

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.	2024-328 Certificate
Name of Petitioner	2930 E Jefferson LLC
Description of Petition	Petition request for the Establishment of a Commercial Facilities Exemption Certificate at 2930 E Jefferson Ave, Detroit, MI 48202.
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	Tonja Stapleton 42 Watson St., Suite C Detroit, MI 48201 P: (734) 716-7347 nev@shokargroup.com



September 19th, 2024

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

Re: Request for Establishment of a Commercial Facilities Exemption Certificate Pursuant to 1978 PA 255, as amended, for property at 2930 E Jefferson Ave.

Honorable City Council:

On behalf of 2930 E Jefferson LLC ("Company"), enclosed is an Application for a Commercial Facilities Exemption Certificate for the property located at 2930 E Jefferson Ave.

The PA 255 district petition number is 2024-328.

Thank you,

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

Nevan Shokar
Principal, Shokar Group LLC

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 2930 E Jefferson LLC		NAICS or SIC Code 5614	
Facility's Street Address 2930 E Jefferson Ave	City Detroit	State MI	ZIP Code 48202
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) 12/01/2024		Planned Date of Rehabilitation Completion (mm/dd/yyyy) 06/30/2026	
Estimated Cost of Rehabilitation \$619,090		Number of Years Exemption Requested (1-12) 12	
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 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. 0	No. of perm. jobs to be retained due to facility's rehab. 0	Number of construction jobs to be created during rehabilitation 20	
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) Tonja Stapleton		Telephone Number (734) 716-7347	
Fax Number		E-mail Address nev@shokargroup.com	
Mailing Address 42 Watson St, Suite C		City Detroit	State MI
		ZIP Code 48201	
<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 Owner	Date 9/19/24

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.

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)		Telephone Number	
Fax Number		E-mail Address	
Mailing Address	City	State	ZIP Code

I certify that, to the best of my knowledge, the information contained in Part 4 of this application is complete and accurate.

Assessor's Signature	Date
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PART 5: LGU ACTION / CERTIFICATION (LGU Clerk must complete Part 5)

Action Taken By LGU:

- Exemption approved for _____ years, ending December 30, _____ (not to exceed 12 years)
- Exemption Denied

Date District Established (attach resolution for district)	Local Unit Classification Identification (LUCI) Code	School Code
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Name of Clerk (first and last name)		Telephone Number	
Fax Number		E-mail Address	
Mailing Address	City	State	ZIP Code
LGU Contact Person for Additional Information	LGU Contact Person Telephone Number	Fax Number	

I certify that, to the best of my knowledge, the information contained in this application and attachments is complete and accurate.

Clerk's Signature	Date
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If you have questions, need additional information or sample documents, call (517) 373-2408 or visit www.michigan.gov/propertytaxexemptions.

ATTACHMENT TO APPLICATION FOR COMMERCIAL FACILITIES EXEMPTION CERTIFICATE (2930 E JEFFERSON LLC)

September 19, 2024

2930 E Jefferson LLC, a Michigan limited liability company ("Owner"), requests the establishment of a Commercial Facilities Exemption Certificate pursuant to Section 5 of the Commercial Redevelopment Act, PA 255 of 1978, MCL 207.655, to support the planned rehabilitation and restoration of the property located at 2930 E Jefferson Ave in the City of Detroit. The Owner owns 100% of the state equalized value of the commercial property located in the proposed district. This 12-year tax incentive is necessary for this project to proceed and without it the project would not occur.

I. General Description of the Obsolete Facility.

The property, located at 2930 E Jefferson Ave, Detroit, MI 48207, was constructed in 1964. It has had various uses and was most recently used as the law offices of the Cannabis Counsel. The parcel size is 0.225 acres and the building is approximately 6,703 square feet. The building requires repairs to the roof, waterproofing and masonry restoration, ADA compliance, siding, windows, and doors as well as improvements to the mechanical, electrical, and plumbing systems as 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.

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

Once the restoration and rehabilitation is complete, the property will open as a small business incubator targeting women and minority owned businesses. It will offer individuals and teams the opportunity to enjoy the private and flexible workspaces throughout the building with the opportunity to be a part of meaningful dialogues with leading creatives and professional services entrepreneurs in the Detroit community. The first floor of the property will be wellness focused small businesses, including: massage therapists, fitness instructors, and a body art professional. The second floor will be private offices that can be leased on a longer-term basis and will be the headquarters of Parkstone Development Partners. The workspace is designed to meet the individual needs of an entrepreneur and creative leaders allowing for the experience to be interactive, immersive and inspiring. The Owner is creating something not only unique among shared spaces but to the City itself.

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

The Owner plans to reconfigure the interior layout, improve the building's systems, restore existing architectural and design features and construct new interior improvements. See the plans attached as Attachment C.

The total building restoration, estimated to cost approximately \$619,000, will enhance the overall curb appeal on along a major thoroughfare and attract businesses and economic activity to the area.

IV. Legal Description of the Facility.

See Attachment A.

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

See Attachment B.

VI. Time Schedule for Undertaking and Completing the Restoration.

The restoration is expected to commence December 1, 2024 and be completed by June 30, 2026.

VII. 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 new businesses in Detroit, as (b) tenants which will create new jobs by hiring employees, 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 15-20 temporary skilled construction jobs.

Respectfully submitted,



Nevan Shokar
Shokar Group LLC / Consultant to Owner
Phone: (734)-716-7347
Email: nev@shokargroup.com

cc: D. Howell, DEGC
J. Cook, HRD

ATTACHMENT A

Legal Description of Proposed Commercial Redevelopment District

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

S JEFFERSON 5 BLK 11 SUB OF PT JOS CAMPAU FARM L5 P26 PLATS, W C R 11/13 56
IRREG

Common Address: 2930 E JEFFERSON AVE

Parcel Identification No.: 11000085

ATTACHMENT B

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

1. New Windows
2. New Doors
3. Parking Lot Replacement
4. Waterproofing / Masonry Restoration
5. New ADA Ramp
6. Roofing Upgrades
7. Mechanical Upgrades
8. Electrical Upgrades
9. Plumbing Upgrades
10. New Appliances
11. New Flooring

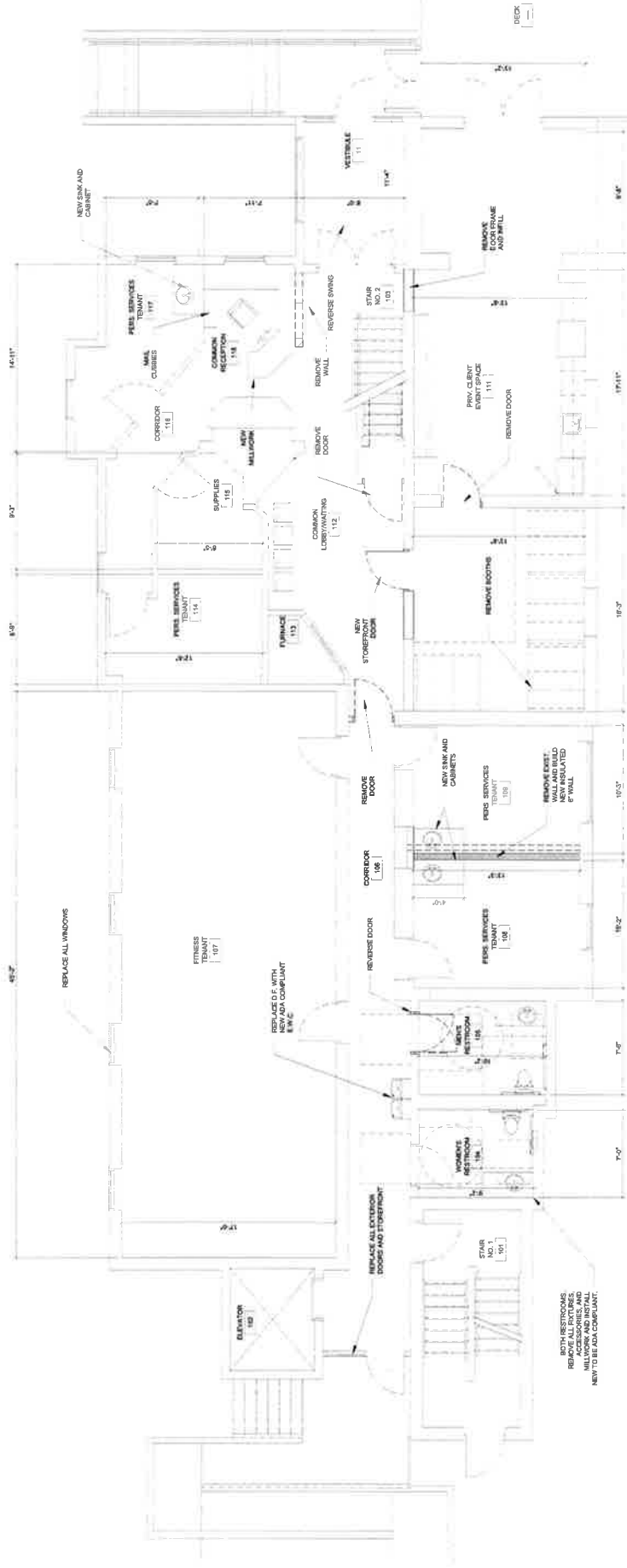
ATTACHMENT C
Architectural Plans



DESIGNED BY	REVIEWED
DRAWN BY	CHECKED
PROJECT NO.	DATE REVISION
DESCRIPTION	PROJNO.

Drawn:	RS
Checked:	RS
Approved:	RS

Sheet Title:
FIRST FLOOR PLAN



FIRST FLOOR PLAN
SCALE: 1/4" = 1'-0"

BOTH RESTROOMS
REPLACED WITH
NEW SINKS AND CABINETS
NEW TILE AND COMPLANT.

REPLACE ALL WINDOWS

REPLACE F WITH
NEW COMPLANT
& HVAC

REPLACE ALL EXTERIOR
DOORS AND THRESHOLDS

REMOVE EXISTING
NEW INSULATED
& WALL

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AND SILL

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CABINET

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NORTH ELEVATION
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WEST ELEVATION
SCALE: 1/8" = 1'-0"



EAST ELEVATION
SCALE: 1/8" = 1'-0"

SOUTH ELEVATION
SCALE: 1/8" = 1'-0"

Date:	10/20/14
Drawn:	RE
Checked:	RE
Approved:	RE

DATE	10/20/14
SCALE	1/8" = 1'-0"
PROJECT	AS-BUILT EXTERIOR ELEVATIONS

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PROJECT	AS-BUILT EXTERIOR ELEVATIONS

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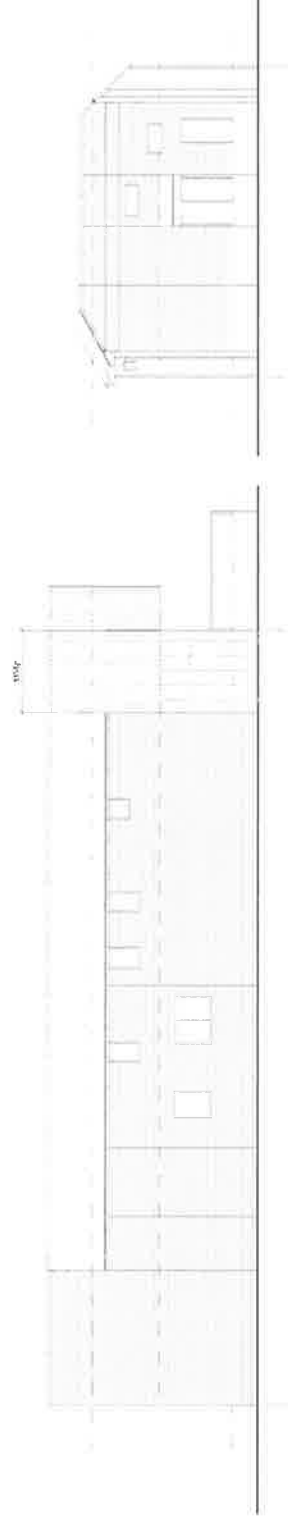
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PROJECT	AS-BUILT EXTERIOR ELEVATIONS

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PROJECT	AS-BUILT EXTERIOR ELEVATIONS



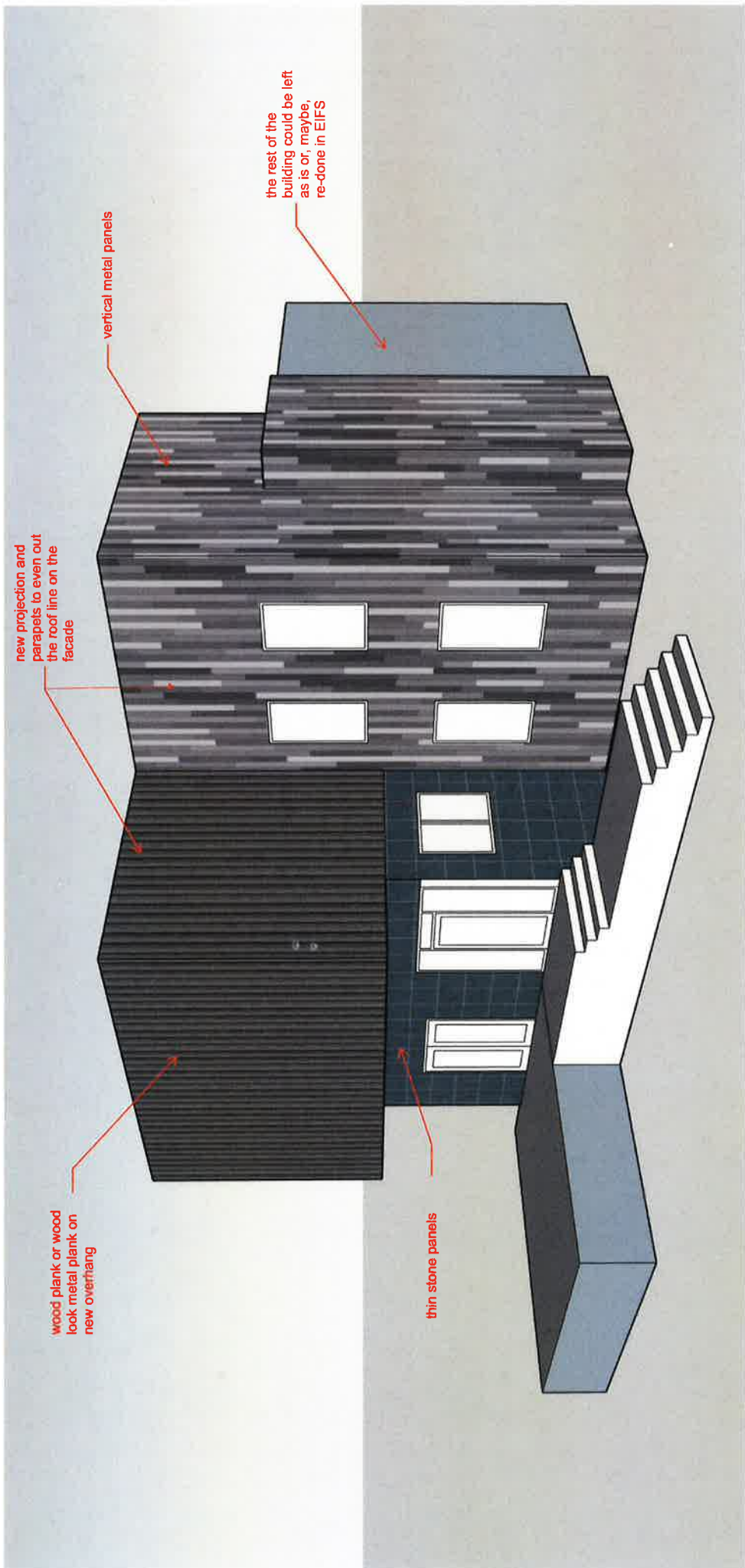
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SCALE: 1/8" = 1'-0"

WEST ELEVATION
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EAST ELEVATION
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SOUTH ELEVATION
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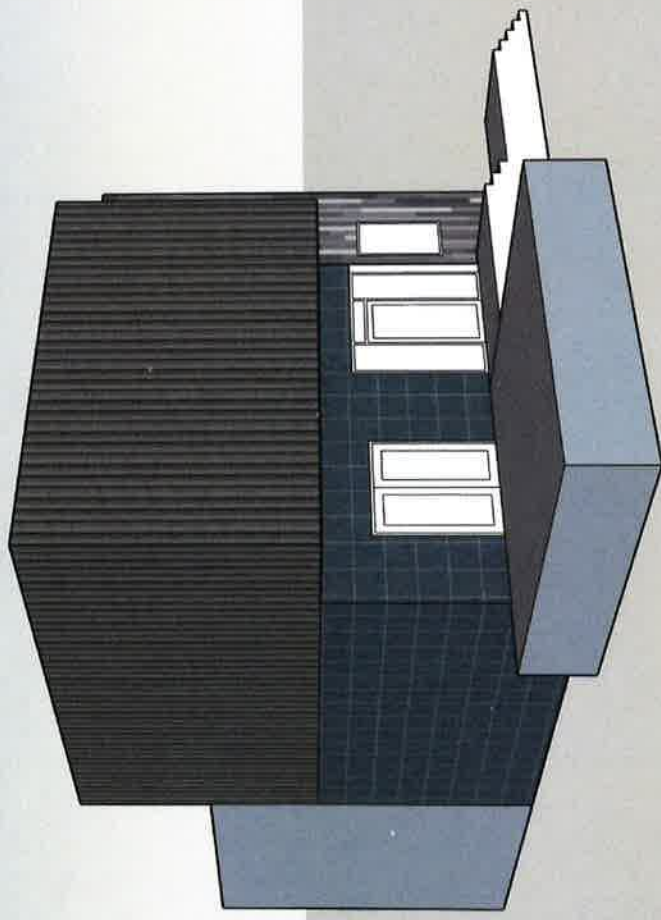
new projection and
parapets to even out
the roof line on the
facade

wood plank or wood
look metal plank on
new overhang

vertical metal panels

the rest of the
building could be left
as is or, maybe,
re-done in EIFS

thin stone panels





**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
2930 E Jefferson (Associated with Petition # 2024-238)
DATE: September 25, 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:
2930 E Jefferson LLC

Project Description:
The development proposes complete rehabilitation of the 6,703 sq ft office building to house a small business incubator targeting women and minority owned businesses.

Project Location
2930 E. Jefferson

Interpretation:
The Master Plan Future General Land Use designation of the central portion of the site is **Mixed Residential/Commercial**. Such areas generally "... 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 development conforms to the Future General Land Use designation and Master Plan Policies for the area.

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
 Owner: 2930 E Jefferson LLC
 Address: 2930 E. Jefferson Ave
 Parcel Number: 11000085

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 **2930 E. Jefferson Ave** in the **East Riverfront** 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
11000085	2930 E. Jefferson Ave	\$148,800	\$71,476	\$102,300	\$49,140

The project proposed by **2930 E Jefferson LLC** consists of a two-story office building built in 1964 with a total gross building area of 6,703, situated on 0.225-acre lot. The Owner plans to repair the existing roof, windows, siding, exterior doors, replace the ADA ramp, and repave, strip and light the exterior parking lot as well as make improvements to the existing electrical and plumbing systems, demo and construct new interior improvements. Once the restoration and rehabilitation are complete, the property will open as a small business incubator targeting women and minority owned businesses. The first floor of the property will be wellness focused small businesses, including: massage therapists, fitness instructors, and a body art professional. On the second floor there will be private offices that can be leased on a longer-term basis.

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
2930 E Jefferson LLC
Page 2

A review of the project details and relevant statutes indicated that the facility located at **2930 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
2930 E Jefferson LLC
Page 3

Parcel Number	Property Address	Property Owner	Legal Description
11000085	2930 E. Jefferson	2930 E Jefferson LLC	S JEFFERSON 5 BLK 11 SUB OF PT JOS CAMPAU FARM L5 P26 PLATS, W C R 11/13 56 IRREG



**COMMERCIAL FACILITIES EXEMPTION CERTIFICATE
AGREEMENT**

THIS COMMERCIAL FACILITIES EXEMPTION CERTIFICATE AGREEMENT (“Agreement”) is made this 7th day of October, 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 **2930 E Jefferson, LLC**, (“Applicant”) with an office at **42 Watson, Suite C, Detroit MI 48201**.

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 **2930 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 **June 30, 2026**.

c. The Applicant shall create, or cause to be created, at least **Zero (0)** (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:
2930 E Jefferson LLC

By: Tonja Stapleton

Print: Tonja Stapleton

Its: Managing Member

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