

City of Detroit
OFFICE OF THE CITY CLERK

Janice M. Winfrey
City Clerk

Andre P. Gilbert II
Deputy City Clerk

September 12, 2024

To: Antonie Bryant , Director
Planning and Development Department
Coleman A. Young Municipal Center
2 Woodward Ave. Suite 808
Detroit, MI. 48226

RE: Second Amended Application for Commercial Facilities Exemption Certificate for 1435 Randolph Street and 1455 Centre Street (P.A. 255 of 1978, as amended) (relates to **Petition 1325 District**).

Please find a Second 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 and 1455 Centre Street in the City of Detroit. 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. (**Petition 1325 Certificate**)

Respectfully submitted,



Uraina Clark
Junior Assistant City Council Committee Clerk
Office of City Clerk

CC: Andre Gilbert, Deputy City Clerk
Cindy Golden, Office of City Clerk
Bryan Coe, Law Department
Charles Ericson, Assessor
Derrick Head, Legislative Policy Division
Justus Cook, Housing and Revitalization Department
Kenyetta Bridges, DEGC

By Email

September 4, 2024

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

Re: *Second Amended Application for Commercial Facilities Exemption Certificate for 1435 Randolph Street and 1455 Centre Street (P.A. 255 of 1978, as amended) (relates to Petition 1325)*

Ladies and Gentlemen:

Enclosed please find a Second 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 and 1455 Centre Street in the City of Detroit. 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.): David Howell, DEGC
Justus Cook, HRD

AMENDED

Michigan Department of Treasury
4757 (Rev. 12-20)

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 Randolph Centre 2020 LLC		NAICS or SIC Code 531120	
Facility's Street Address 1435 Randolph Street	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) 01/01/2024		Planned Date of Rehabilitation Completion (mm/dd/yyyy) 09/30/2024	
Estimated Cost of Rehabilitation \$2,377,572		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. 0	No. of perm. jobs to be retained due to facility's rehab. 0	Number of construction jobs to be created during rehabilitation 15	
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) 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	
<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 President	Date 9/03/2024

AMENDED

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			
<p>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.</p> <p><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.</p>			
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) 03/02/2021	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 Second 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 38,612 square feet space 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's long-vacant restaurant space 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 variety of restoration activities related to the ground floor are included in the project budget, as described below, to restore a portion of the property to an economically efficient condition. Future mechanical, utility, and interior improvements are required to modernize the property.

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

The building's ground floor will continue to contain restaurant space in an updated and more efficient condition, as well as 1,000 square feet of the basement level.

See Exhibit A for detail on the area subject to this application.

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

As part of the project's restaurant restoration, 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. This phase of the restoration project is estimated to cost approximately \$2,377,572.

The owner has plans for additional building restoration and investment that are not the subject of this request. The completion of future phases of the restoration project is subject to project budgets, future tenant commitments, and the ability to secure additional project financing.

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 related to project which is the subject of this application commenced in January 2024 and the restoration will be completed by September 2024.

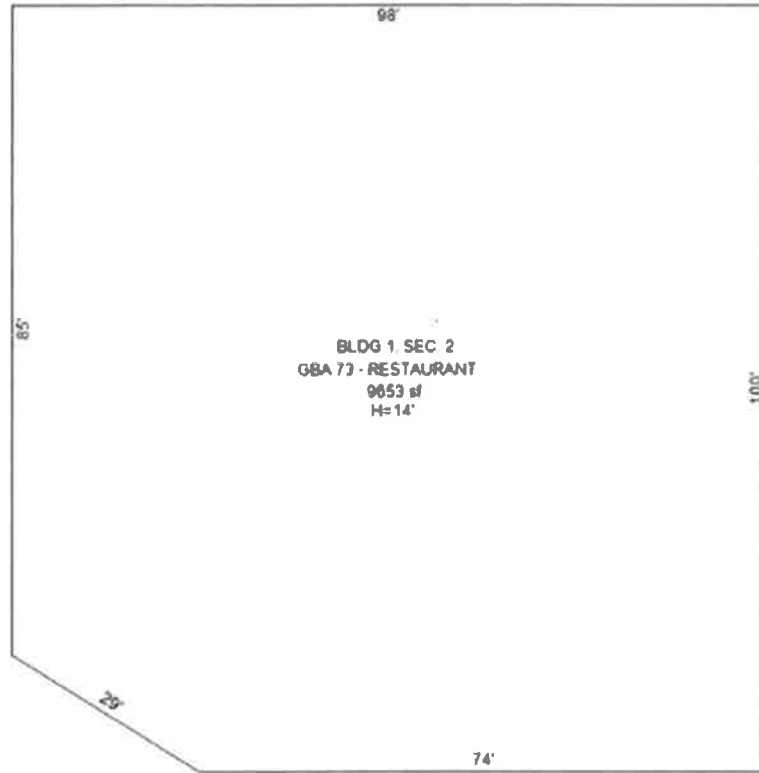
7. Statement of the Economic Advantages Expected From Receiving the Exemption.

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 restaurant tenant (unrelated to the owner), 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 fifteen (15) skilled construction jobs. The building's new restaurant tenant, Fixins Soul Kitchen Detroit, has commenced operations and is committed to occupy the ground floor restaurant and lounge spaces, in addition to utilization 1,000 square feet of the basement level for storage purposes. Fixins anticipates the creation of approximately one hundred and thirty-five (135) net new full-time equivalent (FTE) jobs related to its operations over the next five years. Net new FTE estimates are based on positions or employees working thirty (30) hours or more per week.

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
Building Space Breakdown



Ground Floor:

- 9,653 gross square feet
- 8,450 rentable square feet

Basement:

- 10,562 gross square feet
- 1,000 square feet to be utilized by ground floor tenant

Floors 2-4:

- Each floor contains 9,653 gross square feet

Total building:

- 49,174 square feet including basement
- 38,612 square feet of gross building area on the ground and upper floors

This Commercial Facilities Exemption Certificate Application includes approximately twenty-two percent (22%) of the building's gross area and approximately nine percent (9%) of the basement area. Across both the building and basement area, this application includes approximately nineteen percent (19%) related to the ground floor and basement restaurant usage.

Exhibit B
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 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 features.
5. New interior doors.
6. Electrical improvements.
7. Fire sprinklers.
8. Other improvements.