



## DOWNTOWN DETROIT BUSINESS IMPROVEMENT ZONE ZONE PLAN

(for qualifying period beginning on April 15, 2024 and ending on April 14, 2034)

As provided under Chapter 2 of 1961 PA 120, as amended, MCL 125.990 to 125.990n (the “BIZ Act”), the following set of goals, strategies, objectives, and guidelines for the operation of the Downtown Detroit Business Improvement Zone is the zone plan for the business improvement zone (the “Zone Plan”) for the qualifying period beginning on April 15, 2024 and ending on April 14, 2034 (the “Qualifying Period”).

### 1. Name of Zone

The name of the business improvement zone is: “Downtown Detroit Business Improvement Zone” (the “BIZ”).

### 2. Initial Board of Directors for Qualifying Period

The initial board of directors (the “Board”) for the BIZ for the Qualifying Period will be comprised of the following individuals, with terms beginning on April 15, 2024:

	<b>Name</b>		<b>Organization</b>	<b>Initial Term (years)</b>
1.	George	Barnes	Heritage Optical	3
2.	David	Di Rita	The Roxbury Group	3
3.	Linda	Forte	Comerica Bank	1
4.	Regina	Gaines	House of Pure Vin	2
5.	Rainy	Hamilton	Hamilton Anderson Associates	1
6.	Kenneth	Hayward	Blue Cross Blue Shield of Michigan	1
7.	Debra	Homic Hoge	General Motors	3
8.	Richard	Hosey	Hosey Development, LLC; BIZ resident	2
9.	Mike	McLauchlan	Ilitch Companies	3
10.	Christos	Moisides	400 Monroe Associates	1
11.	Steve	Ogden	Rocket Companies	2
12.	Athina	Papas	Greektown Neighborhood Partnership/ Atheneum Suites Hotel	2
13.	Dwight	Phillips		1
14.	Tony	Tomczak	DTE Energy	2
15.			City of Detroit*	not applicable

The Board also will include a member nominated by the mayor of the City of Detroit (the “Mayor”) and confirmed by the city council of the City of Detroit as provided in section 10(g)(2) of the BIZ Act, MCL 125.990g(2). The member nominated by the Mayor will serve at the pleasure of the Mayor. A vacancy in this position will be filled in the same manner as the original appointment.

## **Zone Plan for Downtown Detroit Business Improvement Zone**

(for qualifying period beginning on April 15, 2024 and ending on April 14, 2034)

Page 2 of 6

### **3. Duties and Responsibilities of Board**

The day-to-day activities of the BIZ and implementation of the Zone Plan will be managed by the Board, which also will exercise the following duties and responsibilities:

- (a) Developing administrative procedures relating to implementation of the Zone Plan;
- (b) Recommending amendments to the Zone Plan;
- (c) Scheduling and conducting meetings of the owners of assessable property within the geographic boundaries of the BIZ (the “**Zone Area**”) (see Appendix A for description of Zone Area);
- (d) Developing a Zone Plan for the next qualifying period beginning on April 15, 2034;
- (e) Adopting bylaws applicable to the Board relating to the exercise of duties or responsibilities by the Board;
- (f) Certifying annual assessment amounts to the City of Detroit;
- (g) Enforcing, compromising, or otherwise administering the collection of assessments; and
- (h) Exercising duties or responsibilities of the Board under the BIZ Act, the Zone Plan for the BIZ, or other applicable law.

### **4. Method for Removal, Appointment, and Replacement of Board Members**

The initial members of the Board for the Qualifying Period are appointed for staggered terms of one year, two years, or three years as indicated in section 2. After the expiration of the initial terms of members of the Board for the Qualifying Period, the Board shall appoint members of the Board, other than the member nominated by the Mayor or appointees for the remainder of an unexpired term, for terms of three years. Members of the Board are eligible for reappointment. A member of the Board may continue to serve after the expiration of the member’s term until a successor is appointed and qualified.

A vacancy on the Board for a reason other than the expiration of a term will be filled by the Board for the remainder of the unexpired term, except for the member nominated by the Mayor. Appointment of a member of the Board by the Board requires an affirmative vote of a majority of the members of the Board serving at the time of the vote.

The Board may designate a nominating committee composed of members of the Board to nominate individuals for appointment to the Board by the Board.

The Board may remove any member of the Board by an affirmative vote of a majority of the members of the Board serving at the time of the vote.

### **5. Description of Projects Planned during Qualifying Period, including Scope, Nature, and Duration**

Within the Zone Area, the BIZ may provide *clean services* within public rights-of-way, including, but not limited to, litter collection; graffiti removal; pressure washing; mechanical sweeping; snow removal; and garbage and debris removal.

## Zone Plan for Downtown Detroit Business Improvement Zone

(for qualifying period beginning on April 15, 2024 and ending on April 14, 2034)

Page 3 of 6

Within the Zone Area, the BIZ may provide *landscape services* within public rights-of-way, including, but not limited to, mowing; fertilization; annual flower planting; mulching, edging, vegetation control; pruning and trimming; integrated pest management; dormant oil spray/summer foliage spray; start-up/shut down and inspection of irrigation systems; supplemental freeway ramp mowing; weed abatement; supplemental and winter season lighting; electrical and irrigation repairs; and capital improvements.

Within the Zone Area, the BIZ may administer a *public safety and hospitality ambassadors program*. Safety and hospitality ambassadors will be trained for a variety of tasks, including, but not limited to, assisting, directing, and providing information to property owners, residents, visitors, employees, and shoppers; observing, reporting, and preventing crime; discouraging panhandling and assisting people experiencing homelessness, drug addiction, alcohol misuse, or mental health issues; increasing the public's comfort and sense of security through a visible uniformed presence; and using handheld radios or other devices to interface with each other, police dispatch systems, and other security personnel.

Within the Zone Area, the BIZ may engage in *marketing and streetscape improvements*, including, but not limited to, lamp post banners; kiosks; signs; printed, broadcast, and online materials; capital improvements; and other programs designed to attract tenants, residents, visitors, and customers.

Within the Zone Area, the BIZ may conduct and commission *real estate market, demographic, and urban planning studies*, including, but not limited to, studies of retail, office, residential, and hotel space supply and demand; and initiatives to inform policies related to land use, transportation, urban design, and parking.

In addition to public rights-of-way within the Zone Area the BIZ may undertake projects, including, but not limited to, the projects otherwise described in this section 5 within downtown Detroit's **public parks and common areas**, including, but not limited to, Campus Martius/Cadillac Square, Hart Plaza, Capitol Park, Grand Circus Park, the Detroit RiverWalk, and Beatrice Buck Park at Paradise Valley.

The projects described in this section 5 (the "**Projects**") will continue for the duration of the Qualifying Period unless otherwise determined by the Board. Services, functions, and Projects provided by the BIZ will be supplemental to the services, functions, and projects of the City of Detroit.

### **6. Estimate of the Total Amount of Expenditures for Projects Planned During the Qualifying Period**

It is estimated that the sum of expenditures for Projects planned in the 10-year Qualifying Period is \$70,815,843.87. This estimate is based on total projected assessment revenue of \$70,815,843.87, annual projected assessment revenue in the first year of the Qualifying Period of \$5,898,318.51, an estimated annual growth rate of 4.0% per year in each subsequent year of the Qualifying Period.

It is possible that the actual revenues will grow at higher rates, remain flat, or decrease during any year during the Qualifying Period, in which case BIZ expenditures for the following year could correspondingly increase, remain static, or decrease.

### **7. Proposed Source of Financing for Projects**

The primary source of financing for the Projects is an annual assessment applicable to assessable properties in the Zone Area. The BIZ may seek additional funds through payments in lieu of assessments (such as voluntary payments from owners of non-assessable property within the Zone Area), payments for services,

## Zone Plan for Downtown Detroit Business Improvement Zone

(for qualifying period beginning on April 15, 2024 and ending on April 14, 2034)

Page 4 of 6

and grants or donations to fund complimentary projects and activities or administrative costs of the BIZ. Any money of the BIZ remaining at the end of the initial qualifying period under the prior zone plan for the BIZ will be retained by the BIZ and may be used by the BIZ during the Qualifying Period to finance Projects or to fund complimentary projects and activities or administrative costs.

### 8. Projected Amount or Rate of Assessments for Each Year and Basis for Imposition of Assessments

- (a) Subject to sections 8(d) and 8(e), assessments will be imposed on each assessable property within the Zone Area based on two factors: (1) square footage of floor area; and (2) assessed value. The “**Floor Area Rate**” portion of the assessment is imposed upon each assessable property at a rate of ***\$0.0580983305 per square foot of floor area***. The “**Assessed Value Rate**” portion of the assessment is imposed upon each assessable property at a rate of ***0.0024554878 per dollar of assessed value***.
- (b) The Floor Area Rate and the Assessed Value Rate will remain constant during the entire Qualifying Period.
- (c) Subject to the assessment cap under section 8(d) and the limitation on an annual assessment amount increase under section 8(e), for any year during the Qualifying Period the aggregate assessment for an assessable property is the sum of (1) the product obtained by multiplying the floor area of the property by the Floor Area Rate and (2) the product obtained by multiplying the assessed value of the property by the Assessed Value Rate.
- (d) ***\$150,000.00 Assessment Cap***. In light of the size and value of a handful of assessable properties within the Zone Area, equity requires that there be a cap on the aggregate amount of the annual assessment on any individual assessable property within the Zone Area. As a result, the maximum amount of the annual assessment for any individual assessable property within the Zone Area is limited to \$150,000.00 per year for each year of the Qualifying Period.
- (e) ***3% Annual Assessment Increase Limit***. An annual increase in any individual assessment is limited to three percent of the prior year’s assessment, including, but not limited to, any annual increase in an individual assessment in the first year of the Qualifying Period from the individual assessment for the property in the final year of the initial period for the BIZ. If the records of the assessor for the City of Detroit (the “**Assessor**”) indicate a Transfer of Ownership during the prior year, the three percent limit under this section 8(e) does not apply. Additionally, if the records of the Assessor indicate any Additions during the prior year, the Additions must be reflected in assessments of the applicable properties notwithstanding the three percent limit.
- (f) All assessment calculations will be based on property data maintained by the Assessor (or any successor officer, agency, or authority charged with maintaining the data) including, but not limited to, data relating to floor area square footage, assessed value, Transfer of Ownership, and Additions.
- (g) Data from the Assessor for assessable property current as of October 1, 2022 was used to calculate projected assessments and revenue for this Zone Plan.
- (h) In the first year of the Qualifying Period, data from the Assessor for assessable property current as of January 31, 2024 will be used to calculate assessments for the first year of the Qualifying Period

## **Zone Plan for Downtown Detroit Business Improvement Zone**

(for qualifying period beginning on April 15, 2024 and ending on April 14, 2034)

Page 5 of 6

in 2024. After the first year of the Qualifying Period, data from the Assessor for assessable property current as of January 31 of each year will be used to calculate BIZ assessments for that year. For example, assessments for 2025 will be calculated using data from the Assessor for assessable property current as of January 31, 2025. No adjustments to assessments for an assessment year will be made as a result of any adjustments to property data after January 31 of that assessment year.

- (i) For purposes of this section 8, “**Transfer of Ownership**” and “**Additions**” mean those terms as defined under Section 34d of the General Property Tax Act, 1893 PA 206, as amended, MCL 211.34d.

### **9. Plan of dissolution for the BIZ**

Upon a written petition duly signed by 30% of the property owners of assessable property within the Zone Area submitted no sooner than two years after the adoption of the Zone Plan for the Qualifying Period, the Board shall place the issue of dissolution of the BIZ on the agenda of the Board’s next annual meeting of owners of assessable property if the next annual meeting of owners of assessable property is to be held not later than 63 days after receipt of the written petition, or on the agenda a special meeting of the Board to be held later than 63 days after receipt of the written petition. Notice of the next annual meeting or special meeting described in this section 9 must be made to all owners of assessable property within the Zone Area by first-class mail not less than 14 days before the date of the annual or special meeting. The notice must include the specific location and the scheduled date and time of the meeting.

Except as otherwise provided in this section 9, the BIZ is dissolved upon a vote of more than 50% of the owners of assessable property voting at the meeting, with the vote of each property owner weighted in proportion to the property owner’s portion of total assessments for the BIZ in accordance with this Zone Plan and section 10f(2) of the BIZ Act, MCL 125.990f(2). A dissolution is not effective until the later of the end of the second calendar year after the vote for dissolution or all contractual liabilities of the BIZ have been paid and discharged.

**Zone Plan for Downtown Detroit Business Improvement Zone**  
(for qualifying period beginning on April 15, 2024 and ending on April 14, 2034)  
Appendix A

APPENDIX A

**Map and Description of the Geographic Boundaries of the Zone Area Sufficient to Identify each Assessable Property Included in the Zone Area for the Qualifying Period**

The geographic boundaries of the area (the “Zone Area”) to be served by the business improvement zone will continue to be:

- Interstate 75 to the north;
- Interstate 375 north of East Jefferson Avenue and Rivard Street south of East Jefferson Avenue to the east;
- The Detroit River to the south; and
- The western line of the property at 1003 West Jefferson Avenue roughly coterminous with Riverfront Drive south of West Jefferson Avenue and Michigan State Highway 10 north of West Jefferson Avenue to the west.

