

Janice M. Winfrey
City Clerk

City of Detroit
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. | 2024-387 District |
| Name of Petitioner | Planning and Development Department |
| Description of Petition | Please see request for the Establishment of an Industrial Development District at 20400 Ralston Street, Detroit, MI 48203. |
| Type of Petition | Tax Abatement |
| Submission Date | 11/19/24 |
| Concerned Departments | Finance Department, Planning and Development Department, Housing and Revitalization Department, Legislative Policy Division, City Planning Commission |
| Petitioner Contact | Planning and Development Department 2 Woodward Ave. STE 808 Detroit, MI 48226 |



**PLANNING AND
DEVELOPMENT DEPARTMENT**

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

Phone 313•224•1339
www.detroitmi.gov

November 14, 2024

Detroit City Council
Coleman A. Young Municipal Center
2 Woodward Ave Suite 1340
Detroit, MI 48226

RE: Request for the Establishment of an Industrial Development District at 20400 Ralston Street, Detroit, MI 48203

Honorable City Council:

Please accept this letter as a request to establish an **Industrial Development District** for the property located at 20400 Ralston Street, Detroit, MI 48203, and described on Attachment A. **This letter requests establishment of the Industrial Development District on City Council's own initiative, pursuant to MCL 207.554(2) and (3).**

Piston Automotive ("Piston"), a subsidiary of Piston Group LLC, which also includes Piston Interiors LLC, Detroit Thermal Systems LLC, and A. Lava, will operate a hydrogen fuel cell manufacturing site at this facility. Founded in 1996 as an automotive supplier, Piston provides powertrain systems, front-end cooling systems, chassis systems, BEV and PHEV battery packs, and interior systems for the automotive industry. Piston was established by former NBA and Detroit Pistons star Vinnie Johnson to serve major automakers and related OEM suppliers. Piston Group LLC is a minority-owned enterprise, the largest African American-owned automotive supplier, and the 24th-largest automotive OEM supplier in the U.S.

Piston will be responsible for the lease of the facility, installation of new building infrastructure to support the process, coordination of equipment installation, and the staffing & training of all employees to manufacture hydrogen fuel cells. The end customer is responsible for the product design, process, and equipment design and procurement.

Piston represents that an Industrial Facilities Exemption (IFEC) is essential for the project to proceed successfully. Piston's capital costs include 1) upgrades to incoming utilities, 2) building out the required infrastructure to support advanced high-tech manufacturing, and 3) creating working areas for employees. This site requires extensive upgrades to accommodate hydrogen fuel cell manufacturing, which would be more cost-effective in other competing locations. The tax abatement will help make the Detroit location financially competitive. Several other sites, both within Michigan and in other states, offered more financially competitive alternatives for Piston.

Piston will be requesting an IFEC for eight years, to match the length of the Company's triple net lease with the building owner. Piston Automotive has accepted an offer of public support from the Michigan Economic Development Corporation in the form of a Michigan Business Development Program grant and a State Education Tax Abatement. The IFEC would serve as the City of Detroit's required local support for the State resources.

Piston expects to begin hiring in Q4 2024 for the project. The site is projected to ramp up to 144 employees by 2029 when production reaches two shifts, with the potential to grow to more than 200 employees when the facility reaches three shifts. This facility will bring good paying, high-tech jobs in an innovative and growing sector critical to the future of mobility and clean energy. The hydrogen fuel cell facility has the potential to attract future hydrogen supply chain businesses to the City and region.

Piston seeks opportunities to collaborate with partners to create jobs and opportunities for all workers, especially those in Detroit. Piston is eager to establish a strong partnership with Detroit at Work, including a commitment to prioritize the hiring of Detroit residents. By locating a hydrogen fuel cell manufacturing facility in Detroit, Piston believes it will contribute to Detroit's legacy as the birthplace of the automobile industry while securing its future status in the next generation of clean energy transportation technology.

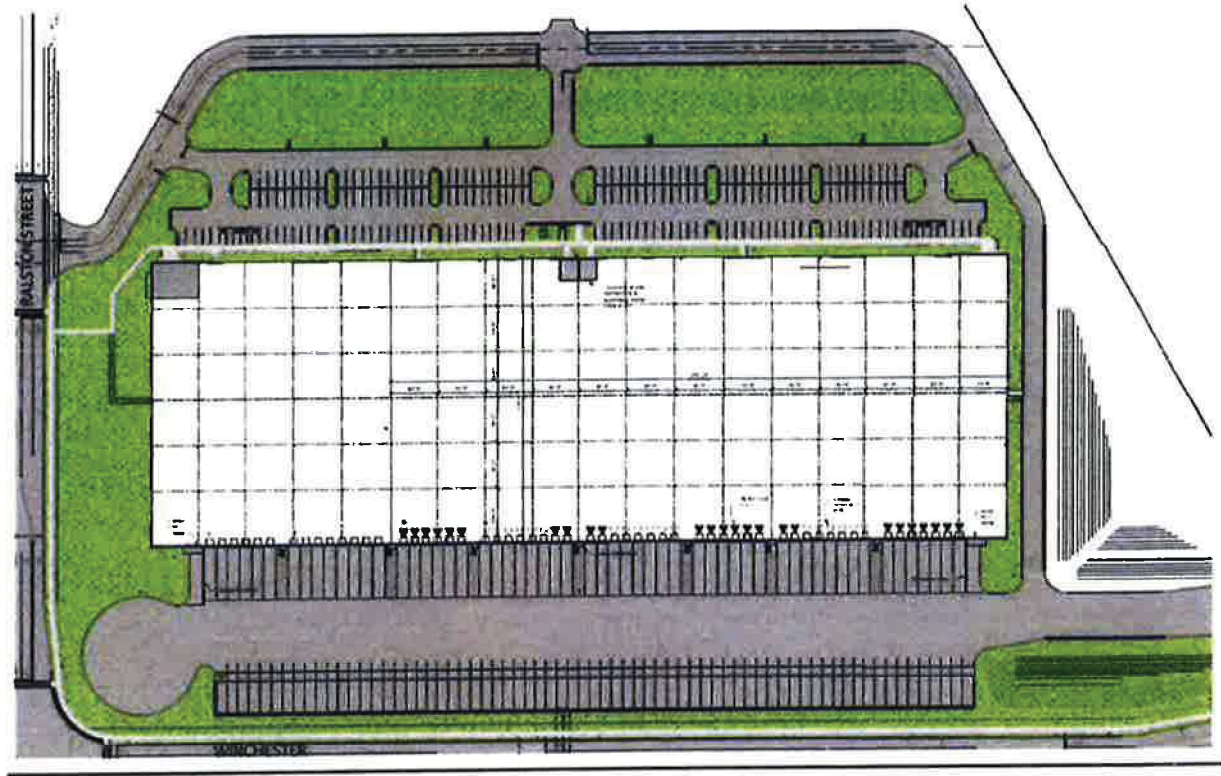
Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Antoine Bryant', is positioned above the printed name.

Antoine Bryant, Director
Planning & Development Department

Attachment A: Property Description / Site Map / Legal Description
Attachment B: Paid Receipt of Current Taxes

PROJECT SITE PLAN



Legal Description

Land in the City of Detroit, Wayne County, MI, described as follows:

A PARCEL OF LAND IN A PART OF THE NORTHWEST AND NORTHEAST QUARTERS OF SECTION 2, TOWNSHIP 01 SOUTH, RANGE 11 EAST, CITY OF DETROIT, WAYNE COUNTY, MICHIGAN, BEING DESCRIBED AS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 2, THENCE $S02^{\circ}34'24''E$, 33.00 FEET ALONG THE WEST LINE OF SAID SECTION 2 TO THE SOUTH RIGHT-OF-WAY LINE OF EIGHT MILE ROAD (WIDTH VARIES), BEING THE NORTH LINE OF GERMAN'S MONTROSE-PARK SUBDIVISION AS SHOWN IN LIBER 29 OF PLATS, PAGE 83 OF THE WAYNE COUNTY RECORDS; THENCE $N87^{\circ}11'23''E$ (BASIS OF BEARINGS), 2572.83 FEET ALONG SAID SOUTH RIGHT-OF-WAY LINE TO THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF THE CN RAILROAD (FORMERLY GRAND TRUNK WESTERN RAILROAD); THENCE ALONG SAID RIGHT OF WAY THE FOLLOWING THREE (3) COURSES; 1) $S32^{\circ}02'36''E$, 169.96 FEET; 2) $S45^{\circ}07'32''E$, 110.43 FEET; 3) $S32^{\circ}02'36''E$, 62.90 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID SOUTHWESTERLY CN RIGHT-OF-WAY LINE $S32^{\circ}02'36''E$, 729.19 FEET TO THE NORTH RIGHT-OF-WAY LINE OF A PROPOSED VARIABLE WIDTH RIGHT-OF-WAY; THENCE ALONG SAID NORTH LINE THE FOLLOWING SIX (6) COURSES AND DISTANCES: 1) THENCE $S57^{\circ}57'24''W$, 67.00 FEET; 2) $S20^{\circ}16'24''W$, 59.63 FEET; 3) $S70^{\circ}22'21''W$, 38.62 FEET; 4) $S80^{\circ}18'51''W$, 103.16 FEET; 5) $S88^{\circ}11'08''W$, 1099.76 FEET; 6) THENCE $N46^{\circ}48'51''W$, 82.73 FEET TO THE EAST LINE OF A PROPOSED VARIABLE WIDTH RIGHT-OF-WAY; THENCE ALONG SAID EAST LINE THE FOLLOWING THREE (3) COURSES

Attachment B

[include record of current property taxes]



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

January 21, 2025

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

Re: Industrial Development District
Planning and Development Department
(Piston Automotive)
Property Address: 20400 Ralston Dr
Parcel Number: 01009845.010

Dear Mr. Bryant:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the request for an Industrial Development District at **20400 Ralston** in the State Fair/Eight Mile area.

The rationale for creating Industrial Development Districts under PA 198 of 1974, as amended, is based upon the anticipation that the development is a benefit to the city and that expansion, retention, or location of an eligible business will not occur without this exemption. PA 198 of 1974, as amended, also provides a tax incentive to manufacturers in order to enable renovation and expansion of aging facilities, building of new facilities, and to promote establishment of high-tech facilities.

The project as proposed by **Piston Automotive** would renovate the property for manufacturing, as well as additions, alterations, and repairs. Additionally, plans are to purchase and install equipment and machinery necessary to manufacture, store, and distribute products. The completed project is anticipated to create jobs for City of Detroit and Metro Detroit residents and expect hiring of 144 employees.

A review of the request, supporting documentation, and relevant statutes indicate that the proposed Industrial Development District located at **20400 Ralston** in the State Fair/Eight Mile area is eligible as outlined under PA 198 of 1974, as amended.

Sincerely,

Charles Ericson, MMAO
Assessor, Board of Assessors



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

Industrial Development District
Piston Automotive
Page 2

Parcel ID: 01009845.010

Property Address: 20400 Ralston Dr

Owner: State Fair Partners

Legal Description: S EIGHT MILE PT OF SECS 2 T1S R11E COMM AT NW COR SEC 2 TH S 02D 34M 24S E 33.00 FT TH N 87D 11M 23S E 2572.83 FT TH S 32D 02M 36S E 169.96 FT TH S 45D 07M 32S E 110.43 FT TH S 32D 02M 36S E 62.90 FT TO POB TH S 32D 02M 36S E 729.19 FT TH S 57D 57M 24S W 67.00 FT TH S 20D 16M 24S W 59.63 FT TH S 70D 22M 21S W 38.62 FT TH S 80D 18M 51S W 103.16 FT TH S 88D 11M 08S W 1099.76 FT TH N 46D 48M 51S W 82.73 FT TH N 01D 48M 52S W 10.61 FT TH N 07D 54M 11S W 75.43 FT TH N 01D 48M 52S W 393.38 FT TH N 88D 11M 08S E 31.68 FT TH ON CUR TO L 36.51 FT RAD 35.00 FT CEN ANG 59D 46M 09S CH BRN N 58D 18M 03S E 34.88 FT TH N 28D 24M 59S E 180.94 FT TH ON CUR TO R 70.94 FT RAD 68.00 FT CEN ANG 59D 46M 09S CH BRN N 58D 18M 03S E 67.76 FT TH N 88D 11M 08S E 806.65 FT; 20.25 AC





**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: Antoine Bryant, Director, Planning and Development *ABJ*
RE: Master Plan Interpretation for **Industrial Development District (PA 198)** at 20400 Ralston St.
DATE: November 21, 2024
CC: Greg Moots, Planning and Development
Justus Cook, Housing & Revitalization Department
Uraina Clark, City Clerk's Office

In order to ensure consistency with the City's Master Plan of Policies, pursuant to State of Michigan, Public Act 198 of 1974 (section 207.554), the Planning and Development Department's Planning Division submits the following interpretation for the **establishment of an Industrial Development District (IDD)**. The petitioner is Piston Automotive.

Location and Project Proposal: The request is to upgrade the existing 292,552 sf warehouse building located at 20400 Ralson Street to operate a hydrogen fuel cell manufacturing facility. This site is south of W. Eight Mile and east of Woodward Avenue.

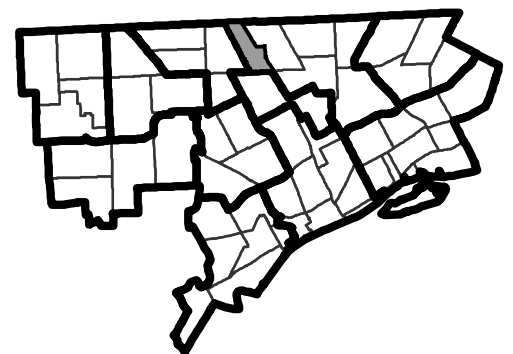
Master Plan Interpretation:

The subject site area is designated **Light Industrial (IL)**. These areas "...should generally consist of industrial uses of low intensity that have minimum undesirable effects on adjacent residential or commercial land uses. Small-scale industrial uses may include machine shops, small scale assembly or packaging, warehousing or technology parks."

Because the proposed use is permitted in the M3 (general Manufacturing) zoning classification, and the M3 zoning classification is consistent with the IL designation, **the proposed development conforms to the Future General Land Use of the area.**

Attachments

Future General Land Use Map: Neighborhood Cluster 1, State Fair; Map 1-6B



Amendment #27:10/20/20 (PR to IL)