



Detroit Brownfield Redevelopment Authority
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**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
REGULAR BOARD OF DIRECTORS MEETING
WEDNESDAY, OCTOBER 24, 2018
4:00 PM**

BOARD MEMBERS PRESENT:

Matthew Walters
Pamela McClain
Juan Gonzalez
Stephanie Washington
John George
Maggie DeSantis

BOARD MEMBERS ABSENT:

Sonya Mays
Ray Scott
Donele Wilkins

OTHERS PRESENT:

Jennifer Kanalos (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Glen Long (DEGC)
Elizabeth Brinson (DEGC)
Rebecca Navin (DEGC)
Paul Kako (DEGC)
Kenyetta Bridges (DEGC)
Damon Jordan (DEGC)
Sarah Pavelko (DEGC)
Ngozi Nwaesei (Lewis & Munday)
Paul Max (BSEED)
Donna Rice (DBA)
Hosam Hassanien (BSEED)



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**MINUTES OF THE DETROIT BROWNFIELD
REDEVELOPMENT AUTHORITY REGULAR MEETING
WEDNESDAY, OCTOBER 24, 2018
DETROIT ECONOMIC GROWTH CORPORATION
500 GRISWOLD SUITE 2200 DETROIT, MI – 4:00 PM**

CALL TO ORDER

Chair Matthew Walters called the meeting to order at 4:05 PM.

GENERAL

Approval of Minutes:

Mr. Walters called for a motion approving the minutes of October 10, 2018 as presented. The Board took the following action:

On a motion by Ms. DeSantis, seconded by Ms. McClain, DBRA Resolution Code 18-10-02-242 was unanimously approved.

Treasurer's Report

Ms. Brinson presented the September 2018 Treasurer's report.

Ms. DeSantis asked the purpose of the payment to Woodward and Erskine. Ms. Kanalos stated that the payment to Woodward and Erskine was for TIF reimbursement and that the project is also known as Amended and Restated 3800 Woodward or The Scott.

Mr. Walters called for a motion approving the September 2018 Treasurer's Report as presented. The Board took the following action:

On a motion by Ms. Washington, seconded by Ms. McClain, DBRA Resolution Code 18-10-03-180 was unanimously approved.

ADMINISTRATIVE

Approval of Amended DBRA Budget for FY 2018-2019

Ms. Kanalos presented the Amended DBRA Budget for FY 2018-2019.

Ms. Kanalos noted that the DBRA attempted to have a DBRA Budget Committee meeting on October 23, 2018, but that a quorum was not present.

The City of Detroit administration has requested the assistance of the City of Detroit Brownfield Redevelopment Authority ("DBRA") in industrial land assembly activities aimed at establishing market-ready industrial sites within City limits in order to attract manufacturing and logistics companies (the "Land Assembly Project"). Specifically, the administration has identified a need to mitigate certain competitive disadvantages that have contributed to decisions by certain manufacturing prospects to locate in other cities and/or regions. These types of missed opportunities are mostly highlighted on projects requiring building square footages exceeding 75,000 square feet and/or land requirements of 10 acres or greater. As a condition, on average, we're losing 300 jobs in each of these instances.

As such and in order to assist the City with the Land Assembly Project, an Amended DBRA Budget for FY 2018-2019 (the "Budget") is submitted to the DBRA Board for review and approval.

The revisions to the Budget are as follows:

Revenues:

1. Contract Income in the amount of \$1,000,000.
2. Transfer of a \$500K loan from the Economic Development Corporation of the City of Detroit (the "EDC").

Expenses:

1. Special Projects/Contingency in the amount of \$1,000,000 for industrial land assembly activities.
2. Transfer to the EDC in the amount of \$500K for repayment of the loan to the DBRA.

A resolution approving the amended Budget is attached for Board review and approval.

Ms. DeSantis why the receipt of a loan is not shown as revenue for the DBRA. Mr. Long stated that the loan is shown as an asset when the DBRA receives it and a liability when the loan is paid to the City of Detroit and that the DBRA Board receives the monthly Treasurer's Report which details all inflow and outflow of cash so that the DBRA Board is able to see all transactions of the DBRA.

Ms. DeSantis asked what is shown as "Contract Income" on the Budget. Mr. Long stated that the Contract Income on the Budget is from the City of Detroit and will be covered by a contract between the DBRA and the City of Detroit.

Ms. McClain asked why there is an increase in the Special Projects/Contingency item on the Budget. Mr. Long stated that the DBRA did not want to create a new line item on the Budget because it will not be a reoccurring transaction on the Budget in the future.

Mr. Walters called for a motion to approve the Amended DBRA Budget for FY 2018-2019 as presented, with the amendment that the DBRA Budget Committee did not review the Amended DBRA Budget for FY 2018-2019. The Board took the following action:

On a motion by Ms. McClain, seconded by Mr. George, DBRA Resolution Code 18-10-01-205, with the amendment that the DBRA Budget Committee did not review the Amended DBRA Budget for FY 2018-2019, was unanimously approved.

PROJECTS

Amended and Restated Joe Louis Arena Brownfield Redevelopment Plan

Mr. Vosburg presented the Amended and Restated Joe Louis Arena Brownfield Redevelopment Plan to the DBRA Board.

A Plan Amendment is being requested due to increased Eligible Activities that have recently been discovered by environmental consultants working on behalf of the City of Detroit. Abatement and Demolition activities have increased from \$3.6 million the original Plan to approximately \$8.8 million in the Plan Amendment. Engineering Services: Demo Design has increased from \$790,286 to \$840,286. New Eligible Costs of Due Care Activities, Response Activities and Interest totaling approximately \$2.7 million are new Eligible Cost. In total, the Eligible Costs have increased from \$5,561,009 to \$14,363,147.

Project Introduction

In connection with the development of the property commonly known as the "Little Caesars Arena", an agreement was reached by the applicable parties to demolish the JLA once the Little Caesars Arena was completed and ready for use. As of the date of this Plan, the Little Caesars Arena has been completed and the Detroit Red Wings have vacated the JLA and relocated to the Little Caesars Arena.

The primary purpose of this Plan Amendment is to increase the amount of tax increment revenues that can be captured for reimbursement of eligible activities. This increase is a result of additional information that was subsequently discovered following the original Brownfield Plan approval. The capture of tax increment revenues pursuant to the Plan Amendment is to reimburse for eligible activities in connection with the demolition of the JLA and to prepare the Property for a future mixed-use development, which may include residential, commercial, and/or retail space. For the purposes of this Plan, the use of the term “Developer” shall refer to the City of Detroit. The City of Detroit is the owner of Joe Louis Arena and the Detroit Building Authority will oversee demolition.

Total TIF reimbursement amount for the demolition and related eligible activities under this Plan is \$14,363,147.

Property Subject to the Plan

The eligible property (the “Property”) consists of six (6) parcels located at 27 Washington Boulevard. The common address of the JLA is also known as “600 Civic Center Drive.” 25 Washington Boulevard, 29 Washington Boulevard, 31 Washington Boulevard, and 33 Washington Boulevard are properties that are adjacent and continuous to 27 Washington Boulevard. 501 Third is also adjacent to 27 Washington Boulevard and is the location of the Detroit People Mover – Joe Louis Arena Station Stop. The Property is located adjacent to the Central Business District and is generally bounded by Jefferson Street to the north, Atwater Street to the east, Detroit River to the south and Cobo Convention Center to the west.

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 public purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Property is determined to be a functionally obsolete or adjacent and contiguous as defined by Act 381.

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 environmental assessment activities, demolition and abatement and brownfield plan and work plan preparation and brownfield plan implementation. 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 begin within eighteen months and be completed within three (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

Description of Eligible Activities	Estimated Cost
MSF Activities	
1. ALTA Survey	\$ 18,200
2. Engineering Services: Demo Design	\$ 840,286
3. Abatement and Demolition	\$ 8,829,870
4. Brownfield and Work Plan Preparation	\$ 15,000
5. Brownfield Plan Implementation	\$ 15,000
6. 15% Contingency	\$ 1,453,253

Description of Eligible Activities	Estimated Cost
7. MSF Interest	\$ 2,346,038
Subtotal MSF	\$ 13,517,647
MDEQ Activities	
8. Environmental Assessment Activities	\$ 375,000
9. Response Activities	\$ 20,000
10. Due Care Activities	\$ 200,000
11. Brownfield and Work Plan Preparation	\$ 15,000
12. Brownfield Plan Implementation	\$ 15,000
13. 15% Contingency	\$ 89,250
14. MDEQ Interest	\$ 131,250
Subtotal MDEQ	\$ 845,500
Subtotal Site Eligible Activities	\$ 14,363,147
15. DBRA Administrative Costs	\$ 2,429,098
16. Local Brownfield Revolving Fund	\$ 1,658,009
17. State Brownfield Redevelopment Fund	\$ 1,822,047
Total Other Eligible Activities	\$ 5,909,154
Total Estimated Cost to be Funded Through TIF	\$ 20,272,301

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 a loan through the Michigan Strategic Fund's Community Revitalization Program.

Ms. DeSantis disclosed that as stated at previous DBRA board meetings, she is on the board of the Detroit Building Authority. Ms. Nwaesei advised that Ms. DeSantis' role on the board of the Detroit Building Authority is not a conflict.

Ms. Rice provided more detail regarding the need for an amended Plan for the Project including that additional environmental investigation was completed and discovered additional asbestos behind the metal panels on the exterior of the arena and some patching on the ceiling of the fourth floor, and that the third floor of the arena is difficult to access and is believed to have asbestos materials as well.

Mr. Walters asked when the original environmental assessment was completed. Ms. Rice stated that the original environmental assessment was completed a year ago.

Ms. DeSantis asked if it could be explained to the Board who Ms. Rice is and her role in the project. Mr. Walters stated that Ms. Rice runs the demolition and construction projects for the Detroit Building Authority.

Mr. George asked what year Joe Louis Arena was built. Ms. Rice stated that Joe Louis Arena was built in 1978, prior to when asbestos materials were prohibited in construction.

Mr. Walters called for approval of the resolution approving the referral of the Amended and Restated Joe Louis Arena Brownfield Redevelopment Plan and its submittal to the DBRA-CAC as presented. The Board took the following action:

On a motion by Mr. George, seconded by Ms. Washington, DBRA Resolution Code 18-10-256-04 was unanimously approved.

Industrial Land Assembly

Ms. Bridges presented the Land Assembly Project including the acceptance of funds, engagement of broker, and execution of agreement with the City of Detroit.

The City of Detroit administration has requested the assistance of the City of Detroit Brownfield Redevelopment Authority (“DBRA”) in industrial land assembly activities aimed at establishing market-ready industrial sites within City limits in order to attract manufacturing and logistics companies (the “Land Assembly Project”). Specifically, the administration has identified a need to mitigate certain competitive disadvantages that have contributed to decisions by certain manufacturing prospects to locate in other cities and/or regions. These types of missed opportunities are mostly highlighted on projects requiring building square footages exceeding 75,000 square feet and/or land requirements of 10 acres or greater. As a condition, on average, we’re losing 300 jobs in each of these instances.

In connection with this request, DBRA staff has identified up to \$1 Million in initial funds to allocate to the Land Assembly Project, which funds are expected to be reimbursed by future allocations of City or other funds. These funds would be comprised of \$500,000 in operating funds and up to \$500,000 from certain proceeds from the Urban Development Action Grant program (“UDAG”) that were received by the Economic Development Corporation of the City of Detroit (the “EDC”) as repayments of loans and/or other advances made by the EDC using UDAG grants and/or proceeds of UDAG grants (“UDAG Proceeds”). The UDAG Proceeds are subject to terms of certain transfer agreements between the City of Detroit, acting through its Community and Economic Development Department, now known as the Housing and Revitalization Department (“HRD”) and the EDC, and are now available for certain economic development purposes, subject to the provisions of the original UDAG grants and transfer agreements. Staff recommends the acceptance by DBRA of \$500,000 in UDAG Proceeds to support the Land Assembly Project.

As an initial step for the Land Assembly Project, DBRA staff has determined that the services of a real estate broker are necessary in order to assist with the following, as more specifically described in **Exhibit A**: (i) identifying potential properties for the Land Assembly Project; (ii) conducting initial due diligence, which may include, but not be limited to environmental assessments, surveys and title work; and (iii) where appropriate, paying earnest money deposits and/or option fees in exchange for the right to purchase targeted properties; provided, however, that no property acquisition would be consummated without the approval of the DBRA Board of Directors (collectively, the “Broker Services”). Following interviews with and/or proposals from five brokerage firms familiar with City of Detroit industrial land acquisition, DBRA staff recommends engaging Signature Associates (the “Broker”) to perform the Broker Services in accordance with the budget attached hereto as **Exhibit B**.

In addition, in connection with the Industrial Land Assembly Project, the administration has asked the DBRA to take title to certain properties owned by entities affiliated with Michael Kelly (the “Kelly Entities”). In settlement of approximately 19 cases brought by the City against the Kelly Entities for blight issues and/or non-payment of taxes, the City agreed to dismiss the cases in exchange for the transfer of approximately 61 properties owned by the Kelly Entities to entities designed by the City. The City has requested that approximately 23 such properties be transferred to the Eastern Market Corporation and the balance (38 parcels) be transferred to the DBRA. In exchange for the properties, DBRA would pay the City \$66,000. The proposed agreement with the City, including a list of the properties to be transferred, is attached hereto as **Exhibit C** (the “Kelly Agreement”).

A resolution (i) accepting the UDAG Proceeds for the Land Assembly Project; (ii) engaging the Broker to perform the Broker Services in accordance with the budget attached hereto as Exhibit A, and (iii) entering into the Kelly Agreement is attached for the Board’s consideration.

Ms. DeSantis disclosed that she is a board member for the Eastern Market Corporation. Mr. Walters disclosed that he is also a board member for the Eastern Market Corporation. Ms. Nwaesei advised that Ms. DeSantis and Mr. Walters being board members for the Eastern Market Corporation is not a conflict.

Ms. DeSantis asked what the DBRA Board is approving for the Land Assembly Project. Ms. Navin explained that the DBRA Board will be reviewing three actions as part of the one resolution for the Land Assembly Project; the acceptance of the UDAG proceeds for the Land Assembly Project, engaging the Broker to perform the Broker Services, and entering into the Kelly Agreement.

Mr. George asked how many properties are included in the Kelly Agreement. Ms. Bridges stated that there are approximately 61 total properties included in the Kelly Agreement with 38 to come from the DBRA. Some of the properties are currently residential and some are within the footprint of the Eastern Market Corporation. Mr. Walters added that there are some companies in the Eastern Market area that may want to expand their operations and the City of Detroit would like to enable those companies to expand within the Eastern Market area and in the City of Detroit.

Mr. Walters called for approval of the Industrial Land Assembly Project: Acceptance of Funds, Engagement of Broker and Execution of Agreement with City. The Board took the following action:

On a motion by Mr. George, seconded by Ms. Washington, DBRA Resolution Code 18-10-262-01 was unanimously approved.

Jefferson North Park Brownfield Plan: Recommend Termination

Mr. Vosburg presented the recommendation to terminate the Jefferson North Park Brownfield Redevelopment Plan.

Section 14(8)(b) of Act 381 of 1996, as amended, states:

“A brownfield plan or plan amendment may be abolished or terminated according to this subsection subject to all of the following:

(b) The governing body may terminate a brownfield plan or plan amendment for an eligible property if the project for which eligible activities were identified in the brownfield plan or plan amendment fails to occur with respect to the eligible property for at least 2 years following the date of the resolution approving the brownfield plan or plan amendment, provided that the governing body first does both of the following:

- (i) Gives 30 days' prior written notice to the developer at its last known address by certified mail or other method that documents proof of delivery attempted.
- (ii) Provides the developer an opportunity to be heard at a public meeting.”

Over the years, the DBRA has approved Brownfield Plans which describe projects that have failed to come to fruition (the “Plan(s)”). These Plans, particularly Plans that involve TIF revenue, create an administrative burden for the City and the DBRA with multiple annual accounting and reporting requirements for each Plan. Additionally, a stalled Plan prevents a new proposed development from being able to use and/or take full advantage of Brownfield TIF. Terminating a Plan allows new proposed developments to make full use of Brownfield TIF financing through a new Brownfield Plan that is in line with the new proposed development.

Jefferson North Park is a Plan approved by Council on October 15, 2003. The project, developed by Jefferson North Park, LLC, proposed the redevelopment of 224 parcels of City-owned property in Detroit. The project failed to occur within two (2) years of City Council approval of the Plan. Section 14(8)(b) of Act 381 of 1996, as amended, allows City Council to terminate the plan as a result.

It is the opinion of DBRA staff that the Jefferson North Park Plan should be terminated due to the fact that the project described in the Plan has failed to occur, and more than 2 years has passed since City Council

approval of the Plan. DBRA staff, upon DBRA Board approval, will send a notice via certified mail to the developer no less than 30 days before the date City Council is scheduled to terminate the Plan.

A resolution recommending the following actions for the Plan is attached for your review and approval:

1. Recommendation to terminate the Plan to City Council.
2. Issue a certified letter notification to the Developer of the intent to terminate the Plan in no less than 30 days as well as the opportunity to be heard at a public meeting.
3. Authorization to the DBRA to terminate any other agreements or contracts between Developer and the DBRA executed in conjunction with the Plan upon termination of the Plan by City Council.

The Plan will be formally terminated upon adoption of a Resolution for the Plan by City Council and following the signing of the Resolution by the Mayor.

Ms. McClain asked why the DBRA has waited so long before starting the termination process for the Plan. Ms. Kanalos stated that the prior legislation would not allow for a new brownfield plan to be established if it included land that was in a terminated brownfield plan, and that the DBRA wanted to terminate the TIF reimbursement brownfield plans first and then terminate the credit brownfield plans.

Mr. Walters called for approval of the Jefferson North Park Brownfield Plan Recommendation to City Council to Terminate Plan, as presented. The Board took the following action:

On a motion by Ms. McClain, seconded by Mr. George, DBRA Resolution Code 18-10-56-02 was unanimously approved.

OTHER

None.

PUBLIC COMMENT

None.

ADJOURNMENT

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

On a motion by Mr. George, seconded by Ms. DeSantis the meeting was unanimously adjourned at 4:35 PM.



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CODE DBRA 18-10-02-242

APPROVAL OF MINUTES OCTOBER 10, 2018

RESOLVED, that the minutes of the regular meeting of October 10, 2018 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.

October 24, 2018



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DBRA 18-10-03-180

ACCEPTANCE OF TREASURER'S REPORT FOR SEPTEMBER 2018

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period September 1 through September 30, 2018, as presented at this meeting is hereby in all respects accepted as actions of the Detroit Brownfield Redevelopment Authority.

October 24, 2018



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CODE DBRA 18-10-01-205

ADMINISTRATION: AMENDED DBRA BUDGET FOR FY 2018-2019

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 amended DBRA Budget for FY 2018-2019 (the "Budget") (Exhibit "A"); and

NOW, THEREFORE, BE IT RESOLVED, that the DBRA Board of Directors hereby approves the Amended DBRA Budget for FY 2018-2019, as presented.

October 24, 2018



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CODE DBRA 18-10-256-04

**JOE LOUIS ARENA AMENDED AND RESTATED BROWNFIELD REDEVELOPMENT PLAN –
TRANSMITTAL OF BROWNFIELD PLAN TO THE COMMUNITY ADVISORY COMMITTEE**

WHEREAS, pursuant to 381 PA 1996 (“Act 381”), the City of Detroit Brownfield Redevelopment Authority (the “DBRA”) has been established by resolution of the City Council of the City of Detroit (the “City”) for the purpose of promoting the revitalization of environmentally distressed areas in the City; and

WHEREAS, under Act 381 the DBRA is authorized to develop and propose for adoption by City Council a brownfield plan for one or more parcels of eligible property; and

WHEREAS, under the resolution establishing the DBRA and the bylaws of the DBRA requires the DBRA, prior to the approval of a brownfield plan, submit the proposed brownfield plan to the Community Advisory Committee for consideration and comment and solicit comments by publication of notice that the proposed brownfield plan has been submitted to the Community Advisory Committee and by conducting a public hearing in the area to which the proposed Plan applies.

NOW, THEREFORE, BE IT RESOLVED:

1. The City of Detroit Brownfield Redevelopment Authority acknowledges receipt of the proposed Amended and Restated Brownfield Plan for the **Joe Louis Arena Brownfield Redevelopment Plan** (the “Proposed Plan”) and authorizes and directs the Chairperson to cause the Proposed Plan to be transmitted to the Community Advisory Committee for consideration and comment within 30 days of their receipt of the Proposed Plan.

2. The President of the Detroit Economic Growth Corporation or any person designated by him, as a representative of the DBRA, shall conduct a public hearing in the area to which the Proposed Plan applies within the next 30 days. This public hearing may be held jointly with any public hearing conducted by the Community Advisory Committee.

3. The Chairperson is authorized and directed to cause there to be published notice that the Proposed Plan has been submitted to the Community Advisory Committee and of the public hearing to be held pursuant to 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.

October 24, 2018



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CODE DBRA 18-10-262-01

LAND ASSEMBLY PROJECT: ACCEPTANCE OF FUNDS, ENGAGEMENT OF BROKER AND EXECUTION OF AGREEMENT WITH CITY

WHEREAS, the City of Detroit administration has requested the assistance of the City of Detroit Brownfield Redevelopment Authority ("DBRA") in industrial land assembly activities aimed at establishing market-ready industrial sites within City limits in order to attract manufacturing and logistics companies (the "Land Assembly Project"); and

WHEREAS, in connection with this request, DBRA staff has identified up to \$1 Million in initial funds to allocate to the Land Assembly Project, which funds are expected to be reimbursed by future allocations of City or other funds and would be comprised of \$500,000 in operating funds and up to \$500,000 from certain proceeds from the Urban Development Action Grant program ("UDAG") that were received by the Economic Development Corporation of the City of Detroit (the "EDC") as repayments of loans and/or other advances made by the EDC using UDAG grants and/or proceeds of UDAG grants ("UDAG Proceeds"); and

WHEREAS DBRA staff has determined that the services of a real estate broker are necessary in order to assist with the following, as more specifically described in **Exhibit A**: (i) identifying potential properties for the Land Assembly Project; (ii) conducting initial due diligence, which may include, but not be limited to environmental assessments, surveys and title work; and (iii) where appropriate, paying earnest money deposits and/or option fees in exchange for the right to purchase targeted properties; provided, however, that no property acquisition would be consummated without the approval of the DBRA Board of Directors (collectively, the "Broker Services").

WHEREAS, DBRA staff recommends engaging Signature Associates (the "Broker") to perform the Broker Services in accordance with the budget attached hereto as **Exhibit B**; and

WHEREAS, in connection with the Industrial Land Assembly Project, the administration has asked the DBRA to take title to certain properties that it has obtained the rights to pursuant to a settlement agreement relating to several cases involving entities related to Michael Kelly for blight issues and/or non-payment of taxes, as further described in the attached **Exhibit C** (the "Kelly Agreement"); and

WHEREAS, pursuant to its statutorily authorized powers, the DBRA has the power to accept funding, expend DBRA funds, acquire property, and take the other steps contemplated by this Resolution.

NOW, THEREFORE, BE IT RESOLVED, that the DBRA Board of Directors hereby authorizes the acceptance of \$500,000 of UDAG Proceeds and the use of \$500,000 of operating funds (pursuant to a budget amendment approved by the Board) for the Land Assembly Project.

BE IT FURTHER RESOLVED, that the Board of Directors of the DBRA authorizes the engagement of the Broker for the performance of the Broker Services in accordance with the Budget attached hereto as Exhibit A.

BE IT FURTHER RESOLVED, that the Board of Directors of the DBRA authorizes the execution of the Kelly Agreement and the consummation of the transactions described therein.

BE IT FURTHER RESOLVED, that any one of the officers and any one of the Authorized Agents of the DBRA or any two of the Authorized Agents of the DBRA shall hereafter have the authority to negotiate and execute all documents, contracts, or other papers, and take such other 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.

October 24, 2018



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CODE DBRA 18-10-56-02

JEFFERSON NORTH PARK BROWNFIELD PLAN: RECOMMENDATION TO CITY COUNCIL TO TERMINATE PLAN

WHEREAS, the City of Detroit Brownfield Redevelopment Authority (the “DBRA”) was created pursuant to Michigan Public Act 381 of 1996, as amended (“Act 381”); and

WHEREAS, the City Council of the City of Detroit (“City Council”) is the governing body (as that term is defined by Act 381) of the DBRA; and

WHEREAS, on September 3, 2003, the DBRA Board of Directors approved the Jefferson North Park Brownfield Plan (the “Plan”) and recommended the approval of the Plan to City Council; and

WHEREAS, on October 15, 2003, City Council approved the Plan; and

WHEREAS, on October 28, 2003, the Mayor of the City of Detroit approved the Plan; and

WHEREAS, Section 14(8)(b) of Act 381 of 1996, as amended, permits a governing body to terminate a brownfield plan or plan amendment for an eligible property if the project for which eligible activities identified in the brownfield plan or plan amendment fails to occur with respect to the eligible property for at least 2 years following the date of the resolution approving the brownfield plan or plan amendment, provided that the governing body first does both of the following: (i) Gives 30 days' prior written notice to the developer at its last known address by certified mail or other method that documents proof of delivery attempted, and (ii) Provides the developer an opportunity to be heard at a public meeting; and

WHEREAS, on October 10, 2017, City Council delegated developer termination notices to the DBRA; and

WHEREAS, the “developer” for the Plan is Jefferson North Park, LLC (the “Developer”); and

WHEREAS, the DBRA has determined that the project identified in the Plan failed to occur within 2 years of City Council’s approval of the Plan; and

WHEREAS, the DBRA Board of Directors desires to recommend termination of the Plan to City Council.

NOW THEREFORE, BE IT RESOLVED, subject to the notice authority delegated to the DBRA by the City Council, the DBRA Board of Directors hereby authorizes a written termination notice to the Developer; and

BE IT FURTHER RESOLVED, subject to the completion of the notice requirement described in Section 14(8)(b)(i) of Act 381 and the provision to the Developer of an opportunity to be heard at a public meeting pursuant to Section 14(8)(b)(ii) of Act 381, the DBRA Board of Directors hereby recommends termination of the Plan to City Council; and

BE IT FURTHER RESOLVED, subject to the termination of the Plan by City Council, that the DBRA Board of Directors hereby authorizes the termination of any other agreements or contracts between the Developer and the DBRA that were executed in conjunction with the Plan; and

BE IT FINALLY RESOLVED that any two Officers, 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 any and all documents, contracts, or other papers necessary to implement the provisions and intent of this resolution on behalf of the DBRA.

October 24, 2018