

Janice M. Winfrey
City Clerk

City of Detroit
OFFICE OF THE CITY CLERK

Andre P. Gilbert II
Deputy City Clerk

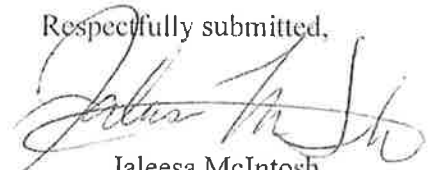
March 1, 2022

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

Re: 8324 Woodward Ave; Detroit Black Community Food Security Network

Please find attached an application for the establishment of a Commercial Rehabilitation Exemption Certificate for the property located at 8324 Woodward Ave Detroit, MI 48202
(RELATED TO PETITION #1443)

Respectfully submitted,



Jaleesa McIntosh,
Jr. Assistant City Council Committee Clerk
Office of the City Clerk

STATE USE ONLY		
Application Number	Date Received	LUCI Code

Application for Commercial Rehabilitation Exemption Certificate

Issued under authority of Public Act 210 of 2005, as amended.

Read the instructions page before completing the form. This application should be filed after the commercial rehabilitation district is established. The applicant must complete Parts 1, 2 and 3 and file one original application form (with required attachments) and one additional copy with the clerk of the local governmental unit (LGU). Attach the legal description of property on a separate sheet. This project will not receive tax benefits until approved by the State Tax Commission (STC). Applications received after October 31 may not be acted upon in the current year. This application is subject to audit by the STC.

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

Applicant (Company) Name (applicant must be the owner of the facility) Detroit Black Community Food Security Network		NAICS or SIC Code	
Facility's Street Address 8324 Woodward Ave.	City Detroit	State MI	ZIP Code 48202
Name of City, Township or Village (taxing authority) Detroit	County Wayne	School District Where Facility is Located D - Detroit Public Schools	
<input checked="" type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village			
Date of Rehabilitation Commencement (mm/dd/yyyy) 04/01/2022	Planned Date of Rehabilitation Completion (mm/dd/yyyy) 11/30/2023		
Estimated Cost of Rehabilitation \$18,440,893	Number of Years Exemption Requested (1-10) 10		
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 jobs to be created due to facility's rehabilitation 45	No. of jobs to be retained due to facility's rehabilitation	No. of construction jobs to be created during rehabilitation 83	

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"/> Statement of the economic advantages expected from the exemption |
| <input checked="" type="checkbox"/> Description of the qualified facility's proposed use | <input checked="" type="checkbox"/> Legal description |
| <input checked="" type="checkbox"/> Description of the general nature and extent of the rehabilitation to be undertaken | <input checked="" type="checkbox"/> Description of the "underserved area" (Qualified Retail Food Establishments only) |
| <input checked="" type="checkbox"/> Descriptive list of the fixed building equipment that will be a part of the qualified facility | <input checked="" type="checkbox"/> Commercial Rehabilitation Exemption Certificate for Qualified Retail Food Establishments (Form 4753) (Qualified Retail Food Establishments only) |
| <input checked="" type="checkbox"/> Time schedule for undertaking and completing the facility's rehabilitation | |

PART 3: APPLICANT CERTIFICATION

Name of Authorized Company Officer (no authorized agents) Malik Yakini	Telephone Number (313) 506-5679		
Fax Number	E-mail Address malikyakini@gmail.com		
Street Address 11000 McNichols, Ste. 103	City Detroit	State MI	ZIP Code 48221
<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 210 of 2005, 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 Rehabilitation Exemption Certificate by the State Tax Commission.</i>			
<i>I further certify that this rehabilitation program, when completed, will constitute a rehabilitated facility, as defined by Public Act 210 of 2005, as amended, and that the rehabilitation of this facility would not have been undertaken without my receipt of the exemption certificate.</i>			
Signature of Authorized Company Officer (no authorized agents) 	Title Executive Director	Date 02/17/2022	

ATTACHMENT A

Facility Description

The subject property is located at 8324 Woodward Avenue. It is in central Detroit, bounded by East Euclid Street to the north, John R Street to the east, Melbourne Street to the south, and Woodward Avenue to the west. The subject property is comprised of one parcel that contain approximately .507 acres

The property is a "qualified facility" per Section 8 of Michigan Public Act 210 because:

- a) The Property was previously utilized for a commercial purpose and was improved with commercial buildings that have since been demolished (see table below), the redevelopment is a cooperatively help community grocery store in an underserved, low-income area with a supermarket customer base with more than 50% living in a low-income census tract,
- b) This area meets the criteria set forth under PA 21.0 of 2005, as amended. It applies to blighted, functionally obsolete and contaminated properties. "Commercial rehabilitation district" or "district" means an area not less than 3 acres in size of a qualified local governmental unit established as provided in section 3. However, if the commercial rehabilitation district is located in a downtown or business area or contains a qualified retail food establishment as determined by the legislative body of the qualified local governmental unit, the district may be less than 3 acres in size. The local government unit may establish by resolution a district that contains 1 or more parcels or tracts of land if at the time the resolution is adopted the parcel or tract of land or portion of a parcel or tract of land within the district is a qualified facility.
- c) Afield investigation and application review indicated that the proposed Commercial Rehabilitation District located at 8324 Woodward Ave in the North End area in the City of Detroit is eligible as it pertains to the Commercial Rehabilitation Act under P.A. 210 of 2005, as amended and determined by the City of Detroit Office of the Chief Financial Officer, Office of the Assessor in attached letter dated February 11, 2022.
- d) The Property is located with a Commercial Rehabilitation District with anticipated approval by the City of Detroit City Council in March of 2022.
- e) Completion of the proposed redevelopment is expected to increase commercial activity in the area, create employment opportunities and revitalize a derelict commercial property,
- f) The rehabilitation project would not be feasible without receipt of the exemption certificate, and
- g) The applicant, Detroit Black Community Food Security Network, is not delinquent in the payment of any taxes related to the qualified facility.

Parcel Address & Tax ID	Year Constructed	Use	Use Date	Use and date	Use and date	Demolition
8324 Woodward Ave. / 1004322	1928	Dry cleaner	1928	1979	Vacant	2002
	1950	Apartment buildings	1950	1990	Vacant	2002

ATTACHMENT C

Nature and Extent of Rehabilitation

The facility will be transformed into a new 31,140 sq. ft. mixed-use commercial and retail development with on-site parking and site improvements. The new development will house the Detroit Food Commons ("DFC"), a two-story, 31,140 sq. ft. community-owned store selling healthy, locally sourced foods, a 50-seat neighborhood café featuring menu items crafted from local producers, a fully licensed kitchen with 4 stations to incubate local food enterprises, 15 outdoor vendor booths offering locally grown and locally made items and expanded office space. The space plan for DFC includes 14,549 sq. ft of cooperatively owned grocery store and café space, 3,160 sq. ft of office space, 3,897 sq. ft of banquet hall and community event space as well as 3,783 sq. ft. of incubator kitchen space and 5,751 sq. ft. of common area/circulation in the building.

The total construction cost for the street level commercial space and the entire parking garage is \$12,840,000. A breakdown of the construction costs for the commercial components of the project is provided below broken out by associated trade and substantiated by the Contractor Construction Estimates provided and dated January 3, 2022.

Hard Costs, by Trade	Contractors Estimate*
	Cost
Demolition & Abatement	\$27,800
Earthwork & Utilities	\$1,147,000
Concrete	\$716,350
Masonry	\$742,760
Structural & Misc. Steel	\$1,265,740
Carpentry & Gypsum Board Assemblies	\$1,122,671
Membrane & Roofing	\$400,450
Metal Siding	\$695,965
Doors, Frames & Hardware Allowance	\$190,000
Glass & Glazing	\$275,421
Overhead doors & Grilles	\$41,275
Ceramic Tile	\$41,500
Flooring	\$130,000
Millwork	\$31,500
Painting	\$86,715
Conveying Systems	\$247,941
Fire Suppression	\$137,567
Plumbing	\$1,030,000
HVAC	\$981,500
Electrical & Fire Alarm	\$1,085,000
Fencing & Gates	\$15,781

Detroit Black Community Food Security Network
Detroit Food Commons
100% Bid Pack
GMP Summary Report

1/3/2022

Detroit Food Commons				
	GROSS AREA:	32,800		
BID PACK		COST	COST / GSF	% of DIRECTS
1A. DEMOLITION & ABATEMENT		\$ 27,800	\$ 0.85	0.26%
1B. EARTHWORK & UTILITIES		\$ 1,147,000	\$ 34.97	10.78%
1C. CONCRETE		\$ 716,350	\$ 21.84	6.73%
1D. MASONRY		\$ 742,760	\$ 22.65	6.98%
1E. STRUCTURAL & MISC. STEEL		\$ 1,265,740	\$ 38.59	11.90%
1F. CARPENTRY & GYPSUM BOARD ASSEMBLIES		\$ 1,122,671	\$ 34.23	10.55%
1G. MEMBRANE ROOFING		\$ 400,450	\$ 12.21	3.76%
1H. METAL SIDING		\$ 695,965	\$ 21.22	6.54%
1I. DOORS, FRAMES, & HARDWARE ALLOWANCE		\$ 190,000	\$ 5.79	1.79%
1J. GLASS & GLAZING		\$ 275,421	\$ 8.40	2.59%
1K. OVERHEAD DOORS & GRILLES		\$ 41,275	\$ 1.26	0.39%
1L. CERAMIC TILE		\$ 41,500	\$ 1.27	0.39%
1M. FLOORING		\$ 130,000	\$ 3.96	1.22%
1N. MILLWORK		\$ 31,500	\$ 0.96	0.30%
1O. PAINTING		\$ 86,715	\$ 2.64	0.82%
1P. CONVEYING SYSTEMS		\$ 247,941	\$ 7.56	2.33%
1Q. FIRE SUPPRESSION		\$ 137,567	\$ 4.19	1.29%
1R. PLUMBING		\$ 1,030,000	\$ 31.40	9.68%
1S. HVAC		\$ 981,500	\$ 29.92	9.23%
1T. ELECTRICAL & FIRE ALARM		\$ 1,085,000	\$ 33.08	10.20%
1U. FENCING & GATES		\$ 15,781	\$ 0.48	0.15%
1V. ASPHALT PAVING		\$ 109,540	\$ 3.34	1.03%
1W. LANDSCAPE ALLOWANCE		\$ 115,000	\$ 3.51	1.08%
SUBTOTAL (A):		\$ 10,637,476	\$ 324.31	100.00%
CONTINGENCY COSTS (c):				
DESIGN CONTINGENCY	0.00%	N/A	N/A	
CONSTRUCTION CONTINGENCY	5.00%	\$ 531,874	\$ 16.22	
ESCALATION (BIDS BASED ON 2021 START)	0.00%	N/A	N/A	
PREVAILING WAGE ADJUSTMENT	0.00%	N/A	N/A	
EXECUTIVE ORDER ALLOWANCE	1.75%	\$ 195,464	\$ 5.96	
SUBTOTAL (B)		\$ 727,337	\$ 22.17	
SUBTOTAL (A+B):		\$ 11,364,814	\$ 346.49	
GENERAL CONDITIONS & STAFFING		\$ 741,267	\$ 22.60	
GENERAL REQUIREMENTS	0.00%	N/A	N/A	
BUILDING PERMIT		BY OTHERS	BY OTHERS	
BOND		\$ 72,573	\$ 2.21	
GENERAL LIABILITY INSURANCE	0.85%	\$ 102,902	\$ 3.14	
BUILDERS RISK INSURANCE	0.30%	\$ 36,718	\$ 1.12	
SUBCONTRACTOR DEFAULT INSURANCE (SDI)	1.30%	\$ 147,743	\$ 4.50	
CONSTRUCTION MANAGER FEE	3.00%	\$ 373,983	\$ 11.40	
TOTAL CONSTRUCTION COST:		\$ 12,840,000	\$ 391.46	

L.S. BRINKER

A BRINKER Company

Detroit Food Commons Development
Detroit Black Community Food Security Network, Owner

ATTACHMENT E

Estimated Schedule

The applicant expects rehabilitation to begin in April 2022. It is anticipated that the project will be completed in the late-Fall 2023. A building permit has not yet been obtained.

Detroit Food Commons Development
Detroit Black Community Food Security Network, Owner

ATTACHMENT G

Legal Description

8324 Woodward Avenue / 1004322

E WOODWARD 6 THRU 4LOWES SUB L8 P26 PLATS, W C R 1/110 130 X 170

DFC Grocery Store Customer Base	Per HUD 2022 Chart	2020	2020
Census Tract	Low Income?	Pop	Per Capita Income
5324.00	Yes	1,538	\$14,178
5119.00	Yes	1,547	\$26,503
5339.00	Yes	2,816	\$33,409
5327.00	Yes	694	\$19,308
5114.00	Yes	2,235	\$15,998
5326.00	Yes	2,001	\$23,993
5224.00	Yes	981	\$11,590
5322.00	Yes	1,349	\$17,443
5331.00	Yes	1,500	\$12,733
5330.00	Yes	1,555	\$15,643
5202.00	Yes	2,495	\$12,230
5536.00	Yes	2,350	\$17,162
5538.00	Yes	1,676	\$14,287
5533.00	Yes	895	\$12,687
5530.00	Yes	1,068	\$26,037
5534.00	Yes	1,973	\$8,597
5531.00	Yes	1,462	\$15,034
5532.00	Yes	749	\$10,361
TOTAL LOW INCOME TRACTS	18.0	28,884	
Percent of tracts/Customer base	72%	68%	
5112.00	No	1,187	\$15,181
5323.00	No	865	\$51,653
5312.00	No	2,511	\$35,139
5180.00	No	2,420	\$33,832
5383.00	No	2,514	\$24,917
5382.00	No	1,822	\$62,189
5381.00	No	1,970	\$42,569
TOTAL NON-LOW INCOME TRACTS	7	13,289	
Percent of tracts/CustomEr base	28%	32%	



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

March 18, 2022

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

RE: Commercial Rehabilitation Certificate – **Detroit Black Community Food Security Network (DBCFSN)**
Property Address: **8324 Woodward**
Parcel Number: 01004322.

Dear Ms. Trudeau:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the Commercial Rehabilitation certificate application for the properties located at **8324 Woodward** in the **North End** area in the City of Detroit.

The rationale for issuing Commercial Rehabilitation certificates under PA 210 of 2005, as amended, is based on the anticipation of increased market value upon completion of new construction and /or significant rehabilitation of existing commercial property and commercial housing property. Normal repair and maintenance are not assessed and do not necessarily generate additional market value.

The property consists of a vacant commercial lot with 0.507 acres of land. The developer plans to construct a two-story mixed-use space with commercial and retail components, with a total of 31,140 square feet. The development is expected to increase commercial activity in the area, prevent loss of employment, revitalize the urban area and increase the number of residents in the city.

The 2022 values are as follows:

Parcel #	Address	Building Assessed Value (SEV)	Building Taxable Value	Land Assessed Value (SEV)	Land Taxable Value
01004322.	8324 Woodward	\$ -	\$ -	\$ 161,000	\$ 161,000

This property meets the criteria set forth under PA 210 of 2005, as amended. It applies to a building or a group of contiguous buildings, a portion of a building or group of contiguous buildings previously used for commercial or industrial purposes, obsolete industrial property, and vacant property which, within the immediately preceding 15 years, was operating as a commercial business enterprise.

A review of the general plans, along with the criteria set forth under the Commercial Rehabilitation Act, indicated that the proposed project located at **8324 Woodward** is eligible as it pertains to the Commercial Rehabilitation certificate criteria under P.A. 210 of 2005, as amended.

Sincerely,

Charles Ericson, MMAO
Assessor



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 Rehabilitation Certificate
DBCFSN
Page 2

Property Owner: DETROIT BLACK COMMUNITY FOOD SECURITY NETWORK
Property Address: 8324 WOODWARD
Parcel Number: 01004322.
Legal Description: E WOODWARD 6 THRU 4LOWES SUB L8 P26 PLATS, W C R 1/110 130 X 170





CITY OF DETROIT
PLANNING AND DEVELOPMENT DEPARTMENT

COLEMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVE SUITE 808
DETROIT, MICHIGAN 48226
(313) 224-1339 . TTY: 711
(313) 224-1310
WWW.DETROITMI.GOV

TO: Jutus Cook, Housing and Revitalization
FROM: Shelby Holmes, Planning and Development
RE: Master Plan Interpretation for **Commercial Rehabilitation District** (PA 210) for 8324 Woodward Detroit, MI 48202 (Associated to Petition # 1443)
DATE: March 7, 2022
CC: Katharine Trudeau, Deputy Director, Planning and Development
Kevin Schronce, PDD Central, Planning and Development
Karen Gage, PDD Zoning, Planning and Development

In order to ensure that the issuance and transfer of a certificate for a Commercial Rehabilitation District is consistent with the City's Master Plan of Policies and will have the reasonable likelihood to increase commercial activity; create, retain or prevent a loss of employment; revitalize an urban area; or increase the number of residents in a community, pursuant to State of Michigan, Public Act 210 of 2005 (section 207.853), the Planning and Development Department's Planning Division submits the following interpretation. The Petitioner is Detroit Black Community Food Security Network.

Location and Project Proposal: 8324 Woodward Detroit, MI 48202. The proposed project will be 31,140 square foot mixed-used commercial and retail development with on-site parking and site improvements.

Current Master Plan (MP) & Zoning: MP Classification – Low/Medium Density Residential (RLM).
Zoning- General Business District (B4)

Master Plan Interpretation

The subject site area is designated Low/Medium Density Residential areas should have an overall density of 8 to 16 dwelling units per net residential acre. The areas are often characterized by two or four family homes with small yards, on-street parking, or garages with alley access. The residential classifications allow for neighborhood-scale commercial development. For instance, in a Low/Medium Density Residential area, small scale commerce (e.g. convenience stores) should exist to serve residents' day-to-day needs.

The following policies of the Middle Woodward neighborhood describe the following recommendations:

- GOAL 5: Increase the vitality of commercial thoroughfares
- Policy 5.1: Encourage high density mixed uses along Woodward and East and West Grand Boulevard with uses complimentary to the area's office and theatre anchors.
-

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

Attachments

Future General Land Use Map: Neighborhood Cluster 4, Middle Woodward; Map 4-7B



Map 4-7B

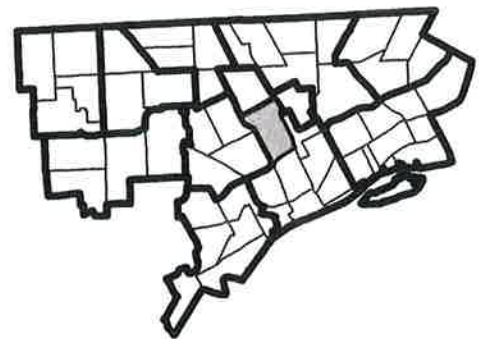
City of Detroit
Master Plan of
Policies

Neighborhood Cluster 4 Middle Woodward



Future Land Use

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





Housing and Revitalization
Department

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

Phone: 313.224.6380
Fax: 313.224.1629
www.detroitmi.gov

AFFIDAVIT

The undersigned swear, affirm and attest the following:

1. That we understand that the local governmental unit's fee for applications for tax abatement shall not exceed the actual cost incurred by the local governmental unit in processing the application, or 2% of total property tax abated under this act for the term that the obsolete property rehabilitation certificate is in effect, whichever is less. A local government unit shall not charge an applicant any other fee under this act.
2. That the cost to the City of Detroit in processing an average tax abatement application under the Public Act 210 is approximately \$1800.
3. That 2% of the estimated total taxes abated, if **Mr. Malik Yakini** current tax abatement application is approved, will be greater than \$1800.00
4. That **Mr. Malik Yakini** was charged by the City of Detroit, and paid, a filing fee of \$1800.00 in connection with its application for tax abatement under Public Act 210. No other fee or charge was made, or will be made, by the City of Detroit in connection with the application.
5. That no payment of any kind in excess of the fee allowed by the Act, as amended, has been made or promised in exchange for favorable consideration of an exemption certificate.

Housing and Revitalization Department
City of Detroit

Date


Mr. Malik Yakini


Date

**COMMERCIAL REHABILITATION EXEMPTION CERTIFICATE
AGREEMENT**

THIS AGREEMENT ("Agreement"), by and between the City of Detroit ("City"), a Michigan municipal corporation acting by and through its Planning & Development Department with an office at 2 Woodward Avenue, Suite 808, Detroit, MI 48226 and Detroit Black Community Food Security Network with an office at 8324 Woodward Ave is made this ____ day of March, 2022.

WITNESSETH:

WHEREAS, Public Act 210 of 2005 as amended, also known as the Commercial Rehabilitation Act 210, (1) provides for the establishment of commercial rehabilitation 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 certain qualified facilities, among other provisions; and

WHEREAS, the Applicant has submitted an Application for Commercial Rehabilitation Exemption Certificate Application for the property located at: 8324 Woodward Ave. 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 rehabilitation district pursuant to the Act and the Property is located in such district; and

WHEREAS, the Applicant has committed to complete a Rehabilitation 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 Rehabilitation Exemption Certificate ("CREC"), contingent upon the representations contained herein and pending approval by the Michigan State Tax Commission. A copy of the City resolution granting the CREC 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 12 of the Act, being MCL 207.852, or as provided for in this Agreement, the CREC term and the term of this Agreement (collectively, the "Term") will be ten (10) years, beginning on the certificate beginning date stated in the CREC issued by the Michigan State Tax Commission.
 - b. The Applicant will complete the Rehabilitation of the Property (the "Project"), as defined in the Act and as set forth in the Application, no later than November 30, 2023.

- c. The Applicant shall create, or cause to be created, at least forty-five (45) (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 be modified 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: 1) 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 2) 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 a CREC to the Applicant, the Applicant represents that:

- a. The Applicant is the owner of the Property at the time of the Application and this Agreement.
- b. The Property is a "Qualified Facility" as defined under the Act.
- c. During the Term, no portion of the Property will be used as a professional sports stadium.
- d. 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.
- e. Applicant would not have considered undertaking the Project without a CREC.
- f. The Project did not start earlier than six (6) months before the Applicant filed the Application.
- g. There are no delinquent taxes owed on the Property.

- h. The Applicant will pay any applicable taxes on the Property as they become due.
- i. The Project and the Applicant's current and planned future operation of the Property are in compliance with the City of Detroit Zoning Ordinance and Master Plan.
- j. If the Project will include the provision of housing at the Property, the Applicant agrees to: 1) comply with Fair Housing Practices that meet the guidelines set forth by the U.S. Fair Housing Act (42 U.S.C. 3601 through 3619); and 2) comply with the Affordability Requirements set forth on Addendum 2, attached hereto.

3. Community Benefits Requirements.

Pursuant to City of Detroit Ordinance 35-16 ("Ordinance"), also known as the Community Benefits 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 – 4. b. 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 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 the Project. These documents, along with periodic site visits to the Property by the City, will serve to establish whether the Applicant is completing the Project as required by the Act and this Agreement.
- b. Within two (2) weeks after the first year of the Term and for each year of the Term thereafter, 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 Rehabilitation 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.

- c. Within two (2) weeks after the last day of the first year 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 CREC and Termination of this Agreement.

The City may, in its sole discretion and by resolution of Detroit City Council, revoke the CREC if the City finds that: 1) the completion of Rehabilitation of the Property has not occurred in the time or manner authorized by this Agreement; or 2) that the Applicant has not proceeded in good faith with the Rehabilitation 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.

Good faith efforts include, but are not limited to, the following: 1) 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 2) 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 Rehabilitation Tax due under the CREC, an amount equal to the difference between the amount of ad valorem tax that would be due on the Property without the CREC, and the amount of Commercial Rehabilitation Tax due on the Property under the CREC, 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 CREC 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.

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.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the City and the Applicant, by and through their authorized officers and representatives, have executed this Agreement as follows:

APPLICANT:

By: _____

Print: _____

Its: _____

CITY OF DETROIT

PLANNING & DEVELOPMENT DEPT.

By: _____

Print: _____

Its: _____

**THIS AGREEMENT IS NOT EFFECTIVE OR VALID UNTIL A COMMERICAL
REHABILITATION EXEMPTION CERTIFICATE IS APPROVED BY THE MICHIGAN
STATE TAX COMMISSION**

ADDENDUM 1

4. b. Requirements

EXHIBIT B

**Detroit City Council Resolution
Granting the Commercial Rehabilitation Exemption Certificate**



**Civil Rights, Inclusion
and Opportunity**

COLEMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVENUE, SUITE 1240
DETROIT, MICHIGAN 48226
PHONE: 313.224.4950
FAX: 313.224.3434

Decision Regarding Employment Clearance for Tax Abatement Employment Commitment 5-50 Full-time Employees

Date: March 30, 2022

Tax Abatement Type: PA 210

New ☒ Renewal ☐

Duration of Abatement: 10 years

Development: Detroit Food Commons

Parcel/Facility Address: 8324 Woodward Ave Detroit, MI 48202

Applicant/Recipient: Malik Yakini

Applicant Contact: malikyakini@gmail.com 248-935-8329

Post-Construction Employment Commitments

If Developer Occupied is selected, the Developer will be responsible for both Developer and Tenant requirements listed below.

Developer Occupied ☐ Tenant Occupied ☒

Total Employment: 45

Developer commits to

- 1) Report to CRIO annually;
 - a. Developer's efforts regarding tenants
 - b. Tenant's compliance with commitments stated below (3)
 - c. Total number of employees at the facility
 - d. Number of employees at the facility who are Detroit residents
- 2) Provide Detroit at Work (DAW) information to any/all tenant(s) for life of abatement
- 3) Work with Commercial Tenant(s) with 5-50 full-time employees to do the following;
 - a. **Use DAW as the company's priority staffing partner** for all openings in Detroit for the life of the local incentive;
 - b. **Develop and implement a DAW Staffing Plan** in partnership with the company's DAW Staffing Consultant to include a regular meeting schedule of at least every 30 days and agreed-upon data-sharing related to program criteria and candidate submissions;
 - c. **Post all Detroit job openings through the DAW website;**
 - d. **Ban the Box:** To the extent possible according to law and job requirements, commits to removing the felony and/or misdemeanor question from the employment application, and agrees to using a background-friendly approach to hiring new employees in Detroit; and,
 - e. **Modify pre-employment screening and testing** so that an applicant who tests positive for a legalized substance in the State of Michigan are not disqualified from the hiring process, to the extent permissible under applicable laws, regulations, and other legal requirements.
 - f. **Commit to one consultation with DAW staffing consultant** on strategies for upskilling of new employees, including offerings in adult basic education, State-



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Decision Regarding Employment Clearance for Tax Abatement Employment Commitment 5-50 Full-time Employees

provided training funds and incentives, apprenticeship programs development, and post-secondary educational attainment.

- g. **Commit to attending a New Employer Introduction meeting for Grow Detroit's Young Talent (GDYT)**, Detroit's summer youth employment program, in the first 90 days following approval;
 - h. **Report to Developer annually;**
 - i. Tenant's compliance with requirements
 - ii. The number of individuals employed by Tenant
 - iii. The number of employees who are Detroit residents
- 4) Work with Commercial Tenant(s) who have **less than 5 full-time employees** to do **3-c and 3-h**

The Applicant/Recipient has provided CRIO required information in accordance with specific current and future employment data and commitments as part of a tax abatement agreement with the City of Detroit.

Therefore my signature below grants **Approval** of the above tax abatement application/renewal based upon annual reports to and appraisals by this agency of the recipient's employment measures projected and achieved for the duration of the abatement.

Erica Hill _____

CRIO Deputy Director Name

DocuSigned by:

5EBB818BF73A4FB...

CRIO Deputy Director Signature

4/4/2022

Date