

Janice M. Winfrey
City Clerk

City of Detroit

OFFICE OF THE CITY CLERK

Andre P. Gilbert II
Deputy City Clerk

April 21, 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: Amended Request for a Commercial Rehabilitation Exemption Certificate (CREC)
for the Hudson's Site, 1208 Woodward Avenue, Detroit, MI 48226

Please find attached an application for a Commercial Rehabilitation Exemption
Certificate for the Property Located at 1208 Woodward Avenue, Detroit, MI 48226..
(RELATED TO PETITION #1738)

Respectfully submitted,



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

2017-08-11

1738

1738 *Petition of The City of Detroit
(P&DD), request for the
Establishment of a Commercial
Rehabilitation District for 1206 and
1208 Woodward Avenue, Detroit, MI
48226 under Public Act 210 of 2005 .*

REFERRED TO THE FOLLOWING DEPARTMENT(S)

LEGISLATIVE POLICY DIVISION FINANCE DEPARTMENT
PLANNING AND DEVELOPMENT DEPARTMENT LAW
DEPARTMENT

**1208 Woodward LLC
an affiliate of
Bedrock Management Services LLC
("Developer")**

March 9, 2022

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

RE: **Amended Request for a Commercial Rehabilitation Exemption Certificate (CREC)
for the Hudson's Site, 1208 Woodward Avenue, Detroit, MI 48226**

Honorable City Council:

Please accept this letter as our amended request for a Commercial Rehabilitation Exemption Certificate (CREC) for the Hudson's Site, 1208 Woodward Avenue, Detroit, MI 48226 (the "Project"). A request for a Commercial Rehabilitation Exemption Certificate for the Project was originally submitted to the Detroit City Clerk on June 7, 2018 and was assigned as **Petition #1738**. Your Honorable Body took no further action on that Petition, however, as Developer subsequently began working, in coordination with the City, to make certain modifications to the Project. Developer now hereby seeks to amend the original CREC application to reflect the updated Project and requests your Honorable Body's consideration of this amended Petition.

Establishment of a Commercial Rehabilitation District

The Detroit City Council approved the establishment of a Commercial Rehabilitation District under Public Act 210 of 2005 ("PA210") for the Property on November 14, 2017. The resolution establishing the District is included as Attachment B. In addition, as noted above, Bedrock originally submitted this Certificate application on June 7, 2018, as reflected in the timestamped copy of the submission attached as Attachment C.

General Description of the Facility and Proposed Use

The Hudson's Site will be a landmark destination and visitor attraction that will be a catalyst for Detroit's continued revitalization and a source of civic pride for Detroiters.

The overall project consists of a newly constructed 12-story "block" structure and adjacent, 684-foot tower. The block and tower are separated by an activated, programmed public space. The estimated hard construction cost for the project is approximately \$991,000,000.

This Petition applies solely to the commercial portions of the project and excludes the residential component of the tower. More specifically, it applies to:

- **The underground garage**, which will contain more than 800 parking spaces as well as mechanical equipment.
- **The entirety of the block structure**, which totals 1.52 million gross square feet (“GSF”). The block structure will include retail and food and beverage space on the ground floor; event and conference space on levels two and three; office space on levels four through eleven; and additional food and beverage space on the twelfth-floor rooftop.
- **Levels 1 through 25 of the Tower**, which will contain a hotel and accompanying food and beverage options and amenities.

The overall project also includes a residential component above the hotel. This application does not apply to the residential portion of the overall project, which will be covered by a separate certificate petition under the Neighborhood Enterprise Zone (NEZ) Act. The site plan for the overall project is provided in Figure 1 below. For additional clarity, Figure 2 breaks out the components intended to be covered by this CREC versus a future NEZ Certificate.

Figure 1. Site Plan: The Hudson’s Site Project

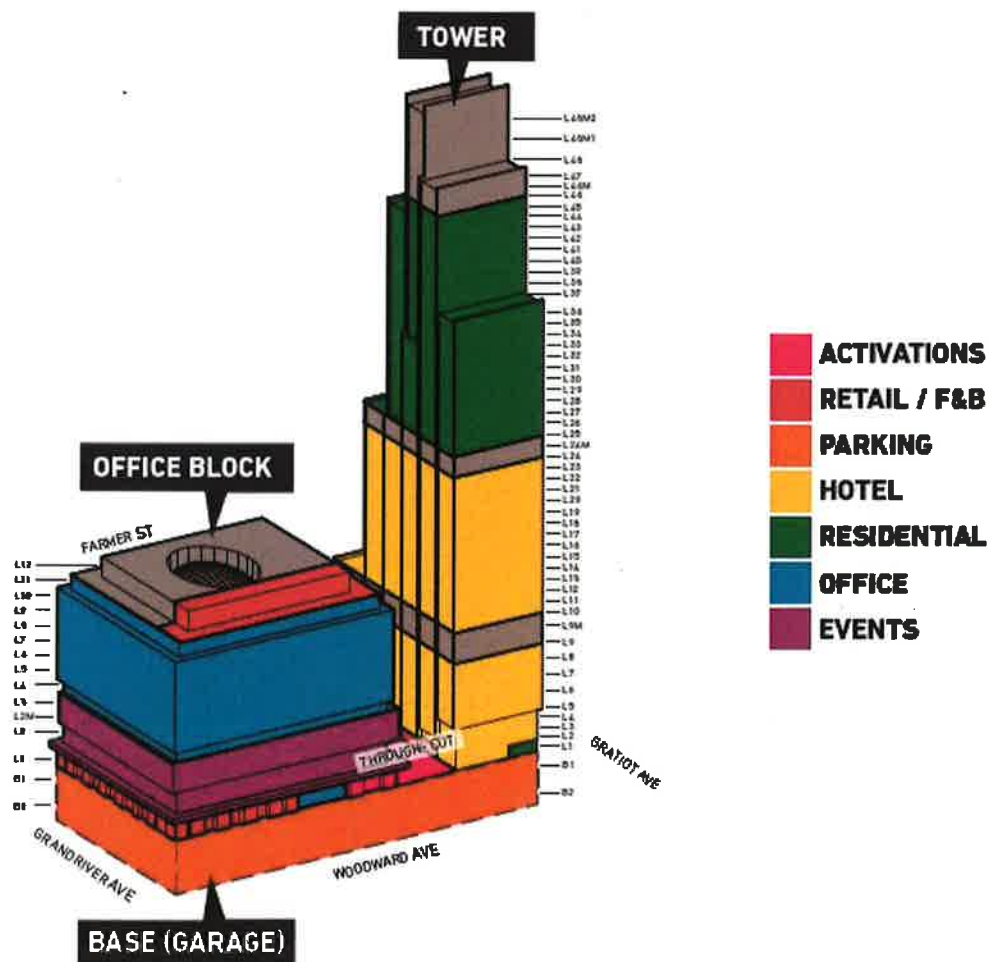
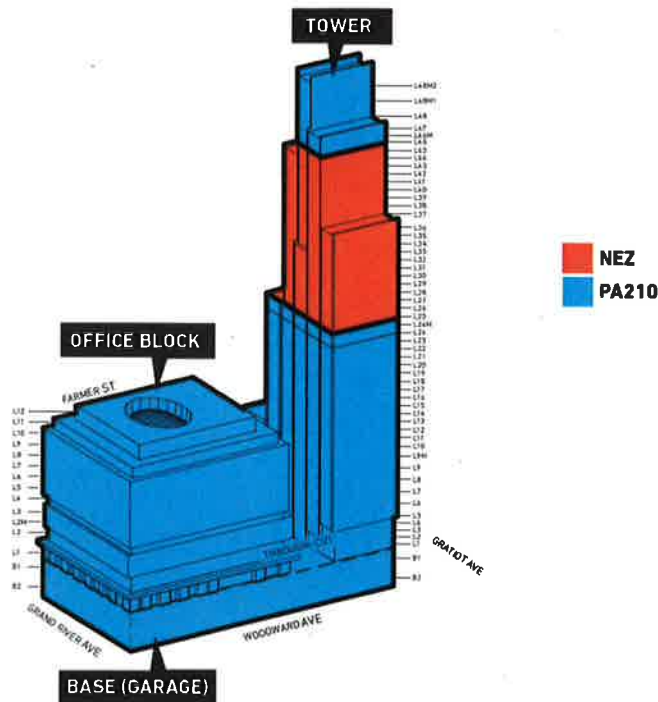


Figure 2. Application of the CREC vs. Future NEZ Certificate

Eligibility Under the Commercial Rehabilitation Act (PA210 of 2005)

Under Section 4 of the Commercial Rehabilitation Act, “If a commercial rehabilitation district is established under section 3, the owner of a qualified facility may file an application for a commercial rehabilitation exemption certificate with the clerk of the qualified local governmental unit that established the commercial rehabilitation district.”

The Act further defines “qualified facility” as follows:

“Qualified facility” means a qualified retail food establishment or a building or group of contiguous buildings of commercial property that is 15 years old or older or has been allocated for a new market tax credit under section 45d of the internal revenue code, 26 USE 45d. Qualified facility also includes 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 commercial property as defined in subdivision (a).

As this Honorable Body is well aware, the Hudson’s Department Store was constructed more than 100 years ago and was subsequently demolished in 1998. Subsequently, in 2001, the City completed construction of an underground parking garage on the site, which was operated on a commercial basis and sat below the vacant surface level. Because the underground parking

structure was found to be insufficient to support large-scale vertical development above it, it was closed and vacated in early 2017.

The Hudson's Site qualifies as a "qualified facility" as, at the time of commencement of the Project in 2018, it constituted "vacant property which, within the immediately preceding 15 years, was commercial property" (i.e., a commercial parking garage).

Figure 3. The Hudson's Site Prior to Commencement of the Project



The Act further provides that eligible "'rehabilitation' includes new construction on vacant property from which a previous structure has been demolished...if the new construction is an economic benefit to the local community as determined by the qualified local governmental unit." The Hudson's Site project consists of new construction on vacant property from which the original Hudson's Department Store, and subsequent underground garage, were both demolished. The Project is also clearly an economic benefit to the local community, as further described below.¹

Economic Advantages Expected to Result from the Rehabilitation

The Project is anticipated to directly create or support approximately 1,976 new permanent, full-time jobs in the City of Detroit. Construction of the Project is anticipated to create 7,500 direct construction jobs. In addition to these direct benefits, which will generate substantial direct income tax and business activity tax revenue for the City, the Project will support the City's overall revitalization by driving new visitors to the City and stimulating economic activity in the surrounding area. More generally, the Project will serve as a landmark destination that will continue to establish Detroit as an exciting place to live, work and play on the national stage.

¹ Notably, the Hudson's Site is a "Qualified Facility" under other applicable definitions in PA2010. For example, at the time of commencement of the Project in 2018, the Hudson's Site was a building "previously used for commercial purposes... within the immediately preceding 15 years," as it was a commercial parking facility from 2001 through 2017.

Project and CREC Submission Timeline


The Hudson's Site Project is expected to be substantially complete by December 31, 2024. The ceremonial groundbreaking for the site was held on December 14, 2017, as widely reported in the media.² As noted above, Bedrock originally submitted this Certificate petition on June 7, 2018. Accordingly, Bedrock met the requirement for submitting the Certificate petition within six months of the commencement of rehabilitation as required under PA210, *even if the ceremonial groundbreaking is considered the commencement of construction*. Actual construction activities started in mid-2018, well after the ceremonial groundbreaking.

Bedrock and its affiliates are deeply committed to the revitalization of Detroit. We appreciate your Honorable Body's consideration of this request and support for this transformational project.

For questions about this request, please contact Jared Fleisher at JaredFleisher@rocketcompanies.com.

Thank you for your attention to this matter.

Sincerely yours,

DocuSigned by:

C6230DD0CF39494...

Kofi Bonner
Authorized Representative
1208 Woodward LLC
630 Woodward Ave
Detroit MI 48226

² See e.g., <https://www.freep.com/story/money/business/john-gallagher/2017/12/14/hudsons-groundbreaking-detroit-skyscraper/951757001/>; <https://www.craigslistdetroit.com/article/20171213/news/647596/groundbreaking-today-for-gilberts-hudsons-site-skyscraper>; <https://www.detroitnews.com/story/business/2017/12/14/detroit-hudson-groundbreaking/108594642/>

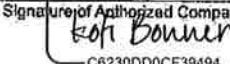
Michigan Department of Treasury
4507 (Rev. 06-09)

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) 1208 Woodward LLC		NAICS or SIC Code	
Facility's Street Address 1208 Woodward Avenue	City Detroit	State MI	ZIP Code 48226
Name of City, Township or Village (taxing authority) Detroit	County Wayne	School District Where Facility is Located DPS-CD	
<input checked="" type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village			
Date of Rehabilitation Commencement (mm/dd/yyyy) 12/14/2017	Planned Date of Rehabilitation Completion (mm/dd/yyyy) 12/31/2024		
Estimated Cost of Rehabilitation \$991,000,000	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 checked="" type="checkbox"/> Increase Number of Residents in Facility's Community			
No. of jobs to be created due to facility's rehabilitation 1,976	No. of jobs to be retained due to facility's rehabilitation 0	No. of construction jobs to be created during rehabilitation 7,500	
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 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 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) Kofi Bonner		Telephone Number (313) 782-9747	
Fax Number (855) 455-2929		E-mail Address KofiBonner@bedrockdetroit.com	
Street Address 630 Woodward Avenue		City Detroit	State MI
		ZIP Code 48226	
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 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.			
Signature of Authorized Company Officer (no authorized agents)  C6230DD0CF39494...		Title Authorized Representative	Date 03/11/2022

Form 4507, Page 2

PART 4: ASSESSOR RECOMMENDATIONS (assessor of LGU must complete Part 4)			
Provide the Taxable Value and State Equalized Value of Commercial Property, as provided in Public Act 210 of 2005, as amended, for the tax year immediately preceding the effective date of the certificate (December 31 of the year approved by the STC).			
	Taxable Value	State Equalized Value (SEV)	
Land			
Building(s)			
The property to be covered by this exemption may not be included on any other specific tax roll while receiving the Commercial Rehabilitation Exemption. For example, property on the Eligible Tax Reverted Property (Land Bank) specific tax roll cannot be granted a Commercial Rehabilitation Exemption that would also put the same property on the Commercial Rehabilitation specific tax roll.			
<input type="checkbox"/> By checking this box, I certify that, if approved, the property to be covered by this exemption will be on the Commercial Rehabilitation Exemption specific tax roll and not on any other specific tax roll.			
Name of Local Government Body			
Name of Assessor (first and last name)		Telephone Number	
Fax Number		E-mail Address	
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
PART 5: LOCAL GOVERNMENT ACTION (clerk of LGU must complete Part 5)			
Action Taken By LGU (attach a certified copy of the resolution):			
<input type="checkbox"/> Exemption approved for _____ years, ending December 30, _____ (not to exceed 10 years)			
<input type="checkbox"/> Exemption Denied			
Date District Established (attach resolution for district)	Local Unit Classification Identification (LUCI) Code	School Code	
PART 6: LOCAL GOVERNMENT CLERK CERTIFICATION (clerk of LGU must complete Part 6)			
Clerk's Name (first and last)		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 and hereby request the State Tax Commission issue a Commercial Rehabilitation Exemption Certificate, as provided by Public Act 210 of 2005, as amended.			
Clerk's Signature			Date

The clerk must retain the original application at the local unit and mail one copy of the completed application with attachments to:

State Tax Commission
P.O. Box 30471
Lansing, MI 48909

ATTACHMENT A: PARCEL ID AND LEGAL DESCRIPTION

Parcel Tax ID Number	Address	Current Owner	Legal Description
01004110-9	1208 Woodward Avenue	1208 Woodward LLC	E WOODWARD --- LOTS 33 THRU 39 & LOTS 72 THRU 78 ALSO TOGETHER WITH VAC NORTH-SOUTH & EAST- WEST ALLEYS ADJ PLAT OF SEC 7 GOVERNORS & JUDGES PLAN L34 P544 DEEDS, W C R 420 FT X 220 FT --- 92,400 SQFT

ATTACHMENT B: RESOLUTION ESTABLISHING THE PA210 DISTRICT

TRUE COPY CERTIFICATE

Form C of D-16-CR

STATE OF MICHIGAN, }
City of Detroit } ss.

CITY CLERK'S OFFICE, DETROIT

I, **Janice M. Winfrey**, City Clerk of the City of Detroit, in said
RESOLUTION

State, do hereby certify that the annexed paper is a TRUE COPY OF _____

adopted (passed) by the City Council at session of

November 14, 17
20

and approved by Mayor

November 21, 17
20

as appears from the Journal of said City Council in the office of the City Clerk of Detroit, aforesaid;
that I have compared the same with the original, and the same is a correct transcript therefrom, and of the
whole of such original.

In Witness Whereof, I have hereunto set my hand
and affixed the corporate seal of said City, at
11th

Detroit, this _____
day of December A.D. 20 17


CITY CLERK



CITY OF DETROIT
HOUSING AND REVITALIZATION DEPARTMENT



F
COLEMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVENUE, SUITE 900
DETROIT, MICHIGAN 48226
(313) 224-6380 • TTY: 711
(313) 224-1839
WWW.DETROITMI.GOV

September 18, 2017

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

RE: Resolution Approving a Commercial Rehabilitation District, on behalf of The City of Detroit (Planning and Development Department) in the area of 1206 and 1208 Woodward Avenue, Detroit, Michigan, in Accordance with Public Act 210 of 2005 (Petition #1738)

Honorable City Council:

On November 9, 2017, a public hearing in connection with establishing a Commercial Rehabilitation District was held before your Honorable Body's Planning and Economic Development Committee. No impediments to the establishment of the District were presented at the public hearing.

Please find attached, a resolution and legal description, which will establish a Commercial Rehabilitation District in the Area bounded by 1206 and 1208 Woodward Avenue, Detroit, Michigan in accordance with Public Act 210 of 2005 ("the Act"). Such establishment will materially assist in the development of the site in accordance with the plans of the proprietor of the property.

We request your Honorable Body's approval of the resolution.

Respectfully submitted,

Arthur Jemison
Director

AJ/vf

cc: S. Washington, Mayor's Office
M. Cox, PDD
A. Jemison, HRD
V. Farley, HRD

11-9-17 Read at table



BY COUNCIL MEMBER

Leland

WHEREAS, pursuant to Public Act No. 210 of Public Acts of 2005 ("Act 210"), this City Council has the authority to establish "Commercial Rehabilitation Districts" within the boundaries of the City of Detroit; and

WHEREAS, City of Detroit (Planning and Development Department) has requested that this City Council establish a Commercial Rehabilitation District in the Area bounded by 1206 1208 Woodward Avenue, Detroit, Michigan, the area being more particularly described in the map and legal description attached hereto; and

WHEREAS, the aforesaid property is in a duly designated business area, and is contiguous commercial property or commercial housing property; and

WHEREAS, Act 210 requires that, prior to establishing a Commercial Rehabilitation District, the City Council shall provide an opportunity for a hearing on the establishment of the District, at which a representative of any jurisdiction levying *ad valorem taxes*, or any owner of real property within the proposed District, or any other resident or taxpayer of the City of Detroit may appear and be heard on the matter; and

WHEREAS, a public hearing was conducted before City Council on November 9, 2017 for the purpose of considering the establishment of the proposed Commercial Rehabilitation District described in the map and legal description attached hereto; and

WHEREAS, no impediments to the establishment of the proposed District were presented at the public hearing.

NOW THEREFORE BE IT

RESOLVED, that the Commercial Rehabilitation District, more particularly described in the map and legal description attached hereto, is hereby approved and established by this City Council in accordance with Public Act 210 of 2005.

NR
#17

ADOPTED AS FOLLOWS COUNCIL MEMBERS

		YEAS	NAYS
Jane	AYERS	✓	
Scott	BENSON	Absent	
Raquel	CASTANEDA-LOPEZ	✓	
*George	CUSHINGBERRY, JR.	✓	
Gabe	LELAND	✓	
Mary	SHEFFIELD	✓	
Andre	SPIVEY	✓	
James	TATE	✓	
Brenda	PRESIDENT JONES	Absent	
*PRESIDENT PRO TEM			
		7	0

**ATTACHMENT C: PETITION & ORIGINAL TIMESTAMPED PA210 COMMERCIAL
REHABILITATION EXEMPTION CERTIFICATE APPLICATION**

City of Detroit
OFFICE OF THE CITY CLERK

Janice M. Winfrey
City Clerk

Vivian A. Hudson
Deputy City Clerk

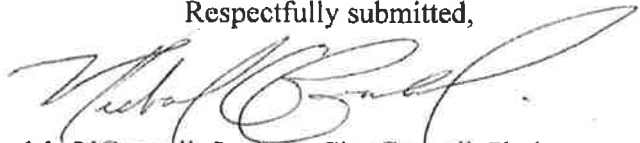
June 14, 2018

To: Maurice Cox, Director
Planning and Development Department
Coleman A. Young Municipal Center
2 Woodward Ave. Suite 908
Detroit, MI. 48226

Re: 1208 Woodward Avenue LLC

Please find attached Application for Commercial Rehabilitation Exemption Certificate for 1208 Woodward Avenue LLC, for property located at 1206 and 1208 Woodward Avenue. **(RELATED TO PETITION #1738)**

Respectfully submitted,



Michael J. O'Connell, Jr. Asst. City Council Clerk
Office of the City Clerk

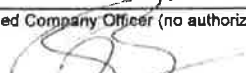
Michigan Department of Treasury
4507 (Rev. 06-09)

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)			NAICS or SIC Code	
1208 Woodward Avenue LLC				
Facility's Street Address		City	State	ZIP Code
1206 and 1208 Woodward Avenue		Detroit	MI	48226
Name of City, Township or Village (taxing authority)		County	School District Where Facility is Located	
Detroit		Wayne	DPS-CD	
<input checked="" type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village				
Date of Rehabilitation Commencement (mm/dd/yyyy)		Planned Date of Rehabilitation Completion (mm/dd/yyyy)		
12/14/2017		12/31/2022		
Estimated Cost of Rehabilitation		Number of Years Exemption Requested (1-10)		
\$572,000,000		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 checked="" type="checkbox"/> Increase Number of Residents in Facility's Community				
No. of jobs to be created due to facility's rehabilitation	No. of jobs to be retained due to facility's rehabilitation	No. of construction jobs to be created during rehabilitation		
1633	0	2520		
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 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 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)		Telephone Number		
Steve Bentley		(313) 373-8755		
Fax Number		E-mail Address		
		SteveBentley@BedrockDetroit.com		
Street Address		City	State	ZIP Code
630 Woodward Avenue		Detroit	MI	48226
<p>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.</p> <p>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.</p>				
Signature of Authorized Company Officer (no authorized agents)		Title		Date
		Chief Financial Officer		6/5/2018

Form 4507, Page 2

PART 4: ASSESSOR RECOMMENDATIONS (assessor of LGU must complete Part 4)			
Provide the Taxable Value and State Equalized Value of Commercial Property, as provided in Public Act 210 of 2005, as amended, for the tax year immediately preceding the effective date of the certificate (December 31 of the year approved by the STC).			
	Taxable Value		State Equalized Value (SEV)
Land			
Building(s)			
The property to be covered by this exemption may not be included on any other specific tax roll while receiving the Commercial Rehabilitation Exemption. For example, property on the Eligible Tax Reverted Property (Land Bank) specific tax roll cannot be granted a Commercial Rehabilitation Exemption that would also put the same property on the Commercial Rehabilitation specific tax roll.			
<input type="checkbox"/> By checking this box I certify that, if approved, the property to be covered by this exemption will be on the Commercial Rehabilitation Exemption specific tax roll and not on any other specific tax roll.			
Name of Local Government Body			
Name of Assessor (first and last name)		Telephone Number	
Fax Number		E-mail Address	
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
PART 5: LOCAL GOVERNMENT ACTION (clerk of LGU must complete Part 5)			
Action Taken By LGU (attach a certified copy of the resolution):			
<input type="checkbox"/> Exemption approved for _____ years, ending December 30, _____ (not to exceed 10 years)			
<input type="checkbox"/> Exemption Denied			
Date District Established (attach resolution for district)	Local Unit Classification Identification (LUCI) Code		School Code
PART 6: LOCAL GOVERNMENT CLERK CERTIFICATION (clerk of LGU must complete Part 6)			
Clerk's Name (first and last)		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 and hereby request the State Tax Commission issue a Commercial Rehabilitation Exemption Certificate, as provided by Public Act 210 of 2005, as amended.			
Clerk's Signature			Date

The clerk must retain the original application at the local unit and mail one copy of the completed application with attachments to:

State Tax Commission
P.O. Box 30471
Lansing, MI 48909

1208 Woodward Avenue LLC
an affiliate of
Rosko Development Company LLC
and
Bedrock Management Services LLC

June 4, 2018

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

RE: Request for a Commercial Rehabilitation Exemption Certificate (CREC) for the Hudson's Site, 1208 Woodward Avenue, Detroit, MI 48226

Honorable City Council:

Please accept this letter as a request for a Commercial Rehabilitation Exemption Certificate (CREC) for the Hudson's Site, 1208 Woodward Avenue, Detroit, MI 48226 as more particularly described in Attachment A (the "Property"). The Property is the site of the former Hudson's department store, bounded between Woodward Avenue, Gratiot Avenue, Grand River and Farmer Street.

Establishment of Commercial Rehabilitation District

The Detroit City Council approved the establishment of a Commercial Rehabilitation District under Public Act 210 of 2005 ("PA210") for the Property on November 9, 2017.

General Description of the Facility and Proposed Use

The Hudson's Site will be a landmark destination and visitor attraction. The project will create a world-class, mixed-use development with extensive public and civic space, including but not limited to a public marketplace, a public skydeck, and flexible space for exhibitions and events. The Hudson's Site is anticipated to include a tower that will rise an estimated 800 feet next to a mid-rise podium, which will be separated by landscaped public space. The anticipated budget for the construction of the project is \$909 million. The currently anticipated site plan, schematic design and programming for the Hudson's Site are included in Attachment B.

More specifically, the planned structure on the Hudson's Site will be approximately 1.41 million gross square feet ("GSF"), including underground parking, and is anticipated to consist of approximately 102,805 GSF of retail and food and beverage space on the first and second stories of the tower and podium, including a street level market; 167,968 GSF of event and conference space in the middle stories of the podium; and 262,662 GSF of office space on the top four floors of the podium. The Hudson's Site development is also planned to include approximately 93,464 GSF of programmed exhibit space above the first floor retail and lobby space in the tower; approximately 330

residential units occupying 439,217 GSF on the upper stories of the tower; and a public skydeck atop the tower. The residential units will be a mix of studio, 1BR, 2BR, and 3BR units. The planned redevelopment of the Hudson's Site also includes modernized below-grade parking with at least 700 spaces.

Applicability of Commercial Rehabilitation Exemption Certificate

The CREC will apply to the entirety of the podium and to all components of the tower except for the residential units, which will be covered by a separate Neighborhood Enterprise Zone (NEZ) certificate. As of the time of this submission, details related to establishing separate condominium units for the separate uses within the Hudson's Site development have not yet been finalized. **This application will be updated with the necessary information to specify the application of the CREC with respect to specific condominium units within the overall Hudson's Site development.**

Economic Advantages Expected to Result from the Rehabilitation

This project is anticipated to directly create or support approximately 1,633 new permanent, full-time equivalent jobs in the City with an annual average wage of \$62,000 and an average hourly wage of \$30/hour. Construction of the project is anticipated to create 2,520 direct construction jobs.

Timeline for Rehabilitation

Construction commenced on December 14, 2017 and the project (along with all eligible activities) is expected to be complete by December 31, 2022.

Based on the foregoing, 1208 Woodward Avenue LLC respectfully requests that the Honorable City Council approve a Commercial Rehabilitation Exemption Certificate for the applicable portions of the Hudson's Site.

Respectfully submitted,



Steven J. Bentley

Authorized Representative
1208 Woodward LLC

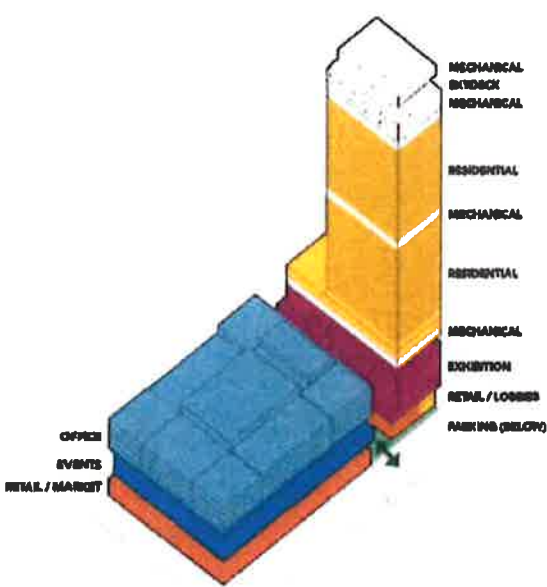
Chief Financial Officer
Bedrock Management Services LLC

ATTACHMENT A: PARCEL ID AND LEGAL DESCRIPTION

Parcel Tax ID Number	Address	Current Owner	Legal Description
01004110-9	1208 Woodward Avenue	1208 Woodward Avenue LLC	E WOODWARD --- LOTS 33 THRU 39 & LOTS 72 THRU 78 ALSO TOGETHER WITH VAC NORTHSOUTH & EAST-WEST ALLEYS ADJ PLAT OF SEC 7 GOVERNOR & JUDGES PLAN L34 P544 DEEDS, W C R 420 FT X 220 FT --- 92,400 SQFT

ATTACHMENT B: SITE PLAN

HUDSON'S SITE DEVELOPMENT
PROGRAM SUMMARY (GROSS AREAS)



RETAIL	
Total Retail Area:	102,805 gsf
EVENTS	
Total Events Area:	167,968 gsf
OFFICE	
Total Office:	262,662 gsf
EXHIBITION	
Total Exhibition:	93,464 gsf
RESIDENTIAL	
Total Area:	439,217 gsf
Total Residential:	330 units
PARKING	
Total Parking:	700+ spaces
TOTAL AREA*: *Excludes Parking	1,000,000+ gsf



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

May 10, 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 – **1208 Woodward LLC** **AMENDED**
Property Address: 1208 Woodward
Parcels Number: 01004110-9

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 **1208 Woodward** in the **Central Business District** 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 is the former Hudson's site, which included underground parking since demolished to make way for future development. The owner plans to construct a 12-story block structure and adjacent 684-foot tower that will include parking, office, retail, hotel, food and beverage, residential, and public spaces. This PA 210 request is solely for the office block, underground parking, retail and event space, and the hotel space, which will occupy levels 1-25 in the tower structure. The new construction of the complex 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
01004110-9	1208 Woodward	\$ 3,234,900	\$ 3,178,595	\$ 2,901,300	\$ 2,850,757

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 **1208 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, Board of Assessors



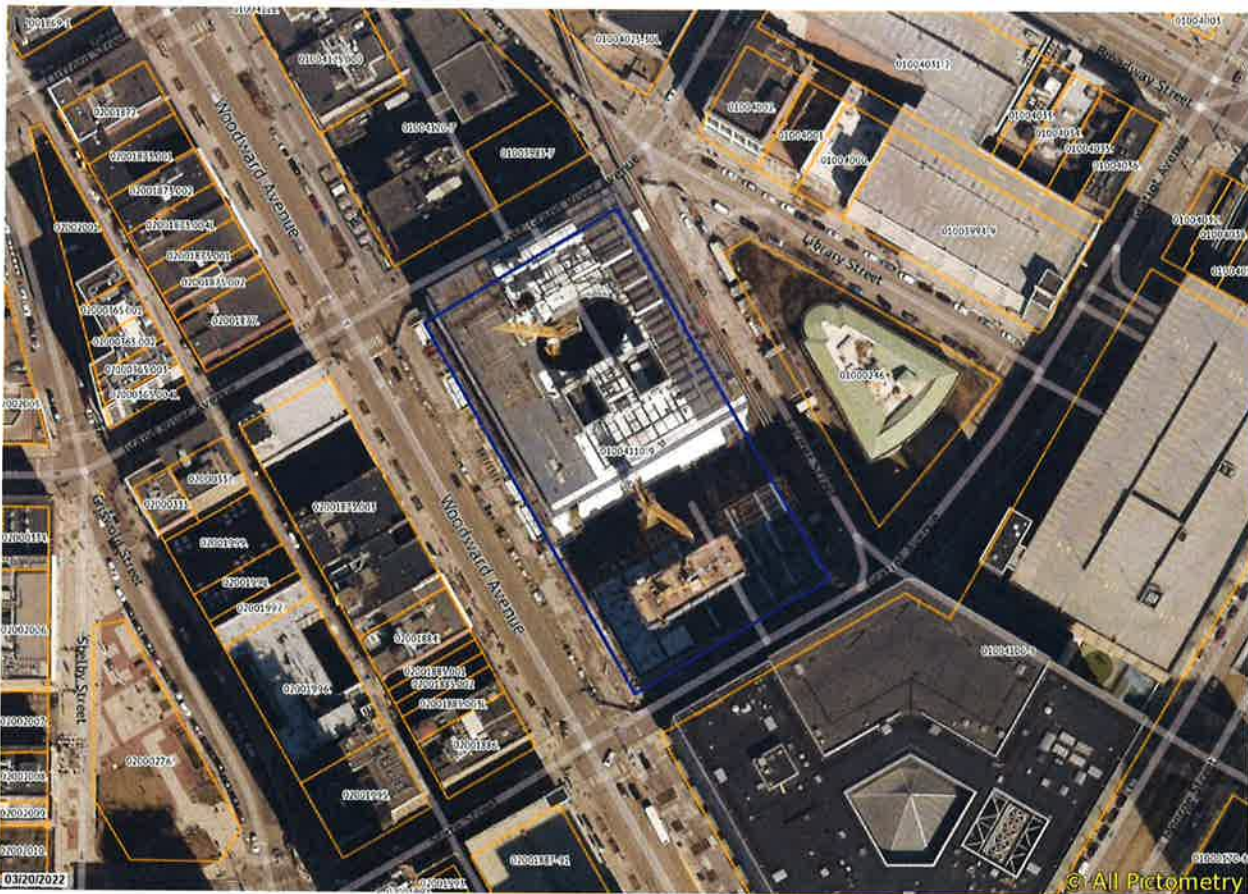
CITY OF DETROIT
OFFICE OF THE CHIEF FINANCIAL OFFICER
OFFICE OF THE ASSESSOR

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Commercial Rehabilitation Certificate
1208 Woodward LLC
Page 2

Property Owner: 1208 WOODWARD LLC
Property Address: 1208 WOODWARD
Parcel Number: 01004110-9

Legal Description: E WOODWARD --- LOTS 33 THRU 39 & LOTS 72 THRU 78 ALSO TOGETHER WITH VAC NORTH-SOUTH & EAST-WEST ALLEYS ADJ PLAT OF SEC 7 GOVERNOR & JUDGES PLAN L34 P544 DEEDS, W C R 420 FT X 220 FT --- 92,400 SQFT



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 1208 Woodward LLC ("Applicant") with an office at 630 Woodward Avenue, Detroit, MI 48226 is made this 12th day of May, 2022.

WITNESSETH:

WHEREAS, Public Act 210 of 2005 as amended, also known as the Commercial Rehabilitation Act ("Act"), (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: 1206 and 1208 Woodward Avenue, Detroit MI 48226 ("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 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 December 31, 2024.
- c. The Applicant shall create, or cause to be created, at least twenty-eight (28) (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. Invalidity 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:

1208 Woodward LLC

By: Kofi Bonner

Print: Kofi S. Bonner

Its: Authorized Representative

CITY OF DETROIT

PLANNING & DEVELOPMENT DEPT.

By: Antoine Bryant

Print: Antoine Bryant

Its: Director

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 A
Application for Commercial Rehabilitation Exemption Certificate

EXHIBIT B
Detroit City Council Resolution
Granting the Commercial Rehabilitation Exemption Certificate

