



**DOWNTOWN DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS REGULAR MEETING
WEDNESDAY, JANUARY 26, 2022 – 3:00 P.M.**

BOARD MEMBERS PRESENT: Marvin Beatty
Charles Beckham
Austin Black
David Blaszkiewicz
Ehrlich Crain
James Jenkins
Melvin Hollowell
Richard Hosey
John Naglick
Steve Ogden
Kimberly Rustem

BOARD MEMBERS ABSENT: Donald Rencher
Nicole Sherard-Freeman

OTHERS PRESENT: Kenyetta Bridges (DEGC/DDA)
Cora Capler (DEGC/DDA)
Keinya Carter (City of Detroit HRD)
David Howell (DEGC/DDA)
Malinda Jensen (DEGC/DDA)
Kevin Johnson (DEGC/DDA)
Paul Kako (DEGC/DDA)
Jennifer Kanalos (DEGC/DDA)
Glen Long (DEGC/DDA)
Dean Marine (Dean Marine & Excavating)
Rebecca Navin (DEGC/DDA)
Charles Roarty (NTH Consultants)
Orza Robertson (DEGC/DDA)
Ed Saenz (Olympia Development of Michigan)
(XXX) XXX-0397



**MINUTES OF THE DOWNTOWN DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS REGULAR MEETING
WEDNESDAY, JANUARY 26, 2022
500 GRISWOLD, SUITE 2200, DETROIT, MI – 3:00 P.M.**

GENERAL

Call to Order

Mr. Blaszkiewicz, Vice Chair, called the regular meeting of the Downtown Development Authority Board of Directors to order at 3:01 p.m. Roll call was conducted, and a quorum was established.

GENERAL

Approval of Minutes

Mr. Blaszkiewicz asked if there were any additions, deletions, or corrections to the minutes of the January 12, 2022 Regular Board meeting. Hearing none, the Board took the following action:

Mr. Hollowell made a motion approving the January 12, 2022 minutes, as written. Mr. Jenkins seconded the motion. All were in favor with none opposed. DDA Resolution Code 22-01-02-643 was unanimously approved.

Receipt of Treasurer's Report for December 2021

Mr. Naglick reviewed the Treasurer's Report of Receipts and Disbursements for the Month of December 2021.

Mr. Blaszkiewicz called for a motion.

Mr. Jenkins made a motion approving the December 2021 Treasurer's Report, as presented. Mr. Ogden seconded the motion. All were in favor with none opposed. Resolution Code DDA 22-01-03-529 was unanimously approved.

PROJECTS

DDA Seawall Project: Authorization to Amend Dean Marine & Excavating's Contract

Mr. Robertson presented the Amendment to Dean Marine & Excavating's Contract for the DDA Seawall Project.



On June 22, 2020, the City of Detroit Downtown Development Authority (“DDA”) Board of Directors authorized the execution of a construction contract with Dean Marine & Excavating’s (the “Contractor”) for the reconstruction of the existing seawall along the Detroit River frontage of the DDA property at 1351 West Jefferson Ave, Detroit, MI in the lump sum amount of \$1,468,436.00. Thereafter, on March 31, 2021, the DDA Board authorized an amendment to the Contractor’s contract to amend the scope to produce reliable and long-term structural support for the proposed riverwalk extension over the property based on revised and updated engineering evaluations obtained by the DDA. This amendment increased the total contract value to \$2,061,243.93.

To date, the Contractor has installed 540’ of sheet pile, 350’ of waler beam installed, and 450’ of concrete has been removed along the shoreline. However, the Contractor’s progress on the seawall reconstruction has been impacted by an unforeseen existing soil condition encountered while attempting to install the tie-back sheeting at the designed 50 ft distance from the face sheeting. After a series of test excavations, the engineer for the project concluded that the existing soils do not provide sufficient restraint for the tie-back system. The engineer’s solution is to move the "deadman" sheeting line to 65 ft from the face sheet and to remove and replace over 3,300 cy of the "non-structural" soils.

The engineer’s proposal to move back the anchor wall to 65’ for the length of the project also includes work by the Contractor to excavate out the unsuitable material in the anchor wall area and fill this area with suitable compacted material. The work included in the revised scope and the unit breakdown price is provided in **Exhibit A** attached hereto. The total cost to complete the additional work is \$448,830.28, which includes the additional engineering costs associated with the adjustment in scope.

DDA staff recommended the Board’s approval of an amendment to DDA’s construction contract with the Contractor to incorporate the revised scope of work referenced herein and to increase the total contract value by an amount not to exceed \$448,830.28, revising the revised lump sum firm contract price to \$2,510,074.21. The DDA will continue to maintain its owner’s contingency in the amount of \$293,687.20 in the event additional unforeseen conditions or circumstances arise.

A resolution was attached for the Board’s review and consideration.

Mr. Blaszkiewicz called for Board member questions.

Mr. Jenkins asked who is keeping track of the pricing so that the guaranteed maximum pricing is not exceeded for the seawall project. Mr. Robertson replied that DDA staff was tracking the pricing for the project.



Mr. Crain inquired as to the location of the site. Mr. Robertson replied that the site is next to the West Riverfront Park (the Ralph C. Wilson, Jr. Centennial Park). Mr. Crain asked if this is a replacement of the existing seawall and if the bad soil conditions were found while replacing the seawall. Mr. Robertson responded yes but that the bad soil conditions are 50 plus feet away from the seawall.

Mr. Ogden asked if there is a critical timeline that must be met or is this is just maintenance and regular upkeep. Mr. Robertson responded that the Contractor has been installing the seawall but that the soil conditions were identified within the last 7 to 10 days. Mr. Ogden asked if this would be classified as an emergency. Mr. Robertson responded that this was the nature of doing work with situations that require addressing.

Mr. Roarty, Vice President of NTH Consultants (NTH), requested to address the Board. Mr. Roarty shared his screen which depicted an aerial view of the site. Mr. Roarty explained that the issue is that the existing shoreline was a timber pile supported dock with a concrete bulkhead which was constructed in the 1920s. The original plan for the work was to refurbish the dock to bring the Riverwalk across the top of it to expand the Riverwalk. When the investigation for the site was conducted, it was found that some of the timber piling, some of the wooden lateral support and the tie-rods were failing so that's when the project was converted to a steel anchor style sheet pile bulkhead project. Mr. Roarty went on to explain that the original tie-back lengths were 50 to 60 feet back. NTH knew there was an old shoreline system in place but when NTH went to put the anchor sheeting in, they encountered that the old shoreline system was not parallel to the existing river. When NTH went back further, it was found that shoreline was filled with timbers, large boulders, rocks, and miscellaneous debris so they were unable to install the piling properly. The concern is that the anchor system depends on the quality of the soil, so the plan is to excavate the soil to provide adequate support for the anchor system.

Mr. Crain inquired if there would be any additional demolition that could expose additional soil conditions such as the soil conditions presently found. Mr. Roarty responded no, that when the contractor first ran into the soil conditions, NTH requested the excavation of additional test pits and no additional soil issues were identified.

Mr. Blaszkiewicz asked if there were any other questions or comments. Hearing none, the Board took the following action:

Mr. Crain made a motion to approve Authorization to Amend Dean Marine & Excavating's Contract, as presented. Mr. Beatty seconded the motion. All were in favor with none opposed. DDA Resolution Code 22-01-29-50 was approved.

Amended Loan Terms for Proposed DDA Loan to Bagley Development Group LLC



Bagley Development Group, LLC, (the “Developer”) is the development team formed in 2015 led by Emmet Moten and Richard Hosey. The Developer is seeking to redevelop the United Artists Building located at 150 Bagley into a mixed-use commercial development. (the “Project”). The Project will consist of 148 residential units, of which 20% or 30 units will be income restricted for residents with incomes at or below 80% of the Area Median Income (“AMI”), with affordable unit rental rates inclusive of utilities. The Project will also feature approximately 10,500 square feet of ground floor retail. The development team is committed to reaching out to Detroit-based and minority owned businesses who are looking for brick and mortar locations. The total development costs are estimated to be \$73 million.

To facilitate the development, on July 8, 2020, the Downtown Development Authority (“DDA”) approved a \$2.5 million loan (the “DDA Loan”) from the DDA Housing/Office/Retail Development and Absorption Fund (the “DDA Loan Fund”). The approval also included approval for the DDA to service a \$5 million loan from the Michigan Strategic Fund. The Project is also receiving loans from the U.S. Department of Housing and Urban Development and the City of Detroit’s Community Development Block Grant (“CDBG”) funds, and equity from the sale of historic tax credits.

Since the original approval, with lingering effects of the ongoing pandemic, hard construction and labor costs have increased significantly. In an effort to mitigate these increases, various Project participants have modified their participation: rental payments under Developer’s 70-year ground lease for the property were restructured, Developer omitted its developer fee from the Project budget, the Michigan Strategic Fund approved an additional \$2 million in loan funds, and the City of Detroit Housing and Revitalization Department agreed to seek additional funding of \$1 million from next year’s CDBG allocation (the “Additional CDBG Loan”). In order to help close the remaining gap, the Developer has requested \$6 million of additional funding from the DDA, \$4.6 million of which would be an increase to the loan to the Developer and \$1.4 million of which would be a loan to its managing member.

Under the DDA Loan Fund, loans of up to \$2,000,000 are available for housing projects and loans of up to \$1,000,000 are available for retail projects; however, the DDA Plan permits the Board of Directors to waive or modify the requirements and guidelines of the DDA Loan Fund, as individual circumstances warrant and/or to approve the reallocation of funds from other Plan Table 3 line items, as authorized by Section 408.1 of the Plan.

The DDA Finance Committee has reviewed and recommends to the Board approval of (i) the Amended Loan terms as outlined below and (ii) the waiver of the DDA Loan Fund and reallocation of reallocation of funds from other Plan Table 3 line items, as authorized by Section 408.1 of the Plan, as necessary to fund the DDA Loan.



The proposed modified terms of the DDA Loan (the “Amended Loan Terms”), Project sources and uses, and cash flow illustrating debt service for the Project is as follows.

**AMENDED AND RESTATED LOAN TERMS
UNITED ARTISTS BUILDING - 150 BAGLEY**

Borrower Name:	Bagley Development Group, LLC (“Developer”) 150 Bagley Managing Member, LLC (“Managing Member”)
Loan Amounts:	\$7,100,000 to Developer (“DDA Developer Note”) \$1,400,000 to Managing Member (“DDA MM Note”) \$7,000,000 to Developer using MSF funding (“MSF Developer Note”)
Interest Rate:	DDA Developer Note and DDA MM Note: 1.5% MSF Developer Note: 3.0%
Fee:	1% of the total loan amount due at closing. Additional fees to be applied and paid throughout the term of the loan for servicing the MSF Developer Note.
Term:	Shall match that of the senior lender, anticipated to be 508 months
Repayment:	Monthly interest only payments for 28 months (period to match interest only period of HUD Loan), followed by semi-annual principal and interest payments equal to 65% of Distributable Cash Flow as determined by HUD (following payments operating expenses, preferred returns to the HTC investor, lease payments and senior loan) for up to 480 months (cash flow to be split on a pro rata basis with the MSF). Additional principal and interest payments from each of the following (split on a pro rata basis with the MSF): 100% of reimbursement payments paid to Borrower by the City from the additional CDBG loan (the “CDBG Reimbursements”); 100% of funds from first scheduled release of Project reserves, anticipated in 2024; and 65% of funds from second scheduled release of Project reserves, anticipated in 2028 (collectively, (the “Additional Payment Proceeds”).



Security:

DDA Developer Note and MSF Developer Note to share a pari-passu subordinated lien position on all business assets, Assignment of Leases and Rents, Subordinated Leasehold Mortgage on the property. DDA MM Note to be secured by an assignment of Managing Member's membership interest in Developer, which assignment will be subordinate to Project bridge lender until Project is placed in service under NPS Part 3 guidelines.

Guaranty A Guaranty of the individuals affiliated with the Borrower. The amount guaranteed will be reduced by the percentage of Additional Payment Proceeds actually realized over the aggregate anticipated amount of Additional Payment Proceeds, being \$3,834,478.

Eligible Uses:

Demolition, alteration, rehabilitation, and improvement, additional machinery, equipment or fixtures for the project, architectural and engineering or similar fees.

Disbursement:

Owner equity contributions are first, followed by a pro rata split between Michigan Strategic Fund (CRP) and DDA loan funds, followed by senior lender. The DDA loan will be funded through multiple disbursements following closing.

Conditions:

Satisfactory review and acceptance of standard due diligence items. Binding commitments for all project loans. Approval by MSF of amended loan terms. Borrower will provide itemized schedule and use of funds. Execution of mutually acceptable loan documents.



SOURCES AND USES OF PROJECT CAPITAL

	Cost	%
Sources		
HUD 221D4 A Loan	\$ 36,119,667.00	49%
HUD 221D4 B Loan	\$ 6,192,733.00	8%
CDBG	\$ 3,000,000.00	4%
Developer/HTC Equity	\$ 12,864,554.00	17%
DDA/MSF	\$ 15,500,000.00	21%
<hr/>		
Total Sources of Project Capital	\$73,676,954.00	100%
Use of Funds		
Hard Costs		
Site Improvements (ROW, landscaping, fencing, site lighting,	\$355,763.57	1%
Demolition	\$4,761,797.82	8%
Structures	\$41,007,051.56	68%
Builder Overhead/Profit/General		
Requirements/Temp Facilities	\$8,191,408.26	14%
Permits/Tap Fees/Bond/Bost Certification	\$929,356.79	2%
Construction Contingency	\$5,222,741.00	9%
<hr/>		
Subtotal Hard Costs	\$60,468,119.00	82%
Soft Costs		
Architectural & Engineering/Professional Fees	\$2,676,253.00	4%
FF&E	\$1,124,629.00	2%
Loan Fees	\$1,974,195.00	3%
Construction Interest, Taxes, and Insurance	\$3,077,866.00	4%
Title Work	\$50,000.00	0%
Operating/Replacement Reserves	\$4,055,892.00	6%
Soft Cost Contingency	\$250,000.00	0%
Developer Fee	\$0.00	0%
<hr/>		
Subtotal Soft Costs	\$13,208,835.00	18%
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Total Uses of Project Capital	\$73,676,954.00	100%



Debt Service Analysis

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Gross Income	\$ 2,683,699.83	\$ 3,979,921.70	\$ 4,059,520.13	\$ 4,140,710.53	\$ 4,223,524.74
Total Expenses	\$ (1,104,780.00)	\$ (1,279,320.10)	\$ (1,331,816.82)	\$ (1,361,442.28)	\$ (1,391,764.82)
Net Operating Income	\$ 1,578,919.83	\$ 2,700,601.60	\$ 2,727,703.31	\$ 2,779,268.25	\$ 2,831,759.92
Debt Service					
HUD Loan A (Term 480 Months @ 3.09%)	\$ (1,116,097.71)	\$ (1,574,199.10)	\$ (1,574,199.10)	\$ (1,574,199.10)	\$ (1,574,199.10)
HUD Loan B (Term 144 Months @ 3.09%)	\$ (191,355.45)	\$ (618,294.78)	\$ (618,294.78)	\$ (618,294.78)	\$ (618,294.78)
Total HUD Debt Service	\$ (1,307,453.16)	\$ (2,192,493.88)	\$ (2,192,493.88)	\$ (2,192,493.88)	\$ (2,192,493.88)
Leveraged Cash Flow	\$ 271,466.67	\$ 508,107.71	\$ 535,209.42	\$ 586,774.37	\$ 639,266.03
Total Debt Service Coverage Ratio	1.21	1.23	1.24	1.27	1.29
Priority Return HTC	\$ (97,100.00)	\$ (345,337.00)	\$ (233,148.00)	\$ (271,229.00)	\$ (280,019.00)
Additional CDBG (\$1M)		\$ 1,000,000.00			
1st Release of Reserves		\$ 2,177,306.00			
CDBG					\$ (13,869.00)
Surplus Cash Flow	\$ 174,366.67	\$ 162,770.71	\$ 302,061.42	\$ 315,545.37	\$ 345,378.03
DDA/MEDC (65%)	\$ 113,338.34	\$ 3,283,106.96	\$ 196,339.93	\$ 205,104.49	\$ 224,495.72
Cash Available to Developers (35%)	\$ 61,028.33	\$ 92,070.00	\$ 105,721.50	\$ 110,440.88	\$ 120,882.31

A resolution was attached for the Board's review and consideration.

Mr. Blaszkiewicz asked if there were any other questions or comments. Hearing none, the Board took the following action:

Mr. Beatty made a motion to approve Amended Loan Terms for Proposed DDA Loan to Bagley Development Group LLC, as presented. Mr. Jenkins seconded the motion.

A roll call was conducted.

Ayes: Board members Beatty, Beckham, Black, Blaszkiewicz, Crain, Jenkins, Naglick, Ogden and Rustem.

Nays: none.

Board members Hollowell and Hosey recused themselves from the vote.

Resolution Code 22-01-93-34 was approved.



ADMINISTRATION

None.

OTHER BUSINESS

None.

PUBLIC COMMENT

None.

ADJOURNMENT

With there being no further business to be brought before the Board, on a motion by Mr. Beatty, Mr. Blaszkiewicz adjourned the meeting at 3:21 p.m.



CODE DDA 22-01-02-643

APPROVAL OF MINUTES OF JANUARY 12, 2022

RESOLVED that the minutes of the Regular meeting of January 12, 2022 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 Downtown Development Authority.

January 26, 2022



CODE DDA 22-01-03-529

RECEIPT OF TREASURER'S REPORT FOR DECEMBER 2021

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period ending December 31, 2021, as presented at this meeting, is hereby in all respects received by the Downtown Development Authority.

January 26, 2022



CODE DDA 22-01-29-50

DDA SEAWALL PROJECT: AUTHORIZATION TO AMEND DEAN MARINE & EXCAVATING'S CONTRACT

WHEREAS, the City of Downtown Development Authority (the "DDA") was established pursuant to Michigan Public Act 197 of 1975 to attract private investments and business growth through loans, sponsorships and grants, capital improvements to public infrastructure and additional programs designed to increase economic activity within the City of Detroit (the "City") downtown business district; and

WHEREAS, the City and DDA owns the riverfront property located at 1351 W. Jefferson Ave in Detroit, MI (the "Property") and determined that it is in the best interest and long term viability of the Property to reconstruct the existing seawall along the riverfront to correct defects, satisfy City BSEED safety citation order and provide an appropriate foundation for the extension of the Riverwalk by the Riverfront Conservancy on an easement established along the 585 lineal feet river's edge of the Property; and

WHEREAS, on June 22, 2020, the DDA Board authorized the DDA to enter into a construction contract with Dean Marine & Excavating, LLC (the "Contractor") to reconstruct the seawall at the Property at the not-to-exceed amount of \$1,468,436.00; and

WHEREAS, on March 31, 2021, the DDA Board authorized an amendment to Contractor's contract to amend the scope and increase the total contract value to \$2,061,243.93; and

WHEREAS, after a series of test excavations, the engineer for the project concluded that the existing soils do not provide sufficient restraint for the tie-back system and the engineer has proposed revising the Contractor's scope of services to adequately continue and complete the project; and

WHEREAS, DDA staff seek to amend the contract by increasing the contract value to the not-to-exceed amount of \$2,510,074.21, which will allow the Contractor to excavate out the unsuitable material in the anchor wall area, fill this area with suitable compacted material, and perform additional work in accordance with **Exhibit A** attached hereto; and

WHEREAS, DDA Board of Directors has determined that the requested amendment is in the best interests of the Property and the DDA.

NOW, THEREFORE, BE IT RESOLVED, the DDA Board of Directors hereby authorizes and approves the DDA to execute an amendment to the construction contract



with the Contractor incorporating the scope of services provided in **Exhibit A** and increasing the total contract value to a not-to-exceed contract amount of \$2,510,074.21.

BE IT FURTHER RESOLVED, that the DDA Board of Directors hereby authorizes any two of the Officers of the DDA or any two Authorized Agents of the DDA or combination thereof to execute any and all documents, contracts, or other papers and to take such other actions necessary or appropriate to implement the provisions and intent of this resolution on behalf of the DDA.

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

January 26, 2022



CODE DDA 22-01-93-34

HOUSING/OFFICE/RETAIL LOAN: AMENDED LOAN TERMS FOR PROPOSED DDA LOAN TO BAGLEY DEVELOPMENT GROUP LLC

WHEREAS, Bagley Development Group, LLC, (the “Developer”) is seeking to redevelop the United Artists Building located at 150 Bagley into a mixed-use commercial development (the “Project”); and

WHEREAS, to facilitate the development, on July 8, 2020, the Downtown Development Authority (“DDA”) approved (i) a \$2.5 million loan (the “DDA Loan”) from the DDA Housing/Office/Retail Development and Absorption Fund (the “DDA Loan Fund”) and (ii) the servicing of a \$5 million loan from the Michigan Strategic Fund (“MSF”); and

WHEREAS, since the original approval, with lingering effects of the ongoing pandemic, hard construction and labor costs have increased significantly and have cause Developer, its lessor and other lenders to modify the terms of their participation, including, but not limited to the approval by MSF of an additional \$2 million in loan funds and the City of Detroit Housing and Revitalization Department agreement to seek additional funding of \$1 million from next year’s CDBG allocation (the “Additional CDBG Loan”); and

WHEREAS, in order to help close the remaining gap, the Developer has requested \$6 million of additional funding from the DDA, \$4.6 million of which would be an increase to the loan to the Developer and \$1.4 million of which would be a loan to its managing member; and

WHEREAS, DDA staff has reviewed the Borrower’s financial documentation and proposes the following amended terms and conditions for the DDA Loan between the Developer and the DDA (the “Amended Loan Terms”):

**AMENDED AND RESTATED LOAN TERMS
UNITED ARTISTS BUILDING - 150 BAGLEY**

Borrower Name:	Bagley Development Group, LLC (“Developer”) 150 Bagley Managing Member, LLC (“Managing Member”)
Loan Amounts:	\$7,100,000 to Developer (“DDA Developer Note”) \$1,400,000 to Managing Member (“DDA MM Note”) \$7,000,000 to Developer using MSF funding (“MSF Developer Note”)
Interest Rate:	DDA Developer Note and DDA MM Note: 1.5% MSF Developer Note: 3.0%



Fee:	1% of the total loan amount due at closing. Additional fees to be applied and paid throughout the term of the loan for servicing the MSF Developer Note.
Term:	Shall match that of the senior lender, anticipated to be 508 months
Repayment:	Monthly interest only payments for 28 months (period to match interest only period of HUD Loan), followed by semi-annual principal and interest payments equal to 65% of Distributable Cash Flow as determined by HUD (following payments operating expenses, preferred returns to the HTC investor, lease payments and senior loan) for up to 480 months (cash flow to be split on a pro rata basis with the MSF). Additional principal and interest payments from each of the following (split on a pro rata basis with the MSF): 100% of reimbursement payments paid to Borrower by the City from the additional CDBG loan (the “CDBG Reimbursements”); 100% of funds from first scheduled release of Project reserves, anticipated in 2024; and 65% of funds from second scheduled release of Project reserves, anticipated in 2028 (collectively, (the “Additional Payment Proceeds”).
Security:	DDA Developer Note and MSF Developer Note to share a pari-passu subordinated lien position on all business assets, Assignment of Leases and Rents, Subordinated Leasehold Mortgage on the property. DDA MM Note to be secured by an assignment of Managing Member’s membership interest in Developer, which assignment will be subordinate to Project bridge lender until Project is placed in service under NPS Part 3 guidelines.
Guaranty	A Guaranty of the individuals affiliated with the Borrower. The amount guaranteed will be reduced by the percentage of Additional Payment Proceeds actually realized over the aggregate anticipated amount of Additional Payment Proceeds, being \$3,834,478.
Eligible Uses:	Demolition, alteration, rehabilitation, and improvement, additional machinery, equipment or fixtures for the project, architectural and engineering or similar fees.
Disbursement:	Owner equity contributions are first, followed by a pro rata split between Michigan Strategic Fund (CRP) and DDA loan funds, followed by senior lender. The DDA



Conditions:

loan will be funded through multiple disbursements following closing.

Satisfactory review and acceptance of standard due diligence items. Binding commitments for all project loans. Approval by MSF of amended loan terms.

Borrower will provide itemized schedule and use of funds. Execution of mutually acceptable loan documents.

; and

WHEREAS, under the DDA Loan Fund, loans of up to \$2,000,000 are available for housing projects and loans of up to \$1,000,000 are available for retail projects; however, the DDA Plan permits the Board of Directors to waive or modify the requirements and guidelines of the DDA Loan Fund, as individual circumstances warrant and/or to approve the reallocation of funds from other Plan Table 3 line items, as authorized by Section 408.1 of the Plan; and

WHEREAS, following presentation of the proposed Amended Loan Terms, the DDA Finance Committee has recommended the Board's approval of (i) the Amended Loan Terms and (ii) the waiver of the DDA Loan Fund and reallocation of funds from other Plan Table 3 line items, as authorized by Section 408.1 of the Plan, as necessary to fund the DDA Loan; and

WHEREAS, the DDA Board of Directors has reviewed the Amended Loan Terms and determined that providing the DDA Loan upon the Amended Loan Terms is in the best interest of the DDA.

NOW, THEREFORE, BE IT, RESOLVED, that the DDA Board of Directors hereby approves (i) the provision of the DDA Loan upon the Amended Loan Terms to Developer; (ii) the execution of an agreement with MSF for the servicing of its loan, consistent with the terms provided herein; and (iii) the waiver of the DDA Loan Fund and reallocation of funds from other Plan Table 3 line items, as authorized by Section 408.1 of the Plan, as necessary to fund the DDA Loan.

BE IT FURTHER RESOLVED, that any two Officers, or any one of the Officers and any one of the Authorized Agents or any two of the DDA's Authorized Agents, shall hereafter have the authority to negotiate and execute the DDA Loan and the Agreement together with such other terms and conditions that are determined by such Authorized Agents and/or Officers to be customary or appropriate and not inconsistent with this resolution, and to negotiate and execute all other documents, contracts, or papers, and take all actions, necessary or appropriate to implement the provisions and intent of this resolution on behalf of the DDA.



BE IT FINALLY RESOLVED, that all of the acts and transactions of any officer or authorized agent of the DDA, in the name and on behalf of the DDA, 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.

January 12, 2022 (TABLED)
January 26, 2022