

ASSIGNMENT AGREEMENT AND CONSENT OF THE CITY OF DETROIT

THIS ASSIGNMENT AGREEMENT AND CONSENT OF THE CITY OF DETROIT (this “Assignment”) is entered into by and between **234 Piquette LLC** (“Assignor”), a Michigan limited liability company with an office at 440 Selden Street, Detroit, MI 48201, and **Detroit Public Media** (“Assignee”), a Michigan nonprofit corporation with an office at 48325 Alpha Drive, Suite 150, Wixom, MI 48393, and is consented to by the City of Detroit (“City”), a Michigan municipal corporation acting by and through its Planning & Development Department, with an office at 2 Woodward Avenue, Suite 808, Detroit, MI 48226, and is made this _____ day of June, 2024.

WITNESSETH:

WHEREAS, the City and Assignor entered into that certain Obsolete Property Rehabilitation Exemption Certificate Agreement (the “Abatement Agreement”) dated **September 22, 2021**, pursuant to which Abatement Agreement the City approved an Obsolete Property Rehabilitation Exemption Certificate (“OPREC”) for Assignor with respect to the Property (as defined in the Abatement Agreement). A copy of the Abatement Agreement is attached hereto as Exhibit A and made a part hereof; and

WHEREAS, Assignor has transferred its interest in the Property to Assignee; and

WHEREAS, Assignee desires to have the City approve the transfer of the OPREC from Assignor to Assignee; and

WHEREAS, pursuant to the Abatement Agreement, the OPREC may only be transferred upon approval by the City, in its sole discretion, after application by Assignee; and

WHEREAS, Assignee has submitted an Application for Obsolete Property Rehabilitation Exemption Certificate (“New Application”) for the Property. A copy of the New Application is attached hereto as Exhibit B and made a part hereof; and

NOW, THEREFORE, in consideration of the foregoing, and of the benefits to accrue to the parties from this Assignment, the parties agree as follows:

1. The Assignor hereby assigns all of its rights and obligations under the Abatement Agreement to the Assignee.
2. The parties agree that the requirement of Section 1.b. of the Abatement Agreement has been satisfied by the Assignor.
3. The parties agree that the Assignee is conducting further rehabilitation work to the Property and that the obligation of Section 1.c. of the Abatement Agreement will be fulfilled by construction related jobs at the Property beginning December 31, 2024 when the additional rehabilitation work is anticipated to begin.

4. This Assignment and all actions arising under it shall be governed by the laws of the State of Michigan.

5. All terms, conditions and covenants of the Abatement Agreement shall remain in full force and effect, and the Assignee shall fulfill all such terms, conditions and covenants.

IN WITNESS WHEREOF, the Assignor and the Assignee, by and through their duly authorized officers and representatives, have executed this Assignment.

ASSIGNOR:

234 PIQUETTE LLC,
a Michigan limited liability company

BY: 

NAME: Michael Ferlito

ITS: Manager

ASSIGNEE:

DETROIT PUBLIC MEDIA,
a Michigan nonprofit corporation

BY: 

NAME: Ollette Boyd

ITS: CFO/COO

**CONSENT TO ASSIGNMENT BY CITY
OF DETROIT, ACTING BY AND
THROUGH ITS PLANNING AND
DEVELOPMENT DEPARTMENT:**

BY: _____

NAME: _____

ITS: _____

Exhibit A

Abatement Agreement

**OBSELETE PROPERTY REHABILITATION EXEMPTION CERTIFICATE
AGREEMENT**

THIS AGREEMENT (this "Agreement"), by and between the City of Detroit (the "City"), a Michigan municipal corporation acting by and through its Planning & Development Department with an office at 2 Woodward Avenue, Suite 808, Detroit, MI 48226 and 234 Piquette, LLC (the "Applicant") with an office at 440 Selden Street, Detroit MI 48201 is made this 22 day of September, 2021.

WITNESSETH:

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

WHEREAS, the Applicant has submitted an Application (the "Application") for an Obsolete Property Rehabilitation Exemption Certificate ("OPREC") for the property located at: 234 Piquette Avenue, Detroit MI 48202 (the "Property"). A copy of the Application is attached hereto as Exhibit A and made a part hereof; and

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

WHEREAS, the Applicant has committed to complete a Rehabilitation of the Property, as defined in the Act, and to hire or retain a certain amount of full-time employees at the Property during the Term (as defined below); and

WHEREAS, the City has approved the Application by adopting a resolution granting the OPREC to the Applicant, contingent upon the representations contained herein and pending approval by the Michigan State Tax Commission. A copy of the City resolution granting the OPREC is attached hereto as Exhibit B and made a part hereof; and

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

- I. General.
 - a. Unless earlier revoked as provided for in Section 12 of the Act, being MCL 125.2792, or as provided for in this Agreement, the term of the OPREC and the term of this Agreement (collectively, the "Term") will be twelve (12) years, beginning on the certificate beginning date stated in the OPREC issued by the Michigan State Tax Commission.

- b. The Applicant will complete the Property Rehabilitation, as defined in the Act and as set forth in the Application, no later than May 1, 2022.
- c. The Applicant shall create, or cause to be created, at least one (1) (the "Employee Commitment Number") full-time employees at the Property within one (1) year of the effective date of this Agreement.
- d. The Applicant will recruit and hire City of Detroit residents in accordance with specified targets as set forth in the City of Detroit Resident Employment Plan ("Employment Plan") submitted by the Applicant to the City as part of the Application and approved by the City of Detroit Civil Rights, Inclusion and Opportunity Department ("CRIO"). Throughout the Term, the Employment Plan may be modified in CRIO's sole discretion. CRIO will monitor the Applicant's compliance with the Employment Plan on an annual basis throughout the Term. Upon notice from CRIO of a discrepancy between the Applicant's commitment in the Employment Plan and the actual number of City of Detroit residents employed at the Property, Applicant shall submit a correction plan setting forth the Applicant's plan to bring the number of City of Detroit residents employed at the Property back up to the specified targets as set forth in the Employment Plan. Applicant's correction plan must be approved by CRIO. Applicant shall be required to fulfill the terms of such correction plan in the timeline set forth in the correction plan.
- c. For purposes of this Agreement, a "full-time employee" is defined as a person: 1) who is employed by the Applicant or its affiliates on a salary, wage, commission, or other basis for a minimum period of forty (40) hours a week and 2) from whose compensation the Applicant or its affiliates, including a staffing agency, are required by law to withhold City of Detroit income taxes. Affiliates may include Applicant's tenant(s) that lease space at the Property.

2. Applicant Representations.

In compliance with the Act, and in order to induce the City to grant the OPREC to the Applicant, the Applicant represents that:

- a. The Applicant is the owner of the Property at the time of the Application and this Agreement.
- b. The Property is an "Obsolete Property" as defined under the Act.
- c. During the Term, no portion of the Property will be used as a professional sports stadium.
- d. During the Term, no portion of the Property will be used, owned or operated by a casino or affiliated company, as defined in the Act.
- e. The Applicant would not have considered accomplishing Rehabilitation of the Property without an OPREC.

- f. Rehabilitation of the Property did not start prior to establishment of the obsolete property rehabilitation district in which the Property sits.
- g. There are no delinquent taxes owed on the Property.
- h. The Applicant will pay any applicable taxes on the Property as they become due.
- i. The Rehabilitation and Applicant's current and planned future operation of the Property are in compliance with the City of Detroit Zoning Ordinance and Master Plan.
- j. If the Rehabilitation of the Property will include the provision of housing at the Property, the Applicant agrees to: 1) comply with Fair Housing Practices that meet the guidelines set forth by the U.S. Fair Housing Act (42 U.S.C. 3601 through 3619); and 2) comply with the Affordability Requirements set forth on Addendum 2, attached hereto.

3. Community Benefits Requirements.

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

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

4. Reporting to the City by the Applicant.

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

- a. Upon request, the Applicant shall provide the Planning & Development Department copies of all construction plans, building permits and certificates of occupancy related to the Rehabilitation of the Property. These documents, along with periodic site visits to the Property by the City, will serve to establish whether the Applicant is completing the Rehabilitation to the Property as required by the Act and this Agreement.
- b. Within two (2) weeks after the first year of the Term and for each year of the Term thereafter, Applicant shall submit to the Planning & Development Department a certified status report ("Status Report") signed by an authorized officer of the Applicant. The Status Report shall set forth for the previous year: 1) the Rehabilitation

work completed at the Property; 2) Applicant's financial investment in the Property for that year; and 3) the number of full-time employees at the Property for that year.

- c. Within two (2) weeks after the last day of the first year of the Term and each year of the Term thereafter, the Applicant shall submit to CRIO the Annual Employment Report for Tax Abatements (the "Status Report"), including copies of proofs of residency that have been accepted by CRIO.

5. Revocation of OPREC and Termination of this Agreement.

The City may, in its sole discretion and by resolution of Detroit City Council, revoke the OPREC if the City finds that: 1) the completion of Rehabilitation of the Property has not occurred in the time or manner authorized by this Agreement; or 2) that the Applicant has not proceeded in good faith with the Rehabilitation of the Property in a manner consistent with the purposes of the Act, taking into account any circumstances that are beyond the control of the Applicant.

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

6. Payment of Exempted Taxes for Shortfall of Employment.

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

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

7. Notice to City of Discontinuance of Operations.

If during the Term the Applicant intends to discontinue operations at the Property, the Applicant will provide thirty (30) days' prior written notice of such shutdown of operations to the Director of the Planning & Development Department.

8. Reservation of Remedies.

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

9. Transfer.

Neither the OPREC nor this Agreement may be transferred or assigned by the Applicant to a new owner of the Property unless the City, in its sole discretion, approves such transfer or assignment upon application by the new owner.


10. Headings.

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

[Remainder of Page Intentionally Left Blank]

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

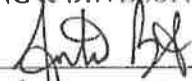
APPLICANT:

By: 

Print: Michael Fertito

Its: Manager - President

**CITY OF DETROIT
PLANNING & DEVELOPMENT DEPT.**

By: 

Print: Anvone Bryant

Its: Director

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

ADDENDUM 1
4. b. Requirements

ADDENDUM 2
Affordability Requirements

1. Affordable Housing Undertaking. The Applicant, as developer of the _____ mixed-use project (the "Project") on the Property, will implement during the Term the following affordable housing plan for the planned _____ residential apartments to be included within the Project:

- a. The Applicant will offer for lease _____ apartment units ("Affordable Units") to those earning not more than 80% of the Detroit SMSA area median income ("AMI"), based on the income limits most recently published by the United States Department of Housing and Urban Development ("HUD")¹. Rental rates will be based upon occupancy of 1 person in a studio and 1.5 people per bedroom for all other rental unit sizes.
- b. Applicant will verify the income of any individual(s) who apply to lease an Affordable Unit.
- c. In the event that the income of a tenant of an Affordable Unit becomes more than 80% of AMI, such tenant's unit shall be considered to comply with paragraph 1 above until the termination of the lease such unit, including during any extensions thereof.
- d. Applicant currently intends to offer _____ studios, _____ one-bedroom units, _____ two-bedroom units and _____ three-bedroom units as Affordable Units. Applicant may alter this unit mix in its discretion.
- e. A vacant unit offered for rent pursuant to this paragraph counts toward satisfaction of Section 1a above.
- f. The commitments set forth herein may be terminated in the event an arms-length lender forecloses on a mortgage secured by the Project.

2. Payment for Exempted Taxes for Violation of Undertaking. If Applicant is not in compliance with its obligations under paragraph 1 of this Addendum and fails to cure its non-compliance within 60 days of written notice from the City, the Applicant shall pay to the City, in addition to the Obsolete Properties Tax due under the OPREC on the Property, an amount equal to the difference for the year of non-compliance between the amount of ad valorem tax otherwise due on the Property without the OPREC and the amount of the Obsolete Properties Tax due on the Property with the OPREC, multiplied by a fraction, the numerator of which is shortfall of the number of units that are not in compliance and the denominator of which is _____. Prior to taking any action to require the Applicant to pay any amount to the City pursuant to this paragraph 2, the City shall afford the Applicant an opportunity to present at a public hearing reasons for the shortfall by the Applicant in its compliance with this Addendum.

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

EXHIBIT A

Application for Obsolete Property Rehabilitation Exemption Certificate

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.

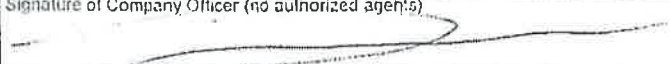
Applicant (Company) Name (applicant must be the OWNER of the facility) 234 Piquette, LLC		
Company Mailing address (No. and street, P.O. Box, City, State, ZIP Code) 440 Selden Street, Detroit, MI 48201		
Location of obsolete facility (No. and street, City, State, ZIP Code) 234 Piquette Avenue, Detroit, MI 48202		
City, Township, Village (indicate which) City of Detroit		County Wayne County
Date of Commencement of Rehabilitation (mm/dd/yyyy) 10/11/2021	Planned date of Completion of Rehabilitation (mm/dd/yyyy) 05/01/2022	School District where facility is located (include school code) Detroit City Schools
Estimated Cost of Rehabilitation \$3,450,000.00	Number of years exemption requested 12	Attach Legal description of Obsolete Property on separate sheet
Expected project likelihood (check all that apply):		
<input checked="" type="checkbox"/> Increase Commercial activity	<input type="checkbox"/> Retain employment	<input checked="" type="checkbox"/> Revitalize urban areas
<input checked="" type="checkbox"/> Create employment	<input type="checkbox"/> Prevent a loss of employment	<input type="checkbox"/> Increase number of residents in the community in which the facility is situated
Indicate the number of jobs to be retained or created as a result of rehabilitating the facility, including expected construction employment <u>111</u>		
Each year, the State Treasurer may approve 25 additional reductions of half the school operating and state education taxes for a period not to exceed six years. Check the following box if you wish to be considered for this exclusion.		
<input checked="" type="checkbox"/>		

APPLICANT'S CERTIFICATION

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all of the information is truly descriptive of the property for which this application is being submitted. Further, the undersigned is aware that, if any statement or information provided is untrue, the exemption provided by Public Act 146 of 2000 may be in jeopardy.

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

It is further certified that the undersigned is familiar with the provisions of Public Act 146 of 2000, as amended, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Obsolete Property Rehabilitation Exemption Certificate by the State Tax Commission.


Name of Company Officer (no authorized agents) Michael Ferlito	Telephone Number (586) 292-5000	Fax Number
Mailing Address 440 Selden Street, Detroit, MI 48201		Email Address mike@ferlitogroup.com
Signature of Company Officer (no authorized agents) 		Title President

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 8/19/21
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FOR STATE TAX COMMISSION USE		
Application Number	Date Received	LUCI Code

LOCAL GOVERNMENT ACTION		
This section is to be completed by the clerk of the local governing unit before submitting the application to the State Tax Commission. Include a copy of the resolution which approves the application and Instruction items (a) through (f) on page 1, and a separate statement of obsolescence from the assessor of record with the State Assessor's Board. All sections must be completed in order to process.		
PART 1: ACTION TAKEN		
Action Date October 19, 2021		
<input checked="" type="checkbox"/> Exemption Approved for <u>12</u> Years, ending December 30, <u>2033</u> (not to exceed 12 years) <input type="checkbox"/> Denied		
Date District Established 10/19/21	LUCI Code 82205	School Code 82010
PART 2: RESOLUTIONS (the following statements must be included in resolutions approving)		
<p>A statement that the local unit is a Qualified Local Governmental Unit.</p> <p>A statement that the Obsolete Property Rehabilitation District was legally established including the date established and the date of hearing as provided by section 3 of Public Act 146 of 2000.</p> <p>A statement indicating whether the taxable value of the property proposed to be exempt plus the aggregate taxable value of property already exempt under Public Act 146 of 2000 and under Public Act 198 of 1974 (IFT's) exceeds 5% of the total taxable value of the unit.</p> <p>A statement of the factors, criteria and objectives, if any, necessary for extending the exemption, when the certificate is for less than 12 years.</p> <p>A statement that a public hearing was held on the application as provided by section 4(2) of Public Act 146 of 2000 including the date of the hearing.</p> <p>A statement that the applicant is not delinquent in any taxes related to the facility.</p> <p>If it exceeds 5% (see above), a statement that exceeding 5% will not have the effect of substantially impeding the operation of the Qualified Local Governmental Unit or of impairing the financial soundness of an affected taxing unit.</p> <p>A statement that all of the items described under "Instructions" (a) through (f) of the Application for Obsolete Property Rehabilitation Exemption Certificate have been provided to the Qualified Local Governmental Unit by the applicant.</p>	<p>A statement that the application is for obsolete property as defined in section 2(h) of Public Act 146 of 2000.</p> <p>A statement that the commencement of the rehabilitation of the facility did not occur before the establishment of the Obsolete Property Rehabilitation District.</p> <p>A statement that the application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of Public Act 146 of 2000 and that is situated within an Obsolete Property Rehabilitation District established in a Qualified Local Governmental Unit eligible under Public Act 146 of 2000 to establish such a district.</p> <p>A statement that completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to, increase commercial activity, create employment, retain employment, prevent a loss of employment, revitalize urban areas, or increase the number of residents in the community in which the facility is situated. The statement should indicate which of these the rehabilitation is likely to result in.</p> <p>A statement that the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at commencement of the rehabilitation as provided by section 2(l) of Public Act 146 of 2000.</p> <p>A statement of the period of time authorized by the Qualified Local Governmental Unit for completion of the rehabilitation.</p>	
PART 3: ASSESSOR RECOMMENDATIONS		
Provide the Taxable Value and State Equalized Value of the Obsolete Property, as provided in Public Act 146 of 2000, as amended, for the tax year immediately preceding the effective date of the certificate (December 31 of the year approved by the STC)		
Building Taxable Value		Building State Equalized Value
\$ \$374,500		\$ \$374,500
Name of Government Unit City of Detroit	Date of Action Application October 19, 2021	Date of Statement of Obsolescence August 26, 2021
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 of 2000 may be in jeopardy.		
Name of Clerk Janice M. Winfrey	Telephone Number (313) 224-3262	
Clerk Mailing Address 2 Woodward Avenue/Suite 200, Detroit, MI 48226		
Mailing Address		
Telephone Number (313) 224-3262	Fax Number (313) 224-2075	E-mail Address
Clerk Signature 	Date	

For faster service, email completed application and attachments to PTE@michigan.gov. An additional submission option is to mail the completed application and attachments to Michigan Department of Treasury, State Tax Commission, PO Box 30471, Lansing, MI 48909. If you have any questions, call 517-335-7491.

EXHIBIT B
Detroit City Council Resolution
Granting the Obsolete Property Rehabilitation Exemption Certificate

TRUE COPY CERTIFICATE

Form C of D-16-CE

STATE OF MICHIGAN, }
City of Detroit } ss.

CITY CLERK'S OFFICE, DETROIT

I, **Janice M. Winfrey**, City Clerk of the City of Detroit, in said

State, do hereby certify that the annexed paper is a TRUE COPY OF RESOLUTION

adopted (passed) by the City Council at session of

October 19, _____ 2021

and approved by Mayor

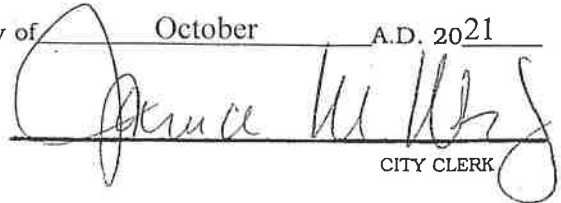
October 20, _____ 2021

as appears from the Journal of said City Council in the office of the City Clerk of Detroit, aforesaid; that I have compared the same with the original, and the same is a correct transcript therefrom, and of the whole of such original.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City, at

Detroit, this _____ 29th

day of _____ October _____ A.D. 2021


CITY CLERK



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

Phone: 313.224.6380
Fax: 313.224.1629
www.detroitmi.gov

October 7, 2021

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

RE: Resolution Approving an Obsolete Rehabilitation Exemption Certificate, on Behalf of 234 Piquette, LLC in the area of 234 Piquette Avenue, Detroit, Michigan, in Accordance with Public Act 146 of 2000. (Petition #1527)

Honorable City Council:

On **October 14, 2021** a public hearing in connection with approving an Obsolete Rehabilitation Exemption Certificate for the above-captioned property was held before your Honorable Body. 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.

234 Piquette, LLC has submitted satisfactory evidence that they possess the necessary financial resources required to develop this property in accordance with Public Act 146 of 2000 ("the Act") and the Development Agreement for the project.

Respectfully submitted,

DocuSigned by:

A handwritten signature in black ink, appearing to read "KARLE".

A1E218A0ECA417...

Kelly R. Vickers

Chief Housing Development & Investment Officer

KV/vf

cc: G. Fulton, Mayor's Office
A. Bryant, PDD
J. Schnieder, HRD
V. Farley, HRD



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

By Council Member Tate

WHEREAS, 234 Piquette, LLC has filed with the City Clerk an Application for an Obsolete Property Rehabilitation Exemption Certificate, under Public Act 146 of 2000 (“the Act”) in City of Detroit Obsolete Property Rehabilitation District 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, this City Council on **October 19, 2021** established by Resolution an Obsolete Property Rehabilitation District in the vicinity of **234 Piquette Avenue**, Detroit, Michigan, after a Public Hearing held, in accordance with the Act; and

WHEREAS, the taxable value of the property proposed to be exempt plus the aggregate taxable value of property already exempt under the Act and under Public Act 146 of 2000 does not exceed 5% of the total taxable value of property in the City of Detroit; and

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

WHEREAS, the Application is for obsolete property as that term is defined in Section 2(h) of the Act, which property is owned by the Applicant; and

WHEREAS, commencement of the rehabilitation of the subject facility did not occur before the establishment of the Obsolete Property Rehabilitation District; and

WHEREAS, the Application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of the Act and which is situated within the aforesaid City of Detroit Obsolete Property Rehabilitation District and

WHEREAS, completion of the rehabilitation is calculated to, and will at the time the Certificate is issued, have the reasonable likelihood of increasing and/or retaining employment, increasing commercial activity, revitalizing an urban area, or increasing the number of residents in the community in which the facility is located; and

WHEREAS, the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at the commencement of the rehabilitation as provided by Section 2 (I) of the Act; and

WHEREAS, this City Council has granted until of **May 1, 2022**, for the completion of the rehabilitation; and



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

Phone: 313.224.6380
Fax: 313.224.1629
www.detroitmi.gov

WHEREAS, on **October 14, 2021**, in the City Council Committee Room, 13th Floor, Coleman A. Young Municipal Center, Detroit, Michigan, a formal public hearing was held on aforesaid application, at which time the Applicant, the Assessor, the general public, and representatives of the affected taxing units had an opportunity to be heard; and

WHEREAS, notice was given by certified mail to the Detroit Board of Education, the City of Detroit Board of Assessors, the Wayne County Board of Commissioners, Wayne County Community College, the Wayne County Intermediate School District, the Huron-Clinton Metropolitan Authority, the Applicant, and by publication to the general public, informing them of the receipt of the Application, the date and location of the Public Hearing, and the opportunity to be heard;

NOW THEREFORE BE IT

RESOLVED, That it is hereby found and determined that the granting of an Obsolete Property Rehabilitation Exemption Certificate, considered together with the taxable value of Obsolete Property Rehabilitation Exemption Certificates and Industrial Facilities Exemption Certificates if 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 **234 Piquette, LLC** for an Obsolete Property Rehabilitation Exemption Certificate, in the City of Detroit Obsolete Property Rehabilitation District is hereby approved for a period of **Twelve (12)**, with the certificate beginning **December 31, 2021** and the certificate expiring **December 31, 2033**, in accordance with the provisions of the Act; and be it finally

RESOLVED, That the City Clerk shall forward said application to the Michigan State Tax Commission as provided by the Act; and be it further

RESOLVED, That the rehabilitation of the facility shall be completed no later than **May 01, 2022**, 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, an Obsolete Property Rehabilitation Exemption Certificate Agreement and attached Summary of Procedures for the purpose of establishing the operating procedures for and implementing the aforesaid Certificates.

**ADOPTED AS FOLLOWS
COUNCIL MEMBERS**

		YEAS	NAYS
Janee	AYERS	√	
Scott	BENSON	√	
Raquel	CASTANEDA-LOPEZ	√	
Roy	MCCALISTER, JR.	√	
*Mary	SHEFFIELD	√	
James	TATE	√	
Brenda	PRESIDENT JONES	√	
*PRESIDENT PRO TEM			
		7	0
WAIVER OF RECONSIDERATION (No. _____)			
Per motions before adjournment.			

Exhibit B

New Application

Application for Obsolete Property Rehabilitation Exemption Certificate

Issued under authority of 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 completed application 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.) 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) Detroit Public Media			
Company Mailing Address (Number and Street, P.O. Box, City, State, ZIP Code) 48325 Alpha Drive, Suite 150, Wixom, Michigan 48393			
Location of obsolete facility (Number and Street, City, State, ZIP Code) 234 Piquette Avenue, Detroit, MI 48202			
City, Township, Village (indicate which) City of Detroit		County Wayne County	
Date of Commencement of Rehabilitation (mm/dd/yyyy) 10/11/2021	Planned date of Completion of Rehabilitation (mm/dd/yyyy) 05/01/2022	School District where facility is located (include school code) Detroit City Schools	
Estimated Cost of Rehabilitation \$3,450,000.00 (completed by 234 Piquette, LLC)		Number of years exemption requested 12 (remaining term of 234 Piquette, LLC)	
Attach legal description of obsolete property on separate sheet.			
Expected Project Outcomes (Check all that apply)			
<input checked="" type="checkbox"/> Increase commercial activity	<input type="checkbox"/> Retain employment	<input checked="" type="checkbox"/> Revitalize urban areas	
<input checked="" type="checkbox"/> Create employment	<input type="checkbox"/> Prevent 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. _____			
<input checked="" type="checkbox"/> 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 box at left if you wish to be considered for this exclusion.			

APPLICANT 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) Ollette E. Boyd	Telephone Number (248) 305-3701	Fax Number
Mailing Address 48325 Alpha Drive, Suite 150, Wixom, Michigan 48393	E-mail Address o Boyd@dptv.org	
Signature of Company Officer (No authorized agents) 	Title CFO/COO	

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
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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>	
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 31 of the year approved by the STC)		
Building Taxable Value		Building State Equalized Value
\$		\$
Name of Government Unit	Date of Action 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 of 2000 may be in jeopardy.		
Name of Clerk	Telephone Number	
Clerk Mailing Address		
Mailing Address		
Telephone Number	Fax Number	E-mail Address
Clerk Signature		Date

For faster service, email completed application and attachments to PTE@michigan.gov. An additional submission option is to mail the completed application and attachments to Michigan Department of Treasury, State Tax Commission, PO Box 30471, Lansing, MI 48909. If you have any questions, call 517-335-7491.