



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
REGULAR BOARD OF DIRECTORS MEETING
WEDNESDAY, MAY 27, 2020
4:00 PM**

BOARD MEMBERS PRESENT:

Pamela McClain
John George
Donele Wilkins
Stephanie Washington
Juan Gonzalez
Maggie DeSantis
Raymond Scott

BOARD MEMBERS ABSENT:

Amanda Elias
Sonya Mays

OTHERS PRESENT:

Jennifer Kanalos (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Paul Kako (DEGC)
Rebecca Navin (DEGC)
Malinda Jensen (DEGC)
Cleveland Dailey (DEGC)
Glen Long Jr. (DEGC/DBRA)
Kaci Jackson (DEGC)
Ngozi Nawaesei (Lewis & Munday)
Ryan Klunzinger (Dakkota)
Richard Barr (Honigman)
Elizabeth Masserang (PM Environmental)
Matt Naimi (Life is a Dreamtroit)
Oren Goldenberg (Life is a Dreamtroit)
Jared Fleisher (Bedrock)
Ginny Dougherty (PM Environmental)
Adam Schloff (Astral Weeks)
Brian Ellison (The Intersection Consulting Group)



**MINUTES OF THE DETROIT BROWNFIELD
REDEVELOPMENT AUTHORITY REGULAR MEETING
WEDNESDAY, MAY 27, 2020
HELD VIA ZOOM VIRTUAL MEETING**

CALL TO ORDER

Chair Raymond Scott called the meeting to order at 4:01 PM.

Ms. Capler took a roll call of the DBRA Board Members present.

GENERAL

Approval of Minutes:

Mr. Scott called for a motion approving the minutes of May 20, 2020 as presented. The Board took the following action:

Ms. McClain made a motion approving the minutes of the May 20, 2020 Board meeting, as presented. Ms. Washington seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. George, Mr. Gonzalez, Ms. McClain, Mr. Scott, Ms. Washington, and Ms. Wilkins
Nays: None.

DBRA Resolution Code 20-05-02-275 was approved.

Ms. DeSantis joined the meeting at 4:04 PM.

Treasurer's Report – March 2020

Mr. Long presented the March 2020 Treasurer's Report.

Mr. Scott called for a motion accepting the March 2020 Treasurer's Report as presented. The Board took the following action:

Ms. Washington made a motion accepting the March 2020 Treasurer's Report, as presented. Ms. DeSantis seconded the motion. A roll call vote was conducted with the following result:

Ayes: Ms. DeSantis, Mr. George, Mr. Gonzalez, Ms. McClain, Mr. Scott, Ms. Washington, and Ms. Wilkins
Nays: None.

DBRA Resolution Code 20-05-03-197 was approved.

DBRA Budget (FY 2020-2021)

Ms. Kanalos presented the proposed DBRA Budget (FY 2020-2021) to the DBRA Board.

The Detroit Brownfield Redevelopment Authority (DBRA) held a DBRA Budget Committee meeting on May 26, 2020 at 10:00 am via Zoom conferencing on the DBRA Budget for FY 2020-2021. The DBRA Budget Committee reviewed and recommended approval of the DBRA Budget for FY 2020-2021, as presented. Attached was the proposed DBRA Budget for FY 2020-2021 and resolution approving the DBRA budget for FY 2020-2021.

Mr. Scott asked if there should be a line item in the budget related to the COVID-19 pandemic. Mr. Long stated that the DBRA has a Professional Services Agreement with the DEGC to manage the DBRA and the DEGC covers expenses for the DBRA Staff that may be related to the COVID-19 pandemic.

Mr. George asked what is included in the DBRA's insurance coverage. Ms. Kanalos stated that the DBRA's insurance coverage includes general comprehensive liability insurance and insurance for the DBRA Board Members and Officers.

Mr. George asked if the DBRA has Workers Compensation insurance. Mr. Long stated that the DBRA does not have Workers Compensation insurance because the DBRA does not have its own staff, but that the DEGC does have Workers Compensation insurance.

Ms. DeSantis asked how the budget compares to last year's budget and if the revenue included in the budget for FY 2020-21 is from FY 2019-20 or FY 2020-21. Mr. Long stated that the revenue included in the budget for FY 2020-21 is from FY 2020-21 and revenues coming in to the DBRA from now until July 1, 2020 are counted toward the FY 2019-20 budget. Mr. Long also stated that the FY 2020-21 budget as compared to the budget for FY 2019-20 is largely the same however the line item for Special Projects is lower than FY 2019-20 because the FY 2019-20 budget was amended to include additional funds for Special Projects, which may happen again in the next fiscal year.

Ms. DeSantis asked if there is any significant difference in the projected revenues for the DBRA for FY 2020-21 in comparison to FY 2019-20. Mr. Long stated that the projected revenues for FY 2020-21 are based on assessments made in December 2019 and that any adverse effect that occurs in FY 2020-21 would not be felt by the DBRA until FY 2021-22 due to the delayed nature of the revenues and that the result in decreased revenues would be felt by developers in the form of decreased TIF reimbursements.

Ms. DeSantis asked if any impacts on construction for projects caused by COVID-19 would impact the DBRA budget for FY 2021-22. Mr. Long stated that any impacts on construction for projects caused by COVID-19 would impact the DBRA budget for FY 2021-22 but that he does not expect any significant impact.

Mr. Scott called for a motion approving the DBRA Budget (FY 2020-2021), as presented. The Board took the following action:

Ms. McClain made a motion approving the DBRA Budget (FY 2020-2021), as presented. Ms. DeSantis seconded the motion. A roll call vote was conducted with the following result:

Ayes: Ms. DeSantis, Mr. George, Mr. Gonzalez, Ms. McClain, Mr. Scott, Ms. Washington, and Ms. Wilkins

Nays: None.

DBRA Resolution Code 20-05-01-222 was approved.

Delegation of Authority Reports (Q3&Q4 2019-20)

Mr. Vosburg presented the Delegation of Authority Reports (Q3&Q4 2019-20) to the DBRA Board.

In an effort to streamline the process for authorization of expenditures, the DBRA Board of Directors approved DBRA Resolution #18-10-01-204 on October 10, 2018. The resolution authorizes Officers and Authorized Agents ("Designated Parties") to review and approve contracts in an amount up to Fifty Thousand and 00/100 (\$50,000.00) Dollars and to approved change orders to contracts up to 25% of the original contract amount not to exceed Twenty-Five Thousand and 00/100 (\$50,000.00) Dollars.

Attached for DBRA Board information only are two (2) Delegation of Authority reports of expenditures approved for the period of October through December of 2019 and for the period of January through March of 2020.

PROJECTS

Land Assembly Project: Amendment to Property Exchange Agreement with DTE Electric Company in Support of the FCA Development Project

Ms. Navin presented the Land Assembly Project: Amendment to Property Exchange Agreement with DTE Electric Company in Support of the FCA Development Project to the DBRA Board.

As the Board is aware, the City of Detroit ("City"), City of Detroit Brownfield Redevelopment Authority ("DBRA") and FCA US LLC ("FCA") have entered that certain Development Agreement relating to the investment of approximately \$2.5 billion in FCA's Mack 1, Mack 2 and Jefferson North Assembly Plants (collectively the "Projects") to expand certain industrial automotive manufacturing in the City. It is anticipated that the Projects will result in the creation of approximately 4,950 additional FCA jobs in the City, as well as increase business and economic opportunities for related supplier and support industries.

In support of the Projects, in April, 2019, the DBRA Board of Directors and the Detroit City Council approved the transactions contemplated by that certain Property Exchange Agreement by and among the City, DBRA and DTE Electric Company ("DTEE") (the "PEA"), whereby DTEE agreed to convey certain land located at 12000 East Jefferson and 11860 Freud in exchange for the transfer of title to certain properties owned by the City, the DBRA and the Detroit Land Bank Authority ("DLBA") and/or cash consideration comprising fair value for the properties exchanged.

Representatives from the City, DBRA and DTEE wish to amend the PEA in the manner described in the proposed Fourth Amendment to Property Exchange Agreement. The PEA was previously amended on three separate occasions, each to extend the dates referenced therein, as anticipated by the PEA and authorized by this Board in connection therewith. Under the proposed Fourth Amendment to the PEA, the PEA would be further amended as follows:

- Add the DLBA-owned properties located at 5732 Winslow St, Detroit, Michigan 48208 and 2930 Stanley Street, Detroit, Michigan 48208 to the DLBA-owned properties to be conveyed to DTEE under the PEA.
- Extend and modify the provisions allowing for a delayed closing on DTEE's acquisition of the City-owned property located at 1340 Third Street in order to allow the City and DTEE to negotiate the terms of ongoing environmental restrictions relating to the property and/or the City's right to retain such property.
- Formalize DTEE's election to accept a cash payment in lieu of property with respect to certain DBRA-owned property located at 2 Canal and 11900 Freud.
- Allow for a delayed closing on DTEE's acquisition of the City-owned property located at 14584 Livernois in order to grant the City and/or DBRA an opportunity to make the property available for another potential economic development use.

The proposed form of Fourth Amendment to PEA is attached hereto as **Exhibit A**.

A resolution approving the amendment was attached for the Board's consideration.

Mr. Scott requested a copy of the Property Exchange Agreement. Ms. Navin stated that she would send Mr. Scott a copy of the Property Exchange Agreement.

Ms. DeSantis asked for clarification on DTEE's election to accept a cash payment in lieu of property with respect to 2 Canal and 11900 Freud. Ms. Navin stated that under the Property Exchange Agreement that was a list of properties that DTEE could elect to acquire and each property had a value that would act as a credit against the purchase price and because DTEE did not want to acquire 2 Canal and 11900 Freud a cash payment is now required and will come from the FCA project budget.

Ms. McClain asked if there has been another buyer identified for the property. Ms. Navin confirmed that another buyer has been identified for the property and should that buyer move forward with the purchase that action would be brought before the DBRA Board and Detroit City Council.

Ms McClain asked what the timeline is for decommissioning the Third Street property. Ms. Navin stated that she can find out that information and send to Ms. McClain.

Ms. Wilkins asked for clarification on what changes are being made through this amendment. Ms. Navin stated that two properties that were not publicly owned before are now owned by the Detroit Land Bank Authority through foreclosure. Ms. Wilkins asked if the two properties were occupied residential properties. Ms. Navin stated that they were not occupied residential properties.

Mr. Scott called for a motion to approve the Land Assembly Project: Amendment to Property Exchange Agreement with DTE Electric Company in Support of the FCA Development Project, as presented. The Board took the following action:

Mr. George made a motion to approve the FY 2020 Public Works and Economic Adjustment Assistance Funding Opportunity, as presented. Mr. Gonzalez seconded the motion. A roll call vote was conducted with the following result:

Ayes: Ms. DeSantis, Mr. George, Mr. Gonzalez, Ms. McClain, Mr. Scott, Ms. Washington, and Ms. Wilkins

Nays: None.

DBRA Resolution Code 20-05-262-40 was approved.

Hudson’s Block, Monroe Blocks, One Campus Martius Expansion and Book Building and Book Tower Transformational Brownfield Redevelopment Plan: Reimbursement Agreement

Ms. Kanalos presented the Hudson’s Block, Monroe Blocks, One Campus Martius Expansion and Book Building and Book Tower Transformational Brownfield Redevelopment Plan: Reimbursement Agreement to the DBRA Board.

On October 18, 2017, the Detroit Brownfield Redevelopment Authority (the “DBRA”) Board of Directors recommended approval to City Council of the Brownfield Plan for the Hudson’s Block, Monroe Blocks, One Campus Martius Expansion, and Book Building and Book Tower Redevelopment Project (the “Plan”). The Detroit City Council approved the Plan on November 21, 2017, and the Michigan Strategic Fund (the “MSF”) approved the Plan on May 22, 2018. A requirement for Tax Increment Financing reimbursement pursuant to the Plan is that a Reimbursement Agreement (the “Agreement”) be entered into between the DBRA, Bedrock Management Services, LLC (the “Developer”), the MSF, and the Michigan Department of Treasury.

Under the Plan, Developer may seek exemption from sales tax during construction and reimbursement from tax capture for eligible activities, estimated as follows:

Project	Sales Tax Exemption (Not Capture)	Construction Period Income Tax Capture Revenues	Tax Increment Revenues	Withholding Tax Capture Revenues	Income Tax Capture Revenues	Total
Hudson’s Site	\$28,687,399	\$8,596,990	\$75,924,210	\$54,125,842	\$25,474,759	\$192,809,200
Monroe Blocks	\$20,641,951	\$6,185,944	\$110,427,696	\$136,240,726	\$ 22,041,340	\$295,537,657
Book Building and Tower	\$8,540,554	\$2,559,419	\$27,805,307	\$18,216,470	\$ 5,838,641	\$62,960,391
OCM Addition	\$2,777,985	\$832,502	\$15,401,173	\$47,700,259	\$0	\$66,711,919
Total	\$60,647,889	\$18,174,854	\$229,558,387	\$256,283,297	\$53,354,740	\$618,019,167

The Agreement has been prepared and is being presented to the DBRA for review and approval. Because the Agreement covers reimbursement of property tax increment revenues (“TIR”) as well as all other forms of tax capture allowable under the Plan, the Agreement does not follow DBRA’s standard form of reimbursement agreement. A general summary of the Agreement is provided below, and the proposed form of the Agreement is attached hereto as **Exhibit A**.

- Maximum reimbursement from tax capture is \$591,805,036
 - Subject to annual and aggregate limits, reimbursement estimates may be adjusted for actual costs / tax receipts
 - To the extent TIR from one project are greater than estimated, Developer may receive an upward adjustment to TIR reimbursement for that project so long as there is an off-setting downward adjustment to the TIR reimbursement for another project.
- Developer must certify eligible activities and costs on an annual basis and MSF is responsible for determining the eligibility of the activities and costs
 - Reimbursement from TIR, income tax capture revenues, and withholding tax capture revenues for a project will not commence until the project is complete and the final cost certification process has been completed.
 - Reimbursement of TIR is subject to clearance letters from the City of Detroit Civil Rights and Inclusion Office regarding executive order compliance
 - Developer may pledge or assign the right to reimbursement to bondholders in certain circumstances provided that Developer remains obligated under the Agreement
- Certain extension rights are available for project completion timelines, subject to MSF Fund Manager’s approval; provided that the extensions will not serve to extend the duration of the Plan or the allowed capture thereunder.
- DBRA, MSF and Treasury will receive an annual administrative fee.
 - In addition to the annual administrative fee, DBRA may receive up to \$100,000 annually for any additional out of pocket expenses associated with its administration of the Plan
- None of the projects may have any of the following as a permitted use: private or commercial golf course, country club, adult entertainment facility, massage parlor, hot tub facility, suntan facility, racetrack or other facility used for gambling, any establishment engaged in the business of selling, exhibiting, or delivering pornographic or obscene materials or paraphernalia commonly used for illegal drugs, or any store the principal business of which is the sale of alcoholic beverages for consumption off-premises
- Developer is required to comply with DBRA’s standard annual reporting requirements, insurance requirements, DBRA guidelines, audit and inspection rights, indemnification obligations, etc.

A resolution approving the Agreement is attached for the Board’s consideration.

Mr. Fleisher provided an update on the Hudson’s Block, Monroe Blocks, One Campus Martius Expansion and Book Building and Book Tower renovation to the DBRA Board including how the projects have changed since the Plan was approved.

Ms. McClain asked how many rooms are anticipated to be included in the Hudson’s Block development. Mr. Fleisher stated that 225-250 rooms are currently anticipated to be included in the Hudson’s Block development.

Ms. Washington asked if the hotel will have a union. Mr. Fleisher stated that it is ultimately up to the operator of the hotel whether or not to have a union, but it is expected to have a union.

Ms. Washington asked why construction costs are so high in Detroit. Mr. Fleisher stated that the construction costs are high in Detroit because of a shortage in the skilled trades workforce, there is a small pool of subcontractors leading to higher prices, the wage floor in Detroit for union members is higher than in other cities, and the last high rise building in Detroit was built in 1993 so efficiencies in building highrise buildings in Detroit are not there.

Ms. DeSantis asked if there is concern about the hotel industry in light of the COVID-19 pandemic. Mr. Fleisher stated that the developer believes that the demand for hotels will recover by the time the project is completed and a hotel is the highest and best use of the property and is the use best suited for the city.

Mr. Scott called for a motion to approve the Hudson's Block, Monroe Blocks, One Campus Martius Expansion and Book Building and Book Tower Transformational Brownfield Redevelopment Plan: Reimbursement Agreement, as presented. The Board took the following action:

Ms. Washington made a motion to approve Hudson's Block, Monroe Blocks, One Campus Martius Expansion and Book Building and Book Tower Transformational Brownfield Redevelopment Plan: Reimbursement Agreement, as presented. Ms. McClain seconded the motion. A roll call vote was conducted with the following result:

Ayes: Ms. DeSantis, Mr. George, Mr. Gonzalez, Ms. McClain, Mr. Scott, Ms. Washington, and Ms. Wilkins

Nays: None.

DBRA Resolution Code 20-05-250-03 was approved.

Life is a Dreamtroit Brownfield Redevelopment Plan: Reimbursement Agreement

Ms. Capler presented the Life is a Dreamtroit Brownfield Redevelopment Plan: Reimbursement Agreement to the DBRA Board.

On February 28, 2020, the City of Detroit Brownfield Redevelopment Authority (the "DBRA") Board of Directors adopted a resolution authorizing the transmittal of the Brownfield Plan for the Life is a Dreamtroit Redevelopment Project (the "Plan") to Detroit City Council ("City Council") with a recommendation for approval. The City Council public hearing for the Plan is scheduled to be held on May 28, 2020 and City Council is anticipated to vote on approval of the Plan on June 2, 2020.

Project Introduction

Life is a Dreamtroit, LLC is the project developer (the "Developer") for the Plan. Previous use of the property includes a Lincoln Motor Factory and an Albert Kahn Building. A partially vacant two-story warehouse dominates the property and totals approximately 160,000 square feet. The property currently serves as a recycling reuse center, Recycle Here!, and collaborative art space.

The project will include the demolition of a portion of the existing warehouse building and renovate it into a modern mixed-use building featuring new residential units and office and retail space, incorporating both current operations and expanding upon them to create a vibrant neighborhood and public spaces. The project will include a coffee shop, an art park and outdoor event space, shipping container shops, Art Industry, and a market/co-working space. It is proposed that approximately 52 of the residential units will be at varying levels of affordability, including 50% at 80% of the Area Median Income (AMI), and 20% of the units below 50% AMI. The units are anticipated to consist primarily of studios and one-bedroom units totaling approximately 37,130 square feet. A surface parking lot with approximately 86 spaces is included as part of the project.

The total investment is estimated to be \$18.2 million. The Developer is requesting \$3,729,324.00 in TIF reimbursement.

There will be approximately 46 temporary construction jobs and 1 FTE job related to property maintenance created by the Developer. Additional jobs are expected to be created by commercial tenants.

Property Subject to the Plan

The eligible property (the "Property") consists of seven (7) parcels located in Detroit's New Center and Northwest Goldberg neighborhoods, bounded by Holden Street to the north, a railroad track to the east, Lincoln Street to the south and the west, forming a triangular shape.

Basis of Eligibility

The Property is considered “eligible property” as defined by Act 381, Section 2 because (a) the Property was previously utilized for a commercial, industrial, public, or residential purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; (c) the Property is determined to be a “facility” as defined Part 201 of P.A. 451, as amended, and/or (d) adjacent and contiguous to a “facility”.

Eligible Activities and Projected Costs

The “eligible activities” that are intended to be carried out at the Property are considered “eligible activities” as defined by Sec 2 of Act 381, because they include Pre-Approved activities, Department Specific activities, Demolition activities, Asbestos and Lead Abatement activities, Infrastructure Improvements, Site Preparation activities, and Preparation and Implementation of a Brownfield Plan and Act 381 Work Plan. The eligible activities and budgeted costs are intended as part of the development of the Property and will be financed solely by the Developer. The Authority is not responsible for any costs of eligible activities and will incur no debt. The eligible activities are estimated to commence within 18 months of approval of the Plan and be completed within 3 years.

Tax Increment Financing (TIF) Capture

The Developer desires to be reimbursed for the costs of eligible activities. 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 after approval of this Plan pursuant to the terms of a Reimbursement Agreement with the DBRA.

COSTS TO BE REIMBURSED WITH TIF

1. Pre-Approved Activities (Environmental Assessments)	\$66,800.00
2. Department Specific Activities	\$573,000.00
3. Demolition	\$586,700.00
4. Asbestos, Mold, and Lead Abatement	\$256,000.00
5. Infrastructure Improvements	\$465,400.00
6. Site Preparation	\$757,000.00
7. Brownfield Plan & Work Plan Preparation/Implementation	\$60,000.00
8. Contingency (15%)	\$395,715.00
9. Interest	\$568,709.00
Total Reimbursement to Developer	\$3,729,324.00
10. Authority Administrative Costs	\$763,325.00
11. State Brownfield Redevelopment Fund	\$197,981.00
12. Local Brownfield Revolving Fund	\$326,268.00
TOTAL Estimated Costs	\$5,016,898.00

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.

Other Incentives

The Developer is seeking additional incentives, which will include local and/or state approval of a Commercial Rehabilitation Act (PA 210) Abatement and a Neighborhood Enterprise Zone (PA 147) Abatement.

The Agreement and a resolution approving the Agreement and its subsequent execution were attached for the DBRA Board’s review and approval.

Ms. DeSantis asked when the Recycle Here! operations will resume. Mr. Naimi stated that the operations of Recycle Here! were halted due to the Stay at Home Order and that he is working on a solution with the Law Department of the City of Detroit to resume operations by June 1, 2020.

Mr. Scott called for a motion to approve the Life is a Dreamtroit Brownfield Redevelopment Plan: Reimbursement Agreement, as presented. The Board took the following action:

Ms. DeSantis made a motion to approve the Life is a Dreamtroit Brownfield Redevelopment Plan: Reimbursement Agreement, as presented. Mr. George seconded the motion. A roll call vote was conducted with the following result:

Ayes: Ms. DeSantis, Mr. George, Mr. Gonzalez, Ms. McClain, Mr. Scott, Ms. Washington, and Ms. Wilkins

Nays: None.

DBRA Resolution Code 20-05-283-03 was approved.

Dakkota Integrated Systems Brownfield Redevelopment Plan: Reimbursement Agreement

Mr. Vosburg presented the Dakkota Integrated Systeme Brownfield Redevelopment Plan: Reimbursement Agreement to the DBRA Board.

On March 11, 2020, the City of Detroit Brownfield Redevelopment Authority (the "DBRA") Board of Directors adopted a resolution authorizing the transmittal of the Brownfield Plan for the Dakkota Integrated Systems, L.L.C. Redevelopment Project (the "Plan") to Detroit City Council ("City Council") with a recommendation for approval. The City Council public hearing for the Plan is scheduled to be held on May 28, 2020 and City Council is anticipated to vote on approval of the Plan on June 2, 2020.

Project Introduction

Dakkota Integrated Systems, L.L.C. is the project developer (the "Developer") for the Plan. The project will include the construction of an approximately 300,000 square foot light industrial building and related site improvements on the property. The Developer has entered into agreements with the City of Detroit that provide for hiring practices intended to maximize the hiring of nearby and other Detroit residents. The project includes a stormwater management system designed to retain a 100-year storm.

The total investment is estimated to be \$45 million. The Developer is requesting \$5,442,244.00 in TIF reimbursement though current tax increment revenue projects estimate only \$3,708,214 in tax capture.

There will be approximately 155 temporary construction jobs and 419 FTE jobs.

Property Subject to the Plan

The eligible property (the "Property") consists of one parcel located on Detroit's east side, bounded by Van Dyke Avenue to the east, by Hendrie Street to the south, by Townsend Street and Field Street to the west and by the former Conger Street to the north.

Basis of Eligibility

The Property is considered "eligible property" as defined by Act 381, Section 2 because (a) the Property was previously utilized for public (school) purposes; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property is a "facility" pursuant to Part 201 due to the presence of lead in soil above the Part 201 generic residential cleanup criteria.

Eligible Activities and Projected Costs

The "eligible activities" that are intended to be carried out at the Property are considered "eligible activities" as defined by Sec 2 of Act 381, because they include department specific activities (including baseline environmental assessments, due care activities and response activities), asbestos abatement, demolition, site preparation, infrastructure improvements, brownfield plan preparation and implementation, and interest. The eligible activities and budgeted costs are intended as part of the development of the Property and will be financed solely by the Developer. The Authority is not responsible for any costs of eligible activities and will incur no debt. The eligible activities are estimated to commence within 18 months of approval of the Plan and be completed within 3 years.

Tax Increment Financing (TIF) Capture

The Developer desires to be reimbursed for the costs of eligible activities. 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 after approval of this Plan pursuant to the terms of a Reimbursement Agreement with the DBRA.

COSTS TO BE REIMBURSED WITH TIF

1. Department Specific Activities	\$262,810.00
2. Demolition (includes abatement costs)	\$2,632,703.00
3. Infrastructure Improvements	\$1,078,348.00
4. Stormwater Infrastructure	\$66,468.00
5. Site Preparation	\$1,064,937.00
6. Brownfield Plan & Work Plan Preparation/Implementation	\$30,000.00
7. Contingency (15%)	\$454,106.00
8. Interest	\$1,875,178.00
Total Reimbursement to Developer	\$7,464,550.00
9. Authority Administrative Costs	\$654,663.00
10. State Brownfield Redevelopment Fund	\$1,543.00
11. Local Brownfield Revolving Fund	\$0.00
TOTAL Estimated Costs	\$8,120,756.00
<i>Although the costs of eligible activities are estimated at \$7,464,550.00, the total reimbursement will be capped at \$5,442,244.00. Current tax increment revenue projects estimate only \$3,708,214 in tax capture.</i>	

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.

Other Incentives

The Developer is seeking additional incentives, which will include local and/or state approval of a Renaissance Zone Act and Industrial Facilities Exemption (PA 198) tax abatements.

The Agreement and a resolution approving the Agreement and its subsequent execution are attached for your review and approval.

Mr. Scott called for a motion to approve the Dakkota Integrated Systems Brownfield Redevelopment Plan: Reimbursement Agreement, as presented. The Board took the following action:

Ms. McClain made a motion to approve the Dakkota Integrated Systems Brownfield Redevelopment Plan: Reimbursement Agreement, as presented. Ms. DeSantis seconded the motion. A roll call vote was conducted with the following result:

Ayes: Ms. DeSantis, Mr. George, Mr. Gonzalez, Ms. McClain, Mr. Scott, Ms. Washington, and Ms. Wilkins

Nays: None.

DBRA Resolution Code 20-05-284-03 was approved.

ADMINISTRATIVE

DBRA Meeting Dates (FY 2020-2021)

Ms. Kanalos presented the DBRA Meeting Dates (FY 2020-2021) to the DBRA Board.

Mr. Scott called for a motion approving the DBRA Meeting Dates (FY 2020-2021), as presented. The Board took the following action:

Ms. McClain made a motion approving the DBRA Meeting Dates (FY 2020-2021), as presented.

Mr. Gonzalez seconded the motion. A roll call vote was conducted with the following result:

Ayes: Ms. DeSantis, Mr. George, Mr. Gonzalez, Ms. McClain, Mr. Scott, Ms. Washington, and Ms. Wilkins
Nays: None.

DBRA Resolution Code 20-05-01-223 was approved.

Election of Officers (FY 2020-2021)

Ms. Kanalos presented the Election of Officers (FY 2020-2021) to the DBRA Board.

The Brownfield Redevelopment Financing Act 381, Public Acts of Michigan Act 1996, as amended, states that the Officers of the Board of Directors shall be elected annually.

The current DBRA Board officer positions are as follows: Raymond Scott-Chairperson, Maggie DeSantis-Vice Chairperson, Pamela McClain-Secretary and Stephanie Washington-Treasurer of the Board of Directors of the Detroit Brownfield Redevelopment Authority.

DBRA staff proposes that the Board Chair open the floor to nominations, followed by a vote of the Board.

Ms. DeSantis nominated Mr. Scott for the position of Chairperson of the DBRA.

Ms. McClain asked if a nomination could be made for all four positions at once. Ms. Kanalos confirmed that a nomination could be made for all four positions at once.

Ms. McClain nominated Mr. Scott for the position of Chairperson of the DBRA, Ms. DeSantis as Vice-Chairperson of the DBRA, Ms. McClain as Secretary of the DBRA, and Ms. Washington as Treasurer of the DBRA.

The Board took the following action:

Mr. George made a motion to elect Mr. Scott for the position of Chairperson of the DBRA, Ms. DeSantis as Vice-Chairperson of the DBRA, Ms. McClain as Secretary of the DBRA, and Ms. Washington as Treasurer of the DBRA. Ms. Washington seconded the motion. A roll call vote was conducted with the following result:

Ayes: Ms. DeSantis, Mr. George, Mr. Gonzalez, Ms. McClain, Mr. Scott, Ms. Washington, and Ms. Wilkins
Nays: None.

DBRA Resolution Code 20-05-01-224 was approved.

DBRA/DEGC Professional Services Agreement (FY 2020-2021)

Ms. Kanalos presented the DBRA/DEGC Professional Services Agreement (FY 2020-2021) to the DBRA Board.

Attached to the following resolution, please find a Professional Services Agreement for FY 2020-2021 between the Detroit Brownfield Redevelopment Authority ("the DBRA") and the Detroit Economic Growth Corporation ("the DEGC") in the amount of Six Hundred Thousand (\$600,000.00) Dollars for your review and approval.

Mr. Scott asked what the source of funds is for the \$600,000 to the DEGC. Ms. Kanalos stated that the funding comes from the DBRA administrative fees captured through TIF capture along with the application and processing fees for brownfield projects.

Mr. Scott called for a motion approving the DBRA/DEGC Professional Services Agreement (FY 2020-2021), as presented. The Board took the following action:

Ms. McClain made a motion approving the DBRA/DEGC Professional Services Agreement (FY 2020-2021), as presented. Ms. DeSantis seconded the motion. A roll call vote was conducted with the following result:

Ayes: Ms. DeSantis, Mr. George, Mr. Gonzalez, Ms. McClain, Mr. Scott, Ms. Washington,
and Ms. Wilkins
Nays: None.

DBRA Resolution Code 20-05-01-225 was approved.

OTHER

Ms. DeSantis asked for an update on the 2119 Field Brownfield Plan in light of the article published by the Detroit Free Press.

Mr. Vosburg provided an update on the 2119 Field Street Brownfield Plan including the vocal opposition to the project by the Charlevoix Villages Association mainly surrounding the affordability of the residential units, the due diligence performed by the developer along with the DEGC and the Housing and Revitalization Departments of the City of Detroit to explore options to provide the residential units at a more deeply affordable rate than what was proposed by the developer, the supporters of the project who were not able to attend City Council meetings in order to express their support, and when it became apparent that there was not sufficient support for the project the DBRA withdrew the request to approve the Plan from Detroit City Council so that the developer could conduct additional community outreach. Mr. Vosburg stated that the additional community outreach has been delayed due to the COVID-19 pandemic but is still planned to occur.

Ms. DeSantis asked about the blight violations related to several other properties connected to the developer. Mr. Vosburg stated that the DBRA Staff learned of the blight violations at the Detroit City Council session where the information was presented and then worked with the Mayor's Office and the Building Safety, Engineering, and Environment Department (BSEED) to get more information on the properties with blight violations. The developer is a passive investor in the properties with the blight violations and was not aware of the violations before the City Council meeting. The developer for the 2119 Field Street property worked with the developer of the properties with blight violations to ensure that a Consent Agreement with BSEED was entered into resolve the blight issues and is currently in compliance with that Consent Agreement.

Mr. Ellison stated that the developer for 2119 Field Street's connection to the developer of the blighted properties did not help to garner support for the 2119 Field Brownfield Plan and that work has continued to clear up the blight violations issue through the Consent Agreement. Mr. Schloff stated that when Astral Weeks was made aware of the blight violations on the other properties they also learned that the Consent Agreement had already been in the works with BSEED for several months prior to the information being presented at Detroit City Council in February and that the properties are slated for full rehab renovations.

Ms. DeSantis stated that she knows that the issues surrounding the 2119 Field Street project are very complex and that it is important to understand how strong resentments are in the community, especially in the Villages neighborhoods, and the complicated relationships between certain community groups in the area and all of those factors need to be known and understood when approaching projects in the area.

Mr. George asked for more information on the residential units proposed as part of the 2119 Field Street project. Mr. Schloff stated that the project is the rehabilitation of an existing structure into eight three-bedroom residential townhouse units.

PUBLIC COMMENT

None.

ADJOURNMENT

Citing no further business, Mr. Scott called for a motion to adjourn the meeting.

On a motion by Mr. George, seconded by Ms. McClain the meeting was unanimously adjourned at 5:27 PM.



CODE DBRA 20-05-02-275

APPROVAL OF MINUTES MAY 21, 2020

RESOLVED, that the minutes of the special meeting of May 21, 2020 are hereby approved and all actions taken by the Directors present at such meeting, as set forth in such minutes, are hereby in all respects ratified and approved as actions of the Detroit Brownfield Redevelopment Authority.

May 27, 2020



DBRA 20-05-03-198

ACCEPTANCE OF TREASURER'S REPORT FOR MARCH 2020

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period March 1 through March 31, 2020, as presented at this meeting is hereby in all respects accepted as actions of the Detroit Brownfield Redevelopment Authority.

May 27, 2020



CODE DBRA 20-05-01-222

ADMINISTRATION: DBRA BUDGET FOR FY 2020-2021

WHEREAS, the DBRA is receiving revenue from Brownfield Plan application and processing fees and from administrative fees permissible under Act 381, Public Acts of Michigan, 1996, as amended (“Act 381”); and

WHEREAS, the DBRA staff has prepared the attached DBRA Budget for FY 2020-2021 (the “Budget”) (Exhibit “A”).

NOW, THEREFORE, BE IT RESOLVED, that the DBRA Board of Directors hereby authorize a Public Hearing on the DBRA Budget for FY 2020-2021 at a time and place determined by the DBRA Authorized Agent and subject to public notice in accordance to Act 381, Public Acts of Michigan, 1996, as amended.

May 27, 2020



CODE DBRA 20-05-262-40

LAND ASSEMBLY PROJECT: AMENDMENT TO PROPERTY EXCHANGE AGREEMENT WITH DTE ELECTRIC COMPANY IN SUPPORT OF THE FCA DEVELOPMENT PROJECT

WHEREAS, the City of Detroit ("City"), City of Detroit Brownfield Redevelopment Authority ("DBRA") and FCA US LLC ("FCA") have executed that certain Development Agreement regarding the investment of approximately \$2.5 billion in FCA's Mack 1, Mack 2 and Jefferson North Assembly Plants (collectively the "Projects") to expand certain industrial automotive manufacturing in the City; and

WHEREAS, in support of the Projects, on April 30, 2019 the Detroit City Council approved the transactions contemplated by that certain Property Exchange Agreement by and among the City, DBRA and DTE Electric Company ("DTEE") (the "PEA"), whereby DTEE agreed to convey certain land located at 12000 East Jefferson and 11860 Freud in exchange for the transfer of title to certain properties owned by the City, the DBRA and the Detroit Land Bank Authority ("DLBA") and/or cash consideration comprising fair value for the properties conveyed; and

WHEREAS, City, DBRA and DTEE wish to amend the PEA in the manner set forth in the Fourth Amendment to the Property Exchange Agreement attached hereto as **Exhibit A** (the "Amendment"); and now therefore be it

WHEREAS, the Board of Directors has determined that the proposed Amendment is reasonable and in the best interests of the Projects.

NOW, THEREFORE, BE IT RESOLVED, that the DBRA Board of Directors hereby approves the Amendment substantially in the form attached hereto as Exhibit A, together with such changes as deemed necessary by DBRA's counsel and / or Authorized Agents so long as such changes do not materially alter the nature or substance thereof.

BE IT FURTHER RESOLVED that any two Officers, any two of the Authorized Agents of the DBRA, or any one of the Officers and any one of the Authorized Agents of the DBRA, shall hereafter have the authority to negotiate and execute the Amendment and any and all other documents, contracts, or other papers, or take any and all actions, necessary or appropriate to implement the provisions and intent of this resolution on behalf of the DBRA.

BE IT FINALLY RESOLVED that all of the acts and transactions of any Officer or Authorized Agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

May 27, 2020

EXHIBIT A

FOURTH AMENDMENT TO PROPERTY EXCHANGE AGREEMENT

This Fourth Amendment to the Property Exchange Agreement (“Fourth Amendment”) made as of _____, 2020 (the “Effective Date”) modifies the Property Exchange Agreement, dated March 29, 2019 with an “Effective Date” of May 13, 2019, among the CITY OF DETROIT (the “City”), a Michigan public body corporate, the CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY (the “Authority”), a Michigan public body corporate, and DTE ELECTRIC COMPANY (“DTEE”), a Michigan corporation, as modified by that certain First Amendment to Property Exchange Agreement (“First Amendment”) made as of July 12, 2019, as further modified by that certain Second Amendment to Property Exchange Agreement (“Second Amendment”) made as of December 31, 2019, and as further modified by that certain Third Amendment to Property Exchange Agreement (“Third Amendment”) made as of April 1, 2020. Where any provision of the Property Exchange Agreement is modified herein, the provisions of this Fourth Amendment shall control, otherwise the terms and provisions of the Property Exchange Agreement shall remain unmodified. All capitalized terms in this Fourth Amendment shall have the same meaning as set forth in the Property Exchange Agreement, unless the context clearly requires otherwise. The City, the Authority and DTEE are hereinafter collectively referred to as the “Parties.”

Now, therefore, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

- 1. Exhibit B-6.** Exhibit B-6 of the Property Exchange Agreement is hereby amended to add the following, which shall each by addition to Exhibit B-6 be deemed part of the Land Bank Property:

Land situated in the City of Detroit in the County of Wayne in the State of Michigan

Lot 36, MARY A. DAMMS SUBDIVISION, according to the recorded Plat thereof, as recorded in Liber 12, Page 6 of Plats, Wayne County Records. Tax ID Number: Ward 12; Item No. 006645 Commonly known as: 5732 Winslow St, Detroit, Michigan 48208
The East 30.5 feet of Lots 40 and 41, inclusive, Mary A Damm’s Subdivision, as recorded in Liber 12, Page 6 of Plats, Wayne County Records. Tax ID Number: Ward 12; Item No. 000936 Commonly known as: 2930 Stanley Street, Detroit, Michigan 48208

- 2. Third Street Property.** The Parties hereby agree to extend the date by which DTEE is required to notify the City as to whether it will accept the Third Street Property subject to mutually agreed upon deed restrictions, activity use restrictions, and/or environmental easements that affect(s) future land uses to be mutually agreed upon between the Parties (the “Environmental Restrictions”), as provided under Section 12(c), until February 28, 2020. If the parties are unable to reach agreement on the Environmental Restrictions by that date, then DTEE shall grant one (1) fifteen (15) day extension for (i) the parties to continue to pursue agreement on mutually acceptable Environmental Restrictions or (ii) the City to make, based upon the environmental conditions and any applicable affirmative legal obligations of the City, its election not to close on the Third Street Property and to make a cash offer, as provided under Section 12(g), subject to DTEE’s reserved right under said Section 12(g) to hold harmless and indemnify the City from such legal obligations that may arise out of or relate to the aforementioned environmental conditions, subject to the use of Third Street

Environmental Funds, and the Third Street Property shall remain as an Exchange Property under the Agreement.

- 3. Second Closing.** If DTEE elects to close on the Third Street Property and all other conditions precedent are met, the City and the Authority shall receive credit for the Third Street Property in the value specified on Exhibit C at the first-in-time Closing. At such Closing, the City and the Authority shall cause the quit claim deed for the Third Street Property to be executed and deposited in escrow with the Title Company under an escrow agreement mutually satisfactory to the City, the Authority, DTEE and the Title Company. Such deed shall be released and delivered to DTEE on the Second Closing Date. On the Closing Date, the City and DTEE shall also execute a memorandum giving record notice of the provisions of this Section 3 of this Fourth Amendment and DTEE's rights hereunder, which memorandum shall be recorded in the real estate records to give record notice thereof. If any condition precedent set forth in the Property Exchange Agreement is not satisfied as of the Second Closing Date, DTEE may at its option on notice to the City and the Authority remove the Third Street Property from the City Property conveyed by the Property Exchange Agreement, whereupon the credit given to the City and the Authority at Closing for the Third Street Property shall be rescinded and the City and Authority shall pay to DTEE within one hundred eighty (180) days after DTEE gives such notice to the City and the Authority, the amount for the value of the Third Street Property as set forth on Exhibit C to the Property Exchange Agreement.
- 4. DTEE's Decision Regarding Cash Payment.** By execution of this Fourth Amendment, DTEE hereby elects to replace the City Property identified on Exhibit B-2 (being an approximately 2.6-acre portion of the property commonly known as 11900 Freud) and the City Property commonly known as identified on Exhibit B-3 (being an approximately 1-acre portion of the property commonly known as 2 Canal) with a cash payment pursuant to Section 5 or Section 6(b) of the Property Exchange Agreement.
- 5. 14584 Livernois Exchange Property.** In order to make the 14584 Livernois Exchange Property available for another potential economic development opportunity identified by the City to a third-party potential user approved by DTEE (the "Potential User"), the Parties hereby agree to extend the date by which DTEE is required to notify the City as to whether it will accept the 14584 Livernois Exchange Property until April 30, 2022 (the "Livernois Extension Date"). The City and the Authority shall have the right, prior to the Livernois Extension Date, to sell or transfer the 14584 Livernois Exchange Property to the Potential User, provided an Alternative Site (as defined below) has been accepted by DTEE. In consideration of DTEE's agreement to the Livernois Extension Date, (i) from time to time prior to the Livernois Extension Date, DTEE, the City, and/or the Authority shall propose any potential alternative sites owned by the City or its instrumentalities that meet criteria provided from time to time by DTEE to the Authority and the City to DTEE for consideration (an "Alternative Site"), subject to the parties' mutual agreement on a value therefor and receipt of required approvals by the Detroit City Council and/or City instrumentalities, as applicable, and (ii) the City and/or the Authority shall reimburse DTEE for its reasonable costs and expenses incurred in connection with its due diligence investigations with respect to any Alternative Site in an aggregate amount not to exceed \$50,000.

At the first-in-time Closing, the City and the Authority shall receive credit for the 14584 Livernois Exchange Property in the value specified on Exhibit C. At such Closing, the City and the Authority shall cause the quit claim deed for the 14584 Livernois Exchange Property to be executed and deposited in escrow with the Title Company under an escrow agreement mutually satisfactory to the City, the Authority, DTEE and the Title Company. On the Closing Date, the City and DTEE shall also execute a memorandum giving record notice of the provisions of this Section 5 of this Fourth Amendment and DTEE's rights hereunder, which memorandum shall be recorded in the real estate records to give record notice thereof.

In the event that DTEE has not elected to purchase an Alternative Site prior to the Livernois Extension Date, DTEE shall provide written notice to the City and the Authority of its election to either (i) agree to extend the Livernois Extension Date for an additional one year period, or (ii) reject or, if the 14584 Livernois Exchange Property has not been sold to the Potential User, accept the 14584 Livernois Exchange Property, within 30 days following the Livernois Extension Date. If DTEE elects to close on the 14584 Livernois Exchange Property, including any election made after written notice from the City or the Authority that the

Potential User is not going purchase the 14584 Livernois Exchange Property, and all other conditions precedent are met or waived by DTEE, the escrowed deed shall be released and delivered to DTEE on a mutually agreeable closing date.

In the event that the 14584 Livernois Exchange Property is sold to the Potential User prior to the Livernois Extension Date, the escrowed deed shall be returned to the Authority and DTEE agrees to execute a termination of the memorandum at the time of such closing.

In the event that DTEE elects to purchase an Alternative Site prior to the Livernois Extension Date, at the closing of such Alternative Site, the escrowed deed for the 14584 Livernois Exchange Property shall be returned to the Authority and DTEE agrees to execute a termination of the memorandum. In the event that the mutually agreed value of the Alternative Site purchased by DTEE is less than the value specified on Exhibit C for the 14584 Livernois Exchange Property, at such closing, the City shall pay such difference. In the event that the value of the Alternative Site purchased by DTEE is greater than the value specified on Exhibit C for the 14584 Livernois Exchange Property, at such closing, DTEE shall pay such difference.

In the event that DTEE does not purchase the 14584 Livernois Exchange Property or an Alternative Site, the credit given to the City and the Authority at the first-in-time Closing for the 14584 Livernois Exchange Property shall be rescinded and the City shall pay to DTEE within one hundred eighty (180) days after DTEE gives such written notice to the City and the Authority, the amount for the value of the 14584 Livernois Exchange Property as set forth on Exhibit C to the Property Exchange Agreement.

- 6. Integration.** This Fourth Amendment shall when executed be deemed part of the Property Exchange Agreement and, except as otherwise provided herein, shall be subject to all of the terms and conditions of the Property Exchange Agreement.
- 7. Fourth Amendment Controls.** In the event of any inconsistency between the terms and conditions of this Fourth Amendment and the Property Exchange Agreement, the terms of this Fourth Amendment shall control.
- 8. Property Exchange Agreement Remains in Force.** Except as expressly modified herein, the Property Exchange Agreement shall remain in full force and effect and the Parties hereto acknowledge and agree to be bound by the terms and provisions thereof.
- 9. City's Rights under the Property Exchange Agreement.** Nothing stated herein shall amend or modify the City's rights to close on the transactions as set forth in, and subject to the terms and conditions of, the Property Exchange Agreement.
- 10. Counterparts.** To facilitate execution of this Fourth Amendment, the Parties may execute this Fourth Amendment in counterparts and exchange signatures by facsimile transmission or by electronic delivery of a PDF copy of the executed Fourth Amendment, which facsimile or PDF copy shall be deemed valid and binding.
- 11. Effectiveness.** Notwithstanding anything in this Amendment or otherwise to the contrary, this Amendment is not effective until it has been fully executed by duly authorized representatives of the City, as well as approved by the Detroit City Council, the Mayor of the City of Detroit, the City of Detroit Law Department, and the Board of Directors of the City of Detroit Brownfield Redevelopment Authority.

[SIGNATURES ON FOLLOWING PAGE]

[SIGNATURE PAGE FOR THE FOURTH AMENDMENT TO PROPERTY EXCHANGE AGREEMENT]

This Fourth Amendment to the Property Exchange Agreement is hereby effective as of the Effective Date first above set forth.

CITY:

CITY OF DETROIT, a Michigan public body corporate

By: _____
Name: Katharine G. Trudeau
Its: Deputy Director, Planning and Development
Department

DTEE:

DTE ELECTRIC COMPANY, a Michigan corporation

By: _____
Name:
Its:

AUTHORITY:

CITY OF DETROIT BROWNFIELD REDEVELOPMENT
AUTHORITY, a Michigan public body corporate

By: _____
Name:
Its: Authorized Agent

By: _____
Name:
Its: Authorized Agent

<p>Approved as to form: Counsel to The City:</p> <p>_____</p> <p>Corporation Counsel</p>	<p>Approved as to form: Counsel to The Authority:</p> <p>By: _____</p> <p>Rebecca A. Navin, Esq.</p>
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CODE DBRA 20-05-250-03

HUDSON'S BLOCK, MONROE BLOCKS, ONE CAMPUS MARTIUS EXPANSION AND BOOK BUILDING AND BOOK TOWER TRANSFORMATIONAL BROWNFIELD REDEVELOPMENT PLAN: REIMBURSEMENT AGREEMENT

WHEREAS, on October 18, 2017, the Detroit Brownfield Redevelopment Authority (the "DBRA") Board of Directors adopted a resolution recommending approval by the Detroit City Council of the Transformational Brownfield Plan (the "Plan") for a project captioned Hudson's Block, Monroe Blocks, One Campus Martius Expansion and Book Building and Book Tower Redevelopment (the "Project"); and

WHEREAS, on November 21, 2017, the Detroit City Council approved the Plan; and

WHEREAS, on May 22, 2018, the Michigan Strategic Fund approved the Plan; and

WHEREAS, a condition to reimbursing the developer for eligible activities under the Plan is that a Reimbursement Agreement (the "Agreement") be entered into between the DBRA, the Michigan Strategic Fund and Bedrock Management Services, LLC as developer of the Project; and

WHEREAS, the Agreement has been drafted, approved as to form by DBRA legal counsel; and

WHEREAS, the Board of Directors desires to approve the Agreement and authorize its execution and delivery on behalf of the DBRA; and

NOW THEREFORE, BE IT RESOLVED, by the DBRA Board of Directors as follows:

1. The Agreement, in substantially the form attached to this Resolution as **Exhibit A**, is hereby approved, with such necessary or desirable modifications additions, deletions or completions as are approved by DBRA legal counsel and the Officers or designated Authorized Agents of the DBRA executing the Agreement.
2. Any two Officers or designated Authorized Agents or one Officer and one designated Authorized Agent of the DBRA are authorized and directed to execute and deliver the Agreement.
3. All resolutions or parts of resolutions or other proceedings in conflict herewith shall be and the same hereby are repealed insofar as such conflict arises.
4. This Resolution shall take effect immediately upon its adoption.

BE IT FINALLY RESOLVED that all of the acts and transactions of any officer or authorized agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

May 27, 2020



CODE DBRA 20-05-283-03

LIFE IS A DREAMTROI T BROWNFIELD REDEVELOPMENT PLAN: REIMBURSEMENT AGREEMENT

WHEREAS, on February 28, 2020, the Detroit Brownfield Redevelopment Authority (the "DBRA") Board of Directors adopted a resolution recommending approval by the Detroit City Council of the Brownfield Plan (the "Plan") for a project captioned Life is a Dreamtroit Redevelopment (the "Project"); and

WHEREAS, it is anticipated that on June 2, 2020, the Detroit City Council will vote to approve the Plan; and

WHEREAS, a condition to reimbursing the developer for eligible activities under the Plan is that a Reimbursement Agreement (the "Agreement") be entered into between the DBRA and Life is a Dreamtroit, LLC as developer of the Project; and

WHEREAS, the Agreement has been drafted, approved as to form by DBRA legal counsel; and

WHEREAS, the Board of Directors desires to approve the Agreement and authorize its execution and delivery on behalf of the DBRA; and

NOW THEREFORE, BE IT RESOLVED, by the DBRA Board of Directors as follows:

1. The Agreement, in substantially the form attached to this Resolution as Exhibit A, is hereby approved, with such necessary or desirable modifications additions, deletions or completions as are approved by DBRA legal counsel and the Officers or designated Authorized Agents of the DBRA executing the Agreement.
2. Any two Officers or designated Authorized Agents or one Officer and one designated Authorized Agent of the DBRA are authorized and directed to execute and deliver the Agreement.
3. All resolutions or parts of resolutions or other proceedings in conflict herewith shall be and the same hereby are repealed insofar as such conflict arises.
4. This Resolution shall take effect immediately upon its adoption.

BE IT FINALLY RESOLVED that all of the acts and transactions of any officer or authorized agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

May 27, 2020



CODE DBRA 20-05-284-03

**DAKKOTA INTEGRATED SYSTEMS, L.L.C. BROWNFIELD REDEVELOPMENT PLAN:
REIMBURSEMENT AGREEMENT**

WHEREAS, on March 11, 2020, the Detroit Brownfield Redevelopment Authority (the "DBRA") Board of Directors adopted a resolution recommending approval by the Detroit City Council of the Brownfield Plan (the "Plan") for a project captioned Dakkota Integrated Systems, L.L.C. Redevelopment (the "Project"); and

WHEREAS, it is anticipated that on June 2, 2020, the Detroit City Council will vote to approve the Plan; and

WHEREAS, a condition to reimbursing the developer for eligible activities under the Plan is that a Reimbursement Agreement (the "Agreement") be entered into between the DBRA and Dakkota Integrated Systems, L.L.C. as developer of the Project; and

WHEREAS, the Agreement has been drafted, approved as to form by DBRA legal counsel; and

WHEREAS, the Board of Directors desires to approve the Agreement and authorize its execution and delivery on behalf of the DBRA; and

NOW THEREFORE, BE IT RESOLVED, by the DBRA Board of Directors as follows:

1. The Agreement, in substantially the form attached to this Resolution as Exhibit A, is hereby approved, with such necessary or desirable modifications additions, deletions or completions as are approved by DBRA legal counsel and the Officers or designated Authorized Agents of the DBRA executing the Agreement.
2. Any two Officers or designated Authorized Agents or one Officer and one designated Authorized Agent of the DBRA are authorized and directed to execute and deliver the Agreement.
3. All resolutions or parts of resolutions or other proceedings in conflict herewith shall be and the same hereby are repealed insofar as such conflict arises.
4. This Resolution shall take effect immediately upon its adoption.

BE IT FINALLY RESOLVED that all of the acts and transactions of any officer or authorized agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

May 27, 2020



CODE DBRA 20-05-01-223

ADMINISTRATION: SCHEDULE OF DBRA MEETINGS FOR FY 2020-2021

RESOLVED, that the Board of Directors of the Detroit Brownfield Redevelopment Authority (“the DBRA”) hereby adopts the following as its schedule for regular meetings for the fiscal year 2020-2021. Unless otherwise indicated or posted, such meetings will be held on the **second and fourth Wednesday** of each month at **4:00 PM** in the offices of the Detroit Economic Growth Corporation, 500 Griswold Street, Suite 2200, as follows:

<u>2020</u>	<u>2021</u>
July 8, 2020	January 13, 2021
July 22, 2020	January 27, 2021
August 12, 2020	February 10, 2021
August 26, 2020	February 24, 2021
September 9, 2020	March 10, 2021
September 23, 2020	March 24, 2021
October 14, 2020	April 14, 2021
October 28, 2020	April 28, 2021
November 11, 2020	May 12, 2021
November 18, 2020*	May 26, 2021
December 2, 2020*	June 9, 2021
December 16, 2020*	June 23, 2021

*Due to holiday

May 27, 2020



CODE DBRA 20-05-01-224

ADMINISTRATION: ELECTION OF OFFICERS FOR FY 2020-2021

RESOLVED, that the following are hereby elected as Officers of the Board of Directors of the Detroit Brownfield Redevelopment Authority:

<u>Raymond Scott</u>	Chairperson
<u>Maggie DeSantis</u>	Vice Chairperson
<u>Pamela McClain</u>	Secretary
<u>Stephanie Washington</u>	Treasurer

May 27, 2020



CODE DBRA 20-05-01-225

ADMINISTRATION: PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY AND THE DETROIT ECONOMIC GROWTH CORPORATION

NOW, THEREFORE, BE IT RESOLVED, that the DBRA Board of Directors hereby approves the Professional Services Agreement between the City of Detroit Brownfield Redevelopment Authority (“the DBRA”) and the Detroit Economic Growth Corporation (the “DEGC”) substantially as to form with the attached (Exhibit A), for FY 2020-2021, and for the amount of Six Hundred Thousand (\$600,000.00) Dollars.

BE IT FURTHER RESOLVED, that the DBRA Board hereby authorizes any two Officers or designated Authorized Agents or one Officer and one designated Authorized Agent of the DBRA to execute the Agreement, and any and all documents necessary to implement the provisions and intent of this resolution.

BE IT FINALLY RESOLVED, that all of the acts and transactions of any Officer or Authorized Agent of the DBRA in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolution except that such acts were taken prior to execution of these resolution, are hereby in all respects confirmed, approved and ratified.

May 27, 2020

AGREEMENT

THIS AGREEMENT, made as of the 1st day of July, 2020 (the “Effective Date”) by and between the City of Detroit Brownfield Redevelopment Authority (the “Authority”) and the Detroit Economic Growth Corporation (“DEGC”).

WITNESSETH:

WHEREAS, Authority is a public body corporate established and operated pursuant to Act 381 of the Public Acts of 1996, as it may be amended from time to time, being Sections 125.2651 to 125.2672 of the Michigan Compiled Laws (“Act 381”), and a Resolution adopted by the City Council of the City of Detroit on April 23, 1998 (the "Resolution"), for the purpose of undertaking projects relating to the environmentally distressed of the City of Detroit (the “City”); and

WHEREAS, DEGC is a Michigan non-profit corporation organized for the purpose of furthering the economic development of the City and of providing services to the City, and its agencies and instrumentalities, and others which will assist such economic development; and

WHEREAS, Authority has determined that its operational efficiency can best be provided by contracting with DEGC for the availability of staff and administrative services to be performed at all times in accordance with the policy and directives of Authority; and

WHEREAS, DEGC may engage in activities for the purpose of furthering the economic development of the City that are in addition to its activities pursuant to this Agreement and the other contracts herein above referred to; and

WHEREAS, DEGC may receive grants and contributions from persons, firms, foundations and corporations in furtherance of its purposes.

NOW, THEREFORE, in consideration of the mutual undertakings herein set forth, the parties do hereby agree as follows:

1. DEGC shall provide the following services to Authority, as requested by Authority, during the term of this Agreement and any extensions thereof:

A. DEGC shall make itself at all times available to consult with Authority on matters relating to economic development in the City and on the preparation of general and specific plans and programs to further such development.

B. DEGC shall provide to Authority such staff, operational and administrative assistance, and, upon approval of the Authority, the services of such outside professionals, consultants and other persons who have expertise or skills not available to DEGC through its own employees, as shall be necessary and appropriate to permit Authority to carry out its purposes pursuant to Act 381.

C. DEGC shall prepare, at least annually and as requested by the Board of Directors of Authority, proposed operating and capital budgets for Authority for the consideration and action by the Board of Directors of Authority.

D. DEGC shall, for the consideration of the Board of Directors of Authority, prepare plans and proposals, where in cooperation with the Authority, the Environmental Affairs Division and, where appropriate, other consultants of the Authority, for the purpose of fulfilling the responsibilities of the Authority under Act 381.

E. DEGC shall assist the Authority in its efforts to provide such assistance to private companies and organizations as may enable them to locate or relocate within the City of Detroit, and/or create or retain jobs through the revitalization of brownfield properties within the City. Such assistance shall include, but shall not necessarily be limited to, furnishing information on available land, and on tax incentives and special financing available through the Authority.

F. DEGC shall consult with the City on behalf of the Authority on matters relating to the revitalization on brownfield properties within the City and on preparation of general and specific plans and programs to further such development.

G. DEGC shall provide to commercial and industrial enterprises, both public and private, information and assistance in matters relating to new or continued activity of the Authority related to the City.

H. DEGC, if requested by the City, and approved by the Authority's Board of Directors, develop and administer specific projects and programs requested by the City that the Authority is permitted to perform under law under the general direction of the officers of the Authority and any employees of contractors designated as project coordinators for said projects and programs.

2. The responsibility for implementing the services to be performed by DEGC under this Agreement shall reside with the DEGC President, and the DEGC President shall report as requested to the Board of Directors of Authority. The DEGC President shall be primarily responsible for supervising the performance by DEGC of its obligations under this Agreement, and shall keep the Authority informed of DEGC's performance of its obligations under this Agreement. The DEGC President may designate and shall identify in writing to the Authority such employees of DEGC as the DEGC President deems appropriate to work with Authority and assist the DEGC President in keeping Authority informed of DEGC's performance hereunder. The DEGC President or designated staff shall execute such documents on behalf of the Authority, as its "duly authorized agent" subject to the terms and conditions of this Agreement and upon authorization of the Authority.

3. Authority agrees to pay DEGC an amount equal to the sum of Six Hundred Thousand and 00/100 (\$600,000.00) Dollars, excluding the cost of insurance and legal fees, for the services described in Section 1. The annual fee shall be paid to DEGC in equal monthly installments of Fifty Thousand and 00/100 (\$50,000.00) Dollars commencing July 1, 2020.

4. DEGC shall submit to Authority no later than the tenth day of each calendar quarter, a report of all work performed on its behalf for the preceding quarter. All of DEGC's records, documents, and other papers, including financial records, shall be made available for inspection by the Authority and its agents at any reasonable time, upon forty-eight (48) hours written notice.

5. In addition to the annual fee paid pursuant to paragraph 3, above, the Authority shall pay DEGC an amount equal to the actual costs of insurance, and the actual costs of the services of such outside attorneys, professionals, consultants and other persons retained, with approval of the Authority, by DEGC pursuant to Section 1 related to the performance of services hereunder from July 1, 2020 through the expiration date of this Agreement, including the expenses. In addition to the annual fee paid pursuant to paragraph 3 above the Authority shall pay DEGC for services performed for or on behalf of the Authority by any in-house attorney employed by the DEGC at a rate of \$200.00 per hour for the DEGC's General Counsel and a rate not to exceed \$175.00 per hour for any other in-house attorney employed by the DEGC. Further, in the event that the DBRA earns an administrative fee, project management fee, bond issuance fee, or similar fee on account of services performed by DEGC staff, such fee or fees shall be remitted to the DEGC as additional compensation as contemplated by Section 3 hereof; provided, however, that the foregoing shall not apply the administrative fee collected by the DBRA from tax increment revenues pursuant to Section 125.2663b of Act 381.

6. Any funds paid to DEGC by the Authority pursuant hereto and not expended, or to be expended pursuant to the binding obligation of DEGC for the purposes of and as provided in this Agreement, shall be repaid to Authority within a reasonable period after the termination of this Agreement, including any term for which this Agreement shall have been renewed. If Authority shall not be in existence at the time of any such repayment, such repayment shall be made to the City.

7. The Authority shall not be liable to any subcontractor, consultant or other person hired or engaged by DEGC to perform its obligations or responsibilities under this Agreement or to otherwise assist the Authority unless prior approval is received from the Board of Directors of the Authority.

Provided further, the DEGC agrees to save harmless the authority against and from any and all liabilities, obligations, damages, penalties, claims, costs, charges and expenses (including without limitation, fees and expenses of attorneys, expert witnesses and other consultants) which may be imposed upon, incurred by or asserted against the authority by reason of occurrence of any of the following during the term of this Agreement:

- A. Any negligent or tortuous acts of the DEGC or any of its personnel, employees or consultants or subcontractors; and
- B. Any failure of the DEGC or any of its personnel, employees, consultants or subcontractors to perform its obligations either express or implied under this Agreement.

In the event any action or proceeding shall be commenced against the Authority by reason or any claim covered under Section 7 hereof, the DEGC, upon notice from the Authority, will, at its sole cost and expense, resist and defend said claim, unless said claim is directly attributable to the gross negligence of the authority or employees of the Authority acting within the scope of their employment.

8. DEGC shall, promptly upon request by Authority, make available to Authority any documents in DEGC's possession relating to matters with respect to which DEGC has rendered services under this Agreement.

9. DEGC agrees to take such steps as are necessary to permit full disclosure by all of its members concerning any conflicts of interest with respect to matters involving services rendered under this Agreement.

10. The relationship of the DEGC to the Authority in the performance of the services hereunder is that if an independent contractor and no liabilities or benefits whatsoever that arise from a contract for hire or any employer/employee relationship shall accrue to either the Authority or DEGC as a result of this Agreement.

11. DEGC shall not be required to engage in any activity which, in the opinion of its legal counsel, would be inconsistent with the requirements for exemption from federal income tax under Sections 501 (c) (3) and/or 501 (c) (4) of the Internal Revenue Code, as now or hereafter amended.

12. The term of this Agreement shall commence on July 1, 2020 and end on June 30, 2021, and may be extended for a renewal term or renewal terms of twelve (12) months each. Each such renewal shall be made by delivery of written notice by Authority to DEGC of its intention to renew and shall be accepted in writing by the DEGC.

13. Anything contained in this Agreement to the contrary notwithstanding, either party hereto may terminate this Agreement upon ninety (90) days' advance written notice to the other party.

14. The Authority hereby declares, represents and warrants that it is entering into this Agreement pursuant to, and in fulfillment of, its statutory responsibilities under all applicable laws.

15. This Agreement, and the performance by the parties hereto of their respective obligations hereunder, is subject to all applicable laws.

16. This Agreement may be amended from time to time by the execution of an agreement in writing by both parties hereto.

17. Each party to this Agreement hereby represents and warrants to the other party that it has full right, power and authority to enter into and perform this Agreement; that its execution and delivery of this Agreement have been duly authorized by all necessary action; and that this Agreement constitutes its valid, binding and enforceable obligations.

WITNESSES:

CITY OF DETROIT BROWNFIELD REDEVELOPMENT
AUTHORITY

By: _____
Its:

By: _____
Its:

APPROVED AS TO FORM:

Counsel to the City of Detroit
Brownfield Redevelopment Authority

By: _____
Rebecca A. Navin, Esq.

DETROIT ECONOMIC GROWTH CORPORATION

_____ By: _____

_____ Its: President