

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.	2024-320 Certificate
Name of Petitioner	Little Village Marina LLC
Description of Petition	Petition request to Establish Commercial Redevelopment District for 9602 E. Jefferson and 9636 E. Jefferson, Detroit, Michigan
Type of Petition	Tax Abatement for the Establishment of a Commercial Facilities Exemption Certificate
Submission Date	09/23/2024
Concerned Departments	Finance Department, Planning and Development Department, Housing and Revitalization Department, Legislative Policy Division, City Planning Commission
Petitioner Contact	Little Village Marina LLC 660 Woodward Ave, Detroit, MI 48226 P: (313) 465-7308 rbarr@honigman.com

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The following petition is herewith referred to you for report and recommendation to the City Council.

In accordance with that body's directive, kindly return the same with your report in duplicate within four (4) weeks.

Petition No.	2024-320 Certificate
Name of Petitioner	Honigman LLP
Description of Petition	Petition application for Commercial Facilities Exemption Certificate; 9602 E. Jefferson and 9636 E. Jefferson, Michigan
Type of Petition	Tax Abatement for a Commercial Facilities Exemption Certificate
Submission Date	09/12/2024
Concerned Departments	Finance Department, Planning and Development Department, Housing and Revitalization Department, Legislative Policy Division, City Planning Commission
Petitioner Contact	Honigman LLP Richard Barr 660 Woodward Ave, Detroit, MI 48226 P: (313)-465-7308 rbarr@honigman.com

By Email

September 12, 2024

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

Re: *Application for Commercial Facilities Exemption Certificate; 9602 E. Jefferson and 9636 E. Jefferson, Michigan (P.A. 255 of 1978, as amended)*

Ladies and Gentlemen:

Enclosed please find an Application for Commercial Facilities Exemption Certificate from Little Village Marina LLC pursuant to P.A. 255 of 1978, as amended, with respect to the buildings located at 9602 E. Jefferson and 9636 E. Jefferson in the City of Detroit.

Thank you for your assistance.

Very truly yours,

HONIGMAN LLP

By: 

Richard A. Barr

Enc.

cc (w/enc.): David Howell, DEGC
Justus Cook, HRD

STATE USE ONLY		
Application Number	Date Received	LUCI Code

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 Little Village Marina LLC		NAICS or SIC Code 53111	
Facility's Street Address 9602 E. Jefferson and 9636 E. Jefferson	City Detroit	State MI	ZIP Code 48214
Name of City, Township or Village (taxing authority) Detroit		School District Where Facility is Located Detroit P.S. Community	
<input checked="" type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village		County Wayne	
Date of Rehabilitation Commencement (mm/dd/yyyy) 04/01/2025		Planned Date of Rehabilitation Completion (mm/dd/yyyy) 04/30/2027	
Estimated Cost of Rehabilitation \$12,240,000		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"/> Revitalize Urban Areas <input checked="" type="checkbox"/> Create Employment <input type="checkbox"/> Prevent Loss of Employment <input type="checkbox"/> Increase Number of Residents in Facility's Community			
No. of perm. jobs to be created due to facility's rehab. 2	No. of perm. jobs to be retained due to facility's rehab. 0	Number of construction jobs to be created during rehabilitation 150	
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) Anthony Curis		Telephone Number (313) 465-7308	
Fax Number (313) 465-7308		E-mail Address 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 Manager	Date 9/11/24

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 (313) 224-9000		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		LGU Contact Person Telephone Number	Fax Number
<i>I certify that, to the best of my knowledge, the information contained in this application and attachments is complete and accurate.</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
Little Village Marina LLC

1. General Description of the Obsolete Facility.

The property, located at 9602 E. Jefferson and 9636 E. Jefferson, Detroit, Michigan 48214, was previously used primarily as a boat service and storage-based facility. The property, to be rebranded as *Stanton Yards*, contains approximately 65,000 of gross square feet of interior space across five buildings and a former gas dock structure at the foot of the Detroit River. Many of the buildings have historical significance dating back to the early twentieth century, such as the former Booth Theatre and Navy Yard, a facility where ships were designed and built for World War II. Decades of decline and several building footprint reconfigurations have rendered the buildings obsolete. The buildings lack efficient utility systems and require substantial exterior and interior rehabilitation to be able to be used in an economically efficient manner.

The buildings suffer from obsolescence from impaired conditions and changes in technology. A wide variety of restoration activities are included in the project budget, as described below, to restore the property to an economically efficient condition.

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

The redevelopment of Stanton Yards will transform the site on E. Jefferson Avenue into a dynamic cultural amenity and mixed-use arts campus. Each of the buildings will be repurposed for use as either cultural arts centers, art studios and galleries, space for arts-based nonprofits, retail space, and/or restaurants. Current estimates put rentable retail square footage at approximately 31,000 square feet and square footage for nonprofits, educational uses, and other uses at approximately 33,500 square feet. Exact building usage and square footage is subject to confirmation of future tenants and configurations.

The site's outdoor spaces will transition into pedestrian walkways and outdoor plazas. See Exhibit A for conceptual renderings of the proposed project.

The developer intends to seek the combination of the two tax parcels included in this certificate application (19006137-8 and 19000013-5) in the near future.

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

The project contemplates reconfigurations to interior building layouts, replacement and/or retrofits to building systems, restoration of existing architectural and design features, reconfigured building footprints and facades, and interior tenant buildouts.

Project hard costs are estimated to cost approximately \$12,240,000.

4. Legal Description of the Facility.

See Exhibit B.

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

See Exhibit C.

6. Time Schedule for Undertaking and Completing the Restoration.

Initial remediation and interior demolition are anticipated to start in April 2025. The restoration is expected to be completed by April 2027.

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, (b) new jobs by multiple unrelated and in some cases unidentified tenants, which will generate local and state income taxes, and (c) increased real property investment in the general area of the property.

Stanton Yards is a planned extension of the nearby Little Village cultural corridor in East Village. Building on prior developer-led arts-centric projects in Little Village, including the Shepherd and LANTERN, among others, Stanton Yards will provide an arts-centric experience and public access to over 13 acres of riverfront property. Improved pedestrian access, activated outdoor spaces and outdoor plazas, and riverfront boat access will allow the dynamic mixed-use site to be an attraction and an asset to the neighborhood.

In connection with the physical rehabilitation of the property, there will be an estimated one hundred and fifty (150) skilled construction jobs. The developer anticipates the creation of two (2) new full-time positions in connection with the property's management. Additionally, unaffiliated tenants will create an estimated twenty-seven (27) new full-time and part-time positions related to nonprofit work, arts education, art studios and galleries, restaurants and retail. Discussions with potential tenants are ongoing and tenant job creation levels are subject to confirmation of building usage and configuration of tenant spaces.

The Owner 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.

Exhibit A
Conceptual Project Renderings

Aerial street view of buildings fronting E. Jefferson Avenue



Aerial view of northern portion of site



Aerial view of southern portion of site along the Detroit River



Exhibit B
Legal Description

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

S E JEFFERSON PT OF P C 152 BG E 188.84 FT MEASURED AT R A TO E LINE OF SD P
C 152 LYG SLY OF & ADJ JEFFERSON AVE 19/--- 199 IRREG

Tax parcel 19000013-5.

Commonly known as 9636 E. Jefferson Ave, Detroit, Michigan 48214

E PARKVIEW ALL THAT PT OF P C 152 DESC AS BEG AT SE COR JEFFERSON AVE
120 FT WD & PARKVIEW DR 80 FT WD TH SLY ALG SD PARKVIEW DR 250 FT TH
ELY AT R A 148.84 FT TH NLY AT R A 299.48 FT TO SLY LINE SD JEFFERSON AVE TH
SWLY ALG SD SLY LINE 156.85 FT TO P O B 19/--- 40,892 SQ FT

Tax parcel 19006137-8.

Commonly known as 9602 E. Jefferson Ave, Detroit, Michigan 48214

Exhibit C

Descriptive List of Fixed Building Equipment That Will Be Part Of The Facility

- 1. Replacement windows.**
- 2. New plumbing fixtures.**
- 3. New HVAC system.**
- 4. New lighting fixtures.**
- 5. New interior doors.**
- 6. Electrical improvements.**
- 7. Fire sprinklers.**
- 8. Concrete work.**
- 9. Roof replacement.**
- 10. Other improvements.**



**PLANNING AND
DEVELOPMENT DEPARTMENT**

Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 808
Detroit, Michigan 48226

Phone 313•224•1339
www.detroitmi.gov

TO: AliReda Jaefar, City Clerk's Office
FROM: Greg Moots, Planning and Development
RE: Master Plan Interpretation for **Commercial Facilities Exemption Certificate** (PA 255)
at 9602 and 9636 E Jefferson (Associated with Petition # 2024-320)
DATE: September 27, 2024

In order to ensure that the issuance of a **Commercial Facilities Exemption Certificate** pursuant to State of Michigan, Public Act 255 of 1978 (Section 207.656) is consistent with the City's Master Plan of Policies and will have the reasonable likelihood to increase commercial activity through replacement, restoration, or new construction; create, retain or prevent a loss of employment; revitalize an urban area; or increase the number of residents in a community, the Planning and Development Department's Planning Division submits the following interpretation.

Petitioner:

Little Village Marina LLC

Project Description:

The developer proposes the rehabilitation of buildings located at 9602 E. Jefferson and 9636 E. Jefferson. The Owner plans to redevelop the property on Jefferson Avenue in the Waterworks Park neighborhood from a service and storage-based facility into a waterfront cultural amenity and mixed-use campus for the City of Detroit. The project, named Stanton Yards, will consist of a cultural and artistic community hub, with a mix of commercial, retail, creative, and educational spaces and the activation of an outdoor plaza.

Project Location

9602 E. Jefferson and 9636 E. Jefferson

Interpretation:

The Master Plan Future General Land Use designation of the western half of the site is **Low/Medium density Residential** and the eastern portion is **Institutional**. The definitions of these districts are:

Low/Medium Density Residential areas should have an overall density of 8 to 16 dwelling units per net residential acre. The areas are often characterized by two or four family homes with small yards, on- street parking, or garages with alley access. The residential classifications allow for neighborhood-scale commercial development. For instance, in a Low/Medium Density Residential area, small scale commerce (e.g. convenience stores) should exist to serve residents' day-to-day needs.

Institutional status applies to areas of approximately 10 acres or more with educational, religious, health or public uses, including: churches, libraries, museums, public or private schools, hospitals, or government building, structure or land used for public purposes.

The development generally conforms to the Future General Land Use designation and Master Plan Policies for the area, as part of the use is educational and public space, and some intermixture of uses in common.

CC: Antoine Bryant, Director
Karen Gage, Director of Design + Development Innovation
Justus Cook, HRD



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

September 27, 2024

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

RE: Commercial Facilities Exemption Certificate Request
 Little Village Marina LLC
 9602 and 9636 E. Jefferson Ave
 Parcel Numbers: 19006137-8 and 19000013-5

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 properties located at **9602 and 9636 E. Jefferson Ave** in the **Marina District** area of 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 enterprises also include 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 2024 values are as follows:

Parcel #	Address	Building Assessed Value (SEV)	Building Taxable Value	Land Assessed Value (SEV)	Land Taxable Value
19006137-8	9602 E. Jefferson Ave	\$229,800	\$229,800	\$34,700	\$34,700
19000013-5	9636 E. Jefferson Ave	\$547,400	\$547,400	\$945,700	\$945,700

The project proposed by **Little Village Marina LLC** consists of two tax parcels. Parcel 19006137-8 features a single-story marina storage facility located at 9602 E. Jefferson. This building, constructed in 1988, spans a total area of 26,442 square feet and sits on a 0.937-acre lot. The second parcel, identified as 19000013-5, features four single-story marina storage buildings situated at 9636 E. Jefferson. These facilities cover a total area of 49,236 square feet and were constructed in 1961, all resting on a 10.622-acre plot of land. The owner plans to redevelop the property on Jefferson Avenue in the Waterworks Park neighborhood from a service and storage-based facility into a waterfront cultural amenity and mixed-use campus for the City of Detroit. The project, named Stanton Yards, will consist of a cultural and artistic community hub, with a mix of commercial, retail, creative, and educational spaces and the activation of an outdoor plaza. Across both parcels, the owner proposes redeveloping the buildings including approximately 65,000 square feet of building space for the mixed-use campus. A parcel combination of the two parcels is anticipated in the near future. The transformation and adaptive reuse of five existing commercial buildings will require significant interior and exterior work, including but not limited to strategic building and site demolition, roof replacements, window replacements, updated building facades, significant plumbing and electrical work, new HVAC systems and boilers, interior build out of multiple retail and studio areas, and the conversion of an old gas dock into a restaurant space.

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.



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

Commercial Facilities Exemption Certificate Request
Little Village Marina LLC
9602 and 9636 E. Jefferson Ave
19006137-8 and 19000013-5
Page 2

A review of the project details and relevant statutes indicated that the facility located at **9602 and 9636 E. Jefferson 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
Little Village Marina LLC
Page 3

Parcel Numbers: 19006137-8 and 19000013-5

Parcel Number	Property Address	Property Owner	Legal Description
19006137-8	9602 E. Jefferson	Little Village Marina LLC	E PARKVIEW ALL THAT PT OF P C 152 DESC AS BEG AT SE COR JEFFERSON AVE 120 FT WD & PARKVIEW DR 80 FT WD TH SLY ALG SD PARKVIEW DR 250 FT TH ELY AT R A 148.84 FT TH NLY AT R A 299.48 FT TO SLY LINE SD JEFFERSON AVE TH SWLY ALG SD SLY LINE 156.85 FT TO P O B 19/--- 40,892 SQ FT
19000013-5	9636 E. Jefferson	Little Village Marina LLC	S E JEFFERSON PT OF P C 152 BG E 188.84 FT MEASURED AT R A TO E LINE OF SD P C 152 LYG SLY OF & ADJ JEFFERSON AVE 19/--- 199 IRREG

Note: parcels are expected to be combined.



**COMMERCIAL FACILITIES EXEMPTION CERTIFICATE
AGREEMENT**

THIS COMMERCIAL FACILITIES EXEMPTION CERTIFICATE AGREEMENT (“Agreement”) is made this _____ day of _____, 2024, by and between the City of Detroit, a Michigan municipal corporation (“City”), acting by and through its Planning and Development Department with an office at 2 Woodward Avenue, Suite 808, Detroit, MI 48226 and **Little Village Marina, LLC**, (“Applicant”) with an office at **660 Woodward Avenue, Suite 2290, Detroit MI 48226**.

WITNESSETH:

WHEREAS, 1978 PA 255, also known as the Commercial Redevelopment Act (“Act”), (1) provides for the establishment of commercial redevelopment districts by local governmental units, (2) provides for the abatement or exemption from certain taxes for qualified facility owners, and (3) allows local governmental units to levy and collect a specific tax from the owners of a qualified facility, among other provisions; and

WHEREAS, the Applicant has submitted an Application for Commercial Facilities Exemption Certificate ("Application") for the City’s consideration for property located at **9602 E. Jefferson and 9636 E. Jefferson** (“Property”). A copy of the Application is attached hereto as **Exhibit A** and made a part hereof; and

WHEREAS, the City has previously approved a commercial redevelopment district pursuant to the Act and the Property is located in such district; and

WHEREAS, the Applicant has committed to complete a Restoration 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 Commercial Facilities Exemption Certificate (“CFEC”) 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 CFEC 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:

1. General.

a. Unless earlier revoked as provided for in Section 14 of the Act, being MCL 207.664, or as provided for in this Agreement, the CFEC term and the term of this Agreement (collectively, the “Term”) shall be **Twelve (12) years**, beginning on the December 31st following issuance of the CFEC by the City.

b. The Applicant will complete a “Restoration” of the Property, as defined in the Act and as set forth in the Application, no later than **April 30, 2027**.

c. The Applicant shall create, or cause to be created, at least **Two (2)** (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 not be modified without CRIO’s prior written approval, which approval may be granted or withheld 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.

e. For purposes of this Agreement, a “full-time employee” is defined as a person: (i) 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 (ii) 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 CFEC to the Applicant, the Applicant represents that:

a. The Applicant was the owner of the Property, or was leasing the Property and had a signed lease with the Property owner, at the time of the Application. The Applicant is the owner of the Property, or is leasing the Property and has a signed lease with the Property owner as of the date of this Agreement.

b. At the time of the Application the Property was, and as of the date of this Agreement the Property is, a “Commercial Property” as defined by the Act.

c. 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.

d. The Applicant will comply with the Act.

e. The Applicant would not have considered undertaking the Restoration of the Property without the CFEC.

- f. There are no delinquent taxes owed on the Property.
- g. The Applicant will pay any applicable taxes on the Property as they become due.
- h. The Restoration and current and planned future operation of the Property is in compliance with the City of Detroit Zoning Ordinance and Master Plan.

3. Community Benefits Requirements.

Pursuant to City of Detroit Ordinance 35-16, also known as the Community Benefits Ordinance (“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 – 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 the Applicant’s 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 Restoration of the Property.
- b. Applicant shall permit the City to perform periodic site visits to the Property by the City to establish whether the Applicant is completing the Restoration to the Property as required by the Act and this Agreement.
- c. Annually, within two (2) weeks after each anniversary of the commencement of the CFEC term, 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 Restoration work completed at the Property and the Applicant’s financial investment in the Property for that year and 2) the number of full-time employees at the Property for that year.
- d. Annually, within two (2) weeks after each anniversary of the commencement 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 CFEC and Termination of this Agreement.

The City may, in its sole discretion and by resolution of Detroit City Council, revoke the CFEC if the City finds that: (a) the completion of Restoration of the Property has not occurred in the time or manner authorized by this Agreement; or (b) that the Applicant has not proceeded in good faith with the Restoration 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.

As used in this Section 5, “good faith” includes, but is not limited to, the following: (i) 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 (ii) 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 Commercial Facilities Tax due under the CFEC, an amount equal to the difference between the amount of ad valorem tax that would be due on the Property without the CFEC, and the amount of Commercial Facilities Tax due on the Property under the CFEC, 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 CFEC 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. For purposes of this section, a transfer of the Property shall include any sale of the Property or any lease that transfers tax liability at the Property.

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.

11. Capitalized Terms

Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Act.

12. Governing Law; Venue.

This Agreement and all actions arising under it shall be governed by, subject to, and construed according to the law of the State of Michigan. Applicant agrees, consents and submits to the exclusive personal jurisdiction of any state or federal court of competent jurisdiction in Wayne County, Michigan, for any action arising out of this Agreement. Applicant also agrees that it shall not commence any action against the City because of any matter whatsoever arising out of or relating to the validity, construction, interpretation and enforcement of this Agreement in any state or federal court of competent jurisdiction other than one in Wayne County, Michigan.

13. Amendment.

This Agreement may not be amended or modified except by a written instrument executed by each of the parties hereto.

[Remainder of Page Intentionally Left Blank]

[SIGNATURE PAGE TO COMMERCIAL FACILITIES EXEMPTION CERTIFICATE AGREEMENT]

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: _____

Its: _____

CITY OF DETROIT

PLANNING & DEVELOPMENT DEPT.

By: _____

Print: _____

Its: _____

THIS AGREEMENT WAS APPROVED BY THE CITY COUNCIL ON:

APPROVED BY LAW DEPARTMENT PURSUANT TO § 7.5-206 OF THE CHARTER OF THE CITY OF DETROIT

Date

Corporation Counsel Date

THIS AGREEMENT IS NOT EFFECTIVE OR VALID UNTIL APPROVED BY RESOLUTION OF THE CITY COUNCIL, SIGNED BY ALL PARTIES HERETO, AND A COMMERCIAL FACILITIES EXEMPTION CERTIFICATE IS APPROVED BY THE DETROIT CITY COUNCIL.

ADDENDUM 1
Requirements

EXHIBIT A

Application for Commercial Facilities Exemption Certificate

EXHIBIT B
Detroit City Council Resolution
Granting the Commercial Facilities Exemption Certificate