESOLVED, subject to the notice authority delegated to the DBRA by the City Council, the DBRA Board of Directors hereby authorizes a written termination notice to the Developer; and

BE IT FURTHER RESOLVED, subject to the completion of the notice requirement described in Section 14(8)(b)(i) of Act 381 and the provision to the Developer of an opportunity to be heard at a public meeting pursuant to Section 14(8)(b)(ii) of Act 381, the DBRA Board of Directors hereby recommends termination of the Plan to City Council; and

BE IT FURTHER RESOLVED, subject to the abolishment of the Plan by City Council, that the DBRA Board of Directors hereby authorizes the termination of any other agreements or contracts between the Developer and the DBRA that were executed in conjunction with the Plan; and

BE IT FINALLY RESOLVED that any two Officers, or any one of the Officers and any one of the Authorized Agents of the DBRA, shall hereafter have the authority to negotiate and execute any and all documents, contracts, or other papers necessary to implement the provisions and intent of this resolution on behalf of the DBRA.

August 28, 2019

Exhibit C  
Notice of Termination



January 6, 2020

SENT VIA CERTIFIED MAIL

Farbman Group  
28400 Northwestern Highway, 4<sup>th</sup> Floor  
Southfield, MI 48086

Zachary and Associates, Inc.  
76 E. Forest  
Detroit, MI 48201

**RE: Notice of Intent to Abolish Brownfield Plan for the Property at 6200 Second Redevelopment Project**

To whom it may concern:

Per the DBRA's communication to you dated September 10, 2019, this letter is to inform you that the Detroit City Council has authorized this notice to inform you that abolishment of the Brownfield Plan for the 6200 Second Redevelopment Project (the "Plan") will be considered in no less than thirty ("30") days.

It is our understanding that the project as described in the Plan has been completed, the associated Single Business Tax Credit has been utilized, and the purposes for which the plan was established have been accomplished. Because the project has been completed, the Brownfield Plan will be abolished the for the subject project per Act 381 of 1996 Section 14(8)(a). While you are welcome to speak at any public meeting of City Council regarding the proposed abolishment, the following public meetings have been tentatively scheduled at the Coleman A. Young Municipal Center, 2 Woodward Avenue, 13<sup>th</sup> Floor, Detroit, MI 48226 regarding the abolishment of the Plan where, should you desire, you will also have an opportunity to be heard:

- Thursday, February 13, 2020 at 10:00 AM – Detroit City Council Planning & Economic Development Standing Committee
- Tuesday, February 18, 2020 at 10:00 AM – Detroit City Council of the Whole Meeting

In no event would any abolishment be effective until at least 30 days after the date of this notice. Should you have any questions please feel free to contact Cora Capler at (313) 294-5827 or [ccapler@degc.org](mailto:ccapler@degc.org).

Sincerely,

Jennifer Kanalos  
Authorized Agent

CC: Rebecca Navin, DEGC  
Brian Vosburg, DEGC/DBRA  
Ngozi Nwaesei, Lewis & Munday  
Brittney Hoszkiw, MEDC  
Rob Garza, MEDC

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<input type="checkbox"/> Certified Mail Restricted Delivery	\$ _____
<input type="checkbox"/> Adult Signature Required	\$ _____
<input type="checkbox"/> Adult Signature Restricted Delivery	\$ _____

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Zachary and Associates, Inc.  
 76 E. Forest  
 Detroit, MI 48201

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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Farbman Group  
 28400 Northwestern Highway, 4<sup>th</sup> Floor  
 Southfield, MI 48086

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

**SENDER: COMPLETE THIS SECTION**

- Complete Items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Farbman Group  
 28400 Northwestern Highway, 4<sup>th</sup> Floor  
 Southfield, MI 48086



9590 9402 4309 8190 5436 60

2. Article Number (Transfer from service label)

7018 2290 0000 8690 7104

PS Form 3811, July 2015 PSN 7530-02-000-9053

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A. Signature  
 X D JACKSON  Agent  
 Addressee

B. Received by (Printed Name) \_\_\_\_\_ C. Date of Delivery  
 01-13-20

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| <input type="checkbox"/> Certified Mail®                         | <input type="checkbox"/> Registered Mail Restricted Delivery        |
| <input type="checkbox"/> Certified Mail Restricted Delivery      | <input type="checkbox"/> Return Receipt for Merchandise             |
| <input type="checkbox"/> Collect on Delivery                     | <input type="checkbox"/> Signature Confirmation™                    |
| <input type="checkbox"/> Collect on Delivery Restricted Delivery | <input type="checkbox"/> Signature Confirmation Restricted Delivery |

Domestic Return Receipt

**DBRA**

Detroit Brownfield Redevelopment Authority  
 500 Griswold • Suite 2200  
 Detroit, MI 48226



7018 2290 0000 8690 7111



*Handwritten signature/initials*

Zachary and Associates, Inc.  
 76 E. Forest  
 Detroit, MI 48201

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Exhibit D  
City Council Resolution



**RESOLUTION  
ABOLISHING THE BROWNFIELD PLAN  
OF THE CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY  
FOR THE PROPERTY AT 6200 SECOND REDEVELOPMENT PROJECT;**

---

City of Detroit  
County of Wayne, Michigan

---

**WHEREAS**, pursuant to 381 PA 1996, as amended (“Act 381”), the City of Detroit Brownfield Redevelopment Authority (“Authority”) has been established by resolution of the City Council of the City of Detroit (the “City Council”) for the purpose of promoting the revitalization of eligible properties in the City of Detroit; and

**WHEREAS**, on July 17, 2002, City Council approved the Property at 6200 Second Brownfield Redevelopment Plan (the “Plan”); and

**WHEREAS**, the eligible property described in Exhibit A, attached hereto, is the eligible property subject to the Plan; and

**WHEREAS**, Section 14(8)(a) of Act 381 permits a governing body to abolish a brownfield plan when it finds that the purposes for which the plan was established are accomplished, provided that the governing body first does both of the following: (i) gives 30 days’ prior written notice to the developer at its last known address by certified mail or other method that documents proof of delivery attempted, and (ii) provides the developer an opportunity to be heard at a public meeting; and

**WHEREAS**, the City Council is the governing body (as that term is defined by Act 381) of the Authority; and

**WHEREAS**, the Authority’s staff has confirmed that the project for which eligible activities were identified in the Plan has been completed and the purposes for which the Plan was established have been accomplished; and

**WHEREAS**, on August 28, 2019, the Board of Directors of the Authority adopted a resolution recommending abolishment of the Plan; and

**WHEREAS**, on October 3, 2017, City Council authorized the Authority, on behalf of City Council, to manage and/or administer the notices required by Act 381 in connection with any brownfield plan or plan amendment terminations; and

**WHEREAS**, the required notice of the termination of the Plan was given in accordance with Section 14(8)(b)(i) of Act 381, a copy of which is attached as Exhibit B; and

**WHEREAS**, in accordance with Section 14(8)(b)(ii) of Act 381, the developer identified in the Plan was provided with an opportunity to be heard at a public meeting on July 18, 2019.

**NOW, THEREFORE, BE IT RESOLVED, THAT:**

1. The Plan is hereby abolished by City Council in accordance with Section 14(8)(a) of Act 381.
2. City Council hereby ratifies the abolishment, if any, of any agreements or contracts between the developer of the Plan and the Authority that were executed in conjunction with the Plan, including, but not limited to, the reimbursement agreement.

The City Clerk is requested to submit one (1) certified copies of this Resolution to the DBRA, 500 Griswold Street, Suite 2200, Detroit, MI 48226

AYES:           Members

---

NAYS:           Members

---

RESOLUTION DECLARED ADOPTED.

---

Janice Winfrey, City Clerk  
City of Detroit  
County of Wayne, Michigan

WAIVER OF RECONSIDERATION IS REQUESTED

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Detroit, County of Wayne, State of Michigan, at a regular meeting held on \_\_\_\_\_, 2020, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

---

Janice Winfrey, City Clerk  
City of Detroit  
County of Wayne, Michigan



Housing and Revitalization  
Department

Coleman A. Young Municipal Center  
2 Woodward Avenue, Suite 908  
Detroit, Michigan 48226

Phone: 313.224.6380  
Fax: 313.224.1629  
www.detroitmi.gov

52

February 6, 2020

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

**Re: Request for a Public Hearing to Establish an Obsolete Property Rehabilitation District on behalf of MHS GROUP, LLC in the area of 2305 PARK AVENUE, Detroit, Michigan, in accordance with Public Act 146 of 2000 (Petition #953).**

Honorable City Council:

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

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

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

Respectfully submitted,

Donald Rencher  
Director

DR/(am)

cc: S. Washington, Mayor's Office  
K. Trudeau, P&DD  
D. Rencher, HRD  
A. McLeod, 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, MHS GROUP, 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 \_\_\_\_\_, 2020 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.

## DEPARTMENTAL REFERENCE COMMUNICATION

*Friday, June 21, 2019*

*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.

---

LEGISLATIVE POLICY DIVISION    PLANNING AND DEVELOPMENT DEPARTMENT  
LAW DEPARTMENT    FINANCE DEPARTMENT

**953**    *MHS Group, request for the Establishment of an Obsolete Property  
Rehabilitation District at 2305 Park Avenue, Detroit, Michigan 48201.*

# 953



**MHS GROUP**  
35 W LONG LAKE RD  
BLOOMFIELD HILLS MI 48304  
PHONE# (248).289.1229

**June 12, 2019**

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

**RE: Request for the Establishment of an Obsolete Property Rehabilitation  
District at 2305 Park Avenue, Detroit, Michigan 48201**

Honorable City Council:

Please accept this letter as a request to establish an Obsolete Property Rehabilitation Development District for the property located at **2305 Park Avenue in Detroit Michigan** and described below.

### **General description of facility**



The proposed Rehabilitation District is located at 2305 Park Avenue in Detroit, Michigan. Formerly known as the Royal Palm Hotel, it is one of three hotels located on Park Avenue and designed by Louis Kamper. Built in 1924, The Royal Palm is a thirteen-story, 104,000 square foot brick and masonry hotel with Italian Renaissance details and is located within the Park Avenue Historic District. The property remained a hotel until 1967 when Wilbur Harrington purchased the building and renamed it the Park Avenue House. It has served as residential housing since then. The development team is re-introducing The Royal Palm name and the completed project will bring 175 additional hotel rooms to the City of Detroit as well as a ground floor restaurant. The redeveloped hotel will be branded as part of the Tapestry Collection by

City of Detroit, Michigan 48201

Hilton, a 4-star hotel positioned as a more affordable version of Curio. The rehabilitation of the building will not only restore the structure to its historical luster but will also provide for upgrades to all mechanical systems and a modernization of many of the interior design features that will blend with the historic components of the building.

### **General description of the proposed use of the rehabilitated facility**

The redevelopment of the Park Avenue House will transform the current residential building into a 175-room hotel with a first-floor restaurant and bar. The hotel will be branded as part of the Tapestry Collection by Hilton, a 4-star hotel positioned as a more affordable version of Curio. The ground floor space will be separated into two separate establishments. The front café portion will remain a more family friendly café type space while the Town Pump space will be turned into a bar/restaurant, which will remain under ownership control, not functioning as leasable tenant space.

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

Because the project will be receiving historic tax credits, the building will be brought back to its historic luster within the guidelines of the Secretary of Interior's Standards for Rehabilitation of a certified historic property. The exterior of the building will have masonry and tuckpointing work completed and the side walk, curbs in front of the building, and gutters will all be replaced. The roof will be re-sealed and the adjacent parking lot will be re-surfaced and will provide parking for 40 vehicles. The water mains and sanitary sewer mains from the building to the street will be replaced as well.

The interior will undergo significant demolition, addressing all required lead, asbestos and mold abatement. New elevator shafts and carriages will be installed, and concrete will be repaired. The building will be fitted with new fire protection & pump, electrical, plumbing, HVAC and mechanical systems. New doors will be installed throughout, with sliding doors for closets and guest room bathrooms. Guest room floors and hallways will be carpeted and bathrooms and lobby areas will be tiled.

### **Descriptive list of fixed building equipment**

- Interior demolition including abatement
- New mechanical, HVAC, plumbing & electrical
- Elevator shaft & pit repair
- New elevators
- Fire protection systems
- Finishes; drywall, insulation, flooring & painting
- Masonry
- Specialties; fire extinguishers, toilet accessories, appliances
- Roofing, patio pavers & terrace pavers
- Communications



## **Time Schedule**

The current time schedule anticipates the permits being pulled December 13, 2019 and construction to begin shortly after. Construction will take 18 to 24 months to complete and the building will come online between March and November of 2021.

The development team is comprised of Mario Kiezi (AY Lodging LLC & MKiezi Investments), Mike Abdulnoor (Mid America Lodging & Ark Hospitality LLC) and Anthony Yousif (Founder of LA Insurance). These are the three members that make up Downtown Hospitality Detroit LLC. A special purpose vehicle for the redevelopment of the Royal Palm Hotel.

Mario Kiezi is an entrepreneur with an acute ability to identify and capitalize on business opportunities. He has an extensive history of maximizing business operations in retail store operations and real estate development. His retail exploits include building five state licensed liquor stores from small-time mom and pop operations into a multi-million-dollar juggernaut and negotiating the sale of the businesses to Kroger. Mario's real estate expertise was developed as the property manager for the family's real estate holdings. These experiences led to the founding of MKiezi Investments a partnership with his two brothers. MKiezi Investments is a real estate development company that has constructed and redeveloped over 300,000 square feet of commercial, industrial, and retail properties in the Detroit metropolitan and Northwest Ohio (Toledo) markets. MKiezi Investments has an upward trajectory with several projects in the pipeline that have national and regional retail operators slated for redevelopment projects in Detroit and Northwest Ohio.

Mid America Lodging Group is a family owned and operated hospitality company. We develop, build and operate hotels and mixed-use projects throughout the Midwest. With decades of experience in all phases of hotel development and operation, multi-use projects, complex financing and sustainable design, we have the knowledge to deliver outstanding premier facilities. As our company portfolio grows beyond its 50+ active projects, we will continue to strive for excellence.

Anthony Yousif – Owner and Founder of LA Insurance

The rehabilitation of the property would not take place without the establishment of the OPRA District. Financial projections without the inclusion of the OPRA tax abatement, Historic Tax Credits and a low interest loan from the MEDC are not sufficient to support the amount of required debt and an acceptable market return for the investment team given the projected development cost.

The redevelopment of the Royal Palm Hotel will, on a short-term basis, 70 to 95 temporary construction jobs will be created during renovation activities. Once completed, we are estimating that *Downtown Hospitality Detroit LLC* will create a minimum of 65 full time jobs.

Because the project will be receiving historic tax credits, the building will be brought back to its historic luster within the guidelines of the Secretary of Interior's Standards for Rehabilitation of a certified historic property. The exterior of the building will have masonry and tuckpointing work completed and the side walk, curbs in front of the building, and gutters will all be replaced. The water mains and sanitary sewer mains from the building to the street will be replaced as well.

The interior will undergo significant demolition, addressing all required lead, asbestos and mold abatement. New elevator shafts and carriages will be installed, and concrete will be repaired. The building will be fitted with new fire protection & pump, electrical, plumbing, HVAC and mechanical systems. New doors will be installed throughout, with sliding doors for closets and guest room bathrooms. Guest room floors and hallways will be carpeted, and bathrooms and lobby areas will be tiled.

### **Descriptive list of fixed building equipment**

- Interior demolition including abatement
- New mechanical, HVAC, plumbing & electrical
- Elevator shaft & pit repair
- New elevators
- Fire protection systems
- Finishes; drywall, insulation, flooring & painting
- Masonry
- Specialties; fire extinguishers, toilet accessories, appliances
- Roofing
- Communications

The development team is seeking an abatement term of 12 years.

### **Statement of Economic Activities**

The proposed development will bring an underutilized building to its full economic capacity. The newly renovated structure will create 175 additional hotel rooms for the City of Detroit and restaurant space on the first floor.

The granting of a tax abatement will not result in any fewer taxes to the City of Detroit. According to tax records, the current annual tax payment to the City of Detroit is roughly \$7,000. Current financial modeling estimates that the projects tax liability, post abatement, will be \$307,000, an increase of \$300,000 from the current tax rolls. Assuming an inflation factor of 3%, the total tax payments to the City of Detroit over the full 12-year abatement period, will be roughly \$5,262,000, almost \$5,100,000 more than potential revenue as the property currently sits.

On a short-term basis, 70 to 95 temporary construction jobs will be created during renovation activities. Once completed, we are estimating that *Downtown Hospitality Detroit LLC* will create a minimum of 65 full time jobs. The development team will

present at D2D meetings and skilled trades task force meetings to garner opportunities to employ Detroit Residents. Additionally, members of the development team have a long-standing relationship with Central Detroit Christian, LifeBUILDERS and other local non-profit organizations who can be used as resources in identifying a Detroit based workforce.

An additional economic advantage is the income tax the City of Detroit will collect from newly created employment. Income tax collected by the city is at a rate of 1.2% rate for non-residents and 2.4% rate for Detroiters. We are estimating that 80% of the jobs created through the tenant space will be Detroit residents, with 20% being non-Detroit residents. Assuming an estimated annual salary of \$28,500 per employee, anticipated employment related taxes to the City of Detroit will be between approximately \$41,000 annually.

In closing, the development team has a successful track record and many years of experience in developing hospitality establishments. Downtown Hospitality Detroit LLC will continue this legacy with its redevelopment of the Royal Palm Hotel. The organization will concentrate efforts on hiring Detroit based contractors and a Detroit based work staff upon completion. The development team is looking forward to completing this development and to continue their investment in the City of Detroit.

Respectfully submitted,



Mike Abdulnoor  
Downtown Hospitality Detroit LLC  
Member

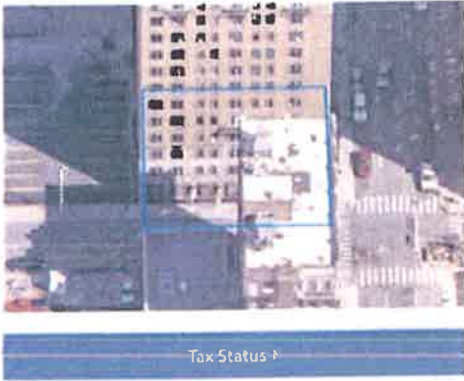
**Attachment A: Site Map that includes the parcel(s) of property / Legal Description**  
**Attachment B: Paid Receipt of Current Taxes**

cc: K. Bridges, DEGC  
N. Marsh, DEGC  
D. Bolton, Planning

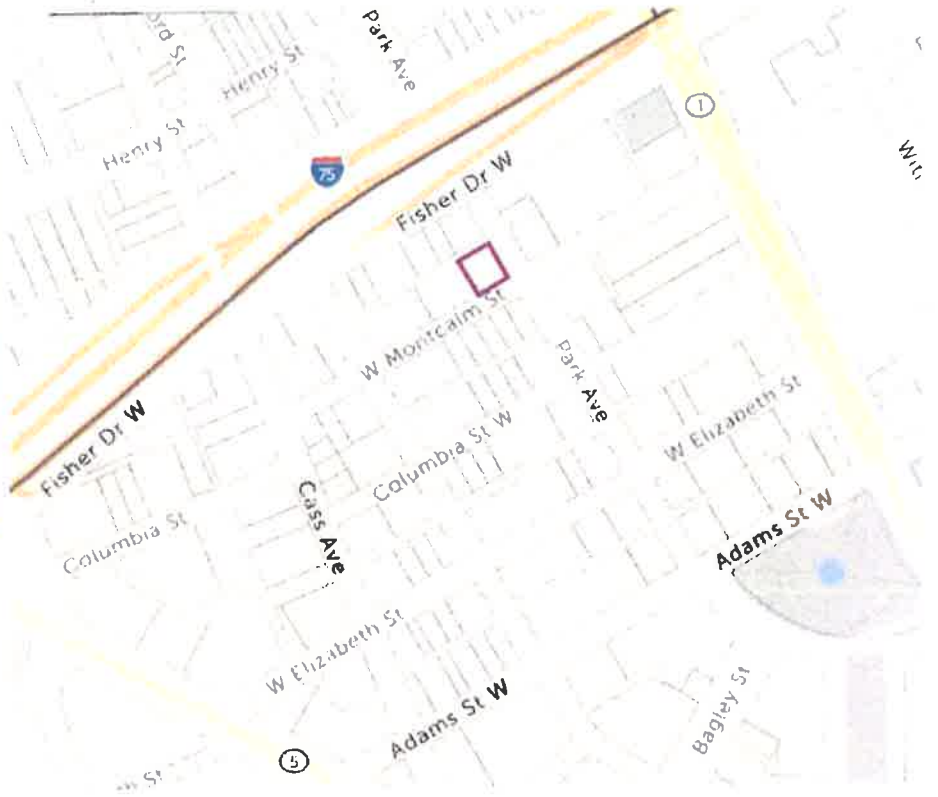
## Attachment A: Parcel Map

## 2305 Park

2-4-14



Address 2305 PARK  
Parcel ID 02000469  
Owner HARRINGTON, WILBUR G  
Zoning Code B5  
Zoning Major Business District  
Taxable Status TAXABLE



### Legal Descriptions

N MONTCALM 35-36 LOTHROPS SUB L39 P430 DEEDS, W C R 2/46 80 X 92.5

**Attachment B: Paid Receipt of Current Taxes**



**PURCHASER'S STATEMENT**

Date: January 31, 2019

GITN: 82-17820261-GCM

Buyer From: **Harrington Properties, Inc.**, a Michigan corporation To: **Downtown Hospitality Detroit LLC**, a Michigan limited liability company  
 2305 Park Avenue  
 Detroit, MI 48201  
 2600 Auburn Rd., Ste. 120  
 Auburn Hills, MI 48326

Property: 2305 Park, Detroit, MI 48201  
 Purchase Price

\$13,500,000.00

**Plus: Charges**

2018 Summer Tax - \$33,534.95	From 1/31/2019 to 6/30/2019	\$14,700.76
2018 Winter Tax - \$3,442.60	From 1/31/2019 to 11/30/2019	\$2,867.26
Attorney Fee to Eastman & Smith Ltd.		\$50,000.00
Title Insurance to ATA National Title Group, LLC - Commercial		\$17,267.50
Owners Title Insurance to ATA National Title Group, LLC - Commercial		\$7,162.50
Loan Policy to ATA National Title Group, LLC - Commercial		\$2,187.50
ATA 3.1 End-Zoning-Improved to ATA National Title Group, LLC - Commercial		\$2,148.75
ALTA 17-06 Endorse-Acc and Ent to ATA National Title Group, LLC - Commercial		\$1,432.50
ALTA 17.2-06 Endorse-Utility Ac to ATA National Title Group, LLC - Commercial		\$1,432.50
ALTA 18 Endorse-Singl Tax Par to ATA National Title Group, LLC - Commercial		\$716.25
ATA 17 Endorse-Acc and Entry to ATA National Title Group, LLC - Commercial		\$875.00
ATA 14-06 End Identified Risk to ATA National Title Group, LLC - Commercial		\$1,312.50
Document Preparation & Closing Fee to ATA National Title Group, LLC - Commercial		\$600.00
Search Fee for 120 W. Montclair (File 82-18621466-GCM) to ATA National Title Group, LLC - Commercial		\$275.00
Record Warranty Deed to eRecording Partners Network		\$29.00
Record Basement to eRecording Partners Network		\$33.00
Record ROFR to eRecording Partners Network		\$33.00
Record Memorandum of Lease (ext.) to eRecording Partners Network		\$24.00
Lender Recordings to eRecording Partners Network		\$300.00
Origination Fee to TBG Funding		\$155,000.00
Appraisal Fee to TBG Funding		\$9,500.00
County Tax Escrow to TBG Funding		\$3,614.73
City Tax Escrow to TBG Funding		\$37,311.70
Interest Interest to THG Funding		\$2,583.77
Interest Reserves to TBG Funding		\$697,500.00
Travel Fee to THG Funding		\$1,800.00
Disbursement Fee to First American		\$1,000.00
Legal Fee to Weckel Mery LLP		\$12,500.00
Vendor Fee to Loren Wilbur		\$200.00
Broker Fee to Trinity Street Capital Partners		\$77,500.00

Printed at: 01/31/2019 (06:19 pm)

Compliments of  
**ATA National Title Group, LLC**  
 36800 Grand Avenue  
 Clinton Township, MI 48035  
 Ph:(586) 463-7200 Fax:(586) 463-9703

2019-06-21

**953**

**953** *Petition of MHS Group, request for  
the Establishment of an Obsolete  
Property Rehabilitation District at  
2305 Park Avenue, Detroit, Michigan  
48201.*

---

REFERRED TO THE FOLLOWING DEPARTMENT(S)

LEGISLATIVE POLICY DIVISION PLANNING AND  
DEVELOPMENT DEPARTMENT  
LAW DEPARTMENT FINANCE DEPARTMENT





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

June 24, 2019

Maurice Cox, Director  
Planning & Development Department  
Coleman A. Young Municipal Center  
2 Woodward Ave, Suite 808  
Detroit, MI 48226

Re: **Obsolete Property Rehabilitation District – Iconic Broadway LLC**  
Property Address: 1307 Broadway  
Parcel Number: 01004035.

Dear Mr. Cox:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the proposed Obsolete Property Rehabilitation District located at **1307 Broadway** 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.

**Iconic Broadway LLC** intends to rehabilitate the retail/apartment 4-story building with 14,300 square feet, built in 1910 on .083 acres of land into the Asian Fusion restaurant on the first two floor and office space on the remaining floors. Rehabilitation will include interior demolition, new mechanical, HVAC, plumbing and electrical along with elevator shaft and pit repair, new elevator, fire protection systems, window replacement, masonry work, new rear wall and exterior façade work.

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

A field investigation indicated that the proposed Obsolete Property Rehabilitation District located at **1307 Broadway** 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  
Iconic Broadway LLC  
Page 2

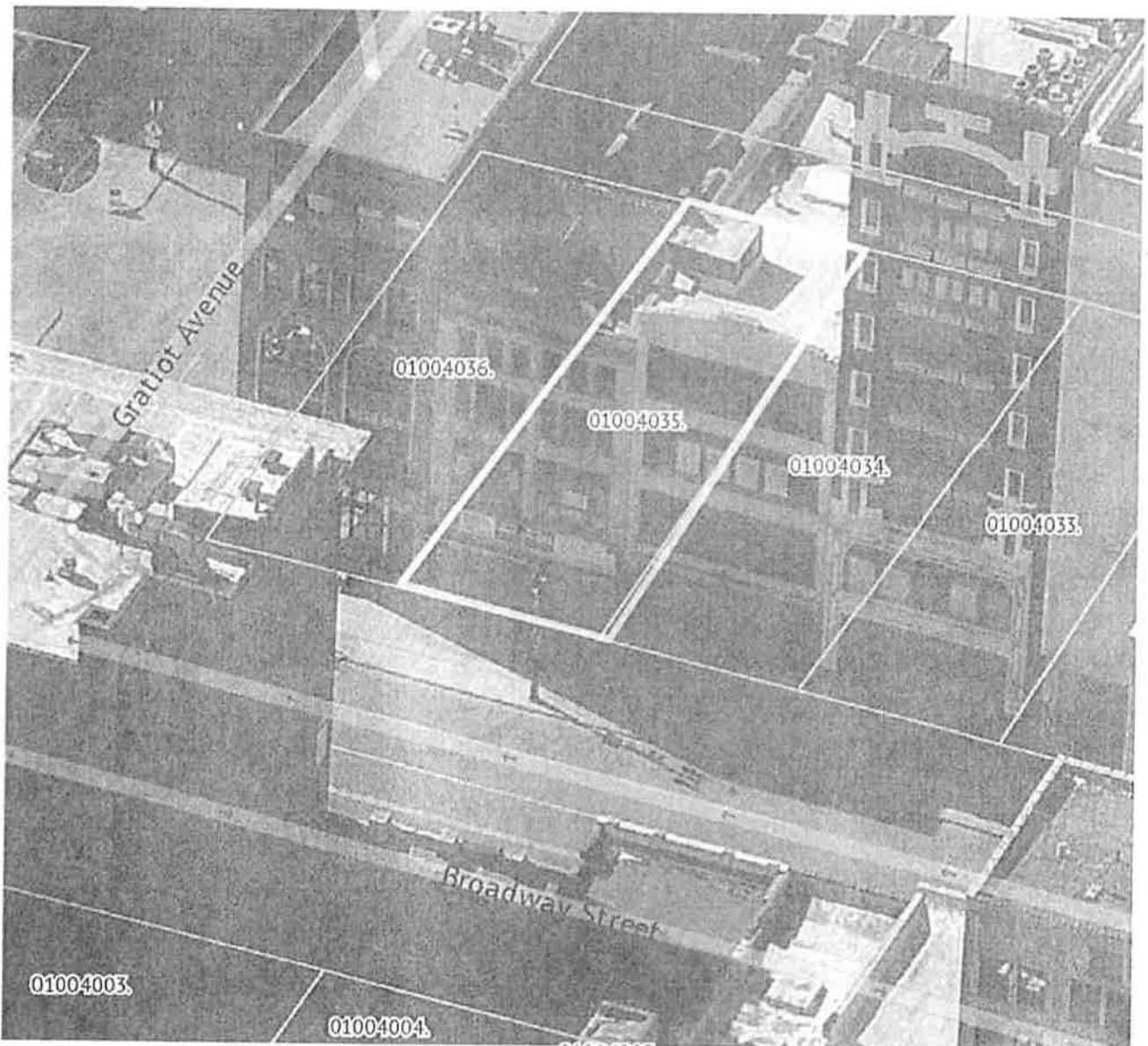
Property Address: 1307 Broadway

Parcel Number: 01004035.

Property Owner: Iconic Broadway LLC

Legal Description: SW BROADWAY N 1/2 OF 5 AND VAC 10 FT OF LAND IN FRONT PLAT OF SEC 7 GOVERNOR & JUDGES  
PLAN L34 P544 DEEDS, W C R 1/9 32.82 X 110

The legal description matches the OPRA district request.





TO: Ashley McLeod, Housing and Revitalization  
FROM: Esther Yang, Planning and Development  
RE: Master Plan Interpretation for **Obsolete Property District (PA 146)** at 2305 Park Avenue  
[Petition #953]  
DATE: August 19, 2019  
CC: Maurice Cox, Director, Planning and Development  
Kevin Schronce, PDD Central, Planning and Development  
Garrick Landsberg, PDD Historic Preservation, Planning and Development

In order to ensure that the **creation of 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 146 of 2000 (section 125.2784), the Planning and Development Department submits the following interpretation. The Petitioner of this project is MHS Group

**Location and Project Proposal:** Project seeks to renovate former Royal Palm Hotel, currently operating as a residential building, to bring 175 additional hotel rooms as well as a ground floor restaurant. The project will be part of the Tapestry Collection by Hilton Hotels.

**Master Plan Interpretation:**

The subject site area is designated **Mixed Residential-Commercial (MRC)**. Mixed Residential-Commercial areas consist primarily of 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."

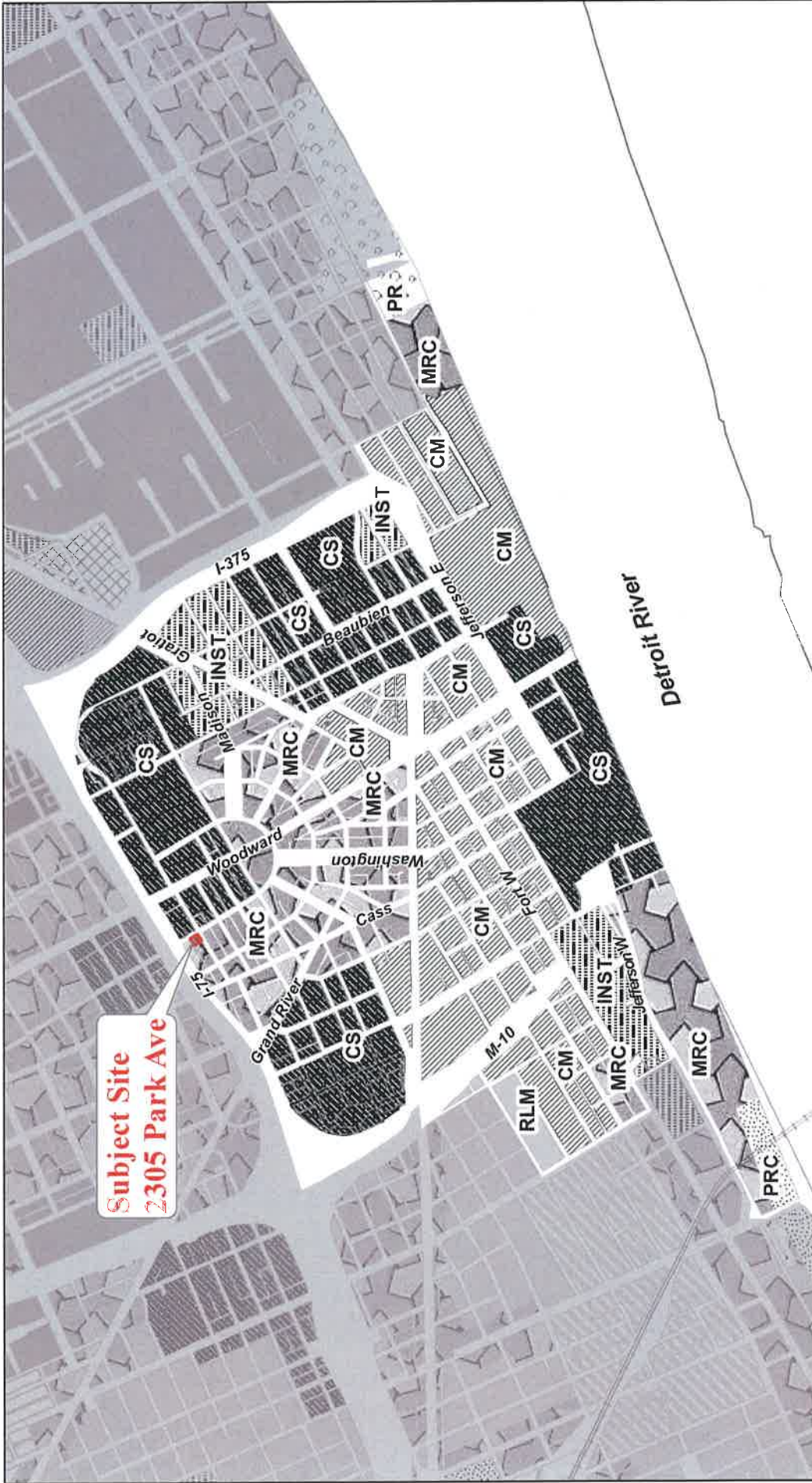
The following Master Plan goals and/or policies of the Central Business District neighborhood describe the following recommendations to support/advise project:

- Policy 11.1: Give high priority to the preservation of historic buildings, especially the restoration, rehabilitation, and reuse of building facade
- Policy 11.2: Ensure aesthetic compatibility between new and existing structures and sites

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

**Attachments**

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



**Subject Site**  
**2305 Park Ave**

**Map 4-1B**

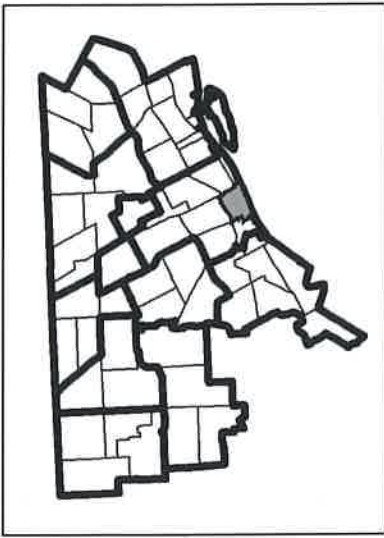
**City of Detroit**  
**Master Plan of**  
**Policies**

**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 (FRM)                   |
|  | Thoroughfare Commercial (CT)           |  | Airport (AP)                           |
|  | Special Commercial (CS)                |  | Cemetery (CEM)                         |
|  | General Industrial (IG)                |  | Institutional (INST)                   |
|  | Light Industrial (LI)                  |  |  |





Housing and Revitalization  
Department

Coleman A. Young Municipal Center  
2 Woodward Avenue, Suite 908  
Detroit, Michigan 48226

Phone: 313.224.6380  
Fax: 313.224.1629  
www.detroitmi.gov



February 6, 2020

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

**Re: Request for a Public Hearing to Establish an Obsolete Property Rehabilitation District on behalf of ICONIC BROADWAY, LLC in the area of 1307 BROADWAY Detroit, Michigan, in accordance with Public Act 146 of 2000 (Petition #937).**

Honorable City Council:

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

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

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

Respectfully submitted,

Donald Rencher  
Director

DR/(am)

cc: S. Washington, Mayor's Office  
K. Trudeau, P&DD  
D. Rencher, HRD  
A. McLeod, HRD

CITY OF DETROIT 2020 FEB 6 PM 1:51

**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, ICONIC BROADWAY, 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 \_\_\_\_\_, 2020 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

Janice M. Winfrey  
City Clerk

OFFICE OF THE CITY CLERK

Caven West  
Deputy City Clerk/Chief of Staff

## DEPARTMENTAL REFERENCE COMMUNICATION

*Monday, June 17, 2019*

*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.

---

LEGISLATIVE POLICY DIVISION    PLANNING AND DEVELOPMENT DEPARTMENT  
LAW DEPARTMENT    FINANCE DEPARTMENT

**937**    *Elia Group (Iconic Broadway LLC.), request tfor the Establishment of an Obsoletet Property Rehabilitation District at 1307 Broadway in Detroit, Michigan under P.A. 146 of 2000.*

# 937



June 6, 2019

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

**RE: Request for the Establishment of an Obsolete Property Rehabilitation District at 1307 Broadway in Detroit, Michigan**

Honorable City Council:

Please accept this letter as a request to establish an Obsolete Property Rehabilitation Development District for the property located at **1307 Broadway, Detroit Michigan** and described on Attachment A.

The developer, Zaid Elia, owner and founder of the Elia Group, formed Iconic Broadway LLC in 2018 as a special purpose entity for the proposed development. The proposed Obsolete Property Rehabilitation District is located at 1307 Broadway in Detroit, Michigan. Built in 1907, it was originally known as the Standard Trust Company Building. It remained a bank until the mid 1950's when Henry the Hatter became the main tenant. Henry the Hatter remained at this location until the store was re-located, leaving the building empty. The Standard Trust Company Building contributes to the Broadway Avenue Historic District with a period of significance from 1896 to 1954. The four-story building is approximately 16,000 square feet and also includes a basement. Upon completion, an Asian Fusion restaurant will occupy the first two floors and the third and fourth floors will be transformed into newly created, downtown office space. The developer, Zaid Elia, has been incredibly successful with transforming his culinary visions into packed dining establishments. Mr. Elia is the man behind 220 Merrill in Birmingham, the Parc in Campus Martius Park and Zaimans in Bloomfield Hills just to name a few. Mr. Elia incorporates the highest level of passion and attention to detail into each one of his restaurants.

The rehabilitation of this property would not take place without the establishment of the requested OPRA district. The building is in poor condition and the cost of rehabilitation is substantial. Ad Valorem taxes are estimated at \$135,000 annually and without a tax abatement, financial projections show the project operating in the red for the first four



years. The addition of the OPRA to the financing structure allows for a debt service coverage ratio that is acceptable to the lender and creates a financially feasible project.

The number of full-time employees employed by Iconic Broadway LLC is currently zero. This is a special purpose entity that was formed specifically for this development. Upon completion, the entity itself will not have any employees, however, a number of jobs will be created through the restaurant space as well as the office space. The restaurant, which will be owned by Mr. Elia, will create approximately 20 full-time positions. The two stories of newly created office space is estimated to create anywhere from 5 to 18 jobs depending on the tenant mix and whether the space is filled by a newly formed company, an expanding company, or a company that is relocating.

The development will provide for the complete rehabilitation of the dilapidated structure located at 1307 Broadway in Detroit, Michigan. Listed below is the capital investment that will take place:

- Interior demolition including abatement
- New mechanical, HVAC, plumbing & electrical
- Elevator shaft & pit repair
- New elevator
- Fire protection systems
- Finishes; drywall, insulation, flooring & painting
- Window replacement
- Masonry
- Exterior metal siding, fiberboard & insulation
- Specialties; fire extinguishers, toilet accessories, appliances
- Communications
- New rear wall
- Rehabilitation will conform with the Secretary of Interior's Standards for Rehabilitation of a Certified Historic Property

The development team is requesting an abatement period of 12 years. The 12-year period will allow cashflow to reach a level to sufficiently cover projected operating expenses, debt service and the full levied ad valorem taxes.

All taxes on the property are current (See attachment B for paid receipt) The economic advantages related to this development are broad. The rehabilitation of 1307 Broadway will bring approximately 25 to 38 new jobs to City of Detroit, as well as additional downtown office space.

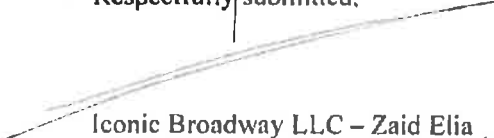
The establishment of the requested OPRA district will not result in any fewer taxes to the City of Detroit. The current annual tax paid to the City is approximately \$8,000. Upon completion, the estimated post abatement tax expense is projected at \$48,215, a \$40,000 increase in revenue to the City of Detroit. Additionally, when the 12-year period is over, the projected annual revenue from ad valorem taxes is expected to be roughly \$180,000.

The increase in tenant-based jobs within the building will also increase city collected income tax at a rate of 1.2% for non-residents and 2.4% for residents. The development team estimates that approximately 80% of these will be Detroit residents. Estimated average annual salaries between the restaurant and the office space are expected to be roughly \$47,000. This will result in additional income tax ranging from \$25,800 to \$38,600 to the City of Detroit.

In addition to the establishment of the OPRA District, the developer is also seeking a CRP grant from the MEDC in the amount of \$994,000 and the project will be receiving historic tax credits.

In closing, Zaid Elia, founder of Iconic Broadway LLC is heavily invested in the City of Detroit and has long term plans to continue his investments within the city. The Elia Group operates a diverse portfolio comprised of retail, office, mixed-use, and hospitality spaces. Their developments embody innovation and provide the flexibility to be tailored to each diverse individual and enhancing the communities that they are a part of is essential to how they function. With each project, they strive to integrate the rich history of the property and special aspects of the community to create iconic landmarks. Mr. Elia is the man behind 220 Merrill in Birmingham, the Parc in Campus Martias and the newly opened Double Tree Hilton in Bloomfield Hills. Additionally, he is currently redeveloping the Ford Building and is about to start work on the Iconic 511 Woodward building.

Respectfully submitted,

  
Iconic Broadway LLC – Zaid Elia, member

**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**  
**Detailed Project Description**

## **General description of facility**



The proposed Obsolete Property Rehabilitation District is located at 1307 Broadway in Detroit, Michigan. Built in 1907, it was originally known as the Standard Trust Company Building. It remained a bank until the mid 1950's when Henry the Hatter became the main tenant. Henry the Hatter remained at this location until the store was re-located, leaving the building empty.

The Standard Trust Company Building contributes to the Broadway Avenue Historic District with a period of significance from 1896 to 1954. The four-story building is approximately 16,000 square feet and also includes a basement.

## **General description of the proposed use of the rehabilitated facility**

The redevelopment of 1307 Broadway will bring an Asian Fusion restaurant to the downtown area as well as approximately 7,000 square feet of additional downtown office space.

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

Because the project will be receiving historic tax credits, the building will be brought back to its historic luster within the guidelines of the Secretary of Interior's Standards for Rehabilitation of a certified historic property. The limestone façade will be repaired to match existing and the rear wall, which is non-repairable, will be reconstructed with concrete block and a new brick face. Second through fourth floors will each have a bank of windows and a new door accessing a new fire escape. The clay tile roof will be repaired to match existing and the skylight will be replaced and insulated to meet code. The black glass storefront opening will be retained and



repaired to match existing and front façade windows will be replaced with aluminum frame insulated glass windows that match the existing in configuration, size and sight lines.

The interior will under significant demolition, addressing all required lead, asbestos and mold abatement. New elevator shafts and carriages will be installed, and concrete will be repaired. The building will be fitted with new fire protection & pump, electrical, plumbing, HVAC and mechanical systems. The basement walls will be left exposed brick and the first-floor walls will be furred in and covered with painted gypsum board. Second, Third and fourth floor walls will also be left as exposed brick with exception to the front walls which will be furred with new painted gypsum board.

### **Descriptive list of fixed building equipment**

- Interior demolition including abatement
- New mechanical, HVAC, plumbing & electrical
- Elevator
- New elevators
- Fire protection systems
- Finishes; drywall, insulation, flooring & painting
- Masonry
- Specialties; fire extinguishers, toilet accessories, appliances
- Communications

### **Time Schedule**

The current time schedule anticipates the permits being pulled in November 2019 and construction to begin shortly after. Construction will take 12 months to complete and the building will be placed in service during the month of November in 2020.

## **Attachment B:**

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



## LEGAL DESCRIPTION

SW BROADWAY N 1/2 OF 5 AND VAC 10 FT OF LAND IN FRONT  
PLAT OF SEC 7 GOVERNOR & JUDGES PLAN L34 P544 DEEDS,  
W C R 1/9 32.82 X 110

**Attachment C**

**Paid Receipt of Current Taxes**



Thank you for submitting your payment for eTaxPayments Eric R. Sabree, Treasurer. This email is to confirm that on Jun-04-2019, you authorized Wayne County Treasurer's to debit the bank account listed below on the scheduled payment date.

<b>Confirmation Number:</b>	WCTWCT001300159
<b>Confirmation Date (ET):</b>	Jun-04-2019 01:23:49 PM
<b>Payer Name:</b>	Jaime Cherkasky
<b>Amount Due:</b>	\$8,006.27

---

<b>Payment Amount Debited:</b>	\$8,006.27
<b>Scheduled Payment Date:</b>	Jun-04-2019

---

<b>Bank Routing Number:</b>	241070417
<b>Bank Account Number:</b>	XXXXXXXXXXXXXXXX7281
<b>Bank Account Type:</b>	Checking
<b>Bank Account Category:</b>	Business

2019-06-17

**937**

**937** *Petition of Elia Group (Iconic Broadway LLC.), request for the Establishment of an Obsolete Property Rehabilitation District at 1307 Broadway in Detroit, Michigan under P.A. 146 of 2000.*

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

LEGISLATIVE POLICY DIVISION    PLANNING AND  
DEVELOPMENT DEPARTMENT  
LAW DEPARTMENT    FINANCE DEPARTMENT



CITY OF DETROIT  
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

June 24, 2019

Maurice Cox, Director  
Planning & Development Department  
Coleman A. Young Municipal Center  
2 Woodward Ave, Suite 808  
Detroit, MI 48226

Re: **Obsolete Property Rehabilitation District – Iconic Broadway LLC**  
Property Address: 1307 Broadway  
Parcel Number: 01004035.

Dear Mr. Cox:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the proposed Obsolete Property Rehabilitation District located at **1307 Broadway** 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.

**Iconic Broadway LLC** intends to rehabilitate the retail/apartment 4-story building with 14,300 square feet, built in 1910 on .083 acres of land into the Asian Fusion restaurant on the first two floor and office space on the remaining floors. Rehabilitation will include interior demolition, new mechanical, HVAC, plumbing and electrical along with elevator shaft and pit repair, new elevator, fire protection systems, window replacement, masonry work, new rear wall and exterior façade work.

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

A field investigation indicated that the proposed Obsolete Property Rehabilitation District located at **1307 Broadway** 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  
Iconic Broadway LLC  
Page 2

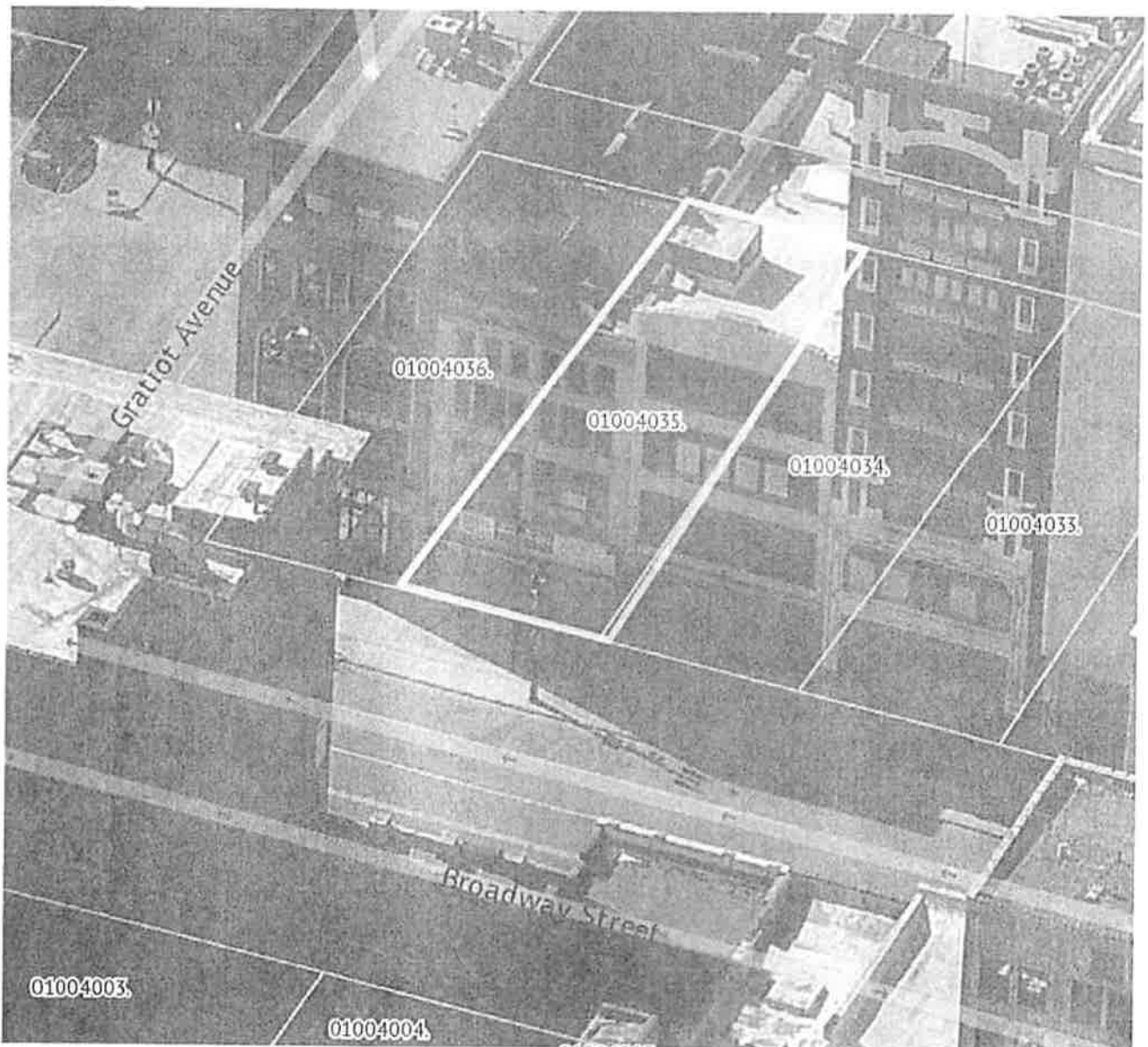
Property Address: 1307 Broadway

Parcel Number: 01004035.

Property Owner: Iconic Broadway LLC

Legal Description: SW BROADWAY N 1/2 OF 5 AND VAC 10 FT OF LAND IN FRONT PLAT OF SEC 7 GOVERNOR & JUDGES  
PLAN L34 P544 DEEDS, W C R 1/9 32.82 X 110

The legal description matches the OPRA district request.





TO: Ashley McLeod, Housing and Revitalization  
FROM: Esther Yang, Planning and Development  
RE: Master Plan Interpretation for **Obsolete Property District (PA 146)** at 1307 Broadway  
DATE: June 19, 2019  
CC: Maurice Cox, Director, Planning and Development  
Kevin Schronce, Central Region, Planning and Development

In order to ensure that the **creation of 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 146 of 2000 (section 125.2788), the Planning and Development Department submits the following interpretation. The petitioner is Elia Group (Iconic Broadway LLC)

**Location and Project Proposal:** Project seeks to rehabilitate a structure into an Asian Fusion restaurant to occupy the first two floors and office space to occupy the third and fourth floors. The subject site is a property built in 1907 and was originally known as the Standard Trust Company Building. Property remained as a bank until the mid 1950's when the commercial business "Henry the Hatter" became the main tenant. Henry the Hatter remained at this location until the store re-located and leaving the building empty. The property is approximately 16,000 square feet and includes a basement. The project will provide for the complete rehabilitation of the structure.

#### **Master Plan Interpretation**

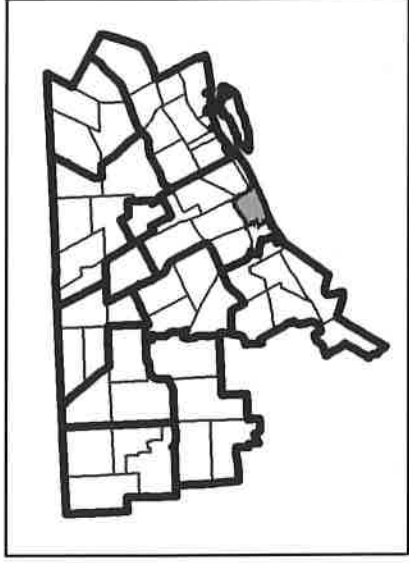
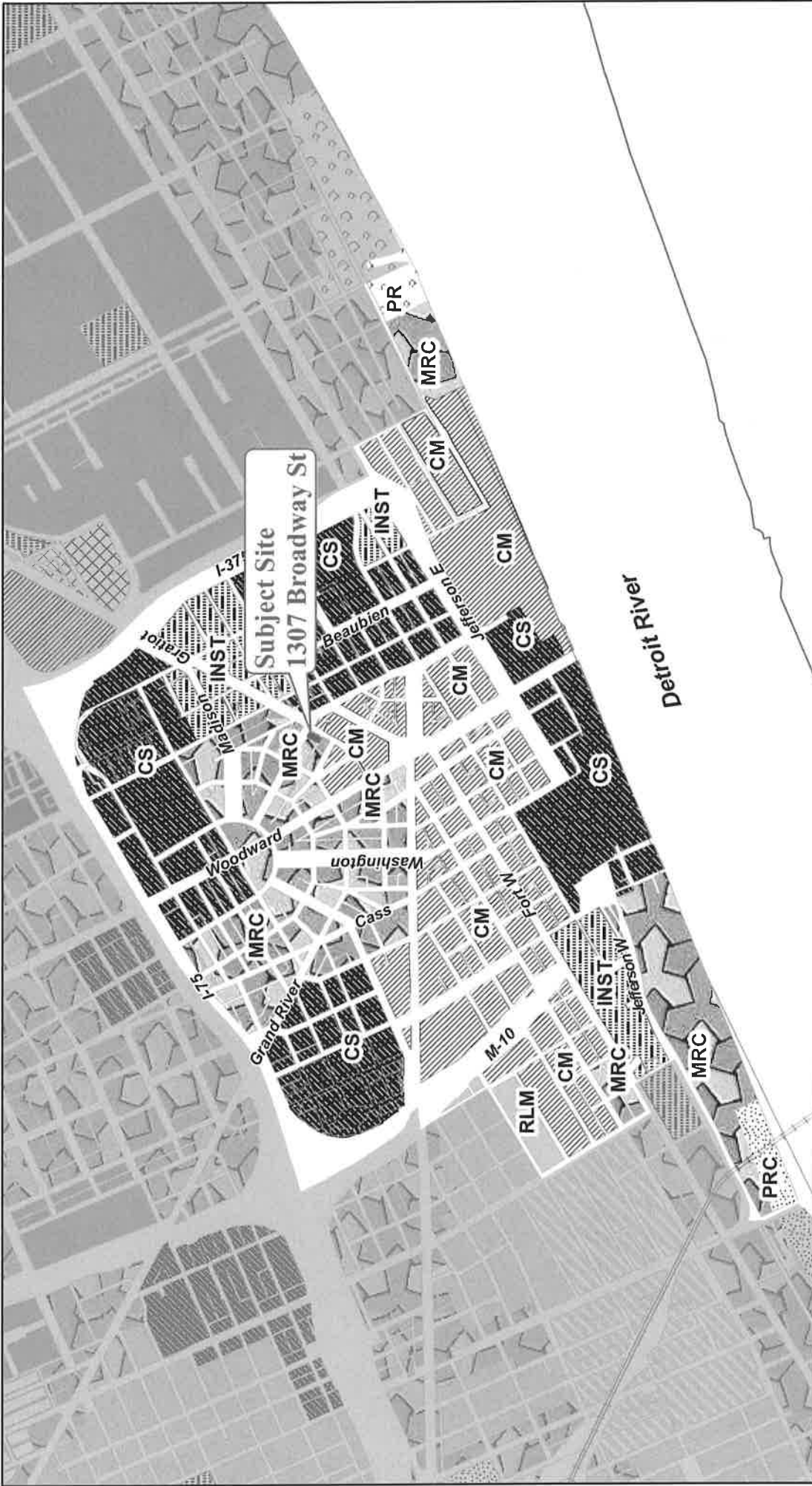
The subject site area is designated **Mixed Residential-Commercial (MRC)**. Mixed Residential-Commercial areas consist primarily of high density housing developed compatibly with commercial and/or institutional uses. This classification is well suited to areas proximal to existing centers of major commercial activity, major thoroughfares, transportation nodes, or gateways into the city.

The following policies of the Central Business District describe the following recommendations:

- Policy 3.1: Promote the conservation and revitalization of retail nodes through business improvement and retention programs in Greektown, Renaissance Center/Millender Center, Broadway-Randolph, and Washington Boulevard
- Policy 5.1: Introduce façade improvements, street furniture and landscaping to facilitate pedestrian activity along the major retail nodes
- Policy 6.1: Provide incentives to attract businesses to participate in the rehabilitation and occupancy of the Central Business District's major office buildings
- Policy 11.1: Give high priority to the preservation of historic buildings, especially the restoration, rehabilitation, and reuse of building facades

#### **The proposed development conforms to the Future General Land Use characteristics of the area Attachments**

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



**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)		Cemetary (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  
HOUSING AND REVITALIZATION DEPARTMENT

54

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

February 7, 2020

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 ICONIC 511, LLC in the area of 511 Woodward Avenue, Detroit, Michigan, in accordance with Public Act 146 of 2000 (related to Petition #1008).**

Honorable City Council:

The Housing and Revitalization Department and Finance Departments have reviewed the application of **ICONIC 511, 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,

D. Scott Brinkmann, Esq.  
Director of Development and Special Projects

DSB/ah

cc: S. Washington, Mayor's Office  
K. Trudeau, P&DD  
D. Rencher, HRD  
A. Hill, HRD  
D. S. Brinkmann, HRD

CITY CLERK FEB 7 2020 11:13



**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, ICONIC 511, 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 \_\_\_\_\_, \_\_\_ 2020 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

Janice M. Winfrey  
City Clerk

OFFICE OF THE CITY CLERK

Andre P. Gilbert II  
Deputy City Clerk

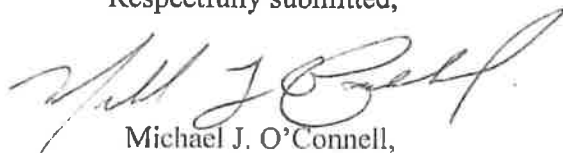
January 8, 2020

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

Re: ICONIC 511, LLC

Please find attached an application for Obsolete Property Rehabilitation Exemption Certificate for Property located at 511 Woodward Ave, Detroit, MI. **(RELATED TO PETITION #1008)**

Respectfully submitted,



Michael J. O'Connell,  
Jr. Asst. City Council Committee 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) <b>ICONIC 511, LLC</b>		
Company Mailing address (No. and street, P.O. Box, City, State, ZIP Code) <b>660 WOODWARD AVENUE SUITE 2290 DETROIT, MI 48226 USA</b>		
Location of obsolete facility (No. and street, City, State, ZIP Code) <b>511 Woodward, Detroit MI 48226</b>		
City, Township, Village (indicate which) <b>City of Detroit</b>		County <b>Wayne</b>
Date of Commencement of Rehabilitation (mm/dd/yyyy) <b>12/1/2019</b>	Planned date of Completion of Rehabilitation (mm/dd/yyyy) <b>7/1/2020</b>	School District where facility is located (include school code) <b>Detroit Public Schools-82205</b>
Estimated Cost of Rehabilitation <b>\$18,061,583.00</b>	Number of years exemption requested <b>12</b>	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 <b>176</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 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) <b>Zaid Elia</b>	Telephone Number <b>(248) 645-7777</b>	Fax Number <b>(248) 645-7771</b>
Mailing Address <b>660 WOODWARD AVENUE SUITE 2290 DETROIT, MI 48226 USA</b>		Email Address <b>zaid@theeliagroup.com</b>
Signature of Company Officer (no authorized agents) 		Title <b>Member</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
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### 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
	Telephone Number	ZIP Code
	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**

**Legal Descriptions of Eligible Property to which the Certificate Applies**

**W WOODWARD W 30 FT OF LOTS 58 THRU 62 PLAT OF SEC 2 GOVERNOR & JUDGES  
PLAN L34 P549 DEEDS, W C R 2/38 270 X 30**

## **OPRA CERTIFICATE**

### **ATTACHMENTS**

#### **A) General Description of the Obsolete Facility**

The current 30,240 square foot building was constructed in 1972. The building is a four (4) story glass curtain wall building on three (3) sides with a brick and block center section over the building entry with a block and brick rear side. The building was originally occupied by various professional offices and a financial institution from 1973 until at least 2006, when the building was vacated. The building has been vacant and unutilized since 2006.

#### **B) General Description of the Proposed Use**

The current obsolete facility will be rehabilitated for new commercial and retail tenants.

#### **C) General Nature and Extent of the Rehabilitation**

The building is currently cleared out down to the building structural elements. Renovation of the building is essential for removal of functionally obsolescent existing building elements. Most of these elements revolve around building core and façade elements.

Current building code requires the building to have fire suppression, alarm and exist devices installed prior to occupancy. Electrical systems need to be updated to support 600amps / floor of service as well as ensuring the electrical service room provides adequate operational room. The existing electrical room will be reconfigured to meet the current code requirements.

The elevator needs to be certified and approved by the city prior to use. Updates to the elevator will be specified to enhance its appearance to match the Class A Lobby renovations that are proposed.

Existing exterior curtain wall systems need to be upgraded to meet current energy codes and provide a U value of .25 - .27 with shading coefficient of .70 on the upper floors. The new curtain wall and proposed screen wall will provide an energy efficient exterior wall system.

#### **D) Fixed Equipment**

See above. Mechanical and electrical systems will be replaced, as well as the elevator.

#### **E) Time Table**

Construction will begin upon passage of the OPRA District and be complete in summer of 2020.

#### **F) Statement from Assessor**

Attached



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

October 2, 2019

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

Ms. Jennifer Kanalos, Authorized Agent  
City of Detroit Brownfield Redevelopment Authority  
500 Griswold Street, 22nd Floor  
Detroit, Michigan 48226

RE: 511 Woodward Avenue, Detroit, Michigan

Dear Ms. Kanalos:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the proposed project for the property located at 511 Woodward Avenue, Detroit, Michigan (the "Property") in anticipation of the Property being included in a brownfield plan.

The Brownfield Redevelopment Financing Act ("Act 381") requires that a level III or IV assessor make a finding that the Property is "functionally obsolete", as defined by Act 381, and provide the underlying basis for that opinion.

Section 2(s) of Act 381 defines "functionally obsolete" as property that is "unable to be used to adequately perform the function for which it was intended due to a substantial loss in value resulting from factors such as overcapacity, changes in technology, deficiencies or superadequacies in design, or other similar factors that affect the property itself or the property's relationship with other surrounding property." MCL 125.2652(s).

The Assessors Manual defines functional obsolescence as "a loss in value occurring in a structure caused by changes in design, overcapacity, or inadequacy." Michigan Assessors Manual, Vol. I Glossary, p. 239.

The Property was originally intended for commercial use; however, the Property has been vacant and unutilized since 2006 and cleared out down to the building structural elements. Without substantial updates and renovations, the Property is no longer able to meet market demand for such commercial use for several reasons which will be addressed through the rehabilitation which will include, but not be limited to: installing a new, up-to-date fire suppression system, updating the electrical systems, updating the elevators up to code, and installing a new curtain wall and proposed screen wall to provide an energy efficient exterior wall system.

The Office of the Chief Financial Officer, Office of the Assessor, finds the Property to be functionally obsolete within the definition of the Assessors Manual and the Brownfield Redevelopment Financing Act.

Sincerely,

Charles Ericson, MMAO  
Assessor, Board of Assessors



PA 2019-104  
AFFIDAVIT FILED

## QUIT CLAIM DEED

The WAYNE COUNTY LAND BANK CORPORATION, a public body corporate and politic ("Grantor"), whose address is 500 Griswold, 28th Floor, Detroit, Michigan 48226, hereby sells, conveys, grants and bargains all its rights and interests which it may have, subject to matters of survey and all applicable building and use restrictions, easements, and zoning ordinances, if any, affecting the Property, and convey to Iconic-511, L.L.C. a Michigan limited liability company ("Grantee"), whose address is 124 S. Old Woodward, Suite A, Birmingham, Michigan 48009, the premises situated in the City of Detroit, Wayne County, Michigan, more specifically described as:

Tax Id Number(s): Ward 2; Item No. 1900-9

Land Situated in the City of Detroit in the County of Wayne in the State of MI described as:

W WOODWARD W 30 FT OF LOTS 58 THRU 62 PLAT OF SEC 2 GOVERNOR & JUDGES PLAN L34 P549 DEEDS, W C R 2/38 270 X 30, together with all hereditaments, easements, air rights, subsurface rights, mineral rights, other rights, privileges, reservations, tenements and appurtenances thereto.

Parcel ID: 02001900-9

Commonly known as: 511 Woodward Ave, Detroit, MI 48226  
(Ward:02; Item No.: 1900-9)  
Street Address: 511 Woodward Ave, Detroit, MI 48226-3406 (the "Property")

for the sum set forth in a Real Estate Transfer Valuation Affidavit filed herewith.

Grantor grants to Grantee the right to make all division(s) under Section 108 of the Land Division Act, Act No. 288 of the Public Acts of 1967, as amended.

Excluded from the conveyance is any equipment covered by the Roof Easement Agreement referenced below.

Easements to which the property is subject include the following:

1. A Rooftop Easement Agreement dated as of the date hereof between the County of Wayne and Grantee.
2. An Alley Easement dated as of the date hereof between the County of Wayne and Grantee.

✓ 13-85187

The Property is also subject to a Purchase and Development Agreement between the Grantor and Grantee.







TO: Adena Hill, Housing and Revitalization  
FROM: Esther Yang, Planning and Development  
RE: Master Plan Interpretation for **Obsolete Property District** (PA 146) at 511 Woodward  
(Petition #1008)  
DATE: January 16, 2020  
CC: Katharine Trudeau, Deputy Director, Planning and Development  
Kevin Schronce, PDD Central, Planning and Development  
Garrick Landsberg, PDD Historic, Planning and Development  
Karen Gage, PDD Zoning, Planning and Development

In order to ensure 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 146 of 2000 (section 125.2784), the Planning and Development Department submits the following interpretation. The Petitioner of this project is Iconic 511, LLC

**Location and Project Proposal:** Project seeks to rehabilitate an existing 4-story, 30,240 square foot building as commercial and retail space. The district application identified the anticipated anchor tenant of this property to be the Downtown Detroit Partnership, using the location as their office headquarters.

**Current Master Plan (MP) & Zoning:** MP Classification – Major Commercial (CM); Zoning – PCA Restricted Central Business District

#### Master Plan Interpretation

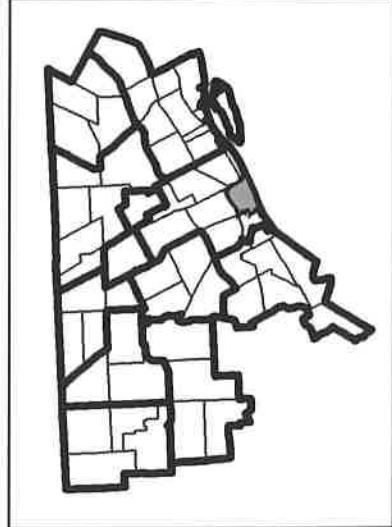
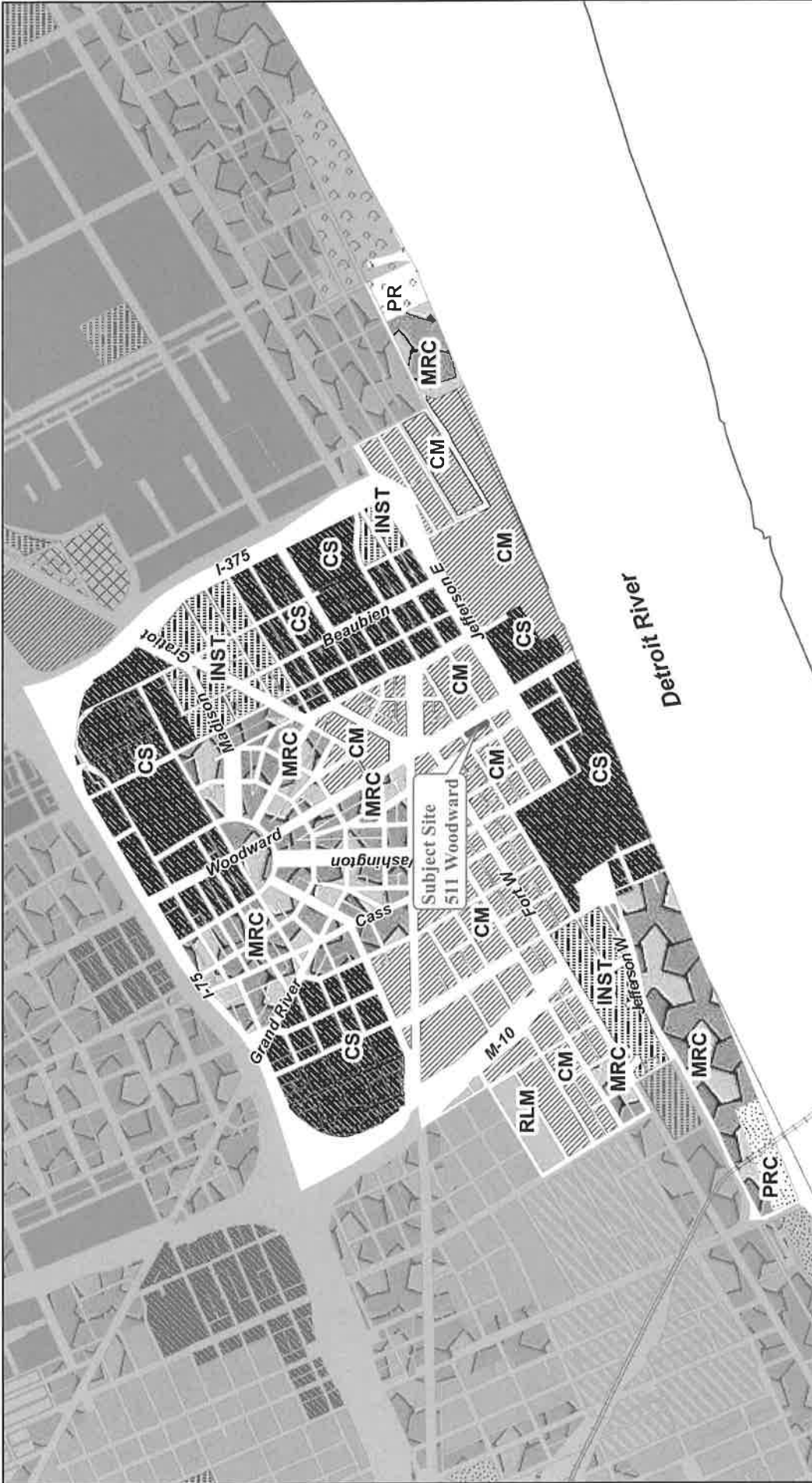
The subject site area is designated **Major Commercial (CM)**. Major Commercial areas are generally distinguished by high-density office buildings with ground floor retail. Included within these areas may be department stores, specialized shops and services catering to area office or residential land uses. Areas should be accessible to mass transit routes and automobile parking on the street or in structures. Ground level activity should be pedestrian oriented. Downtown and New Center are Detroit's major commercial areas. The following policies of the Central Business District neighborhood describe the following recommendations:

- Policy 2.1 – Throughout the Central Business District, and especially along Woodward and Washington Boulevard, convert upper stories of existing buildings to residential uses
- Policy 4.1 – Re-establish Woodward as a major shopping street by attracting national and local retailers to mixed-use structures at vacant sites near Woodward and Monroe
- Policy 5.1 – Introduce façade improvements, street furniture and landscaping to facilitate pedestrian activity along the major retail nodes
- Policy 6.1 – Provide incentives to attract businesses to participate in the rehabilitation and occupancy of the Central Business District's major office buildings
- Policy 6.2 – Cooperate with business organizations and other city agencies to attract corporate headquarters to the Central Business District

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

#### Attachments

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



**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

February 3, 2020

Katharine G. Trudeau, Director  
 Planning & Development Department  
 Coleman A. Young Municipal Center  
 2 Woodward Ave, Suite 808  
 Detroit, MI 48226

Re: **Obsolete Property Rehabilitation Certificate – Iconic 511 LLC**  
 Property Address: 511 Woodward Avenue  
 Parcel Number: 03003010.

Dear Ms. Trudeau:

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 **511 Woodward Avenue** in the **Downtown** 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.

**Iconic 511 LLC** plans to rehabilitate the four-story, 30,240 square foot office building, built in 1972 on .186 acres of land for new commercial and retail tenants. The building has been vacant and unutilized since 2006 and cleared out down to the building structural elements. Rehabilitation will include a new fire suppression system, updating the electrical system, updating the elevators to code, and a new curtain wall and proposed screen wall to provide an energy efficient exterior wall system.

The 2020 values are as follows:

Parcel #	Address	Building Assessed Value (SEV)	Building Taxable Value	Land Assessed Value (SEV)	Land Taxable Value
02001900-9	511 Woodward Ave	\$ 260,200	\$ 260,200	\$ 416,900	\$ 416,900

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.

The finished project will result bringing increased commercial activity, creating and retaining employment and will revitalize an urban area in the **Downtown area**.

A field investigation indicated that the property located **511 Woodward Avenue** 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



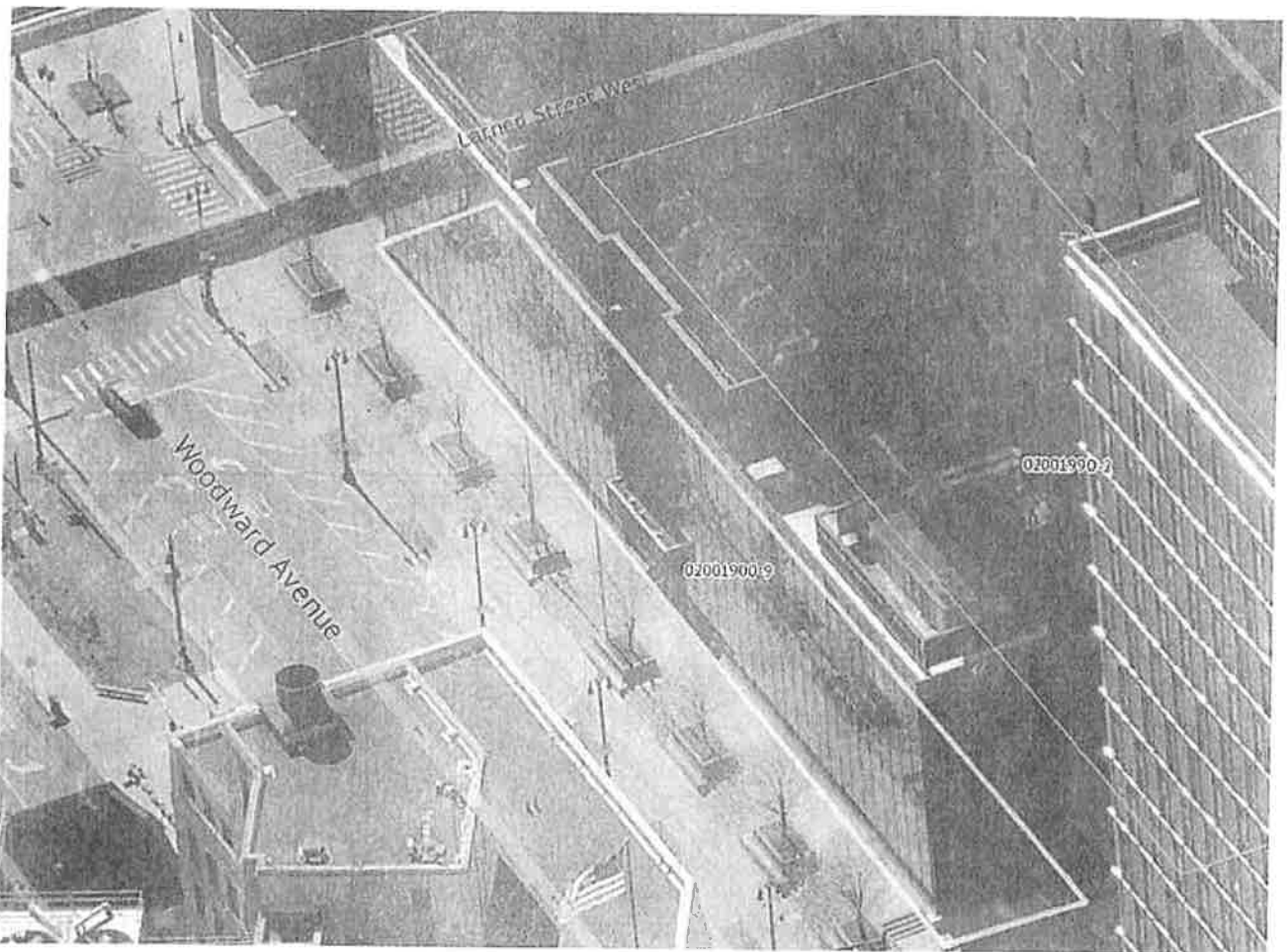
Obsolete Property Rehabilitation Certificate  
Iconic 511 LLC  
Page 2

Address: 511 WOODWARD AVENUE

Parcel Number: 02001900-9

Property Owner: ICONIC 511 LLC

Legal Description: W WOODWARD W 30 FT OF LOTS 58 THRU 62 PLAT OF SEC 2 GOVERNOR & JUDGES PLAN L34 P549 DEEDS, W C R 2/38 270 X 30





## MEMORANDUM

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**TO:** Saskia Thompson, Director  
Detroit Land Bank Authority

Donald Rencher, Director  
Housing and Revitalization Department

**CC:** Honorable Colleagues  
Janice Winfrey, City Clerk  
Stephanie Washington, Legislative Liaison

**FROM:** Council President Brenda Jones *BJ*

**DATE:** January 27, 2020

**RE:** Property Tax Foreclosure Program

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Please develop a program to provide residents that loss their homes to foreclosure as a result of over taxation including but not limited to the following stipulations:

1. One dollar (\$1) property sales.
2. Funding access for home rehab.