



CODE EDC 19-05-02-313
(As Amended at Table)

APPROVAL OF MINUTES OF MAY 9, 2019 SPECIAL MEETING

RESOLVED, that the minutes of the Special meeting of May 9, 2019 are hereby approved, with revisions that include a summary and the essence of the discussion that occurred, 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 Economic Development Corporation.

May 14, 2019



**ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS SPECIAL MEETING
THURSDAY, MAY 9, 2019 – 8:30 A.M.**

(As Amended on 5/14/19)

BOARD MEMBERS PRESENT: Marsha Bruhn
Kimberly Clayson
Damon Hodge
Chris Jackson
Kwaku Osei
Matthew Roling
Jonathan Quarles
Thomas Stallworth

BOARD MEMBERS ABSENT: Maurice Cox (Ex-Officio)
Linda Forte
John Naglick (Ex-Officio)

**SPECIAL DIRECTORS
PRESENT:** None

**SPECIAL DIRECTORS
ABSENT:** Marvin Thomas (I-94 Industrial Park Project)
Raeburn King (Springwells Industrial Park Project)

OTHERS PRESENT: Anthony Adams (Marine Adams Law PC)
Nick Allen (DEGC/EDC)
Amy Amador (Hubbard Farms Neighborhood Assoc.)
Sarah Ande (MI Radio)
Lisa Berglund (Dalhousie Univ.)
Kai Bowman (Mayor's Office)
Marc Brazeau (FCA)
Kenyetta Bridges (DEGC/EDC)
Raquel Castaneda-Lopez (City Council)
Basil Cherian (Mayor's Office)
Monique Field Foster (WNG)
Whitley Granberry (DJC)
Amanda Hanlin (DEGC)
Gay Hilger (DEGC/EDC)
Arthur Jemison (Mayor's Office)
Malinda Jensen (DEGC/EDC)
Damon Jordan (DEGC/EDC)
Paul Kako (DEGC/EDC)
Jennifer Kanalos (DEGC/EDC)



(OTHERS PRESENT CONT.)

Dave Krzezenski (Resident)
Michael Koehler (Resident)
Tom Lewand (Mayor's Office)
Glen Long (DEGC/EDC)
Nicholas Marsh (DEGC/EDC)
Janlynn Miller (Senator Stephanie Chong)
Erika Mobley (FCA)
Ben Monacelli (FCA)
Rebecca Navin (DEGC/EDC)
Nicole Pagon (Wayne State University)
Sarah Pavelko (DEGC)
Martha Potere (DEGC)
Greg Rose (FCA)
Simone Sagovac
Nevan Shokar (DEGC)
Ron Stallworth (FCA)
Jessica Trevino (Hubbard Richard Resident Assoc. VP)
Matt Walters (Mayor's Office)
Eric Williams (Detroit Justice Center)
Virginia Zeigler (Hubbard Farms)



**MINUTES OF THE ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS SPECIAL MEETING
TUESDAY, MAY 9, 2019
DETROIT ECONOMIC GROWTH CORPORATION
500 GRISWOLD, SUITE 2200
8:30 A.M.**

CALL TO ORDER

Noting that a quorum was present, Vice Chair Quarles called the Special meeting of the Economic Development Corporation Board of Directors to order at 8:42 a.m.

GENERAL

Approval of Minutes

Mr. Quarles asked if there were any additions, deletions or corrections to the minutes of the April 23, 2019 Regular Board meeting. Hearing none, the Board took the following action:

On a motion by Mr. Roling, seconded by Ms. Bruhn, Resolution Code EDC 19-05-02-312 was unanimously approved.

PROJECTS

I-94 Industrial Park – Land Exchange with US Ecology, Inc.

Mr. Jordan reported that US Ecology Inc. ("US Ecology"), a leading North American provider of environmental services to commercial and government entities, has an existing waste treatment center located within I-94 Industrial Park at 6520 Georgia, as shown on **Exhibit A** hereto. The EDC owns the following parcels that are contiguous to US Ecology's current operation and facility that US Ecology proposes to acquire: 6441, 6459, 6471, 6475 & 6479 Debuels St. | 8708, 8706 & 8676 Girardin St. | 8611 Sherwood St., also shown on **Exhibit A** (collectively, the "EDC Parcels").

US Ecology owns the following parcels as further depicted on **Exhibit A**: 6446, 6470 & 6476 Debuels St. | 8524 Girardin St | 8605 Sherwood (collectively, the "US Ecology Parcels").

US Ecology proposes to transfer to the EDC the US Ecology Parcels in exchange for the EDC Parcels (the "Land Exchange"). The Land Exchange will allow the EDC to offer contiguous acreage to developers and potential businesses coming into I-94 Industrial Park. The exchange will also allow US Ecology expansion space as they grow.

Representatives from the EDC and US Ecology have negotiated the terms of a Land Exchange Agreement (the "Agreement"), pursuant to which the EDC will convey the EDC Parcels to US

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Ecology in exchange for US Ecology's Parcels to the EDC. Each party will accept the parcels on an as-is, where-is basis.

As part of this Land Exchange, the EDC has agreed to cause the conveyance of the eastern ½ of vacated Sherwood and repave all of vacated Sherwood adjacent to US Ecology's facility, as indicated in **Exhibit B**, at an estimated cost of seven hundred thousand (\$700,000) dollars. The EDC will use its customary bidding process to select a contractor for the pavement work and the most responsive bidder will be presented to the EDC Board of Directors for final approval and authorization for EDC staff to enter into the necessary agreements required for such work. Funding for this work will come from the I-94 Industrial Park Project Plan budget.

Staff requested the Board's approval to execute the Agreement in substantially the form which was included in the material as **Exhibit C** and to consummate the terms thereof.

A resolution was included for the Board's consideration.

Ms. Clayson made a motion, which was seconded by Ms. Bruhn, to hear Public Comment after the Board discussion and before voting on the items. The Board unanimously agreed to the motion.

Ms. Clayson asked for access to the community benefits agreement and the process for that.

Ms. Navin advised that this agenda item is not directly related to the FCA project. This swap is something that has been in discussions for over five years and is just now coming to fruition. We will do a full presentation on the next item and we do have printouts of the community benefits report that we can circulate to Board members.

Mr. Roling asked if this was completely independent from the FCA project. Ms. Navin replied that it is a swap that needs to be done irrespective of the FCA planned expansion and the next item because regardless who the ultimate user is of Area 3 in I-94, in order to provide any user with contiguous acreage at the site, we need to do this swap.

Ms. Navin stated that the one other piece of land included in this deal is on Sherwood Avenue. It was vacated several years ago, and we've been in discussions with US Ecology for some time regarding us paving portions of Sherwood Avenue. There is no cash exchanged but we would agree to repave a section of Sherwood Avenue next to their facility. The estimate for that is about \$700,000 and it would be bid out in accordance with our normal procedures.

Mr. Jackson mention that an earlier Board meeting, the Board requested information on the bidding procedures that are used and just wanted to remind staff. Ms. Navin stated that staff will ensure that the Board will receive information on the full RFP process and bidding procedures before this contract will be bid out later in the summer. The EDC bidding process should be consistent with how contracting procedures are managed at the City and/or DBA. Staff will provide full information on how project was bid out, scoring etc.

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PUBLIC COMMENT

Mr. Quarles opened the floor to public comments specifically as it relates to this I-94 Industrial Project and advised that each person would have two minutes each.

The following individual made public comment:

Raquel Castaneda-Lopez (Detroit City Council) – does this project support the further expansion of US Ecology and if so, was there a community engagement process as it relates to these parcels. US Ecology will use the parcels for employee parking. And to our knowledge there was no community engagement process facilitated by EDC staff. She recommended that there be additional landscaping requirements if this project is next to any residential areas.

Mr. Roling – requested additional details about the gross acreage of the land swap for this project. Ms. Navin discussed the location of the former residential parcels and the parcels that will be transferred to EDC. These parcels would allow US Ecology to square off their property.

Subsequent to the Board's discussion and the public comment, the Board took the following action:

On a motion by Ms. Bruhn, seconded by Ms. Clayson, Resolution Code EDC 19-05-13-54 was unanimously approved.

FCA Land Assembly Project: Property Exchange Agreements (I-94 Project Plan, Springwells Industrial Park Project Plan, East Side Revitalization Project)

Ms. Navin advised that in connection with the industrial land assembly project undertaken by the City of Detroit Brownfield Redevelopment Authority ("DBRA") at the request of the City of Detroit (the "City"), on February 27, 2019, the DBRA approved that certain Memorandum of Understanding by and between FCA US LLC ("FCA"), DBRA and the City (the "MOU") relating to the following investment proposed by FCA in the city of Detroit (the "Project"):

- Construct a new assembly plant at the site of its current Mack Engine Plant located at Mack and St. Jean, with an estimated investment of \$1.6 billion and creation of approximately 3,850 net new full-time jobs; and
- Invest approximately \$900 million at its Jefferson North Assembly Plant, located at Jefferson and St. Jean, creating approximately 1,100 net new full-time jobs.

In order to move forward with the Project, FCA needs approximately 200 acres of market-ready land to support its operations at the 2 facilities for Project-related activities such as employee parking, trailer marshalling, and finished vehicle storage. Thus, in the MOU, DBRA and the City agreed, among other things, to execute binding agreements to deliver title to sufficient acreage adjacent to or in close proximity to the Project site to meet FCA's expansion needs.

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To date, DBRA and/or the City have negotiated agreements for the acquisition of nearly 215 acres of property near the Project site, as shown on **Exhibit A** included in the Board material. Where possible, the City and DBRA have attempted to leverage existing publicly-owned land assets, including land owned or controlled by The Economic Development Corporation of the City of Detroit (the "EDC"), as full or partial consideration for the property required for the Project.

In particular, the EDC is being asked to convey properties in connection with the DBRA's acquisition of the below described parcels for the Project.

- Site 4 (owned by Fodale Group and Associates ("Fodale")) will be acquired by the DBRA pursuant to a series of related transactions with Fodale and its affiliates Lynch Road Land LLC and Trident Huber, LLC ("Trident Huber"). EDC is being asked to enter into a Property Exchange Agreement with the DBRA and Trident Huber upon the terms described in **Exhibit B-1** included in the Board material for the sale of the EDC-controlled properties described in **Exhibit B-2** (the "EDC Trident Properties") also included in the Board material.
- Site 10 (owned by Crown Enterprises, Inc. ("Crown")) will be acquired by the DBRA pursuant to a Property Exchange Agreement by and among DBRA, the City and Crown, summary of which was included in the Board material as **Exhibit C-1**. In the event Crown elects to take title to certain EDC-controlled properties included in the Board material as **Exhibit C-2** (the "EDC Crown Properties") as an offset to the purchase price, the EDC is being asked to convey the EDC Crown Properties to Crown.

In recognition of the benefits conferred by the Project to the City and its residents and taxpayers, EDC staff recommended the Board's approval of the following: (i) execution of a Property Exchange Agreement with DBRA and Trident Huber for the sale of the EDC Trident Huber Properties and (ii) conveyance of any or all of EDC Crown Properties to Crown, upon Crown's election to take title to same in accordance with the Property Exchange Agreement by and among the City, DBRA and Crown. A resolution was included for the Board's consideration.

Following Ms. Navin's introduction of the project, Ms. Bridges and the City development team gave a PowerPoint presentation and introduced the FCA team to further describe the project in detail and answer Board members' questions. Mr. Ron Stallworth, FCA governmental relations representative gave an overview of the expansion project and what will be manufactured at the facilities. Additionally, Mr. Stallworth gave an overview of the community benefits process and recommendations. Mr. Basil Cherian, Mayor's office provided a detailed overview of the comprehensive real estate deal to ensure that EDC Board understands the context of the EDC land transfer agenda items as a part of a larger real estate transaction. Ms. Bridges gave an overview on the proposed incentives and workforce strategy.

Board Member Questions

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Mr. Roling – what's the net present value of the incentive package (incentive/land) and why didn't the staff discount the value?

Staff Response: There was further discussion about what the city is contributing versus what the city will receive over 30 years. Discussion expanded to the value of state incentives? Taxpayers across the state will be impacted. State will need to run its own calculus.

Ms. Clayson inquired about the parcel that FCA is leasing from Crown. Why can't FCA continue to lease the property.

Staff Response: FCA would like to own its real estate, there are business and function reasons to convey ownership.

Ms. Clayson inquired about the valuation formula used to determine value of all land transfers. Why is the Crown property so much higher than the per acre value of the other transfers?

Staff Response: No formal appraisal conducted, the parcel is essential to the FCA expansion project.

Mr. Jackson appreciates the FCA commitment to the city and the importance of having good jobs and the CBA will direct the jobs to Detroiters. Who is going to build the facility and how will DBE contractors be engaged. And who will be the suppliers to this project? How will Tier 1, Tier 2 minority suppliers be encouraged to bid on the future opportunities?

FCA Response: Mr. Stallworth noted that average salary will be \$58,000. Suppliers have expressed an interest in being relatively close to the facility. And there's a multiplier effect that will create additional jobs.

Additional suppliers can create up to 2,500 jobs to support this expansion and one of the primary drivers to increasing the number of industrial parcels.

Mr. Jackson reiterated who is going to build this facility?

FCA Response: FCA has retained two primary contractors: Walbridge and Barton Malow. FCA is preparing to award a cement contract to a DBE, roughly 15% of the work. The primary contractors have been given the directive to seek Detroit based contractors for this project.

Mr Jackson had further questions about real estate strategy and what's to prevent the owners that are receiving public lands to not use this land to create a future deal that would require city or EDC to swap land again for the "next deal".

Mr. Lewand responded and stated that this is why we are developing land to increase competition and this strategy as it stands today will avoid the scenario from occurring.

Mr. Roling asks if FCA hiring practices allow for the hiring of returning citizens or functionally illiterate people.

FCA Response: One of FCA's primary objectives is to focus on returning citizens as supported by Council Member Ayers. Much of the training dollars will be to address work readiness skills.



Mr. Roling further discussed his concerns that many of the larger development projects are not meeting the hiring targets and he's struggling with identifying people ready to work. City investment is going to average \$60,000 per job, how does this compare to other FCA projects across the country.

FCA reps indicated that this is not an issue anywhere else that they do business. The incentives make Detroit competitive as compared to other communities. This project is receiving far less than what's given in other communities.

Mr. Stallworth asks if FCA is prepared to support policies/reforms to criminal record expungement. FCA rep affirmed yes and confirmed that there are many returning citizens at JNAP.

Ms. Clayson asked if this is a done deal and can FCA select another location? No legislative approvals are required. Tell us more about Illinois site and what makes it attractive?

FCA Response: FCA rep explained its location and adjacency to highways and they own property in the immediate area for potential expansion.

Ms. Clayson asks what are the order of events and when does check get released for land transfers.

Staff Response: Agreements must be approved by City Council and Michigan Strategic Fund before development agreement and related land transfers go into effect subject to required due diligence period.

Ms. Bruhn had further questions about two of the parcels being transferred to Crown (Toledo/W Grand Blvd map). The parcels are adjacent to Crown property yet how is this occurring since the City led a comprehensive neighborhood framework plan for multi-family housing? Grant it, it's part of a long term not a short-term strategy for the area. So, it may or may not happen. Has the community been notified that this parcel will be subject to transfer to Crown for potential industrial use? This is a 180-degree shift by the City and what are the implications.

Mr. Jemison said that this is now public information and he was involved with the planning for this site and community benefits process. This land agreement must be reviewed by City Council. This site is necessary to move this project forward. We understand that there is a cost but if this site were to be removed from the negotiations, Crown could respond, no deal. Further Mr. Walters reiterated that there have been several counter proposals including all cash, all land or a hybrid of both. If this parcel were to be removed, the deal will be torpedoed with Crown and ultimately with FCA.

Ms. Bruhn followed up with how much does the community know about this?

Staff responded - this hasn't been shared with community.

Ms. Bruhn has a real concern because this parcel could lead to the development of more industrial uses with increased traffic in southwest Detroit including bridge related and other industrial uses,

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but she is not comfortable with the lack of communication. This is a very good project with good jobs which is important. It's incredible with what's been done in a two month plus process but at the same time, the city has an obligation to be truthful with the community.

Mr. Walters responded in agreement with the need for transparency and with a very aggressive and intense process, information has been shared once the deal was finalized.

Mr. Quarles asked the board members to stay focused on the land transfer agenda items that are being presented to the EDC Board for review and approval.

Also, what the status of St. Anne Street and what does Crown plan to do with this particular site. It's adjacent to the bridge toll plaza and there's no contemplated closure of St Anne.

Mr. Oswie wanted to discuss the true cost of this project, it's unclear when the city factors in the costs tied to the community benefits agreement, land value, incentives. It seems as if we are spending more than what the project will return. Further discussion about the various sources – city, state that will contribute to the total cost of the project.

Ms Clayson asks for the current use of one parcel adjacent to the bridge foot print in the Springwell district project plan.

PUBLIC COMMENT

Mr. Quarles advised that there were several individuals present that had requested to make public comment and stated that they would be given two minutes each. The following individuals made public comment:

Jessica Trevino (Hubbard Richard Residents Association V.P.)

Her organization works very hard to keep their neighborhood nice. Ambassador Bridge has decimated their housing stock. Despite the property values are increasing and they are very proud of the heritage of the community. Ambassador Bridge has not been a good neighbor and its as a result of their activity that this area cannot be declared a historic district like Corktown. Ambassador Bridge wants to connect all their properties and it's destroying the neighborhood.

Raquel Castaneda-Lopez (Detroit City Council)

She asked the EDC to deny or postpone the vote. Like the EDC, they just received all of these documents two days ago. She talked about the development agreement and other documents that are not being presented to the EDC Board for review and approval. Administration told her that she missed the window to negotiate and some council members were involved but not all of them were involved. There is not enough notice given to properly engage the community. She also wanted the EDC to review additional



legal documents. No clear legal definition of the number of jobs that will be held for Detroit residents; only that these applications will be prioritized. And its just production jobs, not skilled or professional jobs.

Amy Amador

Appreciate Chrysler bringing jobs to Detroit and as a former member of the Hubbard Richard CDC, none of this would have happened this way. She lives very close to the potential land swap parcels. They were informed that the parcel in question was going to be down-zoned. There was also discussion about the closure of St. Anne Street and there has been vocal opposition to this. Marouns are bad actors in this community – he closed streets and fenced in property owned by the city without permission. He develops property without the use of permits or to code. If they want to change their image and be a strong community partner, the City needs to go back to the drawing board to get the a deal that removes these critical issues that are impacting residential communities.

Virginia Zeigler (Hubbard Farms Neighborhood Association and Messiah Church)

She is part of a Chrysler family and likes their cars. She's a member of this neighborhood association and Messiah Church which is across from the Toledo parcel. She's unclear why the city wanted to add multi-family to this area because trucking and industry is too close to residential. The parcel would be better used for buffering between the industry and the neighborhood. There's too much truck traffic in the neighborhood and it impacts police and fire routes.

Michael Koehler (1735 St. Anne Street)

He's lived on this street for 25 years and bought it from the city. The bridge has not been a good neighbor. The bridge has bulldozed good houses and now it's just vacant land. Trucks are on Toledo – day and night which is in a residential area. He asks the board to not approve this.

Francis Grunow

He's not a resident of the area but serves in the capacity of the Chair of the NAC in arena district. He's aware of big projects and incentives on public discourse. He supports FCA and applauds the city for the speed in which this deal has been negotiated; however there hasn't been enough time for public deliberations. How does this feel as a body to make these decisions, there is not enough time in the process. This is a windfall for Crown/Marouns. Public wasn't aware of the parcels under consideration, there should be more discussion on the clawbacks tied to these parcels. So, he urges the board to delay or vote no on the agenda items.



Dave Krzezenski (Purchasing properties at 18th and Fort and Bridge 1st and 2nd)

He pointed to the map and located where he lives. He wants to know the intent of the purchaser. What's the purchaser going to do with this property. I hear that it's going to be noisy, smelly and congested.

Mr. Roling ask if there was a representative from Crown at the meeting? No.

Jarlynn Miller

Representing Representative Chang's office. Her office requests that the board slow down. It's not fair to the community and there is not enough information on the land deal to make an informed decision. Let the community be informed, due process is key. No one knew about the land swaps until two days ago. Just slow down.

Historical account was given on a proposed proposal for St. Annes to be used for employee parking.

Ms. Clayson asks if there has been any discussion with state of Michigan, Bridge Authority, Canadians about the land swap adjacent to the proposed footprint of the bridge.

Staff Response: Ms. Navin spoke with the attorney for the Detroit Windsor Bridge Authority and she gave an overview of the land swap and current lease on these properties which will end in 2025 with the Bridge Authority. Parcels are currently being used for construction laydown. Upon termination of the lease, Crown will determine if they want the properties and deed will be released from escrow. Crown will not be the landlord for these properties. EDC will continue to receive the revenue stream which is a pass through to the city to fund a neighborhood program.

Mr. Quarles thanked the public for their comments.

Subsequent to the public comment and the Board's lengthy discussion on the project, the Board took the following action:

Mr. Roling made a motion, which was seconded by Ms. Clayson, to split the Soave and the Crown transactions and vote on each transaction individually. That motion was unanimously approved.

Soave Transaction

On a motion by Mr. Stallworth, seconded by Mr. Roling, Resolution Code EDC 19-05-13-55 and Code EDC 19-05-69-10 was approved, with Ms. Clayson opposing.

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Crown Enterprises, Inc. Transaction

On a motion by Ms. Bruhn, seconded by Mr. Osei, Resolution Code EDC 19-05-13-56 and Code EDC 19-05-69-11 was tabled, with Ms. Clayson opposing, to be brought back at the next Board meeting scheduled for May 14, 2019.

Staff was requested to provide additional information on the project and responses to Board Members' questions before the May 14, 2019 meeting to allow board members to be rigorous and disciplined in their review process while respecting the concerns that have been raised by the community.

Administration confirmed that by delaying the vote for one week should be ok as the project has to be reviewed and approved by the PED Committee and City Council on or before May 21, 2019. Therefore, EDC Board must take a vote on or before this date.

EDC Board has asked the City to be available to continue to address the concerns of the community before the vote.

Ms. Clayson asked that the staff provide responses to the existing questions that were sent and further stated that what is being asked of this Board and of city residents is incredibly unfair. The Board is being asked to make big decisions about the economic future of the city on the backs of a neighborhood is incredibly unfair. All other aspects of the deal are fine but to make this decision in such a short period of time is unfair.

Mr. Roling further indicated that the staff is working very hard to bring this project to Detroit and the community is working very hard to defend the needs of the community. Chrysler has made \$5B in profits and you are asking the City that went through the largest municipal bankruptcy in US history to approve incentives worth \$160M. How can you look us in the eye and ask us to approve this? You are pitting the Executive branch against the Legislative branch and we both lose.

EDC Board reiterated that the staff should provide answers to the questions and meet with the community before the next meeting.

ADMINISTRATION

OTHER MATTERS

ADJOURNMENT

With there being no further business to come before the Board, on a motion by Mr. Stallworth, seconded by Mr. Osei, Mr. Quarles adjourned the meeting at 10:47 a.m.

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CODE EDC 19-05-02-312

APPROVAL OF MINUTES OF APRIL 23, 2019 MEETING

RESOLVED, that the minutes of the Regular meeting of April 23, 2019 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 Economic Development Corporation.

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CODE EDC 19-05-13-55
(Amended at Table)

FCA LAND ASSEMBLY PROJECT: PROPERTY EXCHANGE AGREEMENT (I-94 PROJECT PLAN)

WHEREAS, in connection with the industrial land assembly project undertaken by the City of Detroit Brownfield Redevelopment Authority ("DBRA") at the request of the City of Detroit (the "City"), FCA US LLC ("FCA"), DBRA and the City have executed that certain Memorandum of Understanding (the "MOU") relating to FCA's proposed investment at the Mack Engine Plant and Jefferson North Assembly Plant (the "Project"); and

WHEREAS, in the MOU, DBRA and the City agreed, among other things, to execute binding agreements to deliver title to approximately 215 acres of land adjacent to or in close proximity to the Project site, as shown in Exhibit A; and

WHEREAS, in order for DBRA and the City to deliver to FCA the acreage necessary for the Project, the EDC is being asked to convey properties in connection with the DBRA's acquisition of the below described parcel:

- Site 4 (owned by Fodale Group and Associates ("Fodale")) will be acquired by the DBRA pursuant to a series of related transactions with Fodale and its affiliates Lynch Road Land LLC and Trident Huber, LLC ("Trident Huber"). EDC is being asked to enter into a Property Exchange Agreement with the DBRA and Trident Huber upon the terms described in Exhibit B-1 attached hereto for the sale of the EDC-controlled properties described in Exhibit B-2 (the "EDC Trident Properties").

WHEREAS, in recognition of the benefits conferred by the Project to the City and its residents and taxpayers, EDC staff recommends the Board's approval of the execution of a Property Exchange Agreement with DBRA and Trident Huber for the sale of the EDC Trident Huber Properties; and

WHEREAS, the Board of Directors has determined that the terms of the proposed transactions as described above and in the exhibits attached hereto are reasonable and consistent with the EDC's statutory purposes.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the EDC hereby authorizes the execution of a Property Exchange Agreement with DBRA and Trident Huber, consistent with the terms described in Exhibit B-1, together with such terms and conditions deemed reasonable by EDC's counsel and Authorized Agents.

BE IT FURTHER RESOLVED that the EDC Board of Directors hereby authorizes any two of the Officers or any two of the designated Authorized Agents or any combination thereof to



execute any and all documents and take any and all actions necessary or appropriate to implement the provisions and intent of this resolution.

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

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I-94 INDUSTRIAL PARK: LAND EXCHANGE WITH US ECOLOGY, INC.

WHEREAS, US Ecology Inc. ("US Ecology") has an existing waste treatment center located within the project area at 6520 Georgia, as shown on Exhibit A hereto; and

WHEREAS, the EDC owns the following parcels that are contiguous to US Ecology's current operation and facility that US Ecology proposes to acquire: 6441, 6459, 6471, 6475 & 6479 Debuel St. | 8708, 8706 & 8676 Girardin St. | 8611 Sherwood St., also shown on Exhibit A (collectively, the "EDC Parcels"); and

WHEREAS, US Ecology owns the following parcels as further depicted on Exhibit A: 6446, 6470 & 6476 Debuel St. | 8524 Girardin St | 8605 Sherwood (collectively, the "US Ecology Parcels"); and

WHEREAS, representatives from the EDC and US Ecology have negotiated the terms of a Land Exchange Agreement (the "Agreement"), pursuant to which (i) the EDC will convey the EDC Parcels to US Ecology in exchange for US Ecology's conveyance of US Ecology's Parcels to the EDC, (ii) each party will accept the parcels on an as-is, where-is basis; (iii) promptly following closing, US Ecology will hire a contractor to remove all the debris from the EDC Parcels and maintain the minimum setback of 10 feet from the right-of-way at Sherwood Street; and

WHEREAS, as part of this Land Exchange, the EDC has agreed to cause the conveyance of the eastern ½ of vacated Sherwood and repave all of vacated Sherwood adjacent to US Ecology's facility, as indicated in Exhibit B, at an estimated cost of seven hundred thousand dollars (\$700,000), which work will be contracted using EDC's customary bidding process and will be funded from the I-94 Industrial Park Project Plan budget; and

WHEREAS, upon review of the proposed terms of the Agreement, in the form attached hereto as Exhibit C, the EDC Board has determined that the Agreement as proposed is consistent with the EDC's statutory purposes and otherwise in the best interests of the EDC and the I-94 Industrial Park Project.

NOW THEREFORE BE IT RESOLVED that the EDC Board hereby authorizes any two of its Officers, or any two of its Authorized Agents, or one Officer and any one Authorized Agent to execute the Agreement in substantially the form attached hereto as Exhibit C, together with such other terms and conditions not materially inconsistent with this resolution and deemed reasonable by EDC's counsel and Authorized Agents.

BE IT FURTHER RESOLVED that the EDC Board hereby authorizes any two of its Officers or any two of its Authorized Agents or one Officer and any one Authorized Agent to take any other actions and execute any other documents necessary or appropriate 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 EDC, in the name and on behalf of the EDC, 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.

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