

City of Detroit

Janice M. Winfrey
City Clerk

OFFICE OF THE CITY CLERK

Andre P. Gilbert II
Deputy City Clerk

April 29, 2021

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

Re: Randolph Centre 2020, LLC

Please find attached an *amended* application for the Commercial Facilities Exemption Certificate for the Property Located at 1435 Randolph, Ste. 200. **(RELATED TO PETITION #1325)**

Respectfully submitted,

Michael J. O'Connell,
Assistant City Council Committee Clerk
Office of the City Clerk

By Email

April 28, 2021

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

**Re: *Amended Application for Commercial Facilities Exemption Certificate for
1435 Randolph Street (P.A. 255 of 1978, as amended)(relates to petition 1325)***

Ladies and Gentlemen:

Enclosed please find an Amended Application for a Commercial Facilities Exemption Certificate pursuant to P.A. 255 of 1978, as amended, for property located at for 1435 Randolph Street in the City of Detroit. This Amended Application revises the legal description and address and also updates the expended project completion date. The City Council on March 2, 2021 approved the establishment of a Commercial Redevelopment District for this property. Additional information on the proposed redevelopment project is included in the attached application.

Thank you for your assistance.

Very truly yours,

HONIGMAN LLP



By: _____
Richard A. Barr

Enc.

cc (w/enc.): Kaci Jackson, DEGC
Veronica Farley, HRD

STATE USE ONLY		
Application Number	Date Received	LUCI Code

Amended

Application for Commercial Facilities Exemption Certificate

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

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

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

Applicant (Company) Name Randolph Centre 2020 LLC		NAICS or SIC Code 531120	
Facility's Street Address 1435 Randolph, Ste. 200	City Detroit	State MI	ZIP Code 48226
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) 06/01/2021		Planned Date of Rehabilitation Completion (mm/dd/yyyy) 12/31/2024	
Estimated Cost of Rehabilitation 3,000,000		Number of Years Exemption Requested (1-12) 12	
Expected Project Outcomes (check all that apply)			
<input checked="" type="checkbox"/> Increase Commercial Activity <input checked="" type="checkbox"/> Retain Employment <input checked="" type="checkbox"/> Revitalize Urban Areas <input checked="" type="checkbox"/> Create Employment <input checked="" 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. 0	No. of perm. jobs to be retained due to facility's rehab. 45	Number of construction jobs to be created during rehabilitation 50	

Each year, the State Treasurer may approve 25 additional reductions of half the state education tax for a period not to exceed six years.

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"/> General description of the facility's proposed use <input checked="" type="checkbox"/> General description of the nature and extent of the restoration, replacement, or construction to be undertaken <input checked="" type="checkbox"/> Legal description of the facility	<input checked="" type="checkbox"/> Descriptive list of the fixed building equipment that will be a part of the facility <input checked="" type="checkbox"/> Time schedule for undertaking and completing the facility's restoration, replacement or construction <input checked="" type="checkbox"/> Statement of the economic advantages expected from receiving the exemption
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PART 3: APPLICANT CERTIFICATION

Name of Authorized Company Officer (no authorized agents) Richard A. Barr	Telephone Number 313-465-7308		
Fax Number 313-465-7309	E-mail Address rbarr@honigman.com		
Mailing Address 660 Woodward, Ste. 2290	City Detroit	State MI	ZIP Code 48226

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 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.

Signature of Authorized Company Officer (no authorized agents) 	Title President	Date April 27, 2021
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PART 4: LGU ASSESSOR CERTIFICATION			
Provide the Taxable Value and State Equalized Value of the Commercial Property.			
	Taxable Value (excluding land)	State Equalized Value (SEV) (excluding land)	
Building			
The property to be covered by this exemption may not be included on any other specific tax roll while receiving the Commercial Facilities Exemption. For example, property on the Eligible Tax Reverted Property (Land Bank) specific tax roll cannot be granted a Commercial Facilities Exemption that would also put the same property on the Commercial Facilities specific tax roll.			
<input checked="" type="checkbox"/> By checking this box I certify that, if approved, the property to be covered by this exemption will be on the Commercial Facilities Exemption specific tax roll and not on any other specific tax roll.			
Name of Assessor (first and last name) Charles Ericson		Telephone Number 313-224-4832	
Fax Number		E-mail Address	
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) 3/2/2021	Local Unit Classification Identification (LUCI) Code	School Code	
Name of Clerk (first and last name)		Telephone Number 313-224-3262	
Fax Number		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 the address given below.
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 the address given below.

State Tax Commission
P.O. Box 30471
Lansing, MI 48909

Attachment to Amended Application for Commercial Facilities Exemption Certificate
Randolph Centre 2020, LLC

1. General Description of the Obsolete Facility.

The property, located at 1435 Randolph Street, Detroit, Michigan 48226, is the location of the Randolph Centre mixed use building. The property contains approximately 34,125 rentable square feet of improved space, all of which requires substantial renovation. The building lacks efficient utility systems and requires substantial interior rehabilitation to be able to be used in an economically efficient manner.

The building suffers 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 building will continue to contain office and restaurant space in an updated and more efficient condition.

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

The Owner plans to reconfigure the interior layout, retrofit the building's systems, restore existing architectural and design features and construct new interior improvements.

The total building restoration, estimated to cost approximately \$3,000,000 for hard costs plus related professional fees and permits, will enhance the overall neighborhood and attract and nurture numerous existing and new community businesses with emphasis on supporting minority and women owned businesses and businesses owned by Detroit residents.

4. Legal Description of the Facility.

See Exhibit A.

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

See Exhibit B.

6. Time Schedule for Undertaking and Completing the Restoration.

Initial remediation and interior demolition is expected to commence in Summer, 2021 and be completed by December 31, 2024.

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

The exemption supports the economic feasibility of the investment, which is expected to result in (a) increased economic activity with additional workers and visitors to the area, supporting other businesses in Detroit, including but not limited to restaurants, (b) new jobs by the owner and multiple unrelated tenants, which will generate local and state income taxes, and (c) increased real property investment in the general area of the property.

In connection with the physical rehabilitation and rejuvenation of the property, there will be an estimated fifty (50) skilled construction jobs. The primary tenant, Hamilton Anderson Associates, an affiliate of the developer, expects to retain forty-five (45) jobs. Unaffiliated tenants are expected to generate additional jobs, the number of which has not yet been determined.

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
Legal Description

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

The North ½ of Lot 59 and all of Lot 60, of GOVERNOR AND JUDGES PLAN OF SECTION 9, according to the plat thereof recorded in Liber 34 of Deeds, Page 552, Wayne County Records.

Tax Parcel 01003946-7.

Exhibit B

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 elevator
6. Rehabilitated elevator.
7. New interior doors.
8. Electrical improvements.
9. Fire sprinklers.
10. Other improvements.



TO: Veronica Farley, Housing and Revitalization
FROM: Shelby Holmes, Planning and Development
RE: Master Plan Interpretation for **Commercial Redevelopment District** (PA 255) for 1435
Randolph Street and 1455 Centre Street (Associated to Petition #1325)
DATE: 9/16/2020
CC: Katharine Trudeau, Deputy Director, Planning and Development
Kevin Schronce, PDD Central, Planning and Development
Karen Gage, PDD Zoning, Planning and Development
Garrick Landsberg, PDD Historic, Planning and Development

In order to ensure consistency with the City's Master Plan of Policies, pursuant to State of Michigan, Public Act 255 of 1978 (section 207.655), the Planning and Development Department's Planning Division submits the following interpretation for the proposed establishment of a Commercial Redevelopment District. The Petitioner is Randolph Centre 2020, LLC.

Location and Project Proposal: 1435 Randolph Street and 1455 Centre Street. The property is currently obsolete commercial property because of the impaired condition of the property. The property contains approximately 34,125 rentable square feet of improved space, that will require substantial renovation. The project proposal is to make substantial investments in improvements to the property's exterior and interior; a replacement elevator is included in the renovation scope.

Current Master Plan (MP) & Zoning: MP Classification –Mixed Residential/ Industrial (MRC) Zoning –B5 (major business district); This project is located in a local historic district.

Master Plan Interpretation

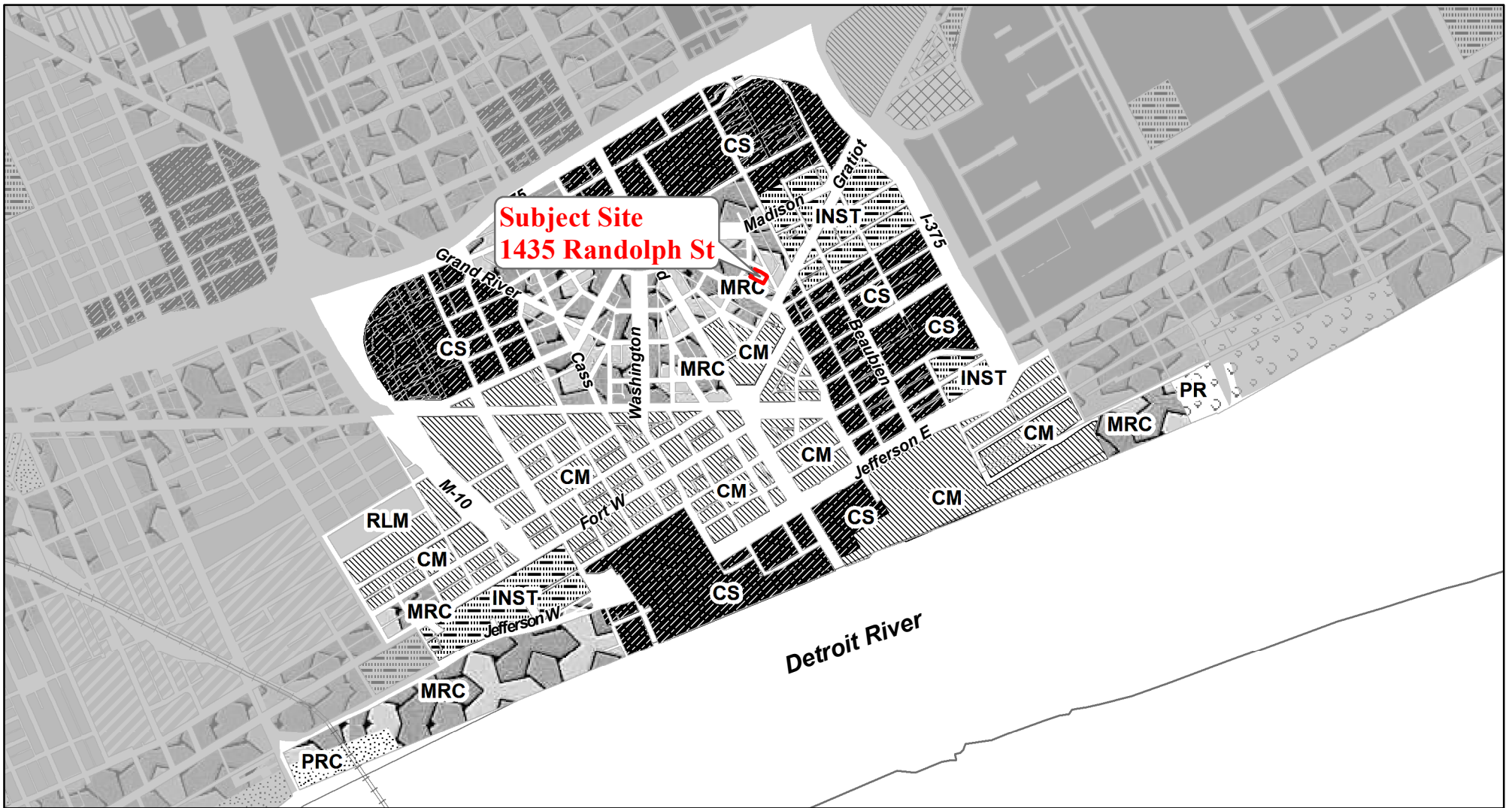
The subject site area is designated Mixed Residential-Commercial (MRC). Mixed Residential-Commercial areas consist primarily of high-density housing developed compatibly with commercial and/or institutional uses. This classification is well suited to areas proximal to existing centers of major commercial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

- GOAL 2: Conversion of obsolete industrial and commercial buildings
- Policy 2.1: Throughout the Central Business District, and especially along Woodward and Washington Boulevard, convert upper stories of existing buildings to residential uses.
- GOAL 3: Increase the vitality of commercial thoroughfares
- Policy 3.1: Promote the conservation and revitalization of retail nodes through business improvement and retention programs in Greektown, Renaissance Center/Millender Center, Broadway-Randolph and Washington Boulevard

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

Attachments

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



Map 4-1B

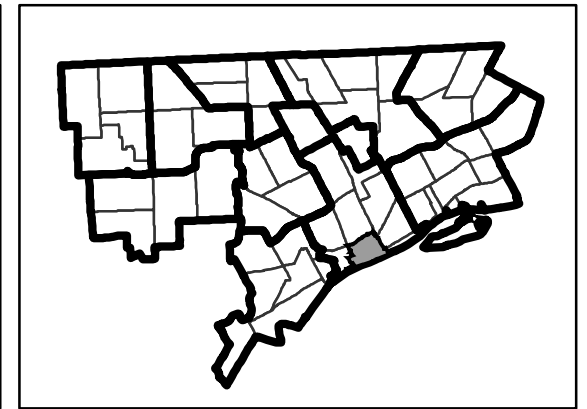
**City of Detroit
Master Plan of
Policies**

**Neighborhood Cluster 4
Central Business District**



Future Land Use

- | | |
|--|--|
| Low Density Residential (RL) | Distribution / Port Industrial (IDP) |
| Low / Medium Density Residential (RLM) | Mixed - Residential / Commercial (MRC) |
| Medium Density Residential (RM) | Mixed - Residential / Industrial (MRI) |
| High Density Residential (RH) | Mixed - Town Center (MTC) |
| Major Commercial (CM) | Recreation (PRC) |
| Retail Center (CRC) | Regional Park (PR) |
| Neighborhood Commercial (CN) | Private Marina (PRM) |
| Thoroughfare Commercial (CT) | Airport (AP) |
| Special Commercial (CS) | Cemetery (CEM) |
| General Industrial (IG) | Institutional (INST) |
| Light Industrial (IL) | |





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 (Amended)
 Owner: Randolph Centre 2020 LLC
 Address: 1435 Randolph
 Parcel Number: 01003946-7

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 **1435 Randolph** in the **Paradise Valley** area of the City of Detroit.

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

The project proposed by **Randolph Centre 2020 LLC** consists of a 4-story mixed use structure that was built in 1898, situated on 0.224 acres of land, with 38,612 square feet of gross building area across four floors, with an additional 10,562 square feet of space on the building's basement level. Approximately 8,450 square feet are related to rentable ground floor space, which was previously used as restaurant and lounge space and, together with 1,000 square feet of the basement that also will be used in connection with the operation of the ground floor restaurant, is the focus of this certificate application. The building currently suffers from obsolescence due to impaired conditions and changes in technology. The ground floor of the building will remain designated as a restaurant area and will be restored to a more efficient state. The owner plans for the complete renovation of the 9,450 square feet of described space including interior layouts, design features, and other improvements to facilitate efficient restaurant operations. as well as 1,000 square feet of basement level. The proposed restoration includes plans to reconfigure the interior layout, retrofit HVAC, plumbing, and electrical systems, restore existing architectural and design features, and construct new interior improvements for restaurant and office use.

This commercial Facilities Exemption Certificate only applies to 22% of the buildings gross area.
The amended application includes additional details regarding the proposed redevelopment project.

The 2024 values are as follows:

Parcel #	Address	Building Assessed Value (SEV)	Building Taxable Value	Land Assessed Value (SEV)	Land Taxable Value
01003946-7	1435 Randolph	\$62,000	\$29,105	\$116,800	\$54,830

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 (Amended)
Randolph Centre 2020 LLC
Page 2

A review of the project details and relevant statutes indicated that the facility located at **1435 Randolph** is eligible under the Commercial Redevelopment Act pursuant to PA 255 of 1978, as amended.

Sincerely,

Charles Ericson, MMAO
Assessor, Board of Assessors



Commercial Facilities Exemption Certificate Request (Amended)
Randolph Centre 2020 LLC
Page 3

Parcel Number: 01003946-7
Property Address: 1435 Randolph
Legal Description: W RANDOLPH 60 N 1/2 OF 59PLAT OF SEC 9 GOVERNOR & JUDGES PLAN L34 P552 DEEDS, WCR
1/56 19.76 IRREG

