

## EXHIBIT A

### CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY

### BROWNFIELD PLAN FOR THE PROPOSED ROYAL PALM DETROIT REDEVELOPMENT PROJECT

Prepared by:

**Downtown Hospitality Detroit, LLC**  
35 West Long Lake Road  
Bloomfield Hills, Michigan 48304  
Contact Person: Mike Abdulnoor  
Phone: 248-289-1229  
Email: [mike.abdulnoor@mwhsgroup.com](mailto:mike.abdulnoor@mwhsgroup.com)

PM Environmental  
4080 West Eleven Mile Road  
Berkley, Michigan 48072  
Contact Person: Ginny Dougherty  
Phone: 248-414-1436  
Email: [dougherty@pmenv.com](mailto:dougherty@pmenv.com)

June 15, 2020

**CITY OF DETROIT  
BROWNFIELD REDEVELOPMENT AUTHORITY  
BROWNFIELD PLAN**

TABLE OF CONTENTS

|      |   |      |
|------|---|------|
| I.   | INTRODUCTION  | I-1  |
| II.  | GENERAL PROVISIONS  |      |
|      | A. Description of Eligible Property   | II-2 |
|      | B. Basis of Eligibility   | II-3 |
|      | C. Summary of Eligible Activities   | II-3 |
|      | D. Estimate of Captured Taxable Value and Tax Increment Revenues; Impact of Tax Increment Financing on Taxing Jurisdictions | II-5 |
|      | E. Plan of Financing; Maximum Amount Of Indebtedness  | II-6 |
|      | F. Duration of Plan   | II-6 |
|      | G. Effective Date of Inclusion  | II-7 |
|      | H. Displacement/Relocation of Individuals On Eligible Property  | II-7 |
|      | I. Local Brownfield Revolving Fund (LBRF)   | II-7 |
|      | J. Brownfield Redevelopment Fund  | II-7 |
|      | K. Developer's Obligations, Representations and Warrants  | II-8 |
| III. | ATTACHMENTS   |      |
|      | A. Site Map   | A-1  |
|      | B. Legal Description  | B-1  |
|      | C. Project Description  | C-1  |
|      | D. Supportive Letters   | D-1  |

|  |     |
|--|-----|
| E. Estimated Cost of Eligible Activities                   | E-1 |
| F. TIF Tables  | F-1 |
| G. BSE&E Acknowledgement and Other Environmental Documents | G-1 |
| H. Incentives Chart  | H-1 |
| I. Eligibility Documentation                               | I-1 |

## **I. INTRODUCTION**

---

In order to promote the revitalization of environmentally distressed and blighted areas within the boundaries of the City of Detroit, Michigan (the “City”), the City has established the City of Detroit Brownfield Redevelopment Authority (the “DBRA”) pursuant to Michigan Public Act 381 of 1996, as amended (“Act 381”).

The primary purpose of this Brownfield Plan (“Plan”) is to promote the redevelopment of and private investment in certain “brownfield” properties within the City. Inclusion of property within this Plan will facilitate financing of environmental response and other eligible activities at eligible properties and will also provide tax incentives to eligible taxpayers willing to invest in revitalization of eligible sites, commonly referred to as “brownfields.” By facilitating redevelopment of brownfield properties, this Plan is intended to promote economic growth for the benefit of the residents of the City and all taxing units located within and benefited by the DBRA.

This Plan is intended to apply to the eligible property identified in this Plan and, if tax increment revenues are proposed to be captured from that eligible property, to identify and authorize the eligible activities to be funded by such tax increment revenues.

This Plan is intended to be a living document, which may be modified or amended in accordance with the requirements of Act 381, as necessary to achieve the purposes of Act 381. A subsequent change to the identification or designation of developer after the approval of this Plan by the governing body shall not necessitate an amendment to the Plan, affect the application of this Plan to the eligible property or impair the rights available to the DBRA under this Plan. The applicable sections of Act 381 are noted throughout the Plan for reference purposes.

This Plan describes the project to be completed (see Attachment C) and contains all of the information required by Section 13(2) of Act 381.

## **II. GENERAL PROVISIONS**

---

### **A. Description of the Eligible Property (Section 13 (2)(h)) and the Project**

The property comprising the eligible property consists of one (1) parcel. The parcel identified as 2305 Park Avenue is considered a “historic resource”. The parcel and all tangible personal property located thereon will comprise the eligible property and is collectively referred to herein as the “Property.”

Attachment A includes a site map of the Property. The Property is located in the Foxtown neighborhood northwest of Downtown Detroit and is roughly bounded by the property line to the north, Park Avenue to the east, West Montcalm Street to the south, and the property line to the west.

Parcel information is outlined below:

|                   |  |
|-------------------|--|
| Address           | 2305 Park Avenue   |
| Parcel ID         | 02000469   |
| Owner             | Downtown Hospitality Detroit, LLC                                  |
| Legal Description | N MONTCALM 35-36 LOTHROPS SUB L39 P430 DEEDS, W C R 2/46 80 X 92.5 |

Downtown Hospitality Detroit, LLC is the project developer (“Developer”) and owner of the Property. The project entails rehabilitation of the historic 13-story Park Avenue House located at 2305 Park Avenue, which was designed by Louis Kamper and constructed in 1924. At approximately 103,367 square feet, the building will be converted from its former residential use into a 172-room hotel with a ground-floor café and bar/restaurant. It is currently anticipated that construction activities will begin in Summer 2020 with eligible activities being completed within 18 months after the commencement of construction. Branded as part of the Tapestry Collection by Hilton, the Property will re-open as the “Royal Palm Detroit” in March 2022. The project description provided herein is a summary of the proposed development at the time of the adoption of the Plan. The actual development may vary from the project description provided herein, without necessitating an amendment to this Plan, so long as such variations are not material and/or arise as a result of changes in market and/or financing conditions affecting the project and/or are related to the addition or immaterial removal of amenities to the project. All material changes, as determined by DBRA in its sole discretion, to the project description are subject to the approval of the DBRA staff and shall be consistent with the overall nature of the proposed development, its proposed public purpose, and the purposes of Act 381.

Attachment C provides a description of the project to be completed at the Property (the “Project”) and Attachment D includes letters of support for the Project.

**B. Basis of Eligibility (Section 13 (2)(h) and Section 2 (o))**

The Property is considered “eligible property” as defined by Act 381, Section 2 because (a) the Property was previously utilized for commercial and residential purposes; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property is determined to be a historic resource as defined by Act 381.

The Property was listed in the National Register of Historic Places in 1996. The application for listing in the National Register of Historic Places is attached hereto as Attachment I.

**C. Summary of Eligible Activities and Description of Costs (Section 13 (2)(a),(b))**

The “eligible activities” that are intended to be carried out at the Property are considered “eligible activities” as defined by Section 2 of Act 381, and include Pre-Approved Activities, Demolition Activities, Asbestos and Lead Activities, Infrastructure Improvements, Site Preparation, and preparation and implementation of a brownfield plan and/or Act 381 work plan.

A summary of the eligible activities and the estimated cost of each eligible activity intended to be reimbursed with tax increment revenues from the Property are shown in the table attached hereto as Attachment E. The eligible activities described in Attachment E are not exhaustive. Subject to the approval of DBRA staff in writing, additional eligible activities may be carried out at the Property, without requiring an amendment to this Plan, so long as such eligible activities are permitted by Act 381 and the cost of such eligible activities does not exceed the total costs stated in Attachment E.

Unless otherwise agreed to in writing by the DBRA, all eligible activities shall commence within eighteen (18) months after the date the governing body approves this Plan and be completed within three (3) years after approval of the Michigan Strategic Fund (“MSF”) work plan, if applicable, or three (3) years after execution of the Reimbursement Agreement (as that term is defined below). Any long-term monitoring or operation and maintenance activities or obligations that may be required will be performed in compliance with the terms of this Plan and any documents prepared pursuant to this Plan.

The Developer desires to be reimbursed for the costs of eligible activities described in this Plan. Some eligible activities described in this Plan may commence prior to the adoption of this Plan and to the extent permitted by Act 381 shall be reimbursable pursuant to the Reimbursement Agreement (as defined herein). Tax increment revenue generated by the Property will be captured by the DBRA and used to reimburse the cost of the eligible activities completed on the Property pursuant to the terms of a Reimbursement Agreement to be executed by the DBRA and the Developer after approval of this Plan (the “Reimbursement Agreement”), to the extent permitted by Act 381. In the event this Plan contemplates the capture of tax increment revenue derived from “taxes levied for school operating purposes” (as defined by Section 2(uu) of Act 381 and hereinafter referred to as “School Taxes”), the Developer acknowledges and agrees that DBRA’s obligation to reimburse the Developer for the cost of eligible activities with tax increment revenue derived from Local Taxes, or Specific Taxes that are considered Local Taxes, (as these capitalized terms are defined by Act 381) is contingent upon: (i) the Developer receiving

at least the initial applicable work plan approvals by the MSF and the Michigan Department of Environment, Great Lakes, and Energy (EGLE), as may be required pursuant to Act 381, within one hundred and eighty (180) days after the date this Plan is approved by the governing body, or such other date as the DBRA may agree to in writing; or (ii) the Developer providing the DBRA with evidence, satisfactory to DBRA, that the Developer has the financial means to complete the project without the capture of, and subsequent reimbursement with, the contemplated School Taxes.

The costs listed in Attachment E are estimated costs and may increase or decrease depending on the nature and extent of environmental contamination and other unknown conditions encountered on the Property. The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues of the DBRA from the Property shall be governed by the terms of the Reimbursement Agreement. No costs of eligible activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Reimbursement Agreement and Act 381. The Reimbursement Agreement and this Plan will dictate the total cost of eligible activities subject to payment or reimbursement, provided that the total cost of eligible activities subject to payment or reimbursement under the Reimbursement Agreement shall not exceed the estimated costs set forth in Attachment E. As long as the total costs are not exceeded, line item costs of eligible activities may be adjusted after the date this Plan is approved by the governing body, to the extent the adjustments do not violate the terms of the approved EGLE or MSF work plan.

**D. Estimate of Captured Taxable Value and Tax Increment Revenues (Section 13(2)(c)); Beginning Date of Capture of Tax Increment Revenues (Section 13(2)(f); Impact of Tax Increment Financing on Taxing Jurisdictions (Section 13(2)(g))**

This Plan anticipates the capture of tax increment revenues to reimburse the Developer for the costs of eligible activities under this Plan in accordance with the Reimbursement Agreement. Subject to Section 13(b)(16) of Act 381, a table of estimated tax increment revenues to be captured is attached to this Plan as Attachment F.

Tax increments are projected to be captured and applied to (i) reimbursement of eligible activity costs and payment of DBRA administrative and operating expenses, (ii) make deposits into the State Brownfield Redevelopment Fund, and (iii) make deposits into the DBRA's Local Brownfield Revolving Fund, as follows:

|                      | <u>Reimburse-<br/>ment Costs</u> | <u>Admin.<br/>Costs</u> | <u>State<br/>Brownfield<br/>Fund</u> | <u>Local<br/>Revolving<br/>Fund</u> | <u>Total</u> |
|----------------------|----------------------------------|-------------------------|--------------------------------------|-------------------------------------|--------------|
| School Operating Tax | \$2,202,279                      | \$0.00                  | \$0.00                               | \$0.00                              | \$2,202,279  |
| State Education Tax  | \$367,047                        | \$0.00                  | \$378,621                            | \$0.00                              | \$745,668    |
| City Operating       | \$0.00                           | \$0.00                  | \$0.00                               | \$0.00                              | \$0.00       |
| Library              | \$0.00                           | \$0.00                  | \$0.00                               | \$0.00                              | \$0.00       |
| County (Summer)      | \$0.00                           | \$0.00                  | \$0.00                               | \$0.00                              | \$0.00       |

Exhibit A  
Proposed Royal Palm Detroit Redevelopment  
Brownfield Redevelopment Plan

|                 |                    |                  |                  |                  |                    |
|-----------------|--------------------|------------------|------------------|------------------|--------------------|
| County (Winter) | \$0.00             | \$79,776         | \$0.00           | \$29,155         | \$108,931          |
| County Jails    | \$0.00             | \$75,616         | \$0.00           | \$27,635         | \$103,252          |
| Wayne County    | \$0.00             | \$19,821         | \$0.00           | \$7,244          | \$27,065           |
| Parks           |                    |                  |                  |                  |                    |
| HCMA            | \$0.00             | \$0.00           | \$0.00           | \$0.00           | \$0.00             |
| RESA            | \$0.00             | \$0.00           | \$0.00           | \$0.00           | \$0.00             |
| Enhancement     |                    |                  |                  |                  |                    |
| RESA ISD        | \$0.00             | \$279,243        | \$0.00           | \$102,054        | \$381,297          |
| Wayne County    | \$0.00             | \$0.00           | \$0.00           | \$0.00           | \$0.00             |
| Community       |                    |                  |                  |                  |                    |
| College         |                    |                  |                  |                  |                    |
| <b>TOTALS</b>   | <b>\$2,569,326</b> | <b>\$454,456</b> | <b>\$378,621</b> | <b>\$166,088</b> | <b>\$3,568,492</b> |

In addition, the following taxes are projected to be generated but shall not be captured during the life of this Plan:

|              |                    |
|--------------|--------------------|
| City Debt    | \$770,453          |
| School Debt  | \$1,430,841        |
| Wayne County | \$22,103           |
| DIA          |                    |
| Wayne County | \$11,006           |
| Zoo          |                    |
| DDA          | \$108,821          |
| <b>Total</b> | <b>\$2,343,134</b> |

The Developer anticipates approval of a tax abatement under the Obsolete Property Rehabilitation Tax Act (OPRA), PA 146 of 2000, as amended. If the OPRA is approved, this tax abatement will reduce the property tax obligations of the Property for the period applicable under the approved abatement certificate, thereby reducing the amount of tax increment revenues available under this Plan. Assumption of this reduction is included in the tax capture projections provided with this Plan in Attachment F.

In no event shall the duration of this Plan exceed thirty-five (35) years following the date of the governing body's resolution approving this Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (5) of Section 13 of Act 381 or 30 years. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five (5) years after the date of the governing body's resolution approving this Plan.

**E. Plan of Financing (Section 13(2)(d)); Maximum Amount of Indebtedness (Section 13(2)(e))**

The eligible activities are to be financed solely by the Developer. The DBRA will reimburse the Developer for the cost of approved eligible activities, but only from tax

increment revenues generated from the Property. No advances have been or shall be made by the City or the DBRA for the costs of eligible activities under this Plan.

All reimbursements authorized under this Plan shall be governed by the Reimbursement Agreement. The inclusion of eligible activities and estimates of costs to be reimbursed in this Plan are intended to authorize the DBRA to fund such reimbursements and does not obligate the DBRA or the City to fund any reimbursement or to enter into the Reimbursement Agreement providing for the reimbursement of any costs for which tax increment revenues may be captured under this Plan, or which are permitted to be reimbursed under this Plan. The amount and source of any tax increment revenues that will be used for purposes authorized by this Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by this Plan, will be provided solely under the Reimbursement Agreement contemplated by this Plan.

Unless otherwise agreed upon by the Developer, the DBRA, and the State of Michigan, the DBRA shall not incur any note or bonded indebtedness to finance the purposes of this Plan.

No interest shall accrue or be paid under this Plan.

Reimbursements under the Reimbursement Agreement shall not exceed the cost of eligible activities permitted under this Plan.

**F. Duration of Plan (Section 13(2)(f))**

Subject to Section 13b(16) of Act 381, the beginning date of capture of tax increment revenues for the Property shall occur in accordance with the tax increment financing (TIF) table described in Exhibit F. In no event, however, shall this Plan extend beyond the maximum term allowed by Section 13(2)(f) of Act 381 for the duration of this Plan.

Furthermore, this Plan, or any subsequent amendment thereto, may be abolished or terminated in accordance with Section 14(8) of Act 381 in the event of any of the following:

- a. The governing body may abolish this Plan (or any subsequent amendment thereto) when it finds that the purposes for which this Plan was established have been accomplished.
- b. The governing body may terminate this Plan (or any subsequent amendment thereto) if the project for which eligible activities were identified in this Plan (or any subsequent amendment thereto) fails to occur with respect to the eligible property for at least two (2) years following the date of the governing body resolution approving this Plan (or any subsequent amendment thereto), provided that the governing body first does both of the following: (i) gives 30 days' written notice to the Developer at its last known address by certified mail or other method that documents proof of delivery attempted; and (ii) provides the Developer with an opportunity to be heard at a public meeting.

Notwithstanding anything in this subsection to the contrary, this Plan (or any subsequent amendment thereto) shall not be abolished or terminated until the principal and interest on bonds, if any, issued under Section 17 of Act 381 and all other obligations to which the tax

increment revenues are pledged have been paid or funds sufficient to make the payment have been identified or segregated.

**G. Effective Date of Inclusion in Brownfield Plan**

The Property will become a part of this Plan on the date this Plan is approved by the governing body.

**H. Displacement/Relocation of Individuals on Eligible Property (Section 13(2)(i-l))**

There are no persons or businesses residing on the Property and no occupied residences will be acquired or cleared, therefore there will be no displacement or relocation of persons or businesses under this Plan.

**I. Local Brownfield Revolving Fund (“LBRF”) (Section 8; Section 13(2)(m))**

The DBRA has established a Local Brownfield Revolving Fund (LBRF). The LBRF will consist of all tax increment revenues authorized to be captured and deposited in the LBRF, as specified in Section 13(5) of Act 381, under this Plan and any other plan of the DBRA. It may also include funds appropriated or otherwise made available from public or private sources.

The amount of tax increment revenue authorized for capture and deposit in the LBRF is currently estimated at \$166,088. All funds, if any, deposited in the LBRF shall be used in accordance with Section 8 of Act 381.

**J. Brownfield Redevelopment Fund (Section 8a; Section 13(2)(m))**

The DBRA shall pay to the Department of Treasury at least once annually an amount equal to 50% of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, that are captured under this Plan for up to the first twenty-five (25) years of the duration of capture of tax increment revenues for each eligible property included in this Plan. If the DBRA pays an amount equal to 50% of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, on a parcel of eligible property to the Department of Treasury under Section 13b(14) of Act 381, the percentage of local taxes levied on that parcel and used to reimburse eligible activities for the Project under this Plan shall not exceed the percentage of local taxes levied on that parcel that would have been used to reimburse eligible activities for the Project under this Plan if the 50% of the taxes levied under the state education tax, 1993 PA 331, MCL 211.901 to 211.906, on that parcel were not paid to the Department of Treasury under Section 13b(14) of Act 381.

**K. Developer's Obligations, Representations and Warrants**

The Developer and its affiliates shall comply with all applicable laws, ordinances, executive orders, or other regulations imposed by the City or any other properly constituted governmental authority with respect to the Property and shall use the Property in accordance with this Plan.

The Developer, at its sole cost and expense, shall be solely responsible for and shall fully comply with all applicable federal, state, and local relocation requirements in implementing this Plan.

The Developer represents and warrants that a Phase I Environmental Site Assessment (“ESA”), and a Phase II ESA, pursuant to Part 201 of Michigan’s Natural Resources and Environmental Protection Act (MCL 324.20101 *et seq.*), have been performed on the Property (“Environmental Documents”). Attached hereto as Attachment G is the City of Detroit’s Department of Buildings, Safety Engineering and Environmental acknowledgement of its receipt of the Environmental Documents.

The Developer further represents and warrants that the Project does not and will not include a City of Detroit Land Bank Authority, Wayne County Land Bank Authority or State of Michigan Land Bank financing component.

Except as otherwise agreed to by the DBRA, any breach of a representation or warranty contained in this Plan shall render the Plan invalid, subject to the Developer’s reasonable opportunity to cure as described in the Reimbursement Agreement.

#3708938 v9

Exhibit A  
Proposed Royal Palm Detroit Redevelopment  
Brownfield Redevelopment Plan

**III. ATTACHMENTS**

Exhibit A  
Proposed Royal Palm Detroit Redevelopment  
Brownfield Redevelopment Plan

**ATTACHMENT A**

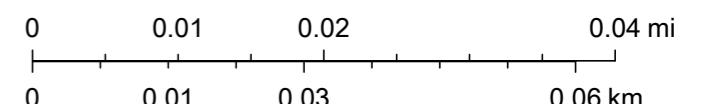
**Site Map**

# Parcel Map



May 28, 2019

1:1,128



Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS User Community

Exhibit A  
Proposed Royal Palm Detroit Redevelopment  
Brownfield Redevelopment Plan

**ATTACHMENT B**

**Legal Descriptions of Eligible Property to which the Plan Applies**

**Legal Description**

2305 Park Avenue - PID 02000469

N MONTCALM 35-36 LOTHROPS SUB L39 P430 DEEDS, W C R 2/46 80 X 92.5

Exhibit A  
Proposed Royal Palm Detroit Redevelopment  
Brownfield Redevelopment Plan

**ATTACHMENT C**

**Project Description**

## **Proposed Royal Palm Detroit Redevelopment 2305 Park Avenue**

### **PROJECT DESCRIPTION**

#### **Project Synopsis**

The proposed Redevelopment is located in the Foxtown neighborhood of Downtown Detroit and is roughly bounded by the property line to the north, Park Avenue to the east, West Montcalm Street to the south, and the property line to the west. The building is located at 2305 Park Avenue and totals 103,367 square feet.

Designed by Louis Kamper, famed hotel architect, the building was constructed in 1924 with Italian Renaissance detailing seen throughout the City of Detroit in the 1920s. The proposed Redevelopment includes the rehabilitation of the historic 13-story Park Avenue House into a 172-room hotel with first-floor café and bar/restaurant. The building's original namesake, the Royal Palm, will also be restored when the building is reopened and branded as part of the Tapestry Collection by Hilton in late 2021 or early 2022.

Reclamation of the Royal Palm Hotel will include maintaining and restoring the building's original limestone and orange brick entrance façade, as well as the yellow brick which adorns the remainder of the elevations in efforts to remain historically accurate per its listing in the National Register of Historic Places. While maintaining its historic image, the building will receive upgrades to all mechanical systems. Modern amenities will blend with historic accents, bringing the Royal Palm Hotel into the 21<sup>st</sup> century.



*Italian Renaissance-inspired design  
of 1920s Detroit*



*Rendering of the Redeveloped Royal Palm*

Guests entering through the Renaissance arch doorway are currently greeted by marble walls, groin vaulted ceilings, polished oak wall accents, shell patterned iron grates, and recessed bay windows with large wooden window boxes at street level.

#### **Development Team and Company Synopsis**

Downtown Hospitality Detroit, LLC is the project developer ("Developer") and owner of the Property. The Development team is comprised of Anthony Yousif (Founder of LA Insurance and AY Lodging,

LLC), Mike Abdulnoor (AY Lodging, LLC), and Mario Keizi (Ark Hospitality, LLC). The Development team have constructed and redeveloped over 300,000 square feet of commercial, industrial, and retail properties throughout metro-Detroit, and carry decades of experience building and operating hotels throughout the Midwest. The Development team have selected Detroit headquartered AF Jonna as the General Contractor and Detroit based Kraemer Design Group as the architect.



*New and vintage interior elements will work in unison*

time equivalent (FTE) jobs directly by the developer. As a Detroit headquartered business, AF Jonna (GC) is well-versed and has an inventory of Detroit-based subcontractors that they intend to utilize during redevelopment activities. The development team will present at a skilled trades task force meeting should additional sub-contractors be needed. In addition, members of the development team have long standing relationships with Central Detroit Christian, LifeBUILDERS, and other local non-profit organizations who can be utilized to identify a Detroit based workforce.

The Redevelopment will increase and restore commercial density in an area of Detroit's Foxtown neighborhood that is on the fringe of the active commercial atmosphere, bringing needed investment while also rehabilitating a significant historic resource. Activation of this property will spur further growth, acting as a catalyst for future redevelopment and providing spinoff consumer spending in the Foxtown neighborhood.

### **Project Investment Estimates to Date**

**Hard Costs:** Approximately \$22 million

**Total Costs:** Approximately \$50 million

### **Additional Financing Incentives Associated with the Redevelopment**

The Developer is also pursuing the following at this time:

- An Obsolete Property Rehabilitation Act (OPRA) Tax Exemption (Public Act 146 of 2000, as amended)

Following the expiration of the 12-year OPRA tax abatement, the building will deliver a significant increase in tax revenue. Over time, successful redevelopment will have a significant impact on the Foxtown neighborhood.

Exhibit A  
Proposed Royal Palm Detroit Redevelopment  
Brownfield Redevelopment Plan

**ATTACHMENT D**

**Supportive Letters**



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

Phone: 313.224.1339  
Fax: 313.224.1310  
[www.detroitmi.gov/pdd](http://www.detroitmi.gov/pdd)

June 9, 2020

Ms. Jennifer Kanalos  
Authorized Agent  
Detroit Brownfield Redevelopment Authority  
500 Griswold, Suite 2200  
Detroit, Michigan 48226

**RE: Royal Palm Detroit Brownfield Redevelopment Plan**

Dear Ms. Kanalos,

The Detroit Brownfield Redevelopment Authority (DBRA) has asked that the Planning and Development Department to review and comment on the Royal Palm Detroit Brownfield Redevelopment Plan (the “Plan”).

Downtown Hospitality Detroit, LLC is the project developer (“Developer”). The property in the Plan is located on one parcel bounded by the property line to the north, Park Avenue to the east, West Montcalm Street to the south, and the property line to the west in Downtown Detroit’s Arena District.

The project includes the rehabilitation of the historic 13-story Park Avenue House located at 2305 Park Avenue which was designed by Louis Kamper and constructed in 1924. At approximately 104,157 square feet, the building will be converted from its former residential use into a 175-room hotel with a ground floor café and bar/restaurant and reopen as the Royal Palm Detroit, branded as part of the Tapestry Collection by Hilton.

The development will redevelop a significant historic building in the Arena District of Downtown Detroit. Total investment is estimated at \$50 million.

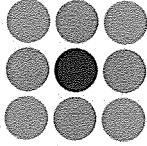
The review for this brownfield plan is complete and all comments have been forwarded to the developer. No adverse comments were received. The Planning and Development Department recommends approval of the brownfield plan as submitted.

Sincerely,

A handwritten signature in black ink, appearing to read "Russell Baltimore".

Russell Baltimore  
Assistant Director Design Review  
Planning and Development Department

c: B. Vosburg  
C. Capler



CENTRAL DETROIT CHRISTIAN  
COMMUNITY DEVELOPMENT

May 26, 2020

Dear Friends:

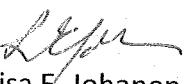
As the Executive Director of Central Detroit Christian CDC, I am writing to convey our support for Downtown Hospitality Detroit, LLC for their planned redevelopment of 2305 Park Avenue.

This redevelopment will continue to help energize the City of Detroit. It will do nothing but create positive energy and outcomes to this area and the entire Central Business District.

The City of Detroit needs developers like MHS Group and MKiezi Investments, which have proven time and again to provide communities with redevelopment projects that bolster employment, neighborhoods and meets the needs of services for the area and goals. This development will not only bring needed full-time employment to the City of Detroit, but will also bring an additional 175 hotel rooms online and restore a dated, historical structure to its original luster.

We are very excited to see how this, and other MHS Group projects will continue to help our community grow economically, communally and with a sense of pride and security of the which the City of Detroit and its residents can be proud.

Sincerely Yours

  
Lisa E. Johanon  
Executive Director  
Central Detroit Christian CDC



May 18, 2020

Mike Abdulnoor  
MHS Group  
35 W. Long Lake Road  
Bloomfield Hills, Michigan 48304

Re: Letter of Support for Rehabilitation of 2305 Park Avenue, Detroit, Michigan

Dear Mr. Abdulnoor,

On behalf of Olympia Development of Michigan, I am writing to convey our support for Downtown Hospitality Detroit LLC's planned redevelopment of 2305 Park Avenue.

This development will bring both construction and new permanent jobs to the City of Detroit and restore a historical structure to its original luster. Once completed, this development will also further the ongoing revitalization of the area around the Fox Theatre, Park Avenue and Columbia Street with 175 new hotel rooms.

Further, we are very pleased to know the importance MHS Group place's on community, and as such will be a welcome ally in our efforts to deliver jobs and support welcoming neighborhoods in The District Detroit.

Sincerely,

A handwritten signature in blue ink that reads "Keith Bradford".

Keith Bradford  
Senior Vice President

Exhibit A  
Proposed Royal Palm Detroit Redevelopment  
Brownfield Redevelopment Plan

**ATTACHMENT E**

**Estimated Cost of Eligible Activities Table**

**Table 1: Eligible Activities Cost Estimates**

| Item/Activity  | Total Request       | MSF Act 381 Eligible Activities | MDEQ Act 381 Eligible Activities |
|--|---------------------|---------------------------------|----------------------------------|
| <b>Pre-Approved Activities</b>   |                     |                                 |                                  |
| Phase I ESA  | \$ 2,200            |                                 | \$ 2,200                         |
| Phase II ESA/BEA/DDCC  | \$ 7,950            |                                 | \$ 7,950                         |
| Hazardous Materials Survey   | \$ 38,000           |                                 | \$ 38,000                        |
| <b>Baseline Environmental Assessments Sub-Total</b>                          | <b>\$ 48,150</b>    | <b>\$ -</b>                     | <b>\$ 48,150</b>                 |
| <b>Demolition</b>  |                     |                                 |                                  |
| Building Demolition Activities   | 1,112,000           | \$ 1,112,000                    |                                  |
| Deconstruction>Select Demolition of Building Elements for Reuse or Recycling | 117,000             | \$ 117,000                      |                                  |
| Pre-demolition Audit or Survey   | 30,000              | \$ 30,000                       |                                  |
| Disposal of Non-Reusable/Non-Recyclable Building Elements                    | 50,000              | \$ 50,000                       |                                  |
| <b>Demolition Sub-Total</b>  | <b>\$ 1,309,000</b> | <b>\$ 1,309,000</b>             | <b>\$ -</b>                      |
| <b>Asbestos, Mold, and Lead Activities</b>                                   |                     |                                 |                                  |
| Lead Abatement and Encapsulation   | \$ 55,000           | \$ 55,000                       |                                  |
| Asbestos Abatement   | \$ 115,000          | \$ 115,000                      |                                  |
| <b>Asbestos and Lead Activities Sub-Total</b>                                | <b>\$ 170,000</b>   | <b>\$ 170,000</b>               | <b>\$ -</b>                      |
| <b>Infrastructure Improvements</b>   |                     |                                 |                                  |
| Side Walk Improvements   | \$ 43,240           | \$ 43,240                       |                                  |
| Public Lighting  | \$ 30,000           | \$ 30,000                       |                                  |
| Roads  | \$ 18,000           | \$ 18,000                       |                                  |
| <b>Infrastructure Sub-Total</b>  | <b>\$ 91,240</b>    | <b>\$ 91,240</b>                |                                  |
| <b>Site Preparation</b>  |                     |                                 |                                  |
| Temporary Site Control (fencing, gates, signage and/or lighting)             | \$ 94,000           | \$ 94,000                       |                                  |
| Temporary Facility   | \$ 502,000          | \$ 502,000                      |                                  |
| <b>Site Preparation Sub-Total</b>  | <b>\$ 596,000</b>   | <b>\$ 596,000</b>               | <b>\$ -</b>                      |
| <b>Preparation of Brownfield Plan and Act 381 Workplan</b>                   |                     |                                 |                                  |
| Brownfield Plan/381 Work Plan Preparation                                    | \$ 20,000           | \$ 20,000                       | \$ -                             |
| Brownfield Plan/381 Work Plan Implementation                                 | \$ 10,000           | \$ 10,000                       | \$ -                             |
| <b>Brownfield Plan and Act 381 Workplan Sub-Total</b>                        | <b>\$ 30,000</b>    | <b>\$ 30,000</b>                | <b>\$ -</b>                      |
| <b>Eligible Activities Sub-Total</b>   | <b>\$ 2,244,390</b> | <b>\$ 2,196,240</b>             | <b>\$ 48,150</b>                 |
| 15% Contingency*   | \$ 324,936          | \$ 324,936                      | \$ -                             |
| <b>Developer Eligible Reimbursement Total</b>                                | <b>\$ 2,569,326</b> | <b>\$ 2,521,176</b>             | <b>\$ 48,150</b>                 |
| TIF Capture for Local Brownfield Revolving Fund                              | \$ 166,088          | \$ -                            | \$ -                             |
| TIF Capture for Administrative Fee   | \$ 454,456          |                                 |                                  |
| State Brownfield Fund  | \$ 378,622          |                                 |                                  |
| <b>Total</b>   | <b>\$ 3,568,492</b> | <b>\$ 2,521,176</b>             | <b>\$ 48,150</b>                 |

\*15% Contingency excludes preparation of Brownfield Plan/381 Work Plan and Pre-Approved Activities

Exhibit A  
Proposed Royal Palm Detroit Redevelopment  
Brownfield Redevelopment Plan

**ATTACHMENT F**

**TIF Tables**

## Tax Increment Revenue Capture Estimates

Royal Palm Detroit

June 15, 2020

Estimated Taxable Value (TV) Increase Rate: 1% per year

| Plan Year                                 | 0            | 1            | 2            | 3            | 4            | 5            | 6            | 7            | 8            | 9            | 10           | 11           |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Calendar Year                             | 2020         | 2022         | 2023         | 2024         | 2025         | 2026         | 2027         | 2028         | 2029         | 2030         | 2031         | 2032         |
| *Base Taxable Value                       | \$ 2,832,100 | \$ 2,832,100 | \$ 2,832,100 | \$ 2,832,100 | \$ 2,832,100 | \$ 2,832,100 | \$ 2,832,100 | \$ 2,832,100 | \$ 2,832,100 | \$ 2,832,100 | \$ 2,832,100 | \$ 2,832,100 |
| Estimated New TV - Hotel                  | \$ 7,990,000 | \$ 8,069,900 | \$ 8,150,599 | \$ 8,232,105 | \$ 8,314,426 | \$ 8,397,570 | \$ 8,481,546 | \$ 8,566,361 | \$ 8,652,025 | \$ 8,738,545 | \$ 8,825,931 |              |
| Incremental Difference (New TV - Base TV) | \$ 5,157,900 | \$ 5,237,800 | \$ 5,318,499 | \$ 5,400,005 | \$ 5,482,326 | \$ 5,565,470 | \$ 5,649,446 | \$ 5,734,261 | \$ 5,819,925 | \$ 5,906,445 | \$ 5,993,831 |              |

|                       |                     |
|-----------------------|---------------------|
| <b>School Capture</b> | <b>Millage Rate</b> |
|-----------------------|---------------------|

|                           |                |                  |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
|---------------------------|----------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| State Education Tax (SET) | 6.0000         | \$ 16,993        | \$ 30,947         | \$ 31,427         | \$ 31,911         | \$ 32,400         | \$ 32,894         | \$ 33,393         | \$ 33,897         | \$ 34,406         | \$ 34,920         | \$ 35,439         | \$ 35,963         |
| School Operating Tax      | 18.0000        | \$ 50,978        | \$ 92,842         | \$ 94,280         | \$ 95,733         | \$ 97,200         | \$ 98,682         | \$ 100,178        | \$ 101,690        | \$ 103,217        | \$ 104,759        | \$ 106,316        | \$ 107,889        |
| <b>School Total</b>       | <b>24.0000</b> | <b>\$ 67,970</b> | <b>\$ 123,790</b> | <b>\$ 125,707</b> | <b>\$ 127,644</b> | <b>\$ 129,600</b> | <b>\$ 131,576</b> | <b>\$ 133,571</b> | <b>\$ 135,587</b> | <b>\$ 137,622</b> | <b>\$ 139,678</b> | <b>\$ 141,755</b> | <b>\$ 143,852</b> |

|                      |                       |
|----------------------|-----------------------|
| <b>Local Capture</b> | <b>OPRA Abatement</b> |
|----------------------|-----------------------|

|  |                |                   |             |             |             |             |             |             |             |             |             |             |             |
|--|----------------|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| City Operating                           | 19.9520        | \$ 56,506         | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Library                                  | 4.6307         | \$ 13,115         | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Wayne County Operating (summer)          | 5.6483         | \$ 15,997         | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Wayne County Operation (winter)          | 0.9897         | \$ 2,803          | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Wayne County Jails                       | 0.9381         | \$ 2,657          | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Wayne County Parks                       | 0.2459         | \$ 696            | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| HCMA                                     | 0.2129         | \$ 603            | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| RESA Enhancement                         | 0.0000         | \$ 5,664          | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Wayne County ISD (RESA)                  | 3.4643         | \$ 9,811          | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Wayne County Community College           | 3.2408         | \$ 9,178          | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| <b>Local Total</b>                       | <b>39.3227</b> | <b>\$ 111,366</b> | <b>\$ -</b> |
| <b>Local Brownfield Capturable Total</b> | <b>5.6380</b>  | <b>\$ -</b>       | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> |

|                                |  |
|--------------------------------|--|
| <b>Non-Capturable Millages</b> |  |
|--------------------------------|--|

|                                   |                |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |             |
|-----------------------------------|----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------|
| City Debt                         | 7.0000         | \$ 19,825         | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -        |
| School Debt                       | 13.0000        | \$ 36,817         | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -        |
| Wayne County DIA                  | 0.2000         | \$ 566            | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -        |
| Wayne County Zoo                  | 0.1000         | \$ 283            | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -        |
| DDA                               | 0.9887         | \$ 2,800          | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -        |
| <b>Total Non-Capturable Taxes</b> | <b>21.2887</b> | <b>\$ 60,292</b>  | <b>\$ -</b>       | <b>\$ -</b> |
| <b>Total Capturable Millages</b>  | <b>29.6380</b> | <b>\$ 123,790</b> | <b>\$ 125,707</b> | <b>\$ 127,644</b> | <b>\$ 129,600</b> | <b>\$ 131,576</b> | <b>\$ 133,571</b> | <b>\$ 135,587</b> | <b>\$ 137,622</b> | <b>\$ 139,678</b> | <b>\$ 141,755</b> | <b>\$ 143,852</b> |             |

**Total Tax Increment Revenue (TIR) Available for Capture** \$ 123,790 \$ 125,707 \$ 127,644 \$ 129,600 \$ 131,576 \$ 133,571 \$ 135,587 \$ 137,622 \$ 139,678 \$ 141,755 \$ 143,852

## Tax Increment Revenue Capture Estimates

Royal Palm Detroit

June 15, 2020

Estimated Taxable Value (TV) Increase Rate:

| Plan Year  | 12                        | 13                | 14                | 15                | 16                | 17                | 18                | 19                | 20                | 21                | 22                |
|--|---------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Calendar Year  | 2033                      | 2034              | 2035              | 2036              | 2037              | 2038              | 2039              | 2040              | 2041              | 2042              | 2043              |
| *Base Taxable Value  | \$ 2,832,100              | \$ 2,832,100      | \$ 2,832,100      | \$ 2,832,100      | \$ 2,832,100      | \$ 2,832,100      | \$ 2,832,100      | \$ 2,832,100      | \$ 2,832,100      | \$ 2,832,100      | \$ 2,832,100      |
| Estimated New TV - Hotel                                       | \$ 8,914,190              | \$ 9,003,332      | \$ 9,093,365      | \$ 9,184,299      | \$ 9,276,142      | \$ 9,368,903      | \$ 9,462,592      | \$ 9,557,218      | \$ 9,652,791      | \$ 9,749,318      | \$ 9,846,812      |
| Incremental Difference (New TV - Base TV)                      | \$ 6,082,090              | \$ 6,171,232      | \$ 6,261,265      | \$ 6,352,199      | \$ 6,444,042      | \$ 6,536,803      | \$ 6,630,492      | \$ 6,725,118      | \$ 6,820,691      | \$ 6,917,218      | \$ 7,014,712      |
| <b>School Capture</b>  |                           |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| <b>School Capture</b>  |                           |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| State Education Tax (SET)                                      | 6.0000 \$ 36,493          | \$ 37,027         | \$ 37,568         | \$ 38,113         | \$ 38,664         | \$ 39,221         | \$ 39,783         | \$ 40,351         | \$ 40,924         | \$ 29,929         | \$ -              |
| School Operating Tax   | 18.0000 \$ 109,478        | \$ 111,082        | \$ 112,703        | \$ 114,340        | \$ 115,993        | \$ 117,662        | \$ 119,349        | \$ 121,052        | \$ 122,772        | \$ 55,062         | \$ -              |
| <b>School Total</b>  | <b>24.0000 \$ 145,970</b> | <b>\$ 148,110</b> | <b>\$ 150,270</b> | <b>\$ 152,453</b> | <b>\$ 154,657</b> | <b>\$ 156,883</b> | <b>\$ 159,132</b> | <b>\$ 161,403</b> | <b>\$ 163,697</b> | <b>\$ 84,991</b>  | <b>\$ -</b>       |
| <b>Local Capture</b>   |                           |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| City Operating   | 19.9520 \$ -              | \$ 123,128        | \$ 124,925        | \$ 126,739        | \$ 128,572        | \$ 130,422        | \$ 132,292        | \$ 134,180        | \$ 136,086        | \$ 138,012        | \$ 139,958        |
| Library  | 4.6307 \$ -               | \$ 28,577         | \$ 28,994         | \$ 29,415         | \$ 29,840         | \$ 30,270         | \$ 30,704         | \$ 31,142         | \$ 31,585         | \$ 32,032         | \$ 32,483         |
| Wayne County Operating (summer)                                | 5.6483 \$ -               | \$ 34,857         | \$ 35,366         | \$ 35,879         | \$ 36,398         | \$ 36,922         | \$ 37,451         | \$ 37,985         | \$ 38,525         | \$ 39,071         | \$ 39,621         |
| Wayne County Operation (winter)                                | 0.9897 \$ -               | \$ 6,108          | \$ 6,197          | \$ 6,287          | \$ 6,378          | \$ 6,469          | \$ 6,562          | \$ 6,656          | \$ 6,750          | \$ 6,846          | \$ 6,942          |
| Wayne County Jails   | 0.9381 \$ -               | \$ 5,789          | \$ 5,874          | \$ 5,959          | \$ 6,045          | \$ 6,132          | \$ 6,220          | \$ 6,309          | \$ 6,398          | \$ 6,489          | \$ 6,581          |
| Wayne County Parks   | 0.2459 \$ -               | \$ 1,518          | \$ 1,540          | \$ 1,562          | \$ 1,585          | \$ 1,607          | \$ 1,630          | \$ 1,654          | \$ 1,677          | \$ 1,701          | \$ 1,725          |
| HCMA   | 0.2129 \$ -               | \$ 1,314          | \$ 1,333          | \$ 1,352          | \$ 1,372          | \$ 1,392          | \$ 1,412          | \$ 1,432          | \$ 1,452          | \$ 1,473          | \$ 1,493          |
| RESA Enhancement   | 0.0000 \$ -               | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              |
| Wayne County ISD (RESA)  | 3.4643 \$ -               | \$ 21,379         | \$ 21,691         | \$ 22,006         | \$ 22,324         | \$ 22,645         | \$ 22,970         | \$ 23,298         | \$ 23,629         | \$ 23,963         | \$ 24,301         |
| Wayne County Community College                                 | 3.2408 \$ -               | \$ 20,000         | \$ 20,292         | \$ 20,586         | \$ 20,884         | \$ 21,184         | \$ 21,488         | \$ 21,795         | \$ 22,104         | \$ 22,417         | \$ 22,733         |
| <b>Local Total</b>   | <b>39.3227 \$ -</b>       | <b>\$ 242,670</b> | <b>\$ 246,210</b> | <b>\$ 249,786</b> | <b>\$ 253,397</b> | <b>\$ 257,045</b> | <b>\$ 260,729</b> | <b>\$ 264,450</b> | <b>\$ 268,208</b> | <b>\$ 285,838</b> | <b>\$ 289,867</b> |
| <b>Local Brownfield Capturable Total</b>                       | <b>5.6380 \$ -</b>        | <b>\$ 34,793</b>  | <b>\$ 35,301</b>  | <b>\$ 35,814</b>  | <b>\$ 36,332</b>  | <b>\$ 36,854</b>  | <b>\$ 37,383</b>  | <b>\$ 37,916</b>  | <b>\$ 38,455</b>  | <b>\$ 38,999</b>  | <b>\$ 39,549</b>  |
| <b>Non-Capturable Millages</b>                                 |                           |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| City Debt  | 7.0000 \$ -               | \$ 43,199         | \$ 43,829         | \$ 44,465         | \$ 45,108         | \$ 45,758         | \$ 46,413         | \$ 47,076         | \$ 47,745         | \$ 48,421         | \$ 49,103         |
| School Debt  | 13.0000 \$ -              | \$ 80,226         | \$ 81,396         | \$ 82,579         | \$ 83,773         | \$ 84,978         | \$ 86,196         | \$ 87,427         | \$ 88,669         | \$ 89,924         | \$ 91,191         |
| Wayne County DIA   | 0.2000 \$ -               | \$ 1,234          | \$ 1,252          | \$ 1,270          | \$ 1,289          | \$ 1,307          | \$ 1,326          | \$ 1,345          | \$ 1,364          | \$ 1,383          | \$ 1,403          |
| Wayne County Zoo   | 0.1000 \$ -               | \$ 617            | \$ 626            | \$ 635            | \$ 644            | \$ 654            | \$ 663            | \$ 673            | \$ 682            | \$ 692            | \$ 701            |
| DDA  | 0.9887 \$ -               | \$ 6,101          | \$ 6,191          | \$ 6,280          | \$ 6,371          | \$ 6,463          | \$ 6,556          | \$ 6,649          | \$ 6,744          | \$ 6,839          | \$ 6,935          |
| <b>Total Non-Capturable Taxes</b>                              | <b>21.2887 \$ -</b>       | <b>\$ 131,378</b> | <b>\$ 133,294</b> | <b>\$ 135,230</b> | <b>\$ 137,185</b> | <b>\$ 139,160</b> | <b>\$ 141,155</b> | <b>\$ 143,169</b> | <b>\$ 145,204</b> | <b>\$ 147,259</b> | <b>\$ 149,334</b> |
| <b>Total Capturable Millages</b>                               | <b>29.6380 \$ 145,970</b> | <b>\$ 182,903</b> | <b>\$ 185,571</b> | <b>\$ 188,266</b> | <b>\$ 190,989</b> | <b>\$ 193,738</b> | <b>\$ 196,515</b> | <b>\$ 199,319</b> | <b>\$ 202,152</b> | <b>\$ 123,990</b> | <b>\$ 39,549</b>  |
| <b>Total Tax Increment Revenue (TIR) Available for Capture</b> | <b>\$ 145,970</b>         | <b>\$ 182,903</b> | <b>\$ 185,571</b> | <b>\$ 188,266</b> | <b>\$ 190,989</b> | <b>\$ 193,738</b> | <b>\$ 196,515</b> | <b>\$ 199,319</b> | <b>\$ 202,152</b> | <b>\$ 123,990</b> | <b>\$ 39,549</b>  |

## Tax Increment Revenue Capture Estimates

Royal Palm Detroit

June 15, 2020

Estimated Taxable Value (TV) Increase Rate:

| Plan Year                                 | 23           | 24            | 25            | 26            | 27            | 28            |              | TOTAL |
|---|--------------|---------------|---------------|---------------|---------------|---------------|--------------|-------|
| Calendar Year                             | 2044         | 2045          | 2046          | 2047          | 2048          | 2049          |              | -     |
| *Base Taxable Value                       | \$ 2,832,100 | \$ 2,832,100  | \$ 2,832,100  | \$ 2,832,100  | \$ 2,832,100  | \$ 2,832,100  | \$ 2,832,100 | \$ -  |
| Estimated New TV - Hotel                  | \$ 9,945,280 | \$ 10,044,733 | \$ 10,145,180 | \$ 10,246,632 | \$ 10,349,098 | \$ 10,452,589 | \$ -         |       |
| Incremental Difference (New TV - Base TV) | \$ 7,113,180 | \$ 7,212,633  | \$ 7,313,080  | \$ 7,414,532  | \$ 7,516,998  | \$ 7,620,489  | \$ -         |       |

| <u>Local Capture</u>                     |               |           |                |           |                |           |                |           |                |           |                |           |                |           |                  |
|--|---------------|-----------|----------------|-----------|----------------|-----------|----------------|-----------|----------------|-----------|----------------|-----------|----------------|-----------|------------------|
| City Operating                           | 19,952        | \$        | 141,922        | \$        | 143,906        | \$        | 145,911        | \$        | 147,935        | \$        | 149,979        | \$        | 152,044        | \$        | 2,196,011        |
| Library                                  | 4,630         | \$        | 32,939         | \$        | 33,400         | \$        | 33,865         | \$        | 34,334         | \$        | 34,809         | \$        | 35,288         | \$        | 509,677          |
| Wayne County Operating (summer)          | 5,648         | \$        | 40,177         | \$        | 40,739         | \$        | 41,306         | \$        | 41,879         | \$        | 42,458         | \$        | 43,043         | \$        | 621,678          |
| Wayne County Operation (winter)          | 0.989         | \$        | 7,040          | \$        | 7,138          | \$        | 7,238          | \$        | 7,338          | \$        | 7,440          | \$        | 7,542          | \$        | 108,931          |
| Wayne County Jails                       | 0.938         | \$        | 6,673          | \$        | 6,766          | \$        | 6,860          | \$        | 6,956          | \$        | 7,052          | \$        | 7,149          | \$        | 103,252          |
| Wayne County Parks                       | 0.245         | \$        | 1,749          | \$        | 1,774          | \$        | 1,798          | \$        | 1,823          | \$        | 1,848          | \$        | 1,874          | \$        | 27,065           |
| HCMA                                     | 0.212         | \$        | 1,514          | \$        | 1,536          | \$        | 1,557          | \$        | 1,579          | \$        | 1,600          | \$        | 1,622          | \$        | 23,433           |
| RESA Enhancement                         | 0.000         | \$        | -              | \$        | -              | \$        | -              | \$        | -              | \$        | -              | \$        | -              | \$        | -                |
| Wayne County ISD (RESA)                  | 3,464         | \$        | 24,642         | \$        | 24,987         | \$        | 25,335         | \$        | 25,686         | \$        | 26,041         | \$        | 26,400         | \$        | 381,297          |
| Wayne County Community College           | 3,240         | \$        | 23,052         | \$        | 23,375         | \$        | 23,700         | \$        | 24,029         | \$        | 24,361         | \$        | 24,696         | \$        | 356,698          |
| <b>Local Total</b>                       | <b>39,322</b> | <b>\$</b> | <b>293,936</b> | <b>\$</b> | <b>298,045</b> | <b>\$</b> | <b>302,196</b> | <b>\$</b> | <b>306,388</b> | <b>\$</b> | <b>310,623</b> | <b>\$</b> | <b>314,899</b> | <b>\$</b> | <b>4,444,286</b> |
| <b>Local Brownfield Capturable Total</b> | <b>5,638</b>  | <b>\$</b> | <b>40,104</b>  | <b>\$</b> | <b>40,665</b>  | <b>\$</b> | <b>41,231</b>  | <b>\$</b> | <b>41,803</b>  | <b>\$</b> | <b>42,381</b>  | <b>\$</b> | <b>42,964</b>  | <b>\$</b> | <b>620,545</b>   |

| <u><b>Non-Capturable Millages</b></u> |                |           |                |           |                |           |                |           |                |           |                |           |                |           |                  |
|---------------------------------------|----------------|-----------|----------------|-----------|----------------|-----------|----------------|-----------|----------------|-----------|----------------|-----------|----------------|-----------|------------------|
| City Debt                             | 7.0000         | \$        | 49,792         | \$        | 50,488         | \$        | 51,192         | \$        | 51,902         | \$        | 52,619         | \$        | 53,343         | \$        | 770,453          |
| School Debt                           | 13.0000        | \$        | 92,471         | \$        | 93,764         | \$        | 95,070         | \$        | 96,389         | \$        | 97,721         | \$        | 99,066         | \$        | 1,430,841        |
| Wayne County DIA                      | 0.2000         | \$        | 1,423          | \$        | 1,443          | \$        | 1,463          | \$        | 1,483          | \$        | 1,503          | \$        | 1,524          | \$        | 22,013           |
| Wayne County Zoo                      | 0.1000         | \$        | 711            | \$        | 721            | \$        | 731            | \$        | 741            | \$        | 752            | \$        | 762            | \$        | 11,006           |
| DDA                                   | 0.9887         | \$        | 7,033          | \$        | 7,131          | \$        | 7,230          | \$        | 7,331          | \$        | 7,432          | \$        | 7,534          | \$        | 108,821          |
| <b>Total Non-Capturable Taxes</b>     | <b>21.2887</b> | <b>\$</b> | <b>151,430</b> | <b>\$</b> | <b>153,548</b> | <b>\$</b> | <b>155,686</b> | <b>\$</b> | <b>157,846</b> | <b>\$</b> | <b>160,027</b> | <b>\$</b> | <b>162,230</b> | <b>\$</b> | <b>2,343,134</b> |
| <b>Total Capturable Millages</b>      | <b>29.6380</b> | <b>\$</b> | <b>40,104</b>  | <b>\$</b> | <b>40,665</b>  | <b>\$</b> | <b>41,231</b>  | <b>\$</b> | <b>41,803</b>  | <b>\$</b> | <b>42,381</b>  | <b>\$</b> | <b>42,964</b>  |           |                  |

**Total Tax Increment Revenue (TIR) Available for Capture** \$ 40,104 \$ 40,665 \$ 41,231 \$ 41,803 \$ 42,381 \$ 42,964 \$

**Tax Increment Revenue Reimbursement Estimates**

Royal Palm Detroit

June 15, 2020

| Developer Maximum Reimbursement | Total Proportionality | School & Local Taxes | Local-Only Taxes | Total        |
|---------------------------------|-----------------------|----------------------|------------------|--------------|
| State                           | 100.00%               | \$ 2,569,326         | \$ -             | \$ 2,569,326 |
| Local                           | 0.00%                 | \$ -                 | \$ -             | \$ -         |
| <b>TOTAL</b>                    |                       |                      |                  |              |
| MDEQ                            | 1.87%                 | \$ 48,150            | \$ -             | \$ 48,150    |
| MSF                             | 98.13%                | \$ 2,521,176         | \$ -             | \$ 2,521,176 |

|                                |    |
|--------------------------------|----|
| Estimated Total Years of Plan: | 29 |
|--------------------------------|----|

|  | 1                   | 2                     | 3                   | 4                   | 5                   | 6                   | 7                   | 8                   | 9                   | 10                  |                     |
|--|---------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|  | 2022                | 2023                  | 2024                | 2025                | 2026                | 2027                | 2028                | 2029                | 2030                | 2031                |                     |
| Total State Incremental Revenue              | \$ 123,790          | \$ 125,707            | \$ 127,644          | \$ 129,600          | \$ 131,576          | \$ 133,571          | \$ 135,587          | \$ 137,622          | \$ 139,678          | \$ 141,755          |                     |
| State Brownfield Revolving Fund (50% of SET) | \$ 15,474           | \$ 15,713             | \$ 15,955           | \$ 16,200           | \$ 16,447           | \$ 16,696           | \$ 16,948           | \$ 17,203           | \$ 17,460           | \$ 17,719           |                     |
| <b>State TIR Available for Reimbursement</b> | <b>\$ 108,316</b>   | <b>\$ 109,994</b>     | <b>\$ 111,688</b>   | <b>\$ 113,400</b>   | <b>\$ 115,129</b>   | <b>\$ 116,875</b>   | <b>\$ 118,638</b>   | <b>\$ 120,419</b>   | <b>\$ 122,218</b>   | <b>\$ 124,035</b>   |                     |
| Total Local Incremental Revenue              | \$ -                | \$ -                  | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |                     |
| BRA Administrative Fee (5% or max \$100,000) | \$ 6,189            | \$ 6,285              | \$ 6,382            | \$ 6,480            | \$ 6,579            | \$ 6,679            | \$ 6,779            | \$ 6,881            | \$ 6,984            | \$ 7,088            |                     |
| Deferred Admin Fee (10%)                     | \$ 12,379           | \$ 12,571             | \$ 12,764           | \$ 12,960           | \$ 13,158           | \$ 13,357           | \$ 13,559           | \$ 13,762           | \$ 13,968           | \$ 14,175           |                     |
| Total of Deferred Fees                       |                     |                       |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Payback of Deferred Fees                     |                     |                       |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| <b>Local TIR Available for Reimbursement</b> | <b>\$ -</b>         | <b>\$ -</b>           | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         |                     |
| <b>Total State &amp; Local TIR Available</b> | <b>\$ 108,316</b>   | <b>\$ 109,994</b>     | <b>\$ 111,688</b>   | <b>\$ 113,400</b>   | <b>\$ 115,129</b>   | <b>\$ 116,875</b>   | <b>\$ 118,638</b>   | <b>\$ 120,419</b>   | <b>\$ 122,218</b>   | <b>\$ 124,035</b>   |                     |
| <b>DEVELOPER</b>                             | Beginning Balance   | <b>OPRA Abatement</b> |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| <b>DEVELOPER Reimbursement Balance</b>       | <b>\$ 2,569,326</b> | <b>\$ 2,461,010</b>   | <b>\$ 2,351,016</b> | <b>\$ 2,239,328</b> | <b>\$ 2,125,928</b> | <b>\$ 2,010,799</b> | <b>\$ 1,893,924</b> | <b>\$ 1,775,286</b> | <b>\$ 1,654,866</b> | <b>\$ 1,532,648</b> | <b>\$ 1,408,612</b> |
| -----  | -----               | -----                 | -----               | -----               | -----               | -----               | -----               | -----               | -----               | -----               | -----               |
| MSF Non-Environmental Costs                  | \$ 2,521,176        | \$ -                  | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |
| State Tax Reimbursement                      |                     | \$ 106,286            | \$ 107,932          | \$ 109,595          | \$ 111,275          | \$ 112,971          | \$ 114,685          | \$ 116,415          | \$ 118,163          | \$ 119,928          | \$ 121,711          |
| Local Tax Reimbursement                      |                     | \$ -                  | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |
| <b>Total MSF Reimbursement Balance</b>       | <b>\$ 2,414,890</b> | <b>\$ 2,306,957</b>   | <b>\$ 2,197,362</b> | <b>\$ 2,086,087</b> | <b>\$ 1,973,116</b> | <b>\$ 1,858,431</b> | <b>\$ 1,742,016</b> | <b>\$ 1,623,853</b> | <b>\$ 1,503,925</b> | <b>\$ 1,382,215</b> |                     |
| MDEQ Environmental Costs                     | \$ 48,150           | \$ -                  | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |
| State Tax Reimbursement                      |                     | \$ 2,030              | \$ 2,061            | \$ 2,093            | \$ 2,125            | \$ 2,158            | \$ 2,190            | \$ 2,223            | \$ 2,257            | \$ 2,290            | \$ 2,324            |
| Local Tax Reimbursement                      |                     | \$ -                  | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ -                |
| <b>Total MDEQ Reimbursement Balance</b>      | <b>\$ 46,120</b>    | <b>\$ 44,059</b>      | <b>\$ 41,966</b>    | <b>\$ 39,841</b>    | <b>\$ 37,683</b>    | <b>\$ 35,493</b>    | <b>\$ 33,269</b>    | <b>\$ 31,013</b>    | <b>\$ 28,722</b>    | <b>\$ 26,398</b>    |                     |
| <b>Total Annual Developer Reimbursement</b>  | <b>\$ 108,316</b>   | <b>\$ 109,994</b>     | <b>\$ 111,688</b>   | <b>\$ 113,400</b>   | <b>\$ 115,129</b>   | <b>\$ 116,875</b>   | <b>\$ 118,638</b>   | <b>\$ 120,419</b>   | <b>\$ 122,218</b>   | <b>\$ 124,035</b>   |                     |

**LOCAL BROWNFIELD REVOLVING FUND**

|                           |             |             |             |             |             |             |             |             |             |             |             |
|---------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| LBRF Deposits *           | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| State Tax Capture         | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| Local Tax Capture         | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| <b>Total LBRF Capture</b> | <b>\$ -</b> |

\* Up to five years of capture for LBRF Deposits after eligible activities are reimbursed. May be taken from DEQ & Local TIR only.

**Tax Increment Revenue Reimbursement Estimates**  
**Royal Palm Detroit**  
**June 15, 2020**

**Estimated Capture**

|                      |            |
|----------------------|------------|
| Administrative Fees  | \$ 535,274 |
| State Revolving Fund | \$ 378,622 |
| LBRF                 | \$ 166,088 |

|  | 11                  | 12                  | 13                  | 14                | 15                | 16                | 17                | 18                | 19                | 20                | 21               |
|--|---------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|
|  | 2032                | 2033                | 2034                | 2035              | 2036              | 2037              | 2038              | 2039              | 2040              | 2041              | 2042             |
| Total State Incremental Revenue              | \$ 143,852          | \$ 145,970          | \$ 148,110          | \$ 150,270        | \$ 152,453        | \$ 154,657        | \$ 156,883        | \$ 159,132        | \$ 161,403        | \$ 163,697        | \$ 84,991        |
| State Brownfield Revolving Fund (50% of SET) | \$ 17,981           | \$ 18,246           | \$ 18,514           | \$ 18,784         | \$ 19,057         | \$ 19,332         | \$ 19,610         | \$ 19,891         | \$ 20,175         | \$ 20,462         | \$ 20,752        |
| <b>State TIR Available for Reimbursement</b> | <b>\$ 125,870</b>   | <b>\$ 127,724</b>   | <b>\$ 129,596</b>   | <b>\$ 131,487</b> | <b>\$ 133,396</b> | <b>\$ 135,325</b> | <b>\$ 137,273</b> | <b>\$ 139,240</b> | <b>\$ 141,227</b> | <b>\$ 143,235</b> | <b>\$ 64,239</b> |
| Total Local Incremental Revenue              | \$ -                | \$ -                | \$ 34,793           | \$ 35,301         | \$ 35,814         | \$ 36,332         | \$ 36,854         | \$ 37,383         | \$ 37,916         | \$ 38,455         | \$ 38,999        |
| BRA Administrative Fee (5% or max \$100,000) | \$ 7,193            | \$ 7,299            | \$ 27,435           | \$ 27,836         | \$ 28,240         | \$ 28,648         | \$ 29,061         | \$ 29,477         | \$ 29,898         | \$ 30,323         | \$ 18,599        |
| Deferred Admin Fee (10%)                     | \$ 14,385           | \$ 14,597           | \$ 161,635          | \$ 154,277        | \$ 146,812        | \$ 139,238        | \$ 131,555        | \$ 123,761        | \$ 115,856        | \$ 107,837        | \$ 99,705        |
| Total of Deferred Fees                       | \$ -                | \$ -                | \$ 7,358            | \$ 7,465          | \$ 7,574          | \$ 7,683          | \$ 7,794          | \$ 7,906          | \$ 8,018          | \$ 8,132          | \$ 20,401        |
| <b>Local TIR Available for Reimbursement</b> | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>      |
| <b>Total State &amp; Local TIR Available</b> | <b>\$ 125,870</b>   | <b>\$ 127,724</b>   | <b>\$ 129,596</b>   | <b>\$ 131,487</b> | <b>\$ 133,396</b> | <b>\$ 135,325</b> | <b>\$ 137,273</b> | <b>\$ 139,240</b> | <b>\$ 141,227</b> | <b>\$ 143,235</b> | <b>\$ 64,239</b> |
| <b>DEVELOPER</b>                             |                     |                     |                     |                   |                   |                   |                   |                   |                   |                   |                  |
| <b>DEVELOPER Reimbursement Balance</b>       | <b>\$ 1,282,742</b> | <b>\$ 1,155,018</b> | <b>\$ 1,025,422</b> | <b>\$ 893,936</b> | <b>\$ 760,539</b> | <b>\$ 625,215</b> | <b>\$ 487,942</b> | <b>\$ 348,701</b> | <b>\$ 207,474</b> | <b>\$ 64,239</b>  | <b>\$ 0</b>      |
| <hr/>  |                     |                     |                     |                   |                   |                   |                   |                   |                   |                   |                  |
| MSF Non-Environmental Costs                  | \$ -                |                     |                     |                   |                   |                   |                   |                   |                   |                   |                  |
| State Tax Reimbursement                      | \$ 123,512          | \$ 125,330          | \$ 127,167          | \$ 129,022        | \$ 130,896        | \$ 132,789        | \$ 134,700        | \$ 136,631        | \$ 138,581        | \$ 140,550        | \$ 63,035        |
| Local Tax Reimbursement                      | \$ -                | \$ -                | \$ -                | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -             |
| <b>Total MSF Reimbursement Balance</b>       | <b>\$ 1,258,703</b> | <b>\$ 1,133,373</b> | <b>\$ 1,006,205</b> | <b>\$ 877,183</b> | <b>\$ 746,287</b> | <b>\$ 613,498</b> | <b>\$ 478,797</b> | <b>\$ 342,167</b> | <b>\$ 203,586</b> | <b>\$ 63,035</b>  | <b>\$ -</b>      |
| MDEQ Environmental Costs                     | \$ -                |                     |                     |                   |                   |                   |                   |                   |                   |                   |                  |
| State Tax Reimbursement                      | \$ 2,359            | \$ 2,394            | \$ 2,429            | \$ 2,464          | \$ 2,500          | \$ 2,536          | \$ 2,573          | \$ 2,609          | \$ 2,647          | \$ 2,684          | \$ 1,204         |
| Local Tax Reimbursement                      | \$ -                | \$ -                | \$ -                | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -             |
| <b>Total MDEQ Reimbursement Balance</b>      | <b>\$ 24,039</b>    | <b>\$ 21,645</b>    | <b>\$ 19,217</b>    | <b>\$ 16,753</b>  | <b>\$ 14,253</b>  | <b>\$ 11,717</b>  | <b>\$ 9,144</b>   | <b>\$ 6,535</b>   | <b>\$ 3,888</b>   | <b>\$ 1,204</b>   | <b>\$ -</b>      |
| <b>Total Annual Developer Reimbursement</b>  | <b>\$ 125,870</b>   | <b>\$ 127,724</b>   | <b>\$ 129,596</b>   | <b>\$ 131,487</b> | <b>\$ 133,396</b> | <b>\$ 135,325</b> | <b>\$ 137,273</b> | <b>\$ 139,240</b> | <b>\$ 141,227</b> | <b>\$ 143,235</b> | <b>\$ 64,239</b> |
| <b>LOCAL BROWNFIELD REVOLVING FUND</b>       |                     |                     |                     |                   |                   |                   |                   |                   |                   |                   |                  |
| LBRF Deposits *                              | \$ -                | \$ -                | \$ -                | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -             |
| State Tax Capture                            | \$ -                | \$ -                | \$ -                | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -             |
| Local Tax Capture                            | \$ -                | \$ -                | \$ -                | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -              | \$ -             |
| <b>Total LBRF Capture</b>                    | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>       | <b>\$ -</b>      |

\* Up to five years of capture for LBRF Deposits

**Tax Increment Revenue Reimbursement Estimates**  
**Royal Palm Detroit**  
**June 15, 2020**

|   | 22<br>2043 | 23<br>2044 | 24<br>2045 | 25<br>2046 | 26<br>2047 | 27<br>2048 | 28<br>2049 | <b>TOTAL</b> |
|---|------------|------------|------------|------------|------------|------------|------------|--------------|
| <b>Total State Incremental Revenue</b>              |            |            |            |            |            |            |            | \$ 2,947,947 |
| <b>State Brownfield Revolving Fund (50% of SET)</b> |            |            |            |            |            |            |            | \$ 378,622   |
| <b>State TIR Available for Reimbursement</b>        |            |            |            |            |            |            |            | \$ 2,569,326 |
| Total Local Incremental Revenue                     | \$ 39,549  | \$ 40,104  | \$ 40,665  | \$ 41,231  | \$ 41,803  | \$ 42,381  | \$ 42,964  | \$ 620,545   |
| BRA Administrative Fee (5% or max \$100,000)        | \$ 5,932   | \$ 6,016   | \$ 6,100   | \$ 6,185   | \$ 6,270   | \$ 6,357   | \$ 6,445   | \$ 373,639   |
| Deferred Admin Fee (10%)                            |            |            |            |            |            |            |            | \$ 161,635   |
| Total of Deferred Fees                              | \$ 79,304  | \$ 45,688  | \$ 11,599  | \$ 0       | \$ 0       | \$ 0       | \$ 0       |              |
| Payback of Deferred Fees                            | \$ 33,617  | \$ 34,088  | \$ 11,599  | -          | -          | -          | -          |              |
| <b>Local TIR Available for Reimbursement</b>        | \$ -       | \$ -       | \$ 22,966  | \$ 35,046  | \$ 35,533  | \$ 36,024  | \$ 36,520  | \$ 166,088   |
| <b>Total State &amp; Local TIR Available</b>        | \$ -       | \$ -       | \$ 22,966  | \$ 35,046  | \$ 35,533  | \$ 36,024  | \$ 36,520  | \$ 2,735,414 |
| <b>DEVELOPER</b>                                    |            |            |            |            |            |            |            |              |
| <b>DEVELOPER Reimbursement Balance</b>              | \$ 0       | \$ 0       | \$ 0       | \$ 0       | \$ 0       | \$ 0       | \$ 0       | \$ -         |
| -----   | -----      | -----      | -----      | -----      | -----      | -----      | -----      | -----        |
| MSF Non-Environmental Costs                         |            |            |            |            |            |            |            | \$ -         |
| State Tax Reimbursement                             |            |            |            |            |            |            |            | \$ 2,521,176 |
| Local Tax Reimbursement                             |            |            |            |            |            |            |            | \$ -         |
| <b>Total MSF Reimbursement Balance</b>              | \$ -       | \$ -       | \$ -       | \$ -       | \$ -       | \$ -       | \$ -       | \$ -         |
| MDEQ Environmental Costs                            |            |            |            |            |            |            |            | \$ -         |
| State Tax Reimbursement                             |            |            |            |            |            |            |            | \$ 48,150    |
| Local Tax Reimbursement                             |            |            |            |            |            |            |            | \$ -         |
| <b>Total MDEQ Reimbursement Balance</b>             | \$ -       | \$ -       | \$ -       | \$ -       | \$ -       | \$ -       | \$ -       | \$ -         |
| <b>Total Annual Developer Reimbursement</b>         | \$ -       | \$ -       | \$ -       | \$ -       | \$ -       | \$ -       | \$ -       | \$ 2,569,326 |
| <b>LOCAL BROWNFIELD REVOLVING FUND</b>              |            |            |            |            |            |            |            |              |
| <b>LBRF Deposits *</b>                              | \$ -       | \$ -       | \$ 22,966  | \$ 35,046  | \$ 35,533  | \$ 36,024  | \$ 36,520  | \$ 166,088   |
| State Tax Capture                                   | \$ -       | \$ -       | \$ -       | \$ -       | \$ -       | \$ -       | \$ -       | \$ -         |
| Local Tax Capture                                   | \$ -       | \$ -       | \$ 22,966  | \$ 35,046  | \$ 35,533  | \$ 36,024  | \$ 36,520  | \$ 166,088   |
| <b>Total LBRF Capture</b>                           |            |            |            |            |            |            |            |              |

\* Up to five years of capture for LBRF Deposits

Exhibit A  
Proposed Royal Palm Detroit Redevelopment  
Brownfield Redevelopment Plan

**ATTACHMENT G**

**BSE&E Acknowledgement and Other Environmental Documents**



CITY OF DETROIT  
BUILDINGS, SAFETY ENGINEERING AND ENVIRONMENTAL DEPARTMENT  
ADMINISTRATION

COLEMAN A. YOUNG MUNICIPAL CENTER  
2 WOODWARD AVENUE, FOURTH FLOOR  
DETROIT, MICHIGAN 48226  
[WWW.DETROITMI.GOV](http://WWW.DETROITMI.GOV)

June 14, 2020

Jennifer Kanalos  
Detroit Brownfield Redevelopment Authority (DBRA)  
500 Griswold, Suite 2200  
Detroit, Michigan 48226

**RE: DBRA Document Review and Invoice Notice**

Attached please find Exhibit B, approving the environmental documents submitted to the Buildings, Safety Engineering, and Environmental Department for review of the 2305 Park Avenue Project 2305 Park Avenue for Downtown Hospitality, LLC.

The review of a Phase I Environmental Site Assessment (ESA) and a Phase II ESA was completed on May 29, 2020 and Invoice #5750469 in the amount of \$1,00.00 for these services was submitted to your office for payment. Please remit a check payable to the Treasurer, City of Detroit by the due date to complete this activity.

If you have any questions, please contact my office at (313) 471-5115.

Sincerely,

Paul T. Max  
General Manager

PTM

Enclosure

cc: Brian Vosburg

**Attachment B**

TO: THE DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY

FROM: DETROIT, BUILDINGS, SAFETY ENGINEERING, AND ENVIRONMENTAL DEPARTMENT

PROJECT: 2305 PARK AVENUE/DOWNTOWN HOSPITALITY,LLC

DATE: JUNE 14, 2020

The undersigned, from the City of Detroit, Buildings, Safety Engineering, and Environmental Department acknowledges the receipt of the environmental documents listed below, which have been submitted by Testing Engineers and Consultants on behalf of Downtown Hospitality, LLC, as developer, as part of its Brownfield Plan submittal to the Detroit Brownfield Redevelopment Authority (DBRA), for the 2305 Park Avenue project.

- 1 Phase I Environmental Site Assessment, pursuant to USEPA's. All Appropriate Inquiry using American Society of Testing Materials (ASTM) Standard E 1527-13
- 1 Phase II Environmental Site Assessment, pursuant to ASTM Standard 1903 (if appropriate)
- Baseline Environmental Assessment, pursuant to Part 201 of Michigan 's Natural Resources and Environmental Protection Act, MCL 324.20101 *et seq.* (if appropriate).
- Due Care Plan, pursuant to Part 201 of Michigan's Natural Resources and Environmental Protection Act, MCL 324.20101 *et seq.* (if appropriate).
- Other

Based upon its review of the above environmental documents and the representations of the developer, the City of Detroit, Buildings, Safety Engineering, and Environmental Department agrees with the environmental consultant that the site is not a facility and has determined that the documents received for this project satisfy the DBRA Guidelines. Since the site is not a facility, it would qualify only as a blighted property or as functionally obsolete.

City of Detroit, Buildings, Safety  
Engineering, and Environmental  
Department

By: Paul J. May

Its: General Manager

Exhibit A  
Proposed Royal Palm Detroit Redevelopment  
Brownfield Redevelopment Plan

**ATTACHMENT H**

**Incentives Chart**

**Incentive Information Chart: 2305 Park Avenue, Detroit**

| Project Type        | Incentive Type | Investment Amount | District   |
|---------------------|----------------|-------------------|------------|
| Hospitality - Hotel | Brownfield TIF | \$50 Million      | District 3 |

| Jobs Available |                  |               |                   |                   |                  |               |                   |
|----------------|------------------|---------------|-------------------|-------------------|------------------|---------------|-------------------|
| Construction   |                  |               |                   | Post Construction |                  |               |                   |
| Professional   | Non-Professional | Skilled Labor | Non-Skilled Labor | Professional      | Non-Professional | Skilled Labor | Non-Skilled Labor |
| 5              | 5                | 35            | 20                | 8                 | 32               | 10            | 15                |

**1. What is the plan for hiring Detroiters?**

The Development team will present at a D2D session following determination of the bid needs and procedures to obtain Detroit-based contractors for this project. The Development team also plans to present at a Skilled Trades Task Force to assist in connecting with additional Detroiters for the project. Additionally, the project's General Contractor, Jonna Construction LLC, has completed many projects within the City of Detroit and has long standing relationships with many Detroit based sub-contractors. The Development team have also selected Detroit-based Kraemer Design Group as the Architect.

When the Development team are gearing up to staff the project, they will be reaching out to local community groups such as the YMCA, Eastside Community Network, Central Detroit Christian, and many other groups to interview and recruit any jobseekers they have in their pipeline. The Development team have also been in touch with Detroit at Work and will be receiving resumes from them and interviewing to fulfill the positions that are available when the Hotel is nearing completion.

The Development team will be seeking Detroit's employment talent and will be interviewing Detroiters first to ensure we are employing the residents of Detroit with a high quality job, competitive pay rate, and a great benefits package. This will ensure that we are retaining our employees and being part of the future of Detroit and its residents.

**2. Please give a detailed description of the jobs available as listed in the above chart, i.e: job type, job qualifications, etc.**

Available construction jobs will consist of demolition and construction, mechanical, plumbing, electrical, engineering, abatement, interior design, carpentry, painting, and masonry and concrete.

The Development team anticipate the creation of approximately 65 full time equivalent permanent jobs related to property management and maintenance, consisting of the following titles:

- **Hotel Manager** – A Hotel Manager is charged with ensuring all aspects of the hotel run smoothly. Guest satisfaction and safety are main concerns, and they work to ensure that every service, from the front desk, to housekeeping, to maintenance, to the restaurant, is being provided with an exceptional level of quality and care. Hotel Managers are multitaskers and problem solvers; they manage staff and delegate responsibilities.
- **Hotel Sales Manager** – A Hotel Sales Manager's job is to earn revenue for hotels by selling rooms, upgrades, and packages to guests. They hold a bachelor's degree in either hospitality management or business. Hotel Sales Managers may start in hotel support positions and work their way up to this role.
- **Housekeeping Manager** – A Housekeeping Manager is a supervisor who oversees the entire housekeeping staff for a facility. They ensure that the highest standards of cleanliness are met regularly and reliably. Housekeeping Managers are responsible for staff training and scheduling, hiring and discipline, inventory and supply management, and the general operation of their department.
- **Hotel Maintenance Engineer** – A Hotel Maintenance Engineer provides upkeep of various common areas and guest rooms. On a typical day, the Maintenance Engineer will perform repairs on mechanical hotel equipment and provide preventative maintenance of various rooms and systems.
- **Concierge** – A Concierge provides a top-tier customer service experience for hotel guests. On a typical day, the Concierge will welcome several guests as they enter the building, confirm their reservations, answer and transfer phone calls, and provide general knowledge regarding hotel details and policies.

- **Front Desk Receptionist** – A Front Desk Receptionist is a customer service professional who is the first point of contact for hotel guests. Front Desk Receptionists are responsible for greeting hotel guests, processing initial paperwork, maintaining records and schedules, and answering phones.
- **Night Auditor** – A Night Auditor acts as both a front desk receptionist and accountant for a hotel during the late night shift. They audit all financial transactions from the day and assist guests with overnight needs such as check-ins, wake up call scheduling, and handling complaints.
- **Room Attendant** – A Room Attendant performs routine cleaning and servicing of guest rooms of hotels. Room Attendants clean and organize all areas of the guest rooms according to established standards, record and report inconsistencies or damage to the housekeeping supervisor, and initiate maintenance requests when necessary.
- **Hotel Housekeeper** – A Hotel Housekeeper is a cleaning professional employed by the hotel. They are responsible for the regular cleaning of guest rooms as well as common areas, working quickly and thoroughly. Hotel Housekeepers should be personable and trustworthy as well as detail-oriented and able to work with little supervision.
- **Restaurant Manager** – A Restaurant Managers responsibilities include maintaining the restaurant's revenue, profitability, and quality goals. They ensure efficient restaurant operations, as well as maintain high productivity, quality, and customer-service standards.
- **Server** – Servers provide excellent wait service to ensure customer satisfaction. Taking customer orders and delivering food and beverages. Servers also make menu recommendations, answer questions, and share additional information with restaurant patrons.
- **Bartender** – Prepare alcoholic or non-alcoholic beverages for bar and restaurant patrons. Interacting with customers, taking orders, and serving snacks and drinks. Bartenders also assess bar customer's needs and preferences as well as making menu recommendations.
- **Host/Hostess** – This position is responsible for greeting guests at the door. The Host/Hostess seats and presents clean menus to guests in a friendly, professional, and quick manner, and informs them of any menu specials.

- **Dishwasher** – Ensures the availability of clean dishes by bussing tables, washing dishes, pots, pans, and flatware, as well as resetting dining areas. Dishwashers also prepare dining areas and kitchen for next shift by cleaning and restocking dining areas and cook stations.
- **Executive Chef** – The Executive Chef is responsible for all culinary activities for the restaurant. This position will oversee all activity in the kitchen, train personnel, plan menus, oversee product purchasing and manage the culinary budget.
- **Sous Chef** – A Sous Chef is the culinary chef located just below the Executive Chef in a kitchen's chain of command. As second in command, the Sous Chef has a large amount of responsibility in the kitchen, planning and directing food preparation.
- **Cook** – Cook responsibilities include setting up workstations with all needed ingredients and cooking equipment. They prepare ingredients to use in cooking (chopping and peeling vegetables, cutting meat, etc.). They also cook food with various utensils and other equipment.
- **Busboy** – A Busboy is responsible for clearing and resetting tables for restaurant customers. They prepare place settings, restock napkins, straws, and other items, and clean up after guests have finished their meals.

### **3. Will this development cause any relocation that will create new Detroit residents?**

Former residents and commercial tenants were given notice on February 1, 2019 of the change in ownership. The new owner, the Developer, agreed to allow tenants to occupy their residences through May 2019. The Developer, with the Mayor's Office, Housing and Revitalization Department, and United Community Housing Coalition worked together to offer relocation assistance. All tenants who were income eligible were offered financial assistance to cover relocation costs, including the first month's rent, security deposit, and movers.

### **4. Has the developer reached out to any community groups to discuss the project and/or any potential jobs?**

The Development Team are in the process of reaching out to community groups and neighboring property owners, completing item 1 of this information chart prior to the start of construction. Lisa Johanon of Central Detroit Christian has been contacted by the project consultants and made aware of available employment opportunities that will be available upon project completion.

**5. When is construction slated to begin?**

Construction is slated to commence by September 2020.

**6. What is the expected completion date of construction?**

The construction timeline is approximately 18 months with project completion anticipated by March of 2022.

Exhibit A  
Proposed Royal Palm Detroit Redevelopment  
Brownfield Redevelopment Plan

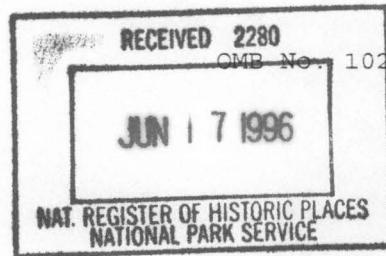
**ATTACHMENT I**

**Eligibility Documentation**

NPS Form 10-900  
(Rev. 10-90)

United States Department of the Interior  
National Park Service

NATIONAL REGISTER OF HISTORIC PLACES  
REGISTRATION FORM



This form is for use in nominating or requesting determinations for individual properties and districts. See instructions in How to Complete the National Register of Historic Places Registration Form (National Register Bulletin 16A). Complete each item by marking "x" in the appropriate box or by entering the information requested. If any item does not apply to the property being documented, enter "N/A" for "not applicable." For functions, architectural classification, materials, and areas of significance, enter only categories and subcategories from the instructions. Place additional entries and narrative items on continuation sheets (NPS Form 10-900a). Use a typewriter, word processor, or computer, to complete all items.

=====

1. Name of Property

=====

historic name Royal Palm Hotel

other names/site number Park Avenue House

=====

2. Location

=====

street & number 2305 Park Avenue not for publication

N/A

city or town Detroit vicinity N/A  
state Michigan code MI county Wayne code 163  
zip code 48201

=====

3. State/Federal Agency Certification

=====

As the designated authority under the National Historic Preservation Act of 1986, as amended, I hereby certify that this X nomination        request for determination of eligibility meets the documentation standards for registering properties in the National Register of Historic Places and meets the procedural and professional requirements set forth in 36 CFR Part 60. In my opinion, the property X meets        does not meet the National Register Criteria. I recommend that this property be considered significant        nationally        statewide X locally. (       See continuation sheet for additional comments.)

*Kathryn B. Whet*  
Signature of certifying official

*6-7-96*  
Date

MI SHPO  
State or Federal agency and bureau

In my opinion, the property        meets        does not meet the National Register criteria. (       See continuation sheet for additional comments.)

Signature of commenting or other official \_\_\_\_\_ Date \_\_\_\_\_

State or Federal agency and bureau \_\_\_\_\_

=====  
4. National Park Service Certification  
=====

I, ✓ hereby certify that this property is:

- entered in the National Register  
See continuation sheet.  
 determined eligible for the  
National Register  
See continuation sheet.  
 determined not eligible for the  
National Register  
 removed from the National Register  
 other (explain): \_\_\_\_\_

*Elson R. Beall* 7-25-99  
Entered in the  
National Register

\_\_\_\_\_  
Signature of Keeper \_\_\_\_\_ Date \_\_\_\_\_  
of Action

=====  
5. Classification  
=====

Ownership of Property (Check as many boxes as apply)

- private  
 public-local  
 public-State  
 public-Federal

Category of Property (Check only one box)

- building(s)  
 district  
 site  
 structure  
 object

Number of Resources within Property

| Contributing  | Noncontributing          |
|---------------|--------------------------|
| <u>1</u>      | <u>      </u> buildings  |
| <u>      </u> | <u>      </u> sites      |
| <u>      </u> | <u>      </u> structures |
| <u>      </u> | <u>      </u> objects    |
| <u>1</u>      | <u>0</u> Total           |

Number of contributing resources previously listed in the National Register 0

Name of related multiple property listing (Enter "N/A" if property is not part of a multiple property listing.)

N/A

6. Function or Use

Historic Functions (Enter categories from instructions)

Cat: Domestic Sub: Hotel

---

---

---

---

---

Current Functions (Enter categories from instructions)

Cat: Domestic Sub: Hotel

---

---

---

---

---

## 7. Description

Architectural Classification (Enter categories from instructions)

## Italian Renaissance

als (Enter categories from instructions)  
foundation      Concrete  
roof              Asphalt  
walls              Brick  
                    Limestone  
other              Terra Cotta

Narrative Description (Describe the historic and current condition of the property on one or more continuation sheets.)

United States Department of the Interior  
National Park Service

**National Register of Historic Places  
Continuation Sheet**

Section number 7 Page 1

---

Royal Palm Hotel  
Detroit, Michigan

**Description**

The Royal Palm Hotel (now The Park Avenue House) is a thirteen story brick and masonry building with Italian Renaissance details located on the corner of Park Avenue and Montcalm just north of Grand Circus Park in an area once considered the heart of downtown Detroit's hotel district. The hotel entrance faces Park Avenue which is a narrow street densely filled with early skyscrapers and commercial buildings built in the early part of this century. It is one of the few buildings that has survived the decline of the neighborhood. The majority of the buildings on the street now sit vacant. It stands one block west of the Fox Theatre, which is listed in the National Register of Historic Places, and just east of the site of the new Tiger Stadium development. Since its construction in 1924, it has been in continuous use as a residential hotel. Although the building has undergone some alterations over the years, it is in excellent condition and still retains its original character as "a downtown hotel with a home atmosphere."

The overall footprint of the building is rectangular, measuring ninety-two feet wide and eighty feet deep. It is thirteen stories tall (lobby and twelve floors) and is one hundred, thirty-five feet in height above finish grade. The building sits over a full basement with a ceiling height of nine feet six inches. The lobby floor is fourteen feet in height, the first through twelve floors are approximately nine and one-half feet in height. The exterior facade material is orange brick on the east (front) and south elevations and yellow brick on the west (rear) and north elevations. On the front and south facades limestone is used at the base on the lower two floors and stone detailing appears on the upper two floors.

The Royal Palm Hotel exhibits the vast expanse of the plain wall surface of the skyscraper relieved with decorative Italian Renaissance detailing. The front (east) elevation has a symmetrical facade composed of seven bays with double hung wood sash windows. Different window treatments emphasize the first, second, fourth, eleventh and twelfth floors. The second, fourth and sixth bays on the second floor have windows with rusticated

**United States Department of the Interior  
National Park Service**

**National Register of Historic Places  
Continuation Sheet**

Section number 7 Page 2

---

Royal Palm Hotel  
Detroit, Michigan

stone surrounds with flat keystone arches that support a frieze with decorative festoons. The center window on the fourth floor has a console supported stone balconet with an iron railing. The second, fourth and sixth bays on the eleventh floor have windows with iron railing balconets and rusticated stone surrounds with broken pediments that support windows with flat keystone surrounds on the twelfth floor. The building is crowned with a denticulated terra cotta cornice that has a line of stone lion heads in the cymatium. The lobby floor has a series of commercial metal recessed bay windows with large wood window boxes at sidewalk level and decorative street lamps between the bays. (These bays are a later alteration and replaced the original storefronts).

The main lobby entrance is through an elaborate Renaissance arch doorway in the center of the front facade. The arch has rusticated pilasters which support a Doric frieze. The frieze consists of triglyphs and metopes, and bears the name Royal Palm carved in stone in the center. The frieze supports a denticulated cornice. Double wood doors with a large single pane of glass sit under a semicircular fanlight in a decorative arch with festoons and keystone. On the second floor directly above the doorway the central windows are flanked by two feminine termini supported by an exaggerated reversed scrolled ancon. This assembly in turn supports the balustraded window balconet of the third floor center window. Two flag poles extending from shield patterned supports flank the second floor central window.

The south elevation continues the pattern of the front (east) elevation. The limestone and orange brick finish of the front facade turns the corner and continues for approximately ten feet on the north elevation. The remainder of the north elevation is plain yellow brick with six bays of single and paired double hung windows. The rear (west) elevation is a plain yellow brick wall with one vertical row of narrow window slots.

United States Department of the Interior  
National Park Service

National Register of Historic Places  
Continuation Sheet

Section number 7 Page 3

---

Royal Palm Hotel  
Detroit, Michigan

Entrance to the hotel is through a small vestibule with marble walls and shell patterned iron grates. A small hallway leads to the main lobby and to the entrances to the two side commercial spaces. The hallway has a groin vaulted ceiling with painted plaster arches spanning the breadth of the hallway. Two decorative wood framed windows and two large wall-mounted medieval iron lighting fixtures are placed on both side walls. An elaborate iron gate (a later addition) at the end of the hallway allows entrance to the lobby. The small intimate lobby has oak wainscoting around the four walls and a matching oak reception counter in the northwest corner. Above the wainscoting are blind arches with decorative gold framing. The vaulted ceiling with a leafy bead and reel cornice is missing its original chandelier. On the west wall are two elevators with decorative carved brass doors and floor indicators with a brass sunburst design. A stairway in the southwest corner leads to the door to the main stairway.

The original lobby floor plan has been altered over the years. Although the hotel entrance and lobby remain the same, the original plan had five stores in the front and a restaurant in the back with separate entrances from the street. That space was later altered to two larger commercial spaces on either side of the building's main entrance and the separate street entrances were replaced with bay windows. The two existing commercial spaces contain a modern restaurant deli and a large unoccupied space that is currently being converted to a bar. Both commercial spaces now only have access from the lobby hallway. The commercial spaces have been completely remodeled with no original architectural details remaining.

The original floor plan of the hotel contained fifteen one-room residential units per floor. Since that time a few of the units have been connected to create larger spaces decreasing the number of units per floor to thirteen. The interiors of the units have been renovated over the years and modern conveniences have been added. The hallways and rooms of the upper floors are plain with no architectural detailing.

=====

8. Statement of Significance

=====

Applicable National Register Criteria (Mark "x" in one or more boxes for the criteria qualifying the property for National Register listing)

- A Property is associated with events that have made a significant contribution to the broad patterns of our history.
- B Property is associated with the lives of persons significant in our past.
- C Property embodies the distinctive characteristics of a type, period, or method of construction or represents the work of a master, or possesses high artistic values, or represents a significant and distinguishable entity whose components lack individual distinction.
- D Property has yielded, or is likely to yield information important in prehistory or history.

Criteria Considerations (Mark "X" in all the boxes that apply.)

- A owned by a religious institution or used for religious purposes.
- B removed from its original location.
- C a birthplace or a grave.
- D a cemetery.
- E a reconstructed building, object, or structure.
- F a commemorative property.
- G less than 50 years of age or achieved significance within the past 50 years.

Areas of Significance (Enter categories from instructions)

Architecture  
 Community Planning and Development  
 Commerce

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Period of Significance 1924-28

\_\_\_\_\_

\_\_\_\_\_

Significant Dates 1924

\_\_\_\_\_

\_\_\_\_\_

Significant Person (Complete if Criterion B is marked above)

Tuller, Lew

Cultural Affiliation N/A

\_\_\_\_\_

\_\_\_\_\_

Architect/Builder Kamper, Louis

Narrative Statement of Significance (Explain the significance of the property on one or more continuation sheets.)

=====

9. Major Bibliographical References

=====

(Cite the books, articles, and other sources used in preparing this form on one or more continuation sheets.)

Previous documentation on file (NPS) None

preliminary determination of individual listing (36 CFR 67) has been requested.

previously listed in the National Register

previously determined eligible by the National Register

designated a National Historic Landmark

recorded by Historic American Buildings Survey # \_\_\_\_\_

recorded by Historic American Engineering Record # \_\_\_\_\_

Primary Location of Additional Data

State Historic Preservation Office

Other State agency

Federal agency

Local government

University

Other

Name of repository: \_\_\_\_\_

=====

10. Geographical Data

=====

Acreage of Property Less than one

UTM References (Place additional UTM references on a continuation sheet)

|                         | Zone | Easting | Northing |   | Zone | Easting | Northing |
|-------------------------|------|---------|----------|---|------|---------|----------|
| 1                       | 17   | 330750  | 4689180  | 3 | —    | —       | —        |
| 2                       | —    | —       | —        | 4 | —    | —       | —        |
| See continuation sheet. |      |         |          |   |      |         |          |

Verbal Boundary Description (Describe the boundaries of the property on a continuation sheet.)

Boundary Justification (Explain why the boundaries were selected on a continuation sheet.)

United States Department of the Interior  
National Park Service

National Register of Historic Places  
Continuation Sheet

Section number 8 Page 4

---

Royal Palm Hotel  
Detroit, Michigan

**Statement of Significance**

The Royal Palm Hotel (now the Park Avenue House) is historically significant as it is the oldest hotel in the downtown Detroit area which has continually operated in its original use as a residential hotel since its construction. It is also the only hotel in Detroit of its era that is still in operation. The Book-Cadillac, the Pick-Fort Shelby, the Statler, and the Madison-Lenox Hotels all stand vacant. The Tuller and The Detroitor Hotels have been demolished. The Park Avenue and The Eddystone Hotels have been converted to homeless shelters.

The Royal Palm Hotel was built in 1924 for Lew Tuller, a noted builder of hotels and apartment houses in Detroit. Mr. Tuller came to Detroit at age seventeen from Jonesville, Michigan and began work with a construction firm. Five years later, with capital furnished by Senator Thomas W. Palmer, he became a building contractor. He was one of the first to build apartment buildings on Woodward Avenue, north of Grand Boulevard. He constructed the Saragossa Apartments at the corner of Lothrop and Woodward and the Valencia Apartments next door.

The tremendous growth in the population of Detroit in the early 1900's due to its rapid expansion as an industrial city caused a considerable demand for temporary living space, particularly residential hotels and apartment buildings. In 1907, after acquiring land west of Grand Circus Park, Lew Tuller erected the Tuller Hotel, despite skepticism that the hotel was "too far uptown" from the central business district. The Tuller proved to be such a success that he eventually added five stories to the original building and a few years later built an annex to add an additional 350 rooms. The overwhelming success of the Tuller Hotel inspired Tuller to create a hotel empire. He had visions of a Park Avenue in Detroit similar to New York's. In the mid-1920's Tuller built three more hotels, the Park Avenue, the Royal Palm and the Eddystone, all along Park Avenue just north of Grand Circus Park. The hotels offered accommodations for both transient guests and permanent residents in the "hotel district" of downtown Detroit. The hotels advertised easy accessibility to transportation with locations just one block from two important traffic avenues, Woodward and Cass.

**United States Department of the Interior  
National Park Service**

**National Register of Historic Places  
Continuation Sheet**

**Section number 8 Page 5**

---

Royal Palm Hotel  
Detroit, Michigan

The Royal Palm Hotel was built in 1924 and designed by Louis Kamper, one of Detroit's most prominent architects who was at the height of his career in the 1920's. Kamper had come to Detroit from the offices of McKim, Mead and White in New York and established his own office here in 1888. He was a devotee of the Italian Renaissance style which he introduced to Detroit buildings in an attempt to combine monumental beauty with the commercial style. He is known for the many Detroit landmark buildings that he designed such as the Book Building, the Book-Cadillac Hotel, and the Col. Frank J. Hecker House. He was also involved in the development of Washington Boulevard with the Book brothers and designed other buildings along the boulevard such as the Washington Boulevard Building and the Industrial Building. Kamper designed all three of Lew Tuller's hotels along Park Avenue. The Royal Palm offered 180 rooms with bath, a restaurant and five shops on the first floor.

Tuller apparently overbuilt in Detroit's hotel market. In 1928 he lost the three Park Avenue hotels in foreclosure and was forced into receivership by the Security Trust Co. In that same year Security Trust sold the Royal Palm and the Eddystone to David P. Katz.

David P. Katz was a Detroit financier who made his wealth through hotels and extensive real estate transactions. He owned five Detroit hotels and one in Miami Beach. He owned the Royal Palm until 1966 when the discovery of a \$2 million fraud against him caused the collapse of his business and his health. He died two years later. In 1967 Wilbur Harrington purchased the hotel and renamed it Park Avenue House. In 1990 he transferred ownership to Harrington Properties, Inc. and continues to operate the building today with his son, Sean Harrington.

The Royal Palm Hotel has had only three owners in its seventy-two year history as a continuous operating residential hotel. It has managed to survive when other prominent Detroit hotels have failed.

United States Department of the Interior  
National Park Service

National Register of Historic Places  
Continuation Sheet

Section number 8 Page 6

---

Royal Palm Hotel  
Detroit, Michigan

**Bibliography**

Burton, Clarence M. The City of Detroit, Michigan 1701-1922, vol.III. Chicago: S.J. Clarke Publishing Co., 1922.

Ferry, W. Hawkins. The Buildings of Detroit. Detroit: Wayne State University Press, 1968.  
Detroit City Directory, 1924-1976.

Detroit Building Permit #37823, May 16, 1924.

David P. Katz, Biography File, Burton Historical Collection  
Lew Tuller, Biography File, Burton Historical Collection

**Verbal Boundary Description**

2305 Park Avenue, between W. Montcalm and the Fisher Freeway. AKA Lots 35-36 of the Lothrop Subdivision Liber 39 Page 430.

**Verbal Boundary Justification**

Boundary description is the same as the footprint of the building.

=====

11. Form Prepared By

=====

name/title Marilyn Florek, consultant

organization Steven C. Flum, Inc. date May, 1996

street & number 13009 Klinger telephone 313/366-3984

city or town Detroit state MI zip code 48212

=====

Additional Documentation

=====

Submit the following items with the completed form:

Continuation Sheets

Maps

A USGS map (7.5 or 15 minute series) indicating the property's location.  
A sketch map for historic districts and properties having large acreage  
or numerous resources.

Photographs

Representative black and white photographs of the property.

Additional items (Check with the SHPO or FPO for any additional items)

=====

Property Owner

=====

(Complete this item at the request of the SHPO or FPO.)

name Wilbur and Sean Harrington, Harrington Properties

street & number 2305 Park Avenue telephone \_\_\_\_\_

city or town Detroit state MI zip code 48201

=====

====

Paperwork Reduction Act Statement: This information is being collected for applications to the National Register of Historic Places to nominate properties for listing or determine eligibility for listing, to list properties, and to amend existing listings. Response to this request is required to obtain a benefit in accordance with the National Historic Preservation Act, as amended (16 U.S.C. 470 et seq.).

Estimated Burden Statement: Public reporting burden for this form is estimated to average 18.1 hours per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding this burden estimate or any aspect of this form to the Chief, Administrative Services Division, National Park Service, P.O. Box 37127, Washington, DC 20013-7127; and the Office of Management and Budget, Paperwork Reductions Project (1024-0018), Washington, DC 20503.

UNITED STATES DEPARTMENT OF THE INTERIOR  
NATIONAL PARK SERVICE

NATIONAL REGISTER OF HISTORIC PLACES  
EVALUATION/RETURN SHEET

REQUESTED ACTION: NOMINATION

PROPERTY Royal Palm Hotel  
NAME:

MULTIPLE  
NAME:

STATE & COUNTY: MICHIGAN, Wayne

DATE RECEIVED: 6/17/96 DATE OF PENDING LIST: 7/02/96  
DATE OF 16TH DAY: 7/18/96 DATE OF 45TH DAY: 8/01/96  
DATE OF WEEKLY LIST:

REFERENCE NUMBER: 96000812

NOMINATOR: STATE

REASONS FOR REVIEW:

APPEAL: N DATA PROBLEM: N LANDSCAPE: N LESS THAN 50 YEARS: N  
OTHER: N PDIL: N PERIOD: N PROGRAM UNAPPROVED: N  
REQUEST: N SAMPLE: N SLR DRAFT: N NATIONAL: N

COMMENT WAIVER: N

ACCEPT  RETURN  REJECT 7-25-96 DATE

ABSTRACT/SUMMARY COMMENTS: *Entered in the  
National Register*  
*Entered in the  
National Register.*

RECOM./CRITERIA \_\_\_\_\_

REVIEWER \_\_\_\_\_ DISCIPLINE \_\_\_\_\_

TELEPHONE \_\_\_\_\_ DATE \_\_\_\_\_

DOCUMENTATION see attached comments Y/N see attached SLR Y/N



PARK AVENUE HOUSE (ROYAL PALM)

2305 PARK AVE. WAYNE, MICHIGAN

STEVEN FLUM

2120K16

4147 TRUMPLILL AVE.

DETROIT, MI, 48208

SOUTHEAST CORNER

①

HOTEL PARK AVE.



PARK AVENUE HOUSE (ROYAL PALM)  
2305 PARK, MICHIGAN  
STEVEN WAYNE FLUM

2/20/96

4147 TRUMBULL AVE.  
DETROIT MI. 48208

NORTH EAST CORNER

②

HOTEL  
HOTEL  
PARK AVE



PARK AVENUE HOUSE (ROYAL PALM)

2305 PARK, WAYNE, MICHIGAN

2/20/16 STEVEN FLUM

4197 TRUMBULL AVE.

PETROTT, MI 48208

SOUTH CORNER

④



R-SYS  
OWNED BY REF  
verical 91  
201-842

1. HICK AVENUE HOME  
2305 PARK AVE.
2. WAYNE COUNTY, MICH.
3. STEVEN FLUM
4. APRIL 29, 1946
5. 4147 TRUMBULL AVE., DET. MI.
6. ENTRANCE LOBBY.  
FACING EAST TOWARDS  
FRONT DOOR.



1. PARK AVENUE HAUS  
2305 PARK AVE.
2. WAYNE COUNTY, MICH.
3. STELEN FLEM
4. APRIL 29, 1996
5. 447 TRUMBULL AVE. DET. MI.
6. MAIN LOBBY.  
FACING EAST TOWARDS  
ENTRANCE LOBBY/FRENT DOOR



1. PARK AVENUE EAST  
2205 PARK AVENUE
2. WAYNE COUNTY, MICHIGAN
3. STEVEN FLUM
4. APRIL 29, 1996
5. 4197 TREMBELL AVE. DEL. MI.
6. MAIN LOBBY. FACING NORTH WEST.  
ENTRANCE



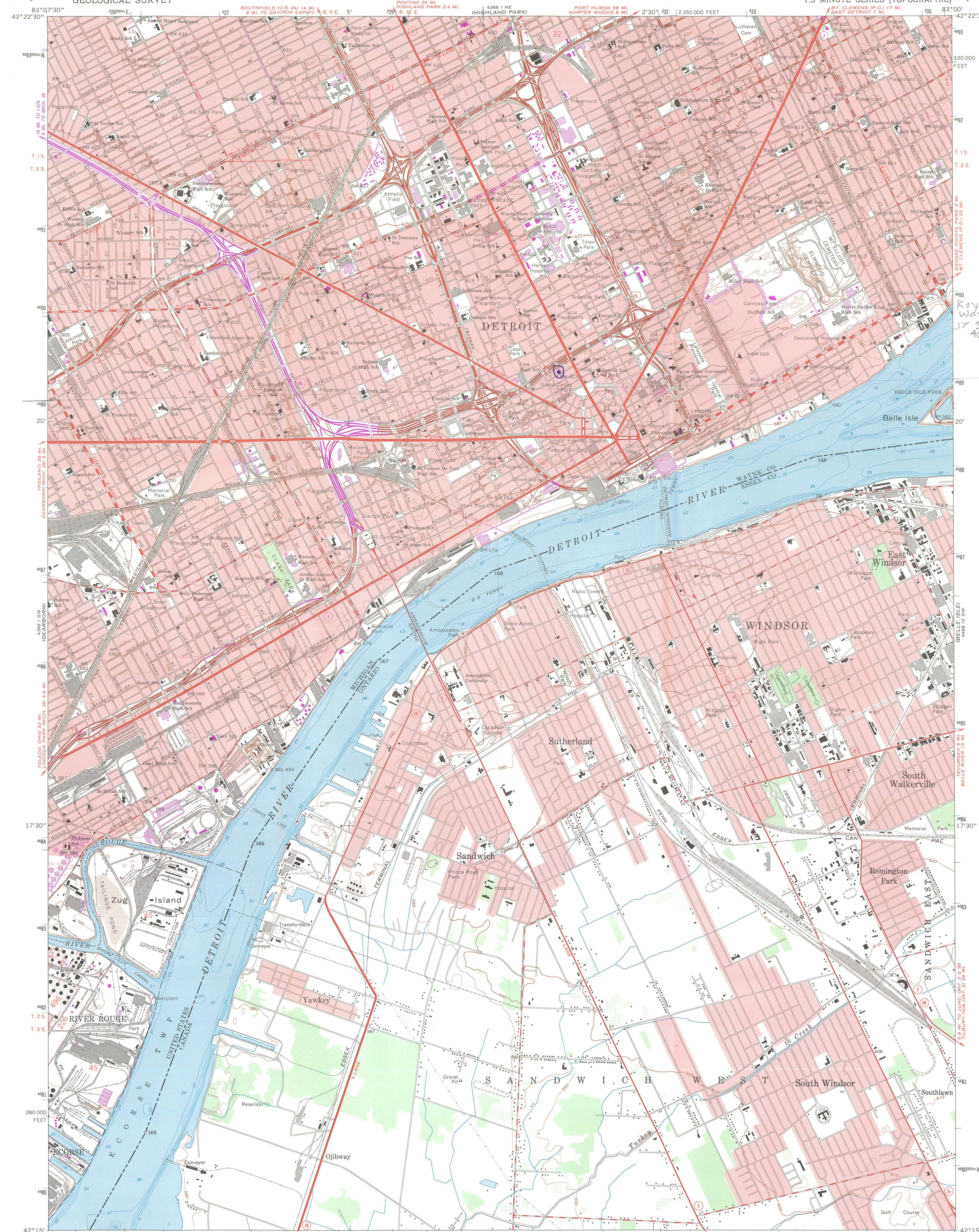
1. PARK AVENUE HALL  
2305 PARK AVENUE
2. WAYNE COUNTY, MICHIGAN
3. STEVEN FLUM
4. APRIL 29, 1994
5. 4147 TRUMBULL AVE., DET. MI
6. MAIN LOBBY, FACING HALL  
FACING SOUTHWEST.



1. PARK AVENUE HOUSE  
2305 PARK AVENUE
2. WAYNE COUNTY, MICHIGAN
3. STEVEN FLUHM
4. APRIL 29, 1990
5. 4147 TRUMBULL AVE., DEL., MI.
6. FRONT ENTRY DETAIL  
(EAST ELEVATION)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

DETROIT QUADRANGLE  
MICHIGAN—ONTARIO  
7.5 MINUTE SERIES (TOPOGRAPHIC)



Mapped, edited, and published by the Geological Survey  
in cooperation with State of Michigan agencies

Control by USGS, USC&GS, U.S. Lake Survey, and City of Detroit  
Planimetry by photogrammetric methods from aerial photographs  
Topography by planetary surveys 1938. Revised from aerial  
photographs taken 1966-67. Field checked 1968

Canadian portion copied in part from Windsor quadrangle  
(1:25 000) 1960, Army Survey Establishment, R. C. E.

Selected hydrographic data compiled from U. S. Lake Survey  
Charts 41 and 412 (1966). This information is not intended  
for navigational purposes

Polyconic projection. 1927 North American datum  
10,000-foot grid based on Michigan coordinate system, south zone  
1000-meter Universal Transverse Mercator grid ticks,  
zone 17, shown in blue

Red tint indicates areas in which only landmark buildings are shown

UTM GRID AND 1980 MAGNETIC NORTH  
DECLINATION AT CENTER OF SHEET

To place on the predicted North American  
Datum 1983 move the projection lines 7  
meters west as shown by dashed corner ticks

There may be private inholdings within  
the boundaries of the National or  
State reservations shown on this map

45°  
80 MILS  
1°23'  
25 MILS

SCALE 1:24000  
0 1000 2000 3000 4000 5000 6000 7000 FEET  
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 1010 1011 1012 1013 1014 1015 1016 1017 1018 1019 1020 1021 1022 1023 1024 1025 1026 1027 1028 1029 1030 1031 1032 1033 1034 1035 1036 1037 1038 1039 1040 1041 1042 1043 1044 1045 1046 1047 1048 1049 1050 1051 1052 1053 1054 1055 1056 1057 1058 1059 1060 1061 1062 1063 1064 1065 1066 1067 1068 1069 1070 1071 1072 1073 1074 1075 1076 1077 1078 1079 1080 1081 1082 1083 1084 1085 1086 1087 1088 1089 1090 1091 1092 1093 1094 1095 1096 1097 1098 1099 10100 10101 10102 10103 10104 10105 10106 10107 10108 10109 10110 10111 10112 10113 10114 10115 10116 10117 10118 10119 10120 10121 10122 10123 10124 10125 10126 10127 10128 10129 10130 10131 10132 10133 10134 10135 10136 10137 10138 10139 10140 10141 10142 10143 10144 10145 10146 10147 10148 10149 10150 10151 10152 10153 10154 10155 10156 10157 10158 10159 10160 10161 10162 10163 10164 10165 10166 10167 10168 10169 10170 10171 10172 10173 10174 10175 10176 10177 10178 10179 10180 10181 10182 10183 10184 10185 10186 10187 10188 10189 10190 10191 10192 10193 10194 10195 10196 10197 10198 10199 101000 101001 101002 101003 101004 101005 101006 101007 101008 101009 101010 101011 101012 101013 101014 101015 101016 101017 101018 101019 101020 101021 101022 101023 101024 101025 101026 101027 101028 101029 101030 101031 101032 101033 101034 101035 101036 101037 101038 101039 101040 101041 101042 101043 101044 101045 101046 101047 101048 101049 101050 101051 101052 101053 101054 101055 101056 101057 101058 101059 101060 101061 101062 101063 101064 101065 101066 101067 101068 101069 101070 101071 101072 101073 101074 101075 101076 101077 101078 101079 101080 101081 101082 101083 101084 101085 101086 101087 101088 101089 101090 101091 101092 101093 101094 101095 101096 101097 101098 101099 1010100 1010101 1010102 1010103 1010104 1010105 1010106 1010107 1010108 1010109 1010110 1010111 1010112 1010113 1010114 1010115 1010116 1010117 1010118 1010119 1010120 1010121 1010122 1010123 1010124 1010125 1010126 1010127 1010128 1010129 1010130 1010131 1010132 1010133 1010134 1010135 1010136 1010137 1010138 1010139 1010140 1010141 1010142 1010143 1010144 1010145 1010146 1010147 1010148 1010149 1010150 1010151 1010152 1010153 1010154 1010155 1010156 1010157 1010158 1010159 1010160 1010161 1010162 1010163 1010164 1010165 1010166 1010167 1010168 1010169 1010170 1010171 1010172 1010173 1010174 1010175 1010176 1010177 1010178 1010179 1010180 1010181 1010182 1010183 1010184 1010185 1010186 1010187 1010188 1010189 1010190 1010191 1010192 1010193 1010194 1010195 1010196 1010197 1010198 1010199 10101000 10101001 10101002 10101003 10101004 10101005 10101006 10101007 10101008 10101009 101010010 101010011 101010012 101010013 101010014 101010015 101010016 101010017 101010018 101010019 101010020 101010021 101010022 101010023 101010024 101010025 101010026 101010027 101010028 101010029 101010030 101010031 101010032 101010033 101010034 101010035 101010036 101010037 101010038 101010039 101010040 101010041 101010042 101010043 101010044 101010045 101010046 101010047 101010048 101010049 101010050 101010051 101010052 101010053 101010054 101010055 101010056 101010057 101010058 101010059 101010060 101010061 101010062 101010063 101010064 101010065 101010066 101010067 101010068 101010069 101010070 101010071 101010072 101010073 101010074 101010075 101010076 101010077 101010078 101010079 101010080 101010081 101010082 101010083 101010084 101010085 101010086 101010087 101010088 101010089 101010090 101010091 101010092 101010093 101010094 101010095 101010096 101010097 101010098 101010099 1010100100 1010100101 1010100102 1010100103 1010100104 1010100105 1010100106 1010100107 1010100108 1010100109 1010100110 1010100111 1010100112 1010100113 1010100114 1010100115 1010100116 1010100117 1010100118 1010100119 1010100120 1010100121 1010100122 1010100123 1010100124 1010100125 1010100126 1010100127 1010100128 1010100129 1010100130 1010100131 1010100132 1010100133 1010100134 1010100135 1010100136 1010100137 1010100138 1010100139 1010100140 1010100141 1010100142 1010100143 1010100144 1010100145 1010100146 1010100147 1010100148 1010100149 1010100150 1010100151 1010100152 1010100153 1010100154 1010100155 1010100156 1010100157 1010100158 1010100159 1010100160 1010100161 1010100162 1010100163 1010100164 1010100165 1010100166 1010100167 1010100168 1010100169 1010100170 1010100171 1010100172 1010100173 1010100174 1010100175 1010100176 1010100177 1010100178 1010100179 1010100180 1010100181 1010100182 1010100183 1010100184 1010100185 1010100186 1010100187 1010100188 1010100189 1010100190 1010100191 1010100192 1010100193 1010100194 1010100195 1010100196 1010100197 1010100198 1010100199 1010100200 1010100201 1010100202 1010100203 1010100204 1010100205 1010100206 1010100207 1010100208 1010100209 1010100210 1010100211 1010100212 1010100213 1010100214 1010100215 1010100216 1010100217 1010100218 1010100219 1010100220 1010100221 1010100222 1010100223 1010100224 1010100225 1010100226 1010100227 1010100228 1010100229 1010100230 1010100231 1010100232 1010100233 1010100234 1010100235 1010100236 1010100237 1010100238 1010100239 1010100240 1010100241 1010100242 1010100243 1010100244 1010100245 1010100246 1010100247 1010100248 1010100249 1010100250 1010100251 1010100252 1010100253 1010100254 1010100255 1010100256 1010100257 1010100258 1010100259 1010100260 1010100261 1010100262 1010100263 1010100264 1010100265 1010100266 1010100267 1010100268 1010100269 1010100270 1010100271 1010100272 1010100273 1010100274 1010100275 1010100276 1010100277 1010100278 1010100279 1010100280 1010100281 1010100282 1010100283 1010100284 1010100285 1010100286 1010100287 1010100288 1010100289 1010100290 1010100291 1010100292 1010100293 1010100294 1010100295 1010100296 1010100297 1010100298 1010100299 1010100300 1010100301 1010100302 1010100303 1010100304 1010100305 1010100306 1010100307 1010100308 1010100309 1010100310 1010100311 1010100312 1010100313 1010100314 1010100315 1010100316 1010100317 1010100318 1010100319 1010100320 1010100321 1010100322 1010100323 1010100324 1010100325 1010100326 1010100327 1010100328 1010100329 1010100330 1010100331 1010100332 1010100333 1010100334 1010100335 1010100336 1010100337 1010100338 1010100339 1010100340 1010100341 1010100342 1010100343 1010100344 1010100345 1010100346 1010100347 1010100348 1010100349 1010100350 1010100351 1010100352 1010100353 1010100354 1010100355 1010100356 1010100357 1010100358 1010100359

STATE OF MICHIGAN

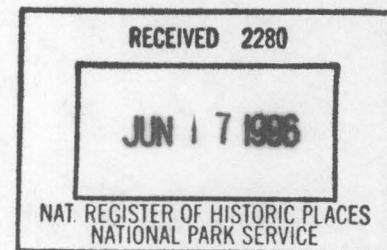


CANDICE S. MILLER, Secretary of State  
MICHIGAN DEPARTMENT OF STATE  
LANSING, MICHIGAN 48918-0001

STATE HISTORIC PRESERVATION OFFICE  
Michigan Historical Center  
717 West Allegan Street  
Lansing, Michigan 48918-1800

June 7, 1996

Ms. Carol D. Shull, Keeper  
National Register of Historic Places  
National Park Service  
U. S. Department of the Interior  
P. O. Box 37127  
Washington, D. C. 20013-7127



Dear Ms. Shull:

Enclosed are national register nomination materials for the Royal Palm Hotel in Detroit, Wayne County, Michigan. This property is being submitted for listing in the national register. No letters of objection or other written comments concerning this nomination were submitted to us prior to the submission of this nomination to you.

Questions concerning this nomination may be directed to Robert O. Christensen, National Register Coordinator (517/335-2719).

Sincerely,

*Kathryn B. Eckert*  
Kathryn B. Eckert  
State Historic Preservation Officer

KBE:roc