



City of Detroit Downtown Development Authority (DDA)
Michigan Public Act 57 of 2018 Information for Fiscal Year End 2020

A listing of current contracts with a description of those contracts and other documents related to the management of the authority and services provided to the authority:

- Detroit Economic Growth Corporation – Professional Services
- City of Detroit – TIF Services
- Clark Hill PLC – Legal Services
- Dykema PLLC – Legal Services
- Fink & Associates – Legal Services
- Kotz, Sangster Wysocki – Legal Services
- Lewis & Munday – Legal
- Stevenson & Bullock PLC – Legal Services
- George Johnson & Company – Audit
- Diversity in Design – Project Management Services
- Park Rite – Parking & Operations
- Long Insurance Services – Insurance Services
- Kroll Bond Rating
- Bingham Arbitrage Rebate

Synopsis of the DDA

Tax Increment Revenues listed in the annual audit not expended within 5 or 10 years:

There are no Tax Increment Revenue that fall within this category.

List of authority accomplishments, including progress made on development plan and tax increment finance plan goals and objectives for the immediately preceding fiscal year (July 2019 – June 2020)

Catalyst Development Project

- **DDA Completes Major Bond Refinance – December 2018**

City of Detroit's Downtown Development Authority (DDA) successfully completed a major bond refinance December 12, 2018. The 2018 Bond issue achieved two specific goals. First, proceeds will refund certain 1998 senior bonds and allow the DDA to convert those to less expensive subordinate debt. Second, the proceeds will refund the 2014A and 2017 Catalyst Development Project bonds that were issued to finance the development of Little Caesars Arena. The Arena is owned by the DDA and operated by Olympia Entertainment Events Center, L.L.C.

While Detroit is enjoying enviable growth today, the City's economy wasn't as secure when the Catalyst Project bonds were issued in 2014. In fact, the interest rate on the 2018 bonds was slated to roughly double four short years into the 30-year loan – Jan. 1, 2019. That was leaving us with limited options as banks were still hesitant to offer long-term financing at favorable rates. We seemed headed toward another short-term loan, which would have subjected the DDA and the financing of the Arena to additional risk.

Thanks to the outstanding efforts and creativity of the working group, however, the 2018 Bonds are secured as investment grade, fixed rate, multi-modal bonds and are insured by Assured Guaranty Municipal Corp. This eliminates the risk of fluctuating rates in the coming years. These bonds received an underlying BBB-rating by Kroll Bond Rating Agency and an AA/AA+ (S&P/Kroll) enhanced rating.

The 2018 Bonds are the DDA's first publicly offered issuance since 1998. During the subscription process, there were offers to purchase nearly eight times more bonds than we were selling, leading to more competitive rates. The 2018 Bonds were ultimately sold to 47 unique investors.

The senior series of the 2018 Bonds will mature as late as 2048, and the DDA has preserved its flexibility to refinance the 2018 Bonds once they are callable on or after July 1, 2024. This allows the DDA to revisit the deal down the road if rates improve.

- Catalyst Development Project: LCA Repairs & Maintenance Fund
- Catalyst Development Project – 6th Amendment to Master Development Agreement.

Paradise Valley Activities

The Paradise Valley Cultural and Entertainment District plan was announced in June 2016. It originally involved the simultaneous redevelopment of five buildings and three parking lots clustered around a small triangular public space often called Harmonie Park. The area is bordered by East Grand River, Centre and Randolph. Paradise Valley refers to a historic Detroit African American neighborhood that was destroyed in the 1960s to make way for the Chrysler Freeway.

- 3rd Amendment to the Development Agreement for 311 E. Grand River
- 4th Amendment to the Development Agreement for Broadway Lofts
- Amendment to the Development Agreement for 1435-1455 Randolph Centre
- 2nd Amendment to the Development Agreement for 1407 & 1427 Randolph

Comerica Park

- Comerica Park: 2020 Scheduled Repairs and Improvements
- Comerica Park Repairs & Maintenance Fund
- 2020 Tigers Ticket Donation Program

List of authority projects and investments, including active and completed projects for the immediately preceding fiscal year (July 2019 – June 2020)

- Downtown Detroit Partners – Convention Center
- M-1 Rail
- Blue Cross/Blue Shield
- Ally Financial
- Quicken Loans
- Rosko Development Company LLC (Hudson's Block)
- Monroe Block -
- Riverfront Asset Plan for Hart Plaza
- Bagley Development Group LLC
- Clearcover, Inc.
- Randolph Centre 2020 LLC (Paradise Valley)
- Randolph Capital Partners LLC (Paradise Valley)
- Fort Street ROW Improvement Project

List of authority events and promotional campaigns for the immediately preceding fiscal year. (July 2019 – June 2020)

- **2020 Winter Blast Sponsorship – Annual Sponsorship**
- **Downtown Detroit Partnership Holiday Lighting Program**
- **Downtown Detroit Partnership – Capitol Park Improvements**

