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City of Traverse City

Office of the City Clerk

GOVERNMENTAL CENTER  
400 Boardman Avenue  
Traverse City, MI 49684  
(231) 922-4480  
tcclerk@traversecitymi.gov



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***City of Traverse City Application  
Payment in Lieu of Taxes (PILOT)***

***Municipal Review of all Payment in Lieu of Tax (PILOT)***

(TRAVERSE CITY ORDINANCE CHAPTER 881) – Reference: POLICY NO: CC-055

Dear PILOT Applicant:

Please read the following information carefully for an overview of the City's Payment in Lieu of Tax (PILOT) application process.

After you complete and submit a Payment in Lieu of Tax (PILOT) application to the City Clerk's Office, the city's review process begins. Our office will forward your application for review to various departments. Of these departments, the following may be in contact with you:

- City Manager
- City Assessor
- City Zoning Administrator
- City Engineer
- City Treasurer
- City Clerk

Upon concurrence from all necessary departments- *applications will be placed on the appropriate City Commission agenda for final approval*; applicants will be notified of this meeting.

Application Fee - All fees are to be paid in full upon submission. Applications received without payment will not be reviewed.

- Applications for new or renewal applications Payment in Lieu of Tax (PILOT). **\$2,300**

We recognize the importance of providing you with a response as quickly as possible – the City of Traverse City is committed to working with you diligently. Should you have any questions, please feel free to contact me.

Best wishes in your entrepreneurial endeavors, and thank you for choosing Traverse City!

Sincerely,



Benjamin Marentette, MMC  
City Clerk



Name and title of individual to contact: \_\_\_\_\_

Email address: \_\_\_\_\_

Mailing address: \_\_\_\_\_

City, State, Zip \_\_\_\_\_ Phone No. \_\_\_\_\_

Indicate the tax incentives applied for and terms. Be specific

**Property Tax Exemption Payments In Lieu of Taxes:**

\_\_\_\_\_ Number of years \_\_\_\_\_ Beginning year \_\_\_\_\_ Ending year

\_\_\_\_\_ Percent of exemption \_\_\_\_\_ Amount of annual payments (attach schedule if needed)

**For Transfer of Ownership Only:**

**TRANSFEROR: CORPORATION, INDIVIDUAL, OR PARTNERSHIP NAME:**

\_\_\_\_\_

(First, Middle, Last Name of Officers and/or Directors)

(Phone)

(Address)

(Email)

(First, Middle, Last Name of Officers and/or Directors)

(Phone)

(Address)

(Email)

Have you submitted an application for a similar request to the City of Traverse City? \_\_\_\_ Yes \_\_\_\_ No

Do you owe city funds for delinquent taxes or utilities bills? \_\_\_\_ Yes \_\_\_\_ No

Did you include names of **all** officers and/or directors as it relates to this application? \_\_\_\_ Yes \_\_\_\_ No

Check all that has been included with this application, if an item is not included; please provide a brief explanation why.

- Legal description of project real property:
- Complete list of owners/ownership interests of the project:
- Background information on applicant and guarantors, including development experience, if any, and all other relevant information pertaining to the PILOT project:
- Site plan.
- Attach a detailed narrative describing the PILOT - detailing
  - a. Intended usage/target market
  - b. Economic impact
  - c. Environmental impact, including any measures taken to mitigate negative impact or improve the natural environment
  - d. Impact on City infrastructure, including transportation and utilities
  - e. Impact on City services, such as police, fire, emergency medical transport, code enforcement
  - f. Square footage of the building and land area to be renovated
  - g. Architectural renderings, including number and types of units
  - h. Any other information needed to fully explain the project
- Will the project be located in a new structure or an existing facility?
- If existing facility, when was it constructed?
- If new construction, complete the below questions:
- Estimated date of commencement of construction of the project covered by this application
- Description of project to be constructed including size, type, and quality of construction:
- Approximate date of commencement of this project's operation
- Describe the marketing plan for the project, identifying the intended market. List the types of lessees anticipated. If the project is speculative, how long is full occupancy expected to take and who will manage the project?
- Briefly describe the ownership and tax information for this Project. Include in this section the following:
  - a. State the location of the proposed project by street address and legal description
  - b. Name the property owner at the time of application submittal
  - c. If the Applicant does not presently own the property, attach a valid option to purchase the property
  - d. Describe any and all existing financing, options, and liens on the property

- e. State the tax parcel number for all property involved with the Project and the current assessed value of the Property
- f. Are any assessments presently under appeal? If so, describe the status of the appeal(s)
- g. Will the Project result in the subdivision of any present tax parcel?

[ ] Provide a detailed development pro forma outlining proposed hard, soft, and financing costs associated with proposed development. Pro forma must also identify all sources of financing and terms, including Applicant equity, construction and permanent financing and any government assistance. Proposals will contain detailed costs breakdowns.

[ ] Provide a detailed operating pro forma that will include all anticipated Major Revenues and Expenses for the full term of the requested PILOT.

[ ] Are changes proposed to the public space around the Project (Example; sidewalks, lighting, and planting)? If yes, describe.

[ ] State proposed time schedule for the Project including anticipated dates for the following:

- a. Closing of the loan or contributing financing availability
- b. First expenditure of funds with regard to the project
- c. Anticipated date construction will begin
- d. Anticipated completion date

[ ] Financial Background:

- a. Attach current audited financial statements of the applicant and guarantors. If audited financial statements are unavailable, please submit non-audited statements
- b. State the relationship any applicant or grantor has had with any accounting firm over the last five years and reason for change, if any
- c. Give three credit references for the applicant.

[ ] Development Team: Name any of the following that will be involved with the Project (with addresses, e-mail addresses, and phone numbers):

- a. Applicant Primary Point of Contact
- b. Architects and engineers.
- c. Construction Project Manager
- d. General Contractor for project
- e. Other professionals

[ ] Please describe any potential conflicts of interest the applicant or any guarantor may have with any City Personnel or City Commission members.

[ ] Describe the following as to any applicant, guarantor, or other person involved with this project:

- a. Any pending civil litigation involving this property or other business holdings
- b. Any pending criminal proceeding involving this property or other business holdings
- c. Any conviction, or other pending criminal matter, that is for any felony offense or any theft-related misdemeanor, involving this property or other business holdings

[ ] Include a copy of the completed MSHDA application for Low Income Housing Tax Credits within thirty (30) days of submittal to MSHDA.

Applicant or applicant's representatives must execute the following statement and provide it as part of the application.

***The person(s) completing this application hereby declares that:***

1. They will not violate any of the laws of the State of Michigan or of the United States or any Ordinance of the City.
2. Should any of the information provided in this application or any attachment thereto change during the term of the license or any renewal thereof, they will notify the City Clerk in writing within thirty (30) days of such change.
3. They have contacted the Michigan State Housing Development Authority (MSHDA) to ensure eligibility.

**The applicant acknowledges that the City may be required from time to time to release records in its possession. The applicant hereby gives permission to the City to release any records or materials received by the City from the applicant as it may be requested to do so as permitted by the Freedom of Information Act, MCL 15.231 et seq.**

Date: \_\_\_\_\_

Authorized Applicant Representative:

\_\_\_\_\_  
(Please print)

\_\_\_\_\_  
(Signature)

Benjamin C. Marentette, CMC  
City Clerk  
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