



Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 908
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Phone: 313.224.6380
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May 23, 2024

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

RE: Resolution Approving a Commercial Facilities Exemption Certificate, on Behalf of 1400 Holden, LLC, at 1420 Holden & 6217 Lincoln, Detroit, MI, in Accordance with Public Act 255 of 1978. (Petition #2024-039)

Honorable City Council:

On **May 23, 2024**, a public hearing in connection with approving a Commercial Facilities Exemption Certificate for the above captioned project was held before your Honorable Body's Planning and Economic Development Committee. All interested persons and organizations were given an opportunity to be heard. No impediments to the approval of this certificate were presented during the hearing.

1400 Holden, LLC, has submitted satisfactory evidence that they possess the necessary financial resources required to develop this property in accordance with Public Act 255 of 1978 ("the Act") and the Development Agreement for the project.

Respectfully submitted,

DocuSigned by:

Rebecca Labov

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Rebecca Labov

Chief Investment & Development Officer

RL/jc

cc: G. Fulton, Mayor's Office
A. Bryant, PDD
J. Schneider, HRD
J. Cook, HRD



Housing and Revitalization
Department

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By Council Member _____

WHEREAS, 1400 Holden, LLC, (“Applicant”), has filed an application for a Commercial Facilities Exemption Certificate, under Public Act 255 of 1978 (“the Act”), with the Detroit City Clerk in the manner and form prescribed by the Michigan State Tax Commission; and

WHEREAS, This City Council is a Qualified Local Governmental Unit as defined by the Act; and

WHEREAS, pursuant to the Act, this City Council held a duly noticed public hearing before the Planning and Economic Development Committee on **November 16, 2023,** in connection with establishing a Commercial Redevelopment District; and

WHEREAS, at which hearing the applicant, the Assessor and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, this City Council legally established a Commercial Redevelopment District in the vicinity of **1420, 1432 Holden & 6217 Lincoln,** Detroit, Michigan on **November 21, 2023;** and

WHEREAS, the state equalized value of the property proposed to be exempt plus the aggregate state equalized value of property previously exempt and currently in force under the Act and Public Act 198 of 1974 (Industrial Facilities Exemptions) does not exceed 5% of the total state equalized value of the City of Detroit; and

WHEREAS, pursuant to the Act, this City Council held a duly noticed public hearing before the Planning and Economic Development Committee on **May 23, 2024,** in connection with approving a Commercial Facilities Exemption Certificate; and

WHEREAS, this City Council approved a Commercial Facilities Exemption Certificate on **May 28, 2024;** and

WHEREAS, the Applicant is not delinquent in any taxes related to the facility; and

WHEREAS, the application is for commercial property as defined in section 3(3) of the Act; and

WHEREAS, the applicant **1400 Holden, LLC,** has provided answers to all required questions under section 6(1) of the Act to the City of Detroit; and

WHEREAS, the City of Detroit requires that the construction, restoration, or replacement of the facility shall be completed by **May 31, 2025;** and



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WHEREAS, the commencement of the construction, restoration or replacement of the facility did not occur more than 45 days prior to the filing of the application for exemption; and

WHEREAS, the commencement of the construction, restoration or replacement of the facility did not occur prior to the establishment of the Commercial Redevelopment District; and

WHEREAS, the application relates to a construction, restoration or replacement program which when completed constitutes a new, replacement or restored facility within the meaning of the Act and that is situated within a Commercial Redevelopment District established under the Act; and

WHEREAS, completion of the facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, in which the facility is situated; and

WHEREAS, the restoration includes improvements aggregating 10% or more of the true cash value of the property at commencement of the restoration as provided by section 4(6) of the Act.

NOW, THEREFORE, BE IT

RESOLVED, That it is hereby found and determined that the granting of a Commercial Facilities Exemption Certificate, considered together with the taxable value of Commercial Facilities Exemption Certificates and Industrial Facilities Exemption Certificates previously granted and currently in force, will not have the effect of substantially impeding the operation of the local governmental unit or impairing the financial soundness of any other taxing unit which levies an ad valorem property tax with the City of Detroit; and be it further

RESOLVED, That it is hereby found and determined that the Applicant has complied with the requirements of the Act; and be it further

RESOLVED, That the application of **1400 Holden, LLC**, for a Commercial Facilities Exemption Certificate, in the City of Detroit Commercial Redevelopment District is hereby approved for a period of **12 years after completion of the facility, with the certificate beginning December 30, 2024, and the certificate expiring December 31, 2036**, in accordance with the provisions of the Act; and be it finally

RESOLVED, That the rehabilitation of the facility shall be completed no later than **May 31, 2025**, unless an extension of that time period is granted by this City Council, which extension shall be granted if this City Council determines that the rehabilitation of the facility is proceeding in good faith and the proposed extension is reasonable; and be it finally

RESOLVED, That the City of Detroit's Planning and Development Department and City Assessor's Office are hereby authorized to enter into, substantially in the form attached hereto, a Commercial Facilities Exemption Certificate Agreement for the purpose of establishing the operating procedures for and implementing the aforesaid Certificate.