



Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 908
Detroit, Michigan 48226

Phone: 313.224.6380
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www.detroitmi.gov

October 10, 2025

Detroit City Council
1340 Coleman A. Young Municipal Center
Detroit, MI 48226

Re: 3416-3422 Cochrane- Payment in Lieu of Taxes (PILOT)

HONORABLE CITY COUNCIL:

C&S Towns Development, LLC (“Property Owner”) is the owner of the development known as “3416-3422 Cochrane” (the “Development”). The Development has applied for the City of Detroit’s expanded Payment In Lieu of Taxes (PILOT) program implemented pursuant Chapter 44-4-112 et. seq. of the 2019 Detroit City Code (the “PILOT Ordinance”) in order to replace traditional ad valorem property taxes associated with the Development with a service charge based on a percentage of rental revenue in exchange for Property Owner’s agreement to limit the income and rent of certain units at the Development for a 15-year period. The Development is a workforce housing project as defined by the PILOT Ordinance, meaning the average affordability restrictions proposed for this Development are between 81-120% of the Area Median Income (AMI). Because the project is workforce housing project, and does not involve the rehabilitation of a structure that has been continuously vacant for 60 months or more, pursuant to Section 44-4-113(d) of the 2019 Detroit City Code Property Owner is required to obtain the approval of the Housing and Revitalization Department (“HRD”) and the City Council before it can receive a PILOT.

The project includes four (4) town home condominium units in the Sycamore Park development. Under the proposed PILOT, all four (4) will be “restricted units,” subject to rent and income and restrictions, averaging one-hundred twenty percent (120%) of AMI. The restricted units include 4 two-bedroom units.

This is a New Construction representing a total investment of \$896,000. There is no minimum Investment threshold required by the PILOT ordinance for this project type. The project is completing construction and pre-leasing at this time and is seeking PILOT to go into effect for the 2026 tax year.

HRD has reviewed Property Owner’s PILOT application and has issued its conditional approval. The HRD underwriting team has reviewed the project financials, and has determined a proposed PILOT rate of seven percent (7%).

If approved by City Council, C&S Towns Development, LLC and HRD will execute an Affordable Housing Restriction, memorializing the proposed affordability restrictions. The PILOT will go into effect when the rehabilitation is complete and the project has achieved a rental Certificate of Compliance, expected 2026, and will be effective for fifteen years.

Adoption of the resolution by your Honorable Body will satisfy the requirements of Public Act 239 of 2022 and Section 44-4-113 of the 2019 Detroit City Code, as amended, by establishing a service charge of seven percent (7%) of the annual rental revenue obtained from this housing project.

Respectfully submitted,

Rebecca Labov

DocuSigned by:
Rebecca Labov

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Chief of Development & Investment
Housing & Revitalization Department
City of Detroit



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By COUNCIL MEMBER _____

WHEREAS, pursuant to the provisions of the Michigan State Housing Development Act, Act 346 of the Public Acts of 1996, as amended by Public Act 239 of 2022, (the "Act"), a request for exemption from property taxes has been received by C&S Towns Development, LLC, (the "Property Owner"); and

WHEREAS, a housing project as defined in the Act is eligible for exemption from property taxes under 15a(1)(b) of the ACT (MCL 125.1415a(1)(b)) if the housing project is being developed or rehabilitated for workforce housing and the local legislative body has adopted an ordinance to approve of the housing project for a tax exemption; and

WHEREAS, the City of Detroit has adopted Ordinance 2024-51, as amended (the "PILOT Ordinance"), establishing certain policies and procedures whereby housing projects can receive an exemption from property taxes.

WHEREAS, Section 44-4-113(3)(d) of the 2019 Detroit City Code allows for workforce housing projects including workforce housing projects that are not rehabilitations of vacant structures to receive an exemption from property taxes, and to provide for the amount of the payment in lieu of taxes ("PILOT") for said workforce housing projects to be established by resolutions of the Detroit City Council after application to the Housing and Revitalization Department ("HRD") and satisfaction of all other requirements; and

WHEREAS, the City of Detroit has published and adopted Administrative Rules and Procedures for the Housing and Revitalization Department PILOT for Government-Aided, Fast Track and Workforce Housing Development, as provided in section 44-4-118 of the 2019 Detroit City Code, which further detail the requirements and processes relating to workforce housing projects and other housing projects seeking a PILOT; and

WHEREAS, the Property Owner is constructing or rehabilitating a housing project located at 3416 Cochrane, 3417 Cochrane, 3420 Cochrane, 3422 Cochrane as described in Exhibit A to this resolution, consisting of four (4) units including four (4) units which will be reserved for Low and/or Moderate income housing (the "Project"); and

WHEREAS, the purpose of this Project is to provide housing to individuals and families of moderate income, earning between eighty percent (80%) and one hundred twenty percent (120%) of area median income; and

WHEREAS, pursuant to Section 15a of the Act, being MCL 125.1415a(1), the tax exemption is not effective until the Property Owner first obtains a certification from the Michigan State Housing Development Authority ("MSHDA") that the housing project is eligible for exemption, and files and affidavit, as so certified by MSHDA, with the Board of Assessors; and

WHEREAS, pursuant to Section 44-4-114(j) of the 2019 Detroit City Code, the tax exemption shall be effective on adoption, with the tax exemption and PILOT payment to occur only upon bona fide use and physical occupancy of the housing project pursuant to a certificate of compliance by persons eligible to move into the housing project, in accordance with the Act, which must occur as of December 31st of the year preceding the tax year in which the exemption is to begin;

NOW, THEREFORE, BE IT

RESOLVED, that in accordance with Section 44-4-113(d) of the 2019 Detroit City Code the Project located at 3416, 3217, 3420 and 3422 Cochrane St Detroit, MI 48208 as described above is entitled to be exempt from taxation but subject to the provisions of a service charge of seven percent (7%) for payment in lieu of taxes as set forth in Act No. 346 of the Public Act of 1966, as amended by Public Act 239 of 2022, being MCL 125.1415, et seq.; and be it further

RESOLVED, that arrangements to have collections of payment in lieu of taxes from the Property Owner be established upon occupancy for future years with respect to the same be prepared by the Office of the Chief Financial Officer; and be it further

RESOLVED, that the Director of the Housing and Revitalization Department, or their authorized designee, is authorized to accept, execute, and enter into an affordable housing restriction which restricts four (4) units at the housing project, consisting of four (4) two-bedroom units (the "Restricted Units") to rent and income restrictions which ensure that the Restricted Units are leased to qualifying individuals



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and families that qualify as households of Low or Moderate income, per Section 44-4-112 of the Detroit City Code .

RESOLVED, that in accordance with Section 44-4-117 of the Detroit City Code the exemption from taxation shall remain in effect for up to 15 years, so long as the housing project maintains eligibility and remains subject to a covenant running with the land that restricts the use of the Restricted Units in accordance with the proceeding resolution; and be it further

RESOLVED, that the City Clerk furnish a certified copy of this resolution to the Office of the Chief Financial Officer – Office of the Assessor and Housing and Revitalization Department.



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EXHIBIT A

{Project Name}

Parcel 1:

REAL PROPERTY SITUATED IN THE CITY OF DETROIT, COUNTY OF WAYNE, STATE OF MICHIGAN DESCRIBED AS FOLLOWS:

UNIT 1 WAYNE COUNTY CONDO PLAN NO 1219 "SYCAMORE PARK" RECORDED L58297 P261, WCR, 1451 SQFT 10% SPLIT/COMBINED ON 12/20/2023 FROM 08006493., 08006490., 08006491., 08006492., 08006531., 08006532.;

Common Address: 3422 Cochrane Detroit MI 48208

Tax Parcel No.: 08006490.001

Parcel 2:

REAL PROPERTY SITUATED IN THE CITY OF DETROIT, COUNTY OF WAYNE, STATE OF MICHIGAN DESCRIBED AS FOLLOWS:

UNIT 2 WAYNE COUNTY CONDO PLAN NO 1219 "SYCAMORE PARK" RECORDED L58297 P261, WCR, 1451 SQFT 10% SPLIT/COMBINED ON 12/20/2023 FROM 08006493., 08006490., 08006491., 08006492., 08006531., 08006532.

Common Address: 3420 Cochrane Detroit MI 48208

Tax Parcel No.: 08006490.002

Parcel 3:

REAL PROPERTY SITUATED IN THE CITY OF DETROIT, COUNTY OF WAYNE, STATE OF MICHIGAN DESCRIBED AS FOLLOWS:

UNIT 4 WAYNE COUNTY CONDO PLAN NO 1219 "SYCAMORE PARK" RECORDED L58297 P261, WCR, 1451 SQFT 10% SPLIT/COMBINED ON 12/20/2023 FROM 08006493., 08006490., 08006491., 08006492., 08006531., 08006532.

Common Address: 3416 Cochrane Detroit MI 48208

Tax Parcel No.: 08006490.004

Parcel 4:

REAL PROPERTY SITUATED IN THE CITY OF DETROIT, COUNTY OF WAYNE, STATE OF MICHIGAN DESCRIBED AS FOLLOWS:

UNIT 10 WAYNE COUNTY CONDO PLAN NO 1219 "SYCAMORE PARK" RECORDED L58297 P261, WCR, 1175 SQFT 10% SPLIT/COMBINED ON 12/20/2023 FROM 08006493., 08006490., 08006491., 08006492., 08006531., 08006532

Common Address: 3417 Cochrane Detroit MI 48208

Tax Parcel No.: 08006490.010