

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: Application for Industrial Facilities Tax Exemption Certificate; 14250 Plymouth Road, Detroit, Michigan 48227

Please find attached an application for the Industrial Facilities Tax Exemption Certificate; 14250 Plymouth Road, Detroit, Michigan 48227.

Respectfully submitted,



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

Application for Industrial Facilities Tax Exemption Certificate

Issued under authority of Public Act 198 of 1974, as amended. Filing is mandatory.

INSTRUCTIONS: File the completed application and the required attachments with the clerk of the local government unit. If you have any questions regarding the completion of this form, call 517-335-7460.

To be completed by Clerk of Local Government Unit	
Signature of Clerk	Date Received by Local Unit
STC Use Only	
Application Number	Date Received by STC

APPLICANT INFORMATION
All boxes must be completed.

▶ 1a. Company Name (Applicant must be the occupant/operator of the facility) NP Detroit Commerce Center, LLC	▶ 1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 8 Digit Code) 4225	
▶ 1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) 14250 Plymouth Road, Detroit, Michigan 48227	▶ 1d. City/Township/Village (indicate which) City of Detroit	▶ 1e. County Wayne County
▶ 2. Type of Approval Requested <input type="checkbox"/> New (Sec. 2(5)) <input checked="" type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Research and Development (Sec. 2(10))	<input type="checkbox"/> Transfer <input type="checkbox"/> Rehabilitation (Sec. 3(6)) <input type="checkbox"/> Increase/Amendment	▶ 3a. School District where facility is located Detroit ▶ 3b. School Code 82010
▶ 4. Amount of years requested for exemption (1-12 Years) 12 after completion		
▶ 5. Per section 5, the application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the equipment that will be part of the facility. Attach additional page(s) if more room is needed. See attached Exhibits A & B.		
▶ 6a. Cost of land and building improvements (excluding cost of land) * Attach list of improvements and associated costs. * Also attach a copy of building permit if project has already begun.	▶ \$66,860,000 Real Property Costs	
▶ 6b. Cost of machinery, equipment, furniture and fixtures * Attach itemized listing with month, day and year of beginning of installation, plus total	▶ \$66,860,000 Personal Property Costs	
▶ 6c. Total Project Costs * Round Costs to Nearest Dollar	▶ \$66,860,000 Total of Real & Personal Costs	
▶ 7. Indicate the time schedule for start and finish of construction and equipment installation. Projects must be completed within a two year period of the effective date of the certificate unless otherwise approved by the STC.		
	<u>Begin Date (M/D/Y)</u>	<u>End Date (M/D/Y)</u>
Real Property Improvements	▶ 10/01/2022	▶ 10/31/2023
Personal Property Improvements		
▶ 8. Are State Education Taxes reduced or abated by the Michigan Economic Development Corporation (MEDC)? If yes, applicant must attach a signed MEDC Letter of Commitment to receive this exemption. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
▶ 9. No. of existing jobs at this facility that will be retained as a result of this project 0	▶ 10. No. of new jobs at this facility expected to create within 2 years of completion 350+	
▶ 11. Rehabilitation applications only. Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.		
a. TV of Real Property (excluding land) _____		
b. TV of Personal Property (excluding inventory) _____		
c. Total TV _____		
▶ 12a. Check the type of District the facility is located in: <input checked="" type="checkbox"/> Industrial Development District <input type="checkbox"/> Plant Rehabilitation District		
▶ 12b. Date district was established by local government unit (contact local unit)	▶ 12c. Is this application for a speculative building (Sec. 3(8))? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

APPLICANT CERTIFICATION - complete all boxes.

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all are truly descriptive of the industrial property for which this application is being submitted.

It is further certified that the undersigned is familiar with the provisions of P.A. 198 of 1974, as amended, being Sections 207.551 to 207.572, inclusive, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he 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 unit of government and the issuance of an Industrial Facilities Exemption Certificate by the State Tax Commission.

13a. Preparer Name Jared T. Belka	13b. Telephone Number (616) 752-2447	13c. Fax Number	13d. E-mail Address jbelka@wnj.com
14a. Name of Contact Person Johnny Sweeney	14b. Telephone Number (816) 381-2901	14c. Fax Number	14d. E-mail Address jsweeney@northpointkc.com
▶ 15a. Name of Company Officer (No Authorized Agents) Nathaniel Hagedorn, Manager of NPD Management, LLC, the Manager of NP Detroit Commerce Center, LLC			
15b. Signature of Company Officer (No Authorized Agents) 		15c. Fax Number	15d. Date 05/18/2022
▶ 15e. Mailing Address (Street, City, State, ZIP Code) 3315 N Oak Trafficway, Kansas City, MO 64116		15f. Telephone Number (816) 381-2901	15g. E-mail Address jsweeney@northpointkc.com

LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.

This section must be completed by the clerk of the local governing unit before submitting application to the State Tax Commission. Check items on file at the Local Unit and those included with the submittal.

▶ 16. Action taken by local government unit <input type="checkbox"/> Abatement Approved for _____ Yrs Real (1-12), _____ Yrs Pers (1-12) After Completion <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Denied (Include Resolution Denying)	16b. The State Tax Commission Requires the following documents be filed for an administratively complete application: Check or Indicate N/A if Not Applicable <input type="checkbox"/> 1. Original Application plus attachments, and one complete copy <input type="checkbox"/> 2. Resolution establishing district <input type="checkbox"/> 3. Resolution approving/denying application. <input type="checkbox"/> 4. Letter of Agreement (Signed by local unit and applicant) <input type="checkbox"/> 5. Affidavit of Fees (Signed by local unit and applicant) <input type="checkbox"/> 6. Building Permit for real improvements if project has already begun <input type="checkbox"/> 7. Equipment List with dates of beginning of installation <input type="checkbox"/> 8. Form 3222 (if applicable) <input type="checkbox"/> 9. Speculative building resolution and affidavits (if applicable)
16a. Documents Required to be on file with the Local Unit Check or Indicate N/A if Not Applicable <input type="checkbox"/> 1. Notice to the public prior to hearing establishing a district. <input type="checkbox"/> 2. Notice to taxing authorities of opportunity for a hearing. <input type="checkbox"/> 3. List of taxing authorities notified for district and application action. <input type="checkbox"/> 4. Lease Agreement showing applicants tax liability.	
18a. School Code	
17. Name of Local Government Body	▶ 18. Date of Resolution Approving/Denying this Application

Attached hereto is an original application and all documents listed in 16b. I also certify that all documents listed in 16a are on file at the local unit for inspection at any time, and that any leases show sufficient tax liability.

19a. Signature of Clerk	19b. Name of Clerk	19c. E-mail Address
19d. Clerk's Mailing Address (Street, City, State, ZIP Code)		
19e. Telephone Number	19f. Fax Number	

State Tax Commission Rule Number 57: Complete applications approved by the local unit and received by the State Tax Commission by October 31 each year will be acted upon by December 31. Applications received after October 31 may be acted upon in the following year.

For faster service, email the completed application and additional required documentation to PTE@michigan.gov.

An additional submission option is to mail the completed application and required documents to:

Michigan Department of Treasury
State Tax Commission
PO Box 30471
Lansing, MI 48909

STC USE ONLY				
▶ LUCI Code	▶ Begin Date Real	▶ Begin Date Personal	▶ End Date Real	▶ End Date Personal

Exhibit A

General Description of Facility and General Description of the Proposed Use of the Facility

NP Detroit Commerce Center, LLC is proposing to redevelop various parcels generally located at 14250 Plymouth Road in the City of Detroit, Wayne County (the "Property"). The development will include demolition and abatement and preparation of the site for the construction of one to two buildings, comprising approximately 728,000 to 761,000 total square feet of industrial space to be utilized by one or multiple (6) tenants (the "Project"). The Project is being developed as a speculative industrial building.

The Property was historically occupied by several commercial entities, including the Kelvinator Corporation, which merged with Nash Motors to become Nash-Kelvinator. The company later came to be known American Motors Corporation. Other entities that have occupied portions of the Property are Watson-Rose Manufacturing Company, Ray Jacobs Machinery and J. Lewis Company.

The Property is currently not in use and owned by various entities, including the City of Detroit – P&DD, City of Detroit Land Bank Authority and the others listed above and will be acquired by NP Detroit Commerce Center, LLC prior to undertaking the Project. The Property consists of approximately 50 acres over forty-one (41) parcels. The Project includes substantial demolition and abatement in order to prepare the site for construction. The Project is expected to generate approximately \$72.1 million in investment with approximately 350+ new jobs.

Exhibit B

Building Improvements and Associated Costs

	Start Date	Completion Date	
General Construction	10/1/2022	10/31/2023	\$46,794,000
Existing Conditions	10/1/2022	12/31/2022	\$17,610,000
Site work	10/1/2022	10/31/2023	<u>\$2,456,000</u>
			\$66,860,000



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

June 28, 2022

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

Re: **Industrial Facilities Tax Exemption (IDD) Certificate – NP Detroit Commerce Center LLC**
Address: see attached list
Parcel see attached list

Dear Ms. Trudeau:

The Office of the Chief Financial Officer, Office of the Assessor, has reviewed the application by **NP Detroit Commerce Center LLC** for approval of an Industrial Facilities Tax (IFT) certificate as it relates to the Plant Rehabilitation and Industrial Development District Act, PA 198 of 1974, as amended.

The rationale for approving IFT certificates under PA 198 of 1974, as amended, is based upon the anticipation that the subsequent tax abatement will benefit the city and that expansion, retention, or location of an eligible business will not occur without this exemption. PA 198 of 1974, as amended, also provides a tax incentive to manufacturers in order to enable renovation, restoration, and expansion of aging facilities, building of new facilities, and to promote establishment of high tech facilities. "Restoration" means changes to obsolete industrial property other than replacement as may be required to restore the property, together with all appurtenances to the property, to an economically efficient functional condition.

The project as proposed by **NP Detroit Commerce Center LLC** would allow for the demolition of the current vacant structure and construction of a Class A industrial warehouse space consisting of 500,000 square feet. The estimated cost of the project is \$66,000,000 and will result in a minimum of 400 jobs.

The applicant is not the current owner of record for the parcel related to this request. All parcels are related to executed purchase agreements and/or developments agreements (see attached). The State Tax Commission (STC) has determined that the proposed developer may proceed with obtaining local approval of the issuance of the certificate prior to acquiring title to the property, but that the certificate would be held in abeyance by the STC pending submission of proof of ownership.

A review of the application and statutory requirements indicates that the property is eligible for the IFT certificate as outlined under PA 198 of 1974, as amended.

Sincerely,

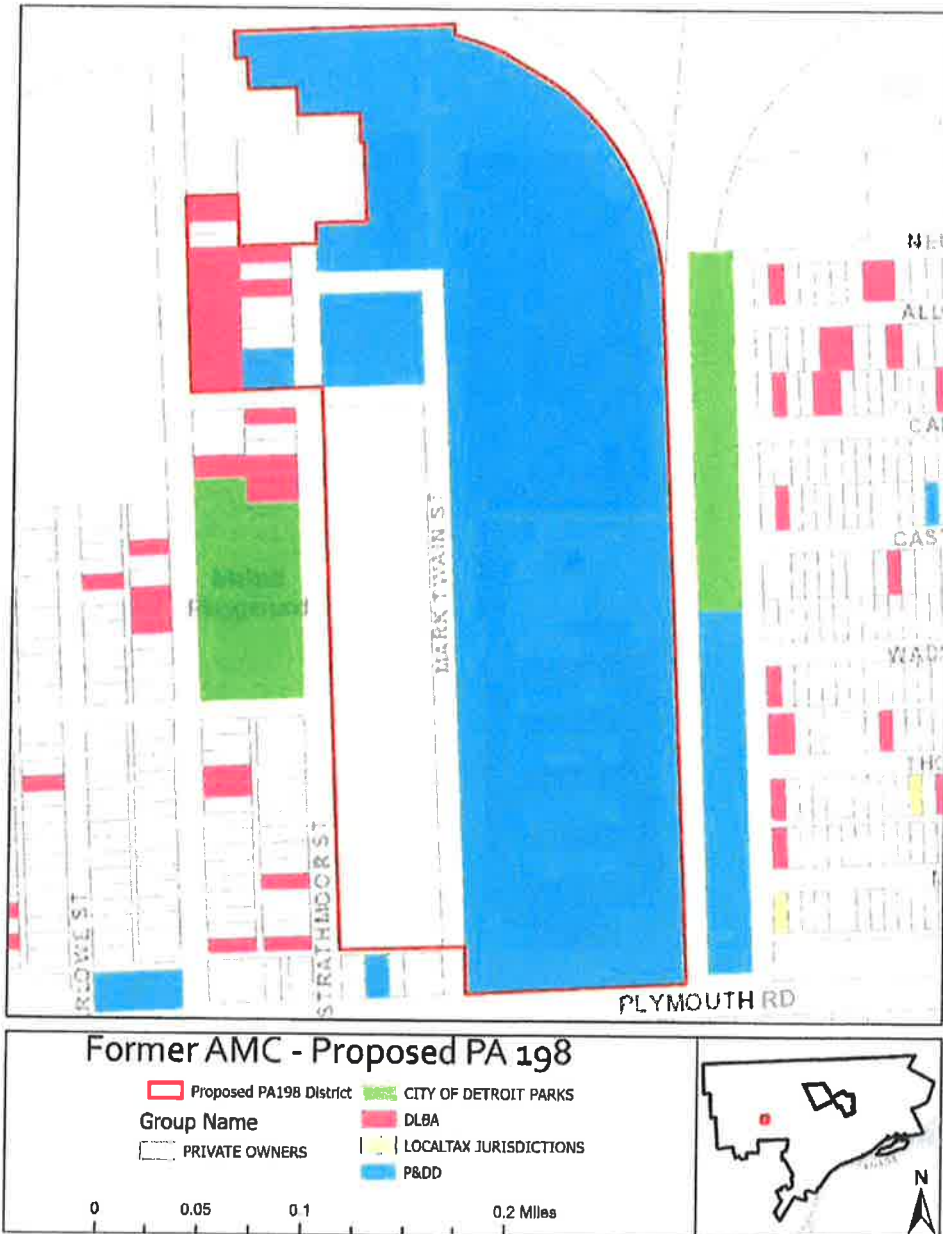
Charles Ericson, MMAO
Assessor, Board of Assessors



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

COLEMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVE., SUITE 824
DETROIT, MI 48226
PHONE: 313•224•3011
FAX: 313•224•9400

IFT Certificate – NP Detroit Commerce Center LLC
196-Plymouth area
Page 2





IFT Certificate – NP Detroit Commerce Center LLC
196-Plymouth area
Page 3



Former AMC IFT Certificate Parcel List

Parcel	Property Address	Owner Name	Legal Description	Instrument	Status
Z2037444-59	11675 MARK TWAIN	ALFASHI, AU S	E HUBBELL S 46 FT 2 FRISCHKORNS GRAND RIVER FARMS L39 P64 PLATS, W C R 22/580 46 X 132	Development Agreement	Executed
Z2006074-002	12390 MARK TWAIN	CITY OF DETROIT	W STRATHMOOR S 53.50 FT 16 FRISCHKORNS GRAND RIVER FARMS L39 P64 PLATS, W C R 22/580 53.50 X 132	Development Agreement	Executed
Z2037439-43	12245 MARK TWAIN	CITY OF DETROIT	E HUBBELL 36 FT OF LOTS 19, 20 & 35 & 1/2 W 33 FT VAC MARK TWAIN AVE ADJ VAC FOLEY AVE 60 FT WD FRISCHKORNS GRAND RIVER FARMS SUB L39 P64 PLATS, W C R 22/580 DESC AS FOLS BEG AT INTERSEC OF W LINE OF MARK TWAIN AVE 60 FT WD & N LINE OF FOLEY AVE 60 FT WD 1	Development Agreement	Executed
Z2006074-003	12310 MARK TWAIN	CITY OF DETROIT	N PLYMOUTH ALL THAT PT OF SE 1/4 SEC 30 T 1 S R 11 E DESC AS BEG AT A PTE IN E LINE MARK TWAIN AVE 60 FT WD DIST N 00D 07M 55S W 1200 FT FROM INTSEC N LINE PLYMOUTH RD 103 FT WD TH N 00D 07M 55S W 649.19 FT TH S 89D 54M 45S W 27 FT TH N 00D 05M 15S W 406	Development Agreement	Executed
Z2006074-001	14250 PLYMOUTH	CITY OF DETROIT	E HUBBELL N 33 FT OF S 165 FT 2 FRISCHKORNS GRD RIVER FARMS L39 P64 PLATS, W C R 22/580 33 X 132	Development Agreement	Executed
Z2038877	12400 STRATHMOOR	CITY OF DETROIT - P&DD	W STRATHMOOR S 44 FT 17 FRISCHKORNS GRAND RIVER FARMS L39 P64 PLATS, W C R 22/580 44 X 132	Purchase Agreement	Executed
Z2038844	12243 STRATHMOOR	CITY OF DETROIT P&DD	E HUBBELL N 40 FT OF S 132 FT 2 FRISCHKORNS GRD RIVER FARMS L39 P64 PLATS, W C R 22/580 40 X 132	Development Agreement	Executed
Z2038845	12201 STRATHMOOR	City of Detroit P&DD, Care of DBA	E HUBBELL N 84 FT 3 FRISCHKORNS GRD RIVER FARMS L39 P64 PLATS, W C R 22/580 84 X 132	Development Agreement	Executed
Z2038870-3	12311 MARK TWAIN	City of Detroit P&DD, Care of DBA	W STRATHMOOR N 53.50 FT OF S 107 FT 16 FRISCHKORNS GRAND RIVER FARMS L39 P64 PLATS, W C R 22/580 53.50 X 132	Development Agreement	Executed
Z2038863-001	12250 HUBBELL	DETROIT LAND BANK AUTHORITY	W MARK TWAIN 22 THRU 24 31 THRU 33 AND VAC WADSWORTH AVE AND ADJ SD LOTS FRISCHKORNS GRAND RIVER FARMS SUB L39 P64 PLATS, W C R 22/580 44 THRU 38 86 THRU 72 AND VAC ALLEYS ADJ SD LOTS NEW PLYMOUTH RD SUB L46 P30 PLATS, W C R 22/579 365.379 SQ FT	Development Agreement	Executed
Z2038542-0031	12251 STRATHMOOR	DETROIT LAND BANK AUTHORITY	E HUBBELL S 53.5 FT 3 FRISCHKORNS GRD RIVER FARMS L39 P64 PLATS, W C R 22/580 53.5 X 132	Development Agreement	Executed
Z2038864	12270 HUBBELL	DETROIT LAND BANK AUTHORITY	W STRATHMOOR S 52 FT OF N 132 FT 16 FRISCHKORNS GRAND RIVER FARMS SUB L39 P64 PLATS, W C R 22/580 52 X 132	Development Agreement	Executed
Z2038860	12200 HUBBELL	DETROIT LAND BANK AUTHORITY	E HUBBELL N 46 FT OF S 92 FT OF 2 FRISCHKORNS GRAND RIVER FARMS L39 P64 PLATS, W C R 22/580 46 X 132	Development Agreement	Executed
Z2038863-002L	12264 HUBBELL	DETROIT LAND BANK AUTHORITY	E HUBBELL N 53.5 OF S 107 FT 3 FRISCHKORNS GRD RIVER FARMS L39 P64 PLATS, W C R 22/580 53.5 X 132	Development Agreement	Executed
Z2038861	12230 HUBBELL	DETROIT LAND BANK AUTHORITY	W STRATHMOOR N 44 FT OF S 132 FT 17 FRISCHKORNS GRAND RIVER FARMS L39 P64 PLATS W C R 22/580 44 X 132	Land Transfer Amendment	Executed
Z2038542-001	12269 STRATHMOOR	DETROIT LAND BANK AUTHORITY	E HUBBELL N 33 FT OF S 198 FT 2 FRISCHKORNS GRD RIVER FARMS L39 P64 PLATS, W C R 22/580 33 X 132	Development Agreement	Executed
Z2038862-001	12240 HUBBELL	DETROIT LAND BANK AUTHORITY	W STRATHMOOR N 80 FT 16 FRISCHKORNS GRAND RIVER FARMS SUB L39 P64 PLATS, W C R 22/580 80 X 132	Development Agreement	Executed
Z2038866-9	12400 HUBBELL	DETROIT LAND BANK AUTHORITY	N PLYMOUTH ALL THAT PT OF S 1/4 SEC 30 T 1 S R 11 E DESC AS FOLS BEG AT INTERSEC E LINE MARK TWAIN AVE 33 FT WD (PARTIAL) & N LINE OF VAC FOLEY AVE 60 FT WD TH N 00D 05M 15S W 220.09 FT TO SLY LINE OF C & O RR R O W TH N 89D 45M 28S E 27 FT TH N 89D 42M	Development Agreement	Executed
Z2038865-001	12272 HUBBELL	FTOUN, AU	N PLYMOUTH PT OF S 1/4 SEC 30 T 1 S R 11 E DESC AS FOLS BEG AT A PTE IN E LINE MARK TWAIN 60 FT WD 60 FT NLY ALG SD LINE FROM S LINE SD SECTH N 0D 07M 55S W 1200 FT TH N 89D 58M 05S E 566.54 FT TH S 0D 03M 55S E 1200 FT TH WLY ALG N LINE PLYMOUTH RD S	Purchase Agreement	Executed

22038865.002L	12274 HUBBELL	FTOUNI, ALI	E HUBBELL 5.48 FT OF N 132 FT 3 FRISCHKORNS GRND RIVER FARMS 139 P64 PLATS, W C R 22/580 48 X 132	Purchase Agreement	Executed
22038843.002L	12241 STRATHMOOR	IBYEMI, MUYIDEEN & WOSILAT	E HUBBELL 37 & 38 PT OF 39 PT OF VAC FOLEY AVE STRATHMOOR & MARK TWIN AVE FRISCHKORNS GRAND RIVER FARMS SUB 139 P64 PLATS, W C R 22/580 DESC AS FOLS: BEG AT NW COR OF LOT 40 & E LINE OF HUBBELL AVE 66 FT W/ D TH N 89D 45M 13S E 135 FT TO THE P O B TH N 89	Warranty Deed	Executed
22038843.001	12243 STRATHMOOR	IBYEMI, MUYIDEEN & WOSILAT	E HUBBELL N 66 FT OF ZFRISCHKORNS GRAND RIVER FARMS 139 P64 PLATS, W/CR 22/580 66 X 132	Warranty Deed	Executed
22038842.002	12261 STRATHMOOR	JENKINS, STEPHEN ANTONIO CARDEBA	W STRATHMOOR N 44 FT OF S 88 FT 17 FRISCHKORNS GRAND RIVER FARMS 139 P64 PLATS, W C R 22/580 44 X 132	Purchase Agreement	Executed



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 198 is approximately \$1800.
3. That 2% of the estimated total taxes abated, if **NP Detroit Commerce Center, LLC** current tax abatement application is approved, will be greater than \$1800.00
4. That **NP Detroit Commerce Center, LLC** 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 198. 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



Nathaniel Hagedorn, Manager of NPD
Management, LLC, the Manager of
NP Detroit Commerce Center, LLC



Date

**LIMITED LIABILITY COMPANY
CERTIFICATE OF AUTHORITY**

I, Nathaniel Hagedorn, a Manager or Member of **NP Detroit Commerce Center, LLC**, a limited liability company (the "Company") **DO HEREBY CERTIFY** that I am a Manager or Member of the Company who has the authority to act as an agent of the Company in executing this Certificate of Authority. I further certify that the following individuals are Managers or Members of the Company who have the authority to execute and commit the Company to conditions, obligations, stipulations and undertakings contained in this Agreement between the City and the Company:

FURTHER, I CERTIFY that all necessary approvals by the Managers or Members of the Agreement have been obtained with respect to the execution of said Agreement, which is for a One Hundred Forty Four (144) month term Industrial Facility Exemption Certificate.

IN WITNESS THEREOF, I have set my hand this 28th day of June, 2022.

NP Detroit Commerce Center, LLC

By: NPD Management, LLC, its Manager

CORPORATE SEAL
(if any)

By: 
Nathaniel Hagedorn, Manager

**INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
AGREEMENT**

THIS INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE AGREEMENT (this "Agreement") is made this _____ day of _____, 2022 by and between the City of Detroit, a Michigan municipal corporation (the "City"), acting by and through its Planning and Development Department, with an office at 2 Woodward Avenue, Suite 808, Detroit, Michigan 48226 and NP Detroit Commerce Center, a Limited Liability Corporation ("Applicant") with an office at 3315 N Oak Trafficway, Kansas City, MO 64116.

WITNESSETH:

WHEREAS, Public Act 198 of 1974 as amended, also known as the Plant Rehabilitation and Industrial Development Districts Act (the "Act"), (1) provides for the establishment of industrial development districts and plant rehabilitation districts by local governmental units, (2) provides for the abatement or exemption from certain taxes for facility owners or lessees in a qualified district, and (3) allows local governmental units to levy and collect a specific tax from the owners or lessees of certain qualified facilities, among other provisions; and

WHEREAS, the Applicant has submitted an application (the "Application") for an Industrial Facilities Exemption Certificate ("IFEC") for the facility and/or equipment located at 14520 Plymouth Road, Detroit, MI 48227 (the "Property"). A copy of the Application is attached hereto as Exhibit A and made a part hereof; and

WHEREAS, the City has previously approved either an industrial development district or plant rehabilitation district pursuant to the Act and the Property is located in such district; and

WHEREAS, the Applicant has committed to complete a restoration, replacement or construction program that creates a New Facility or Replacement Facility on the Property within the meaning of 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 IFEC to the Applicant, contingent upon the covenants and representations contained herein and pending approval by the Michigan State Tax Commission. A copy of the City resolution granting the IFEC 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 15 of the Act, being MCL 207.565, or as provided for in this Agreement, the term of the IFEC and the term of this Agreement (collectively, the "Term") will be for a period of twelve (12) years, beginning on the certificate beginning date stated in the IFEC issued by the Michigan State Tax Commission.

b. The Applicant will complete a Restoration, Replacement or construction of a New Facility or Replacement Facility on the Property (the “Project”), as defined in the Act and as set forth in the Application, no later than October 31, 2023.

c. The Applicant shall create, or cause to be created, at least three-hundred fifty (350) (the “Employee Commitment Number”) full-time employees at the Property within one (1) year of completion of the Project (the “Project Completion Date”).

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 not be modified without CRIO’s prior written approval, which approval may be granted or withheld 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: (i) 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 (ii) 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 and Warranties.

In compliance with the Act and in order to induce the City to grant the IFEC to the Applicant, the Applicant represents and warrants that:

a. The Applicant was the owner of the Property, or was leasing the Property and had a signed lease with the Property owner, at the time of Applicant’s submission of the Application and the Applicant is the owner of the Property, or is leasing the Property and has a signed lease with the Property owner, as of the date of this Agreement.

b. At the time the Applicant submitted the Application the Property was, and as of the date of this Agreement the Property is, an “Industrial Property” as defined by the Act.

c. 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.

- d. Applicant would not have considered undertaking the Project without the IFEC.
- e. The Project did not start earlier than six (6) months before the Applicant filed the Application.
- f. There are no delinquent taxes owed on the Property.
- g. The Applicant will pay any applicable taxes on the Property as they become due.
- h. 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.

3. Community Benefits Requirements.

Pursuant to City of Detroit Ordinance 35-16, also known as the Community Benefits Ordinance (the "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 – 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 comply with the following covenants 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 Rehabilitation of the Property.
- b. Applicant shall permit the City to perform periodic site visits to the Property by the City to establish whether the Applicant is completing the Rehabilitation to the Property as required by the Act and this Agreement.
- c. Annually, within two (2) weeks after each anniversary of the commencement of the Term, 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: (i) the Restoration, Replacement or construction work completed towards a New Facility or Replacement Facility at the Property, (ii) the Applicant's

financial investment in the Property for that year, and (iii) the number of full-time employees at the Property for that year.

d. c. Annually, within two (2) weeks after each anniversary of the Project Completion Date, 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 IFEC and Termination of this Agreement.

This Agreement shall automatically terminate if the IFEC terminates pursuant to Section 13 of the Act, being MCL 207.563.

Furthermore, the City may, in its sole discretion and by resolution of Detroit City Council, or at the request that the Michigan State Tax Commission, revoke the IFEC on any of the grounds provided for in Section 15 (2) of the Act, being MCL 207.565, including, but not limited to, a finding by the City that the completion of the Project has not occurred within two (2) years of the effective date of the IFEC, unless further time is authorized by the Commission for good cause per Section 7a of the Act.

6. Payment of Exempted Taxes for Shortfall of Employment.

If, after the first anniversary of the Project Completion Date, the average number of full-time employees at the Property for any given year is less than the Employee Commitment Number, the Applicant will pay to the City, in addition to the Industrial Facilities Tax due under the IFEC, an amount equal to the difference between the amount of ad valorem tax that would be due on the Property without the IFEC, and the amount of Industrial Facilities Tax due on the Property with the IFEC, 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 will 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, 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 IFEC nor this Agreement may be transferred or assigned by the Applicant to a new owner or lessee of the Property unless the City, in its sole discretion, approves such transfer or assignment upon application by the new owner or lessee. For purposes of this section, a transfer of the Property shall include any sale of the Property or any lease that transfers tax liability at the Property.

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.

12. Governing Law; Venue.

This Agreement and all actions arising under it shall be governed by, subject to, and construed according to the law of the State of Michigan. Applicant agrees, consents and submits to the exclusive personal jurisdiction of any state or federal court of competent jurisdiction in Wayne County, Michigan, for any action arising out of this Agreement. Applicant also agrees that it shall not commence any action against the City because of any matter whatsoever arising out of or relating to the validity, construction, interpretation and enforcement of this Agreement in any state or federal court of competent jurisdiction other than one in Wayne County, Michigan.

13. Amendment.

This Agreement may not be amended or modified except by a written instrument executed by each of the parties hereto.

[Remainder of Page Intentionally Left Blank]

[SIGNATURE PAGE TO INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE AGREEMENT]

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 WAS APPROVED BY THE CITY COUNCIL ON:

APPROVED BY LAW DEPARTMENT PURSUANT TO § 7.5-206 OF THE CHARTER OF THE CITY OF DETROIT

Date

Corporation Counsel Date

THIS AGREEMENT IS NOT EFFECTIVE OR VALID UNTIL APPROVED BY RESOLUTION OF THE CITY COUNCIL, SIGNED BY ALL PARTIES HERETO, AND AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE IS APPROVED BY THE MICHIGAN STATE TAX COMMISSION

ADDENDUM 1
Requirements

EXHIBIT A
Application for Industrial Facilities Exemption Certificate

EXHIBIT B
Detroit City Council Resolution
Granting the Industrial Facilities Exemption Certificate