

City of Detroit

Janice M. Winfrey
City Clerk

OFFICE OF THE CITY CLERK

Andre P. Gilbert II
Deputy City Clerk

DEPARTMENT PETITION REFERENCE COMMUNICATION

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.

Petition No.	2023-369 Amended
Name of Petitioner	DP FOH OFP, LLC
Description of Petition	Please see request for Approval of Commercial Facilities Exemption Certificate Pursuant to P.A. 255 of 1978, as amended; 6005 Second Avenue; Related to Petition 2023-369 (requesting commercial rehabilitation district for portion of current 6005 Second Avenue property)
Type of Petition	Tax Abatement
Submission Date	1/23/24
Concerned Departments	Finance Department, Planning and Development Department, Housing and Revitalization Department, Legislative Policy Division, City Planning
Petitioner Contact	Richard A. Barr Honigman 313-465-7308 rbarr@honigman.com

By Email

January 23, 2024

Mr. Andre Gilbert II
Office of Detroit City Clerk
2 Woodward Avenue
Coleman A. Young Municipal Center
Suite 200
Detroit, MI 48226

Re: AMENDED Request for Approval of Commercial Facilities Exemption Certificate Pursuant to P.A. 255 of 1978, as amended; 6005 Second Avenue; Related to Petition 2023-369 (requesting commercial rehabilitation district for portion of current 6005 Second Avenue property)

Dear Mr. Gilbert:

Enclosed please find an Amended Application for Commercial Facilities Exemption Certificate from DP FOH OFP, LLC (as affiliate of Palace Sports & Entertainment, LLC) pursuant to P.A. 255 of 1978, as amended, with respect to the proposed conversion and rehabilitation of a portion of the building located at 6005 Second Avenue to approximately 17,060 square feet of commercial uses as part of a mixed-use building also to include approximately four hundred three (403) mixed-income rental apartments. The proposed development would be located in the proposed commercial redevelopment district which is the subject of pending petition 2023-369. This request does not apply to the future residential portion of the building. This amended application revises the number of expected permanent jobs allocated to the commercial portion of the building.

Thank you for your assistance.

Very truly yours,

HONIGMAN LLP



By: _____
Richard A. Barr

Enc.

STATE USE ONLY		
Application Number	Date Received	LUCI Code

AMENDED

Application for Commercial Facilities Exemption Certificate

Issued under authority of Public Act 255 of 1978, as amended.

Read the instructions page before completing the application. **This application must be filed after a Commercial Redevelopment District is established.** The original application and required documents are filed with the clerk of the Local Governmental Unit (LGU).

PART 1: OWNER / APPLICANT INFORMATION (applicant must complete all fields)


Applicant (Company) Name DP FOH OFF, LLC		NAICS or SIC Code 531110	
Facility's Street Address 6005 Second Avenue	City Detroit	State MI	ZIP Code 48202
Name of City, Township or Village (taxing authority) Detroit	County Wayne	School District Where Facility is Located Detroit Pub. Sch. Comm. Dis	
<input checked="" type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village			
Date of Rehabilitation Commencement (mm/dd/yyyy) 04/01/2027		Planned Date of Rehabilitation Completion (mm/dd/yyyy) 06/30/2029	
Estimated Cost of Rehabilitation \$3,533,332		Number of Years Exemption Requested (1-12) 12 after completion	
Expected Project Outcomes (check all that apply)			
<input checked="" type="checkbox"/> Increase Commercial Activity		<input type="checkbox"/> Retain Employment	
<input checked="" type="checkbox"/> Create Employment		<input type="checkbox"/> Prevent Loss of Employment	
		<input checked="" type="checkbox"/> Revitalize Urban Areas	
		<input checked="" type="checkbox"/> Increase Number of Residents in Facility's Community	
No. of perm. jobs to be created due to facility's rehab. 1	No. of perm. jobs to be retained due to facility's rehab. 0	Number of construction jobs to be created during rehabilitation 539	
Each year, the State Treasurer may approve 25 additional reductions of half the state education tax for a period not to exceed six years.			
<input type="checkbox"/> Check this box if you wish to be considered for this exclusion.			

PART 2: APPLICATION DOCUMENTS

Prepare and attach the following items:

<input checked="" type="checkbox"/> General description of the facility (year built, original use, most recent use, number of stories, square footage)	<input checked="" type="checkbox"/> Descriptive list of the fixed building equipment that will be a part of the facility
<input checked="" type="checkbox"/> General description of the facility's proposed use	<input checked="" type="checkbox"/> Time schedule for undertaking and completing the facility's restoration, replacement or construction
<input checked="" type="checkbox"/> General description of the nature and extent of the restoration, replacement, or construction to be undertaken	<input checked="" type="checkbox"/> Statement of the economic advantages expected from receiving the exemption
<input checked="" type="checkbox"/> Legal description of the facility	

PART 3: APPLICANT CERTIFICATION

Name of Authorized Company Officer (no authorized agents) Richard Haddad		Telephone Number (313) 465-7308	
Fax Number (313) 465-7309		E-mail Address c/o rbarr@honigman.com	
Mailing Address c/o Richard Barr, Honigman, 660 Woodward, Ste. 2290	City Detroit	State MI	ZIP Code 48226
<p><i>I certify that, to the best of my knowledge, the information contained herein and in the attachments is truly descriptive of the property for which this application is being submitted. Further, I am familiar with the provisions of Public Act 255 of 1978, as amended, and to the best of my knowledge the company has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local governmental unit and the issuance of a Commercial Facilities Exemption Certificate by the State Tax Commission.</i></p> <p><i>I further certify that this application relates to a program, when completed, will constitute a facility, as defined by Public Act 255 of 1978, as amended.</i></p>			
Signature of Authorized Company Officer (no authorized agents) 		Title EVP	Date 12/20/23 Amended 01/28/24

PART 4: LGU ASSESSOR CERTIFICATION			
Provide the Taxable Value and State Equalized Value of the Commercial Property.			
	Taxable Value (excluding land)	State Equalized Value (SEV) (excluding land)	
Building			
The property to be covered by this exemption may not be included on any other specific tax roll while receiving the Commercial Facilities Exemption. For example, property on the Eligible Tax Reverted Property (Land Bank) specific tax roll cannot be granted a Commercial Facilities Exemption that would also put the same property on the Commercial Facilities specific tax roll.			
<input checked="" type="checkbox"/> By checking this box I certify that, if approved, the property to be covered by this exemption will be on the Commercial Facilities Exemption specific tax roll and not on any other specific tax roll.			
Name of Assessor (first and last name) Charles Ericson		Telephone Number (313) 224-4832	
Fax Number		E-mail Address ericsonc@detroitmi.gov	
Mailing Address 2 Woodward Avenue	City Detroit	State MI	ZIP Code 48226
<i>I certify that, to the best of my knowledge, the information contained in Part 4 of this application is complete and accurate.</i>			
Assessor's Signature			Date
PART 5: LGU ACTION / CERTIFICATION (LGU Clerk must complete Part 5)			
Action Taken By LGU:			
<input checked="" type="checkbox"/> Exemption approved for _____ years, ending December 30, _____ (not to exceed 12 years)			
<input type="checkbox"/> Exemption Denied			
Date District Established (attach resolution for district)	Local Unit Classification Identification (LUCI) Code 82205	School Code 82010	
Name of Clerk (first and last name) Janice M. Winfrey		Telephone Number (313) 224-3262	
Fax Number (313) 224-2075		E-mail Address	
Mailing Address 2 Woodward Avenue, Ste. 200	City Detroit	State MI	ZIP Code 48226
LGU Contact Person for Additional Information Andre Gilbert	LGU Contact Person Telephone Number (313) 224-3260	Fax Number	
<i>I certify that, to the best of my knowledge, the information contained in this application and attachments is complete and accurate.</i>			
Clerk's Signature			Date

If you have questions, need additional information or sample documents, call 517-335-7491 or visit www.michigan.gov/propertytaxexemptions.

Instructions for Completing Form 4757

Application for Commercial Facilities Exemption Certificate

The Commercial Facilities Exemption Certificate was created by Public Act 255 of 1978, as amended. Applications for a certificate of exemption are filed, reviewed, and approved by the Local Governmental Unit (LGU). A copy of the certificate is filed with the State Tax Commission.

Owner / Applicant Instructions

1. Complete Parts 1, 2 and 3 of the application. Restoration, replacement, or construction may commence **after** establishment of a district.
2. The following must be provided to the LGU as attachments to the application:
 - a. General description of the facility (year built, original use, most recent use, number of stories, square footage).
 - b. General description of the proposed use of the facility.
 - c. General description of the nature and extent of the restoration, replacement, or construction to be undertaken.
 - d. Legal description of the facility.
 - e. Descriptive list of the fixed building equipment that will be a part of the facility.
 - f. Time schedule for undertaking and completing the restoration, replacement, or construction of the facility.
 - g. Statement of the economic advantages expected from the exemption.
3. After reviewing Parts 1, 2, and 3 for complete and accurate information, sign the application where indicated.

LGU Assessor Instructions

1. Complete Part 4 of the application.
2. After completing Part 4, sign where indicated to certify that if approved, the property will appear on the Commercial Facilities Exemption specific tax roll only.

LGU Clerk Instructions

1. After the LGU passes a resolution approving the application, complete Part 5 of the application. A resolution template with required statements can be found at www.michigan.gov/propertytaxexemptions.
2. After reviewing the application for complete and accurate information, sign the application to certify the application meets the requirements as outlined by Public Act 255 of 1978, as amended.
3. Issue a certificate to the applicant using the certificate templates found at www.michigan.gov/propertytaxexemptions.
4. If in Part 1 the applicant did **not** wish to be considered for the State Education Tax exclusion, submit only a copy of the Certificate to the State Tax Commission at PTE@michigan.gov for faster service. An additional submission option is to mail a copy of the Certificate to Michigan Department of Treasury, State Tax Commission, PO Box 30471, Lansing, MI 48909.
5. If in Part 1 the applicant did wish to be considered for the State Education Tax exclusion, submit a copy of the Certificate, application and attachments to the State Tax Commission at PTE@michigan.gov for faster service. An additional submission option is to mail a copy of the Certificate to Michigan Department of Treasury, State Tax Commission, PO Box 30471, Lansing, MI 48909.

Attachment to Application for Commercial Facilities Exemption Certificate

DP FOH OFP, LLC

1. General Description of the Obsolete Facility.

The obsolete facility property, located at 6005 Second Avenue, Detroit, Michigan 48202, on the west side of Second Avenue and south of Amsterdam Street, is unique in that it has two histories, both of which are historically significant. The original 1918 building is architecturally and culturally significant as it was designed by esteemed architect Albert Kahn using an innovative reinforced concrete system and it was the factory building for the iconic Burroughs Corporation. The 1968-1970 Brutalist style renovation of the building is also architecturally and culturally significant as it is an excellent example of the Brutalist style, and the renovation was undertaken by the Burroughs Corporation to convert the building to their corporate headquarters. Henry Ford Health took occupancy of the building in 1992 and has since utilized the building as its corporate headquarters as well as other research and administrative functions. The building is in the process of being proposed for listing on the National Register of Historic Places as well as securing Part 1 Historic Tax Credit Approval. However, the building suffers from functional obsolescence due to its inefficient design based on standards inconsistent with current needs for office and research uses. The building lacks efficient utility systems and requires substantial interior rehabilitation to be able to be repurposed and used in an economically efficient manner. Substantial interior demolition is required.

2. General Description of the Facility's Proposed Use.

The adaptive reuse will convert the building into the mixed-use building consisting of approximately 403 mixed-income residential apartments, including 20% (81) of the units with rents affordable to occupants with incomes not greater than an average of 50% of AMI¹, spread among unit types, and 17,060 GSF of retail/commercial. The project will consist of 626,953 GSF and will create approximately 17,060 NRSF of new retail/commercial space and 277,389 NRSF of residential apartment space, excluding 332,504 square feet comprised of so-called "back of the house" uses such as common areas, elevators, escalators, lobbies, corridors, mechanical rooms and janitor closets. The plan is for the ground floor to include all of the retail/commercial space and 46 residential apartments and for there to also be four (4) floors of residential apartments.

Current plans indicate the residential portion of the building will include 181 studio apartments each with an average of 565 square feet of interior space, 168 one-bedroom apartments each with an average of 718 square feet of interior space, and 43 two-bedroom apartments each with an average of 1,070 square feet of interior space. Tenant amenities are expected to include in-unit washer and dryer, walk-in linen closet, large windows, HVAC, tenant storage lockers, bike storage, a community lounge and kitchen area, as well as co-working and meeting space. All units

¹Except as otherwise agreed to by the City and the applicant in an affordable housing agreement.

in the building will have substantially identical amenities, finishes and construction quality and will be subject to an affordable housing agreement with the City of Detroit.

The building is the subject of two separate tax abatement applications. This application for a Commercial Facilities Exemption Certificate (P.A. 255) pertains to the retail/commercial portion of the building tasting room/restaurant/bar portion of the building. A separate application for a Neighborhood Enterprise Zone Certificate will be for the residential portion of the building. See Exhibit B for detail on the areas subject to this and the other application.

The adaptive reuse of the building will create both construction jobs and permanent jobs at the building. The building rehabilitation as a whole is expected to create five hundred thirty-nine (539) construction jobs. For purposes of this application, one (1) permanent job is expected to be created by the owner. In addition, although this is an estimate and cannot be assured by the applicant, an estimated 87 jobs are expected to be created by tenants who have not yet been identified and are expected to start operating in 2029-2030.

3. General Description of the Nature and Extent of the Restoration.

The adaptive reuse/restoration of the building will include a reconfiguration of the interior layout, replacement or retrofit of the building's systems, restoration or adaption of existing architectural and design features and construction of a significant amount of new interior improvements. Assumption approval of the pending historic designation of the building, substantially all aspects of the work will be subject to compliance with federal historic rehabilitation guidelines, with many details yet to be determined.

4. Legal Description of the Facility.

See Exhibit A.

5. Descriptive List of Fixed Building Equipment That Will Be Part of the Facility.

The costs described on Exhibit C are allocated on a per square foot basis between this application and the expected corresponding Neighborhood Enterprise Zone Certificate application. The resulting estimated cost of \$3,533,332 is for hard costs and related professional fees and permits for the retail/commercial portion of the work, which is the subject of this application.

6. Time Schedule for Undertaking and Completing the Restoration.

The adaptive reuse/restoration is expected to commence on or about April 1, 2027 and be completed by June 30, 2029. This schedule could be impacted by delays or acceleration in the relocation of the employees and facilities of the current property owner, Henry Ford Health.

7. Statement of the Economic Advantages Expected From Receiving the Exemption.

The exemption supports the economic feasibility of the investment, which is expected to result in (a) increased economic activity with additional workers and visitors to the area, supporting other businesses in Detroit, including but not limited to restaurants, (b) new jobs, which will

generate local and state income taxes, and (c) increased real property investment in the general area of the property.

As noted above, in connection with the physical rehabilitation and rejuvenation of the property, skilled construction jobs and permanent jobs will be created.

The applicant will work with the City of Detroit, including Detroit At Work, to maximize the use of Detroit based businesses and Detroit residents during the rehabilitation of the property.

8. Estimated Taxable Value.

The property is currently exempt from property taxes due its ownership and use by Henry Ford Health. The city assessor will determine the taxable value and the portion of the taxable value that will be attributed to the future retail/commercial portion of the building (subject to this application) and the future residential portion of the building (proposed to be subject to a Neighborhood Enterprise Zone certificate).

Exhibit A

Legal Description

LOT 16, INCLUSIVE, AND PART OF LOTS 17 THROUGH 25, OF BLOCK 14, LOTS 1 THROUGH 25, INCLUSIVE, OF BLOCK 15, TOGETHER WITH VACATED PUBLIC ALLEYS WITHIN SAID BLOCK, TOGETHER WITH THAT PART OF VACATED VIENNA STREET (50 FEET WIDE) LYING BETWEEN SECOND BOULEVARD AND THIRD AVENUE, AND TOGETHER WITH THE NORTH 1/2 OF VACATED YORK STREET (60 FEET WIDE) ADJACENT TO SAID LOTS, LYING BETWEEN SECOND BOULEVARD AND THIRD AVENUE, OF CASS FARM COMPANY LIMITED SUBDIVISION OF BLOCKS 111, 112, 113, 114, 115, 116, 118 AND 119 AND PART OF BLOCK 117 CASS FARM, AS RECORDED IN LIBER 19, PAGE 35 OF PLATS, WAYNE COUNTY RECORDS, AND ALSO THAT PORTION OF THIRD AVENUE AS FORMERLY LOCATED, LYING BETWEEN THE WESTERLY BOUNDARY OF SAID PROPERTY AS ABOVE DESCRIBED AND THE EASTERLY BOUNDARY OF THIRD AVENUE AS PRESENTLY LOCATED, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE SOUTH LINE OF AMSTERDAM STREET (50 FEET WIDE) AND THE WEST LINE OF SECOND AVENUE (150 FEET WIDE), SAID POINT ALSO BEING THE NORTHEAST CORNER OF LOT 10, BLOCK 14; THENCE ALONG SAID WEST LINE OF SECOND AVENUE, S23°56'53"E, 272.60 FEET TO THE POINT OF BEGINNING, POINT ALSO BEING THE NORTHEAST CORNER OF LOT 16, OF BLOCK 14, OF SAID CASS FARM LIMITED SUBDIVISION; THENCE CONTINUING ALONG SAID WEST LINE S23°56'53"E., 447.28 FEET TO THE INTERSECTION OF THE CENTERLINE OF YORK STREET (60 FEET WIDE) AND THE WEST LINE OF SECOND AVENUE; THENCE ALONG SAID CENTERLINE S65°53'36"W, 627.70 FEET TO A POINT ON THE EAST LINE OF THIRD STREET (74 FEET WIDE); THENCE ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 1873.00 FEET, ARC LENGTH OF 159.63 FEET, AND A CHORD BEARING N26°03'35"W, 159.58 FEET; THENCE N23°37'16"W., 287.50 FEET; THENCE N65°51'59"E, 631.94 FEET TO THE POINT OF BEGINNING AND CONTAINING 6.491 ACRES.

Exhibit B

Space Breakdown

See attached conceptual floor plans.

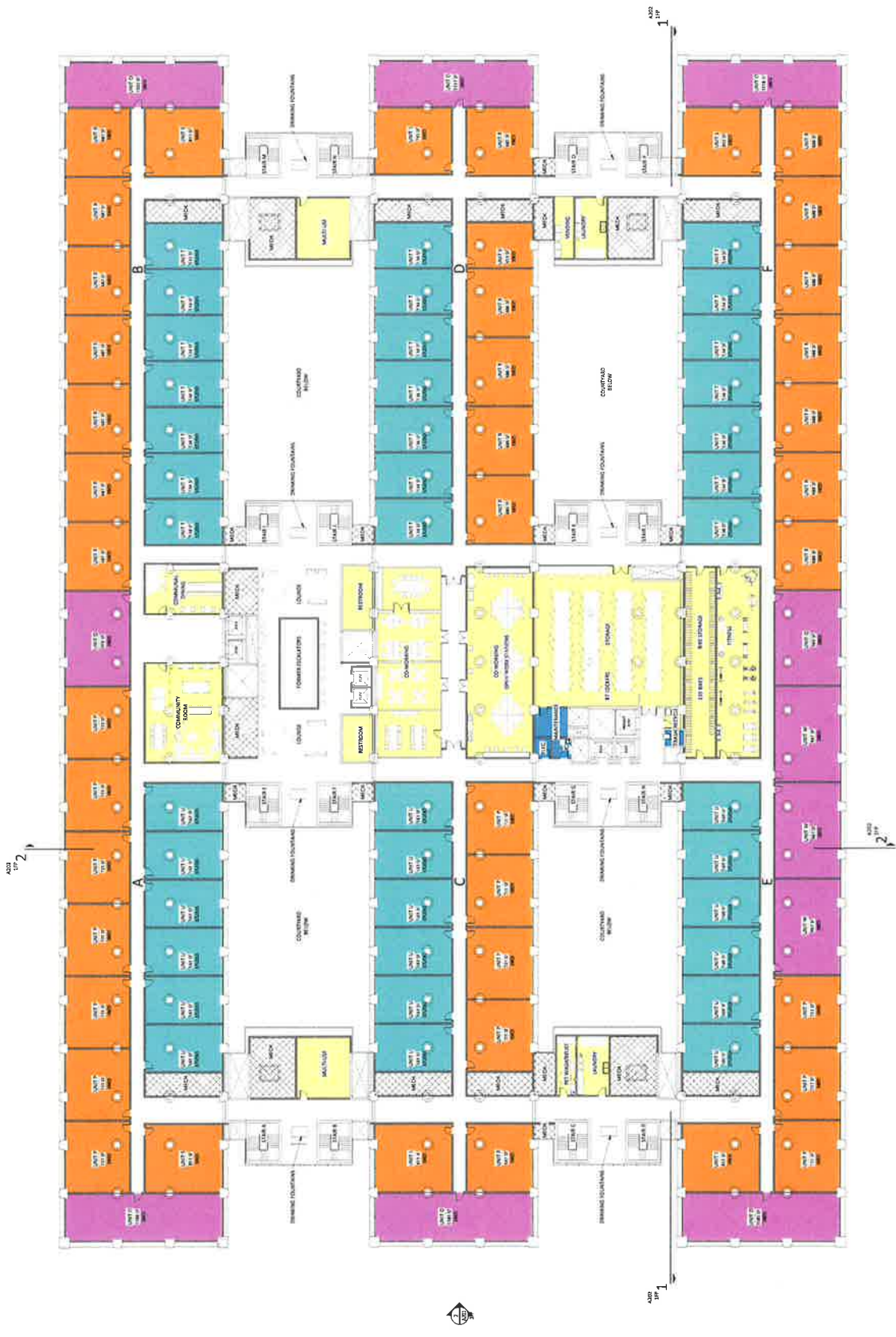




FIRST FLOOR PLAN
SCALE: 1/8" = 1'-0"

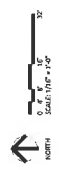
DRAFT





SECOND - FOURTH FLOOR TYPICAL PLAN
 SCALE: 1/8" = 1'-0"

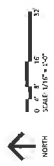
DRAFT

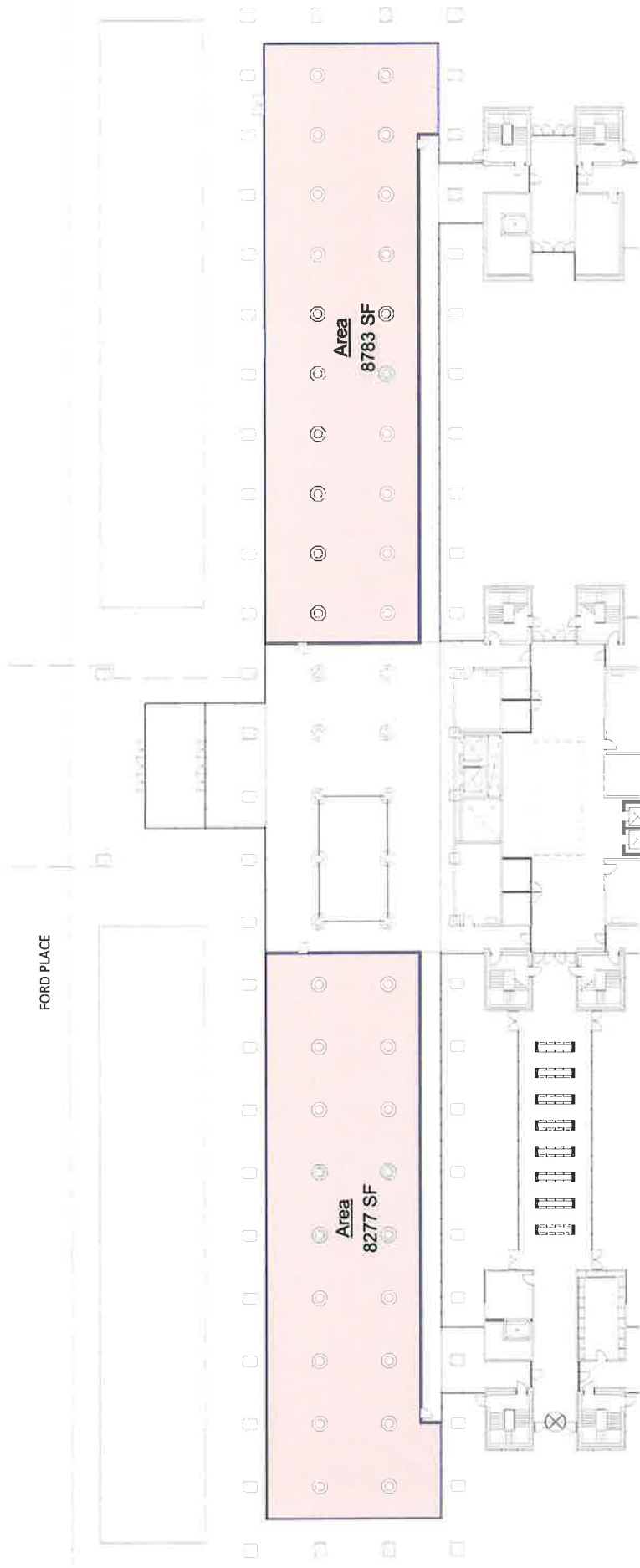




FIFTH FLOOR PLAN
 SCALE: 1/16" = 1'-0"

DRAFT





FIRST FLOOR RETAIL AREAS - OVERALL

SCALE: 1/32" = 1'-0"

APPROXIMATE AREAS USING
PAINT TO PAINT APPROACH.
NOTE: COLUMN FOOTPRINTS
ARE INCLUDED.

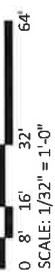


Exhibit C

Descriptive List of Building Improvements including Fixed Building Equipment
That Are Allocated And Are To Be Subject to the Facility's
Commercial Facilities Tax Exemption Certificate

The following table of estimated costs indicates total estimated costs and the portion of each line item and totals thereof allocable to this application (under "Retail") and the NEZ certificate application (under "Residential"):

Construction Cost Group	Total	Hard Costs	
		Residential	Retail
Site Conditions	\$ 6,409,988	\$ 6,235,566	\$ 174,422
Concrete and Masonry	\$ 1,621,606	\$ 1,577,481	\$ 44,125
Structural Steel and Metal	\$ 668,850	\$ 650,650	\$ 18,200
Carpentry Including Framing and Finishing	\$ 7,525,658	\$ 7,320,878	\$ 204,780
Moisture Protection	\$ 2,395,000	\$ 2,329,830	\$ 65,170
Doors, Windows, and Flooring	\$ 34,303,160	\$ 33,369,738	\$ 933,422
Elevators	\$ 771,500	\$ 750,507	\$ 20,993
Mechanical, HVAC, and Plumbing	\$ 29,934,132	\$ 29,119,595	\$ 814,537
Electrical	\$ 16,631,129	\$ 16,178,580	\$ 452,549
Engineering, Contingency and Related Costs	\$ 29,588,497	\$ 28,783,365	\$ 805,132
Total	\$ 129,849,520	\$ 126,316,188	\$ 3,533,332



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

COLEMAN A. YOUNG MUNICIPAL CENTER
 2 WOODWARD AVE., SUITE 824
 DETROIT, MI 48226
 PHONE: 313•224•3011
 FAX: 313•224•9400

January 22, 2024

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

RE: Request for Approval of Commercial Facilities Tax Exemption Certificate Pursuant to P.A. 255 of 1978, as amended; 6005 Second Avenue; Related to Petition 2023-369 (requesting commercial rehabilitation district for portion of current 6005 Second Avenue property)
 DP FOH OFP, LLC
 Property Address: 6005 Second Ave.
 Parcel Number: 04003440.005

Dear Mr. Bryant:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the application for a Commercial Facilities Tax Exemption Certificate for the property located at **6005 Second Ave.** in the **New Center district** area in the City of Detroit.

The rationale for creating Commercial Redevelopment Districts under PA 255 of 1978, as amended, is based on the anticipation of increased market value upon completion of new construction and/or significant restoration of commercial and former industrial property where the primary purpose and use of which is the operation of a commercial business enterprise and shall include office, engineering, research and development, warehousing parts distribution, retail sales, hotel or motel development, and other commercial facilities. Commercial business enterprise also includes a business that owns or operates a transit-oriented development or a transit-oriented facility. Normal repair and maintenance are not assessed and do not necessarily generate additional market value.

The 2023 values are as follows:

Address	Building Assessed Value (SEV)	Building Taxable Value	Land Assessed Value (SEV)	Land Taxable Value
6005 Second Ave	\$ 844,730	\$ 844,730	\$ 88,081	\$ 88,081

The project as proposed by DP FOH OFP, LLC (as affiliate Henry Ford Health System & Palace Sports & Entertainment LLC) consists of one 4-story medical office building built in 1971 with approximately 593,372 sq. ft, and a commercial parking lot. The owner plans to rehabilitate the commercial portion of the property by creating a planned conversion and rehabilitation by Palace Sports or its affiliate of the ground floor of the building located at 6005 Second Avenue. The adaptive reuse will convert the building into the mixed-use building consisting of approximately 403 mixed-income residential apartments, including 20% (81) of the units with rents affordable to occupants with incomes not greater than an average of 50% of AMI, spread among unit types, and 17,060 GSF of retail/commercial. The project will consist of 626,953 GSF and will create approximately 17,060 NRSF of new retail/commercial space and 277,389 NRSF of residential apartment space, excluding 332,504 square feet comprised of so-called "back of the house" uses such as common areas, elevators, escalators, lobbies, corridors, mechanical rooms, and janitor closets. The plan is for the ground floor to include all of the retail/commercial space and 46 residential apartments and for there to also be four (4) floors of residential apartments.



Commercial Facilities Exemption Certificate Request (Amended)

DP FOH OFF, LLC

Page 2

Current plans indicate the residential portion of the building will include 181 studio apartments each with an average of 565 square feet of interior space, 168 one-bedroom apartments each with an average of 718 square feet of interior space, and 43 two-bedroom apartments each with an average of 1,070 square feet of interior space. Tenant amenities are expected to include in-unit washer and dryer, walk-in linen closet, large windows, HVAC, tenant storage lockers, bike storage, a community lounge and kitchen area, as well as co-working and meeting space. All units in the building will have substantially identical amenities, finishes and construction quality and will be subject to an affordable housing agreement with the City of Detroit. The building is the subject of two separate tax abatement applications. **This application for a Commercial Facilities Exemption Certificate (P.A. 255) pertains to the retail/commercial portion of the building tasting room/restaurant/bar portion of the building. A separate application for a Neighborhood Enterprise Zone Certificate will be for the residential portion of the building. See Exhibit B for details on the areas subject to this and the other applications.**

This area meets the criteria set forth under PA 255 of 1978, as amended. It applies to functionally obsolete properties requiring restoration meaning changes to obsolete commercial property other than replacement as may be required to restore the property, together with all appurtenances, to an economically efficient condition.

The property will be subject to a purchase agreement and ground lease between Henry Ford Health Systems and DP FOH OFF, LLC, which will own the structure. The State Tax Commission (STC) has determined that the proposed developer may proceed with obtaining local approval of the issuance of the certificate prior to acquiring interest in the property, but that the certificate would be held in abeyance by the STC pending submission of a ground lease and/or proof of ownership.

A review of the project details and relevant statutes indicated that the facility located at **6005 Second Ave** is eligible for the proposed Commercial Facilities Certificate pursuant to PA 255 of 1978, as amended.

Sincerely,

Charles Ericson, MMAO
Assessor, Board of Assessors



Commercial Facilities Exemption Certificate Request (Amended)

DP FOH OFP, LLC

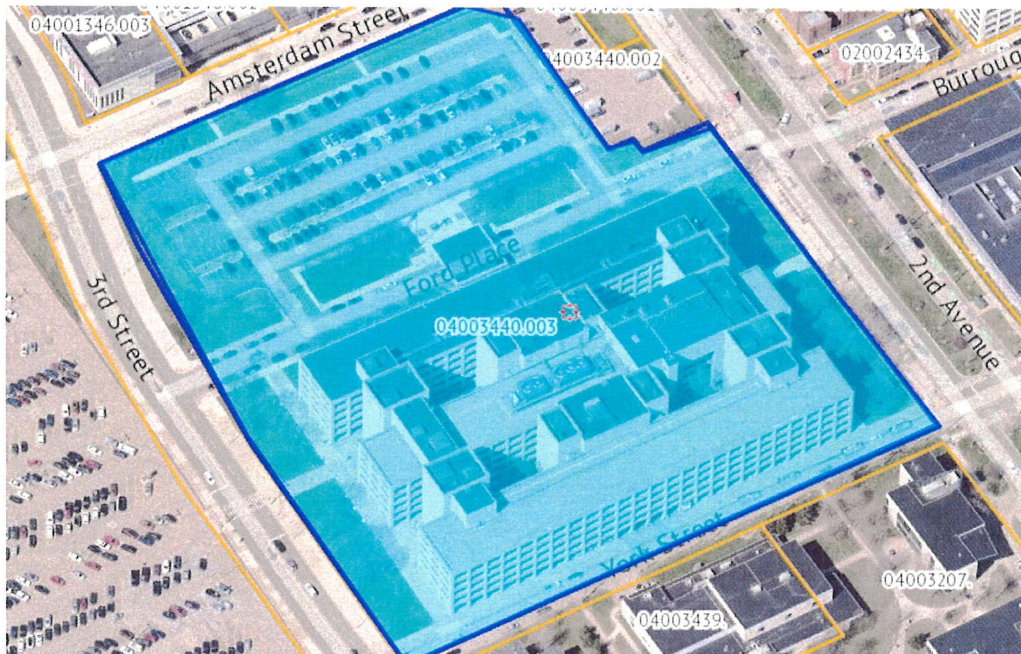
Page 3

Property Address: 6005 Second Ave.

Parcel Number: 04003440.005

Legal Description:

LOT 16, INCLUSIVE, AND PART OF LOTS 17 THROUGH 25, OF BLOCK 14, LOTS I THROUGH 25, INCLUSIVE, OF BLOCK 15, TOGETHER WITH VACATED PUBLIC ALLEYS WITHIN SAID BLOCK, TOGETHER WITH THAT PART OF VACATED VIENNA STREET (50 FEET WIDE) LYING BETWEEN SECOND BOULEVARD AND THIRD AVENUE, AND TOGETHER WITH THE NORTH 1/2 OF VACATED YORK STREET (60 FEET WIDE) ADJACENT TO SAID LOTS, LYING BETWEEN SECOND BOULEVARD AND THIRD AVENUE, OF CASS FARM COMPANY LIMITED SUBDIVISION OF BLOCKS III, 112, 113, 114, 115, 116, 118 AND 119 AND PART OF BLOCK 117 CASS FARM, AS RECORDED IN LIBER 19, PAGE 35 OF PLATS, WAYNE COUNTY RECORDS, AND ALSO THAT PORTION OF THIRD AVENUE AS FORMERLY LOCATED, LYING BETWEEN THE WESTERLY BOUNDARY OF SAID PROPERTY AS ABOVE DESCRIBED AND THE EASTERLY BOUNDARY OF THIRD AVENUE AS PRESENTLY LOCATED, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE SOUTH LINE OF AMSTERDAM STREET (50 FEET WIDE) AND THE WEST LINE OF SECOND AVENUE (150 FEET WIDE), SAID POINT ALSO BEING THE NORTHEAST CORNER OF LOT 10 BLOCK 14; THENCE ALONG SAID WEST LINE OF SECOND AVENUE, S2Y56'53"E, 272.60 FEET TO THE POINT OF BEGINNING, POINT ALSO BEING THE NORTHEAST CORNER OF LOT 16, OF BLOCK 14, OF SAID CASS FARM LIMITED SUBDIVISION; THENCE CONTINUING ALONG SAID WEST LINE S23'56'53"E., 447.28 FEET TO THE INTERSECTION OF THE CENTERLINE OF YORK STREET (60 FEET WIDE) AND THE WEST LINE OF SECOND AVENUE; THENCE ALONG SAID CENTERLINE S65'53'36"W, 627.70 FEET TO A POINT ON THE EAST LINE OF THIRD STREET (74 FEET WIDE); THENCE ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 1873.00 FEET, ARC LENGTH OF 159.63 FEET, AND A CHORD BEARING N26'0335"W, 159.58 FEET; THENCE N23'37'16"W., 287.50 FEET; THENCE N65'51'59"E, 631.94 FEET TO THE POINT OF BEGINNING AND CONTAINING 6.491 ACRES.





COLEMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVENUE, SUITE 1240
DETROIT, MICHIGAN 48226
PHONE: 313.224.4950
FAX: 313.224.3434

**Decision Regarding Employment Clearance for Tax Abatement
Employment Commitment <5 Full-time Employees**

Date: January 24, 2024

Tax Abatement Type: PA 255

New Renewal

Duration of Abatement:12 years

Development: Future of Health, Residential Project 1. Proposed conversion and rehabilitation of a portion of the building located at 6005 Second Avenue to approximately 17,060 square feet of commercial uses as part of a mixed-use building also to include approximately four hundred three (403) mixed-income rental apartments. The proposed development would be located in the proposed commercial redevelopment district which is the subject of pending petition 2023-369. This request does not apply to the future residential portion of the building.

Parcel/Facility Address: 6005 Second Avenue. Detroit, Mi

Applicant/Recipient: DP FOH OFP, LLC

Applicant Contact: Richard Barr RBarr@honigman.com

Post-Construction Employment Commitments

If Developer Occupied is selected, the Developer will be responsible for both Developer and Tenant requirements listed below.

Developer Occupied Tenant Occupied

Total Employment: 1

Developer commits to

- 1) Report to CRIO annually;
 - a. Developer’s efforts regarding tenants
 - b. Tenant’s compliance with commitments stated below (3)
 - c. Total number of employees at the facility
 - d. Number of employees at the facility who are Detroit residents
- 2) Provide Detroit at Work (DAW) information to any/all tenant(s) for life of abatement
- 3) Work with Commercial Tenant(s) to do the following
 - a. **Post all Detroit job openings through the DAW website;**
 - b. **Report to Developer annually;**
 - i. Tenant’s compliance with requirements
 - ii. The number of individuals employed by the Tenant
 - iii. The number of employees who are Detroit residents



COLEMAN A. YOUNG MUNICIPAL CENTER
 2 WOODWARD AVENUE, SUITE 1240
 DETROIT, MICHIGAN 48226
 PHONE: 313.224.4950
 FAX: 313.224.3434

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

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

Tenika R. Griggs, Esq.
 CRIO Deputy Director

DocuSigned by:

 FF584CDB98E341A...

Deputy Director Signature

1/24/2024

 Date