



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
REGULAR BOARD OF DIRECTORS MEETING
WEDNESDAY, SEPTEMBER 25, 2019
4:00 PM**

BOARD MEMBERS PRESENT:

John George
Pamela McClain
Maggie DeSantis
Stephanie Washington
Donele Wilkins

BOARD MEMBERS ABSENT:

Juan Gonzalez
Matthew Walters
Sonya Mays
Raymond Scott

OTHERS PRESENT:

Jennifer Kanalos (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Malinda Jensen (DEGC)
Glen Long (DEGC)
Paul Kako (DEGC)
Ngozi Nwaesei (Lewis & Munday)
Gage Minkley (Quicken Loans)
Peter Procida (PDH/Procida Dev Group)
Richard Barr (Honigman)
Jared Fleisher (Quicken Loans)



**MINUTES OF THE DETROIT BROWNFIELD
REDEVELOPMENT AUTHORITY REGULAR MEETING
WEDNESDAY, SEPTEMBER 25, 2019
DETROIT ECONOMIC GROWTH CORPORATION
500 GRISWOLD SUITE 2200 DETROIT, MI – 4:00 PM**

CALL TO ORDER

Vice-Chair Maggie DeSantis called the meeting to order at 4:07 PM.

GENERAL

Approval of Minutes:

Ms. DeSantis called for a motion approving the minutes of September 11, 2019 as presented. The Board took the following action:

On a motion by Ms. McClain, seconded by Mr. George, DBRA Resolution Code 19-09-02-263 was unanimously approved.

Treasurer's Report

Mr. Long presented the August 2019 Treasurer's report.

Ms. DeSantis called for a motion accepting the August 2019 Treasurer's Report as presented. The Board took the following action:

On a motion by Mr. George, seconded by Ms. Washington, DBRA Resolution Code 19-09-03-190 was unanimously approved.

PROJECTS

Midtown West Brownfield Redevelopment Plan

Mr. Vosburg presented the Midtown West Brownfield Redevelopment Plan to the DBRA Board.

Project Introduction

PDH Development Group LLC is the project developer (the "Developer") for the Plan which entails the construction of a five-story mixed-use development on the Property. The redevelopment is planned to consist of approximately 7,000 square feet of first floor commercial-use with an estimated 175 residential units on the floors above including approximately 8 studios, 125 one-bedroom units, 38 two-bedroom units, and 4 three-bedroom units, and an estimated 149 enclosed parking spaces on the ground level. As a result of the Community Benefits Ordinance (CBO) process, approximately 10% of the residential units will be available below 80% of the Area Median Income (AMI) with a variety of income levels down to 40% of AMI. The building will also include amenities for the residents, including an over 35,000 square foot landscaped roof deck on the second floor, gym, and lounges. The Property is presently vacant with no structures.

The total investment is estimated to be \$55 million. The Developer is requesting \$4,251,029.00 in TIF reimbursement.

There will be 208-265 temporary construction jobs and 4 FTE jobs. The 4 FTE jobs will be related to property management.

Property Subject to the Plan

The eligible property (the "Property") consists of one (1) parcel in the western portion of the Midtown neighborhood of Detroit and is bounded by Selden Street to the north, the proposed Fourth Avenue to the east, the proposed Tuscola Avenue to the south, and the John C. Lodge Service Drive to the west.

Basis of Eligibility

The Property is considered "eligible property" as defined by Act 381, Section 2 because (a) it was previously utilized for a commercial purpose and/or public purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) it is a facility under Part 201 due to the presence of arsenic, benzo(a)pyrene, benzo(b)fluoranthene and dibenzo(a,h)anthracene in soil and fill.

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 baseline environmental assessment activities, department specific activities, additional response activities, site preparation, infrastructure improvements, development and preparation of a brownfield plan and work plan, 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 commence within 18 months of approval of the Plan and be completed within 4 years.

Tax Increment Financing (TIF) Capture

The Developer desires to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the Property will be captured by the DBRA and used to reimburse the cost of the eligible activities completed on the Property after approval of this Plan pursuant to the terms of a Reimbursement Agreement with the DBRA.

COSTS TO BE REIMBURSED WITH TIF

1. Environmental Assessment Activities	\$65,000.00
2. Environmental Reporting and Compliance	\$50,000.00
3. Department Specific Activities	\$246,296.00
4. Vapor Mitigation System	\$750,000.00
5. Environmental Response Activities and Oversight	\$50,000.00
6. No Further Action Report	\$25,000.00
7. Infrastructure Improvements (including Parking)	\$1,809,635.00
8. Site Preparation	\$121,326.00
9. Storm Water Management	\$50,000.00
10. Brownfield Plan & Work Plan Preparation and Implementation	\$60,000.00
11. Contingency (15%)	\$475,088.00
12. Interest	\$548,683.00
Total Reimbursement to Developer	\$4,251,029.00
13. Authority Administrative Costs	\$1,205,852.00
14. State Brownfield Redevelopment Fund	\$389,197.00
15. Local Brownfield Revolving Fund	\$2,431,635.00
TOTAL Estimated Costs	\$8,277,713.00

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues of the DBRA from the Property shall be governed by the terms of the Reimbursement Agreement.

Other Incentives

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

DBRA-CAC Letter of Recommendation

The DBRA-CAC recommended approval of the Plan at the September 11, 2019 CAC meeting. Attached is the DBRA-CAC's letter of recommendation for the DBRA Board's consideration.

Public Comments

The DBRA public hearing for the Plan will be held on Tuesday, September 24, 2019 at 5:30 pm at the Midtown Detroit, Inc. office located at 3939 Woodward Ave., Detroit, Michigan. The results of the DBRA public hearing were provided.

Attached for the DBRA Board's review and approval was a resolution approving the Midtown West Brownfield Redevelopment Plan and its submittal to Detroit City Council.

Ms. DeSantis called for a motion approving the Midtown West Brownfield Redevelopment Plan and its submittal to Detroit City Council, as presented. The Board took the following action:

On a motion by Mr. George, seconded by Ms. McClain, DBRA Resolution Code 19-09-276-02 was unanimously approved.

Corktown Lofts Brownfield Redevelopment Plan

Ms. Kanalos presented the Corktown Lofts Brownfield Redevelopment Plan to the DBRA Board.

Project Introduction

Corktown Lofts, LLC, an affiliate of Bedrock Management Services LLC, is the project developer (the "Developer") for the Plan which entails the rehabilitation of the historic Corktown Lofts building into a mixed-use development and the construction of a multilevel parking garage on the adjacent and contiguous parcel. The rehabilitation of the Corktown Lofts building, formally known as the Edson, Moore and Company Building which was individually listed on the National Register of Historic Places in 2017, will create retail and restaurant/café space on the first two floors and one subgrade floor; office space on the middle two floors, and approximately 33 residential units on the upper two floors, consisting of 22 rehabilitated units on the fifth floor and a new addition above it to consist of approximately 11 units. The office space will house a major, Chicago-based logistics company and is anticipated to bring approximately 500 jobs to the City of Detroit, 350 of which are anticipated to be new jobs.

The total investment is estimated to be \$63 million. The Developer is requesting \$18,239,031.00 in TIF reimbursement.

There will be 500 temporary construction jobs and 650-700 FTE jobs. At least 500 of the 650-700 FTE jobs will be employees of Coyote Logistics.

Property Subject to the Plan

The eligible property (the "Property") will consist of two (2) parcels located between Rosa Parks Boulevard to the west, 10th Street to the east, W Fort Street to the south, and W Lafayette Boulevard to the north in Detroit's Corktown neighborhood.

Basis of Eligibility

The Property is considered "eligible property" as defined by Act 381, Section 2 because (a) the Property was previously utilized or is currently utilized for a commercial purpose; (b) it is located within the City of Detroit, a qualified local governmental unit under Act 381; and (c) the Corktown Lofts structure has been determined to be an historic resource, and the development of the adjacent and contiguous parcel.

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 demolition and infrastructure improvements associated with the multi-level parking structure. 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 began in the 1st quarter of 2019 and are expected to be completed by the end of 2019.

Tax Increment Financing (TIF) Capture

The Developer desires to be reimbursed for the costs of eligible activities. Tax increment revenue generated by the Property will be captured by the DBRA and used to reimburse the cost of the eligible activities completed on the Property after approval of this Plan pursuant to the terms of a Reimbursement Agreement with the DBRA.

COSTS TO BE REIMBURSED WITH TIF

1. Site Demolition	\$149,833.00
2. Infrastructure Improvements – Multilevel Parking	\$18,089,198.00
Total Reimbursement to Developer	\$18,239,031.00
3. Authority Administrative Costs	\$2,933,894.00
4. State Brownfield Redevelopment Fund	\$828,012.00
5. Local Brownfield Revolving Fund	\$224,072.00
TOTAL Estimated Costs	\$22,225,009.00

The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues of the DBRA from the Property shall be governed by the terms of the Reimbursement Agreement.

Other Incentives

The Plan will include Neighborhood Enterprise Zone (NEZ) PA 147 Tax Abatement.

DBRA-CAC Letter of Recommendation

The DBRA-CAC recommended approval of the Plan at the September 11, 2019 CAC meeting. Attached is the DBRA-CAC’s letter of recommendation for the DBRA Board’s consideration.

Public Comments

The DBRA public hearing for the Plan will be held on Monday, September 23, 2019 at 5:30 pm at The Assembly located at 1702 W. Fort Street, Detroit, Michigan. The results of the DBRA public hearing were attached.

Attached for the DBRA Board’s review and approval was a resolution approving the Corktown Lofts Brownfield Redevelopment Plan and its submittal to Detroit City Council.

Mr. George asked if the existing structure where the parking garage will be constructed will be removed. Ms. Kanalos confirmed that the existing structure where the parking garage will be constructed will be removed.

Ms. DeSantis called for a motion approving the Corktown Lofts Brownfield Redevelopment Plan and its submittal to Detroit City Council, as presented. The Board took the following action:

On a motion by Ms. Wilkins, seconded by Ms. McClain, DBRA Resolution Code 19-09-275-02 was unanimously approved.

AMC Site 14250 Plymouth Road: Funding Agreement with the City of Detroit

Mr. Vosburg presented the AMC Site 14250 Plymouth Road: Funding Agreement with the City of Detroit to the DBRA Board.

On January 19, 2018 the Detroit Brownfield Redevelopment Authority (the "DBRA") board approved performing due diligence activities on behalf of the City of Detroit at the former AMC Site at 14250 Plymouth Road (DBRA 18-01-254-01).

The City of Detroit took title to the AMC Site on November 30, 2018. State laws require that any entity acquiring a property with Regulated (i.e. gasoline or diesel fuel) Underground Storage Tanks (UST) that will not be placed back into service must remove the tanks within one (1) year of taking title to the property.

On December 12, 2018 the DBRA board approved applying for and accepting a \$250,000 Michigan Department of Environmental Quality (the "MDEQ") grant to pay to fund UST removal at the AMC Site (DBRA 18-12-254-05). The MDEQ awarded a grant to the DBRA, however the grant award was predicated upon the City identifying a plan to fund the remediation of the entire site as well as identifying a developer willing to sign a development agreement to redevelop the site.

The DEGC and DBRA, working with the City, to date has been unable to identify the significant funding needed to remediate the entire site, nor have we to date been able to identify a developer willing to execute a development agreement for the site. As a result, the MDEQ, since renamed Environment, Great Lakes and Energy (the "EGLE"), has stated that the grant funds are ineligible for use at the AMC Site. EGLE has indicated that the grant funds may be available for reassignment to other eligible properties in the City of Detroit for which a developer with firm funding commitments has been identified.

The City is still obligated to remove the six (6) USTs known to exist at the AMC Site by November 30, 2019. Because of this obligation, the City has decided to provide \$250,000 in funds from the Planning & Development Department (the "P&DD") to the DBRA to perform the UST removal and remediation that was originally planned to be funded with the EGLE grant. The DBRA will procure a contractor to perform the UST removal and remediation in accordance with the cleanup plan developed by the environmental contractor SME and in compliance with all applicable laws and regulations. The selected contractor will be presented to the Board for contract approval

Staff is asking the Board for support and authorization to accept up to \$250,000 in funds from the City of Detroit Planning & Development Department to perform removal and remediation of Underground Storage Tanks at the AMC Site on behalf of the City.

A resolution approving the Funding Agreement for the AMC Site was attached for the DBRA Board's review and approval.

Ms. Washington asked how many underground storage tanks are currently present on the site. Mr. Vosburg stated that after work done by the environmental consultants there are 6 tanks confirmed on the site.

Ms. Washington asked if the \$250,000 in funds from the City of Detroit will be enough to cover the cost of removing the six tanks from the site. Mr. Vosburg stated that the \$250,000 in funding should cover the cost of removing the six tanks from the site and should there be excess funds they may be used for additional environmental remediation.

Ms. McClain asked for clarification on the nature of the funds to be received by the DBRA from the City of Detroit. Mr. Vosburg stated that per the funding agreement \$150,000 will be provided to the DBRA from the City of Detroit and if there are expenses above the \$150,000 amount, the DBRA will provide documentation to the City of Detroit and the City of Detroit will cover those costs in excess of \$150,000 up to \$250,000.

Ms. Wilkins asked how the City of Detroit acquired the site. Mr. Vosburg stated that the site was acquired by the City of Detroit through a land swap deal.

Ms. Wilkins asked if there are harmful exposures of environmental contamination to the community from the site. Mr. Vosburg stated that the type of contamination that is present on the site is harmful through direct contact only and that there has been no evidence of migration found through environmental investigations on the site. Mr. Vosburg added that the City of Detroit has made sure that the site is secure

and barricaded from the public and that there is regular security checks to ensure that the public cannot gain access to the site and to prevent further illegal dumping.

Ms. Wilkins stated that the DBRA should communicate to the City of Detroit that the site should be secured to prevent access to the site by the public and have appropriate signage to inform the public that the site is contaminated. Mr. Vosburg confirmed that there is fencing barricades on the site and that there are 'No Trespassing' and 'Do Not Enter' signs at the site and added that there is significant vegetation on the piles of soil which greatly reduces the potential for erosion.

Ms. McClain asked if there is time to have additional information on the site and its security and contamination provided to the DBRA Board before action is taken on the Funding Agreement. Mr. Vosburg stated that time is of the essence for the Funding Agreement because the City of Detroit is obligated to remove the six underground storage tanks on the site by November 30, 2019.

Ms. Wilkins stated that she would like the tanks to be removed from the site but would like to be able to take further action to make sure that the site is secure and to lessen the exposure to the public. She would also like a presentation at a future board meeting about: the environmental studies performed to date, the cleanup plan for the site, and the security measures in place to keep children and the general public out of the site. Ms. Kanalos stated that the DBRA staff will follow up with all parties involved and provide an update to the DBRA Board.

Mr. George asked what the amount of the grant from EGLE was. Mr. Vosburg stated that the grant amount was \$250,000.

Mr. George asked what the total estimated amount is to clean up the site. Mr. Vosburg stated that it will cost approximately \$20 million to remove the contaminated soil piles and approximately \$10 million to remediate and demolish the existing building on the site.

Ms. Kanalos stated that the agreement is attached to the resolution and asked for clarification from Ms. McClain if she would like to see additional terms in the memorandum for future agreements presented to the Board. Ms. McClain stated that attaching the agreement to the resolution is sufficient.

Ms. DeSantis called for a motion approving the AMC Site 14250 Plymouth Road: Funding Agreement with the City of Detroit, as presented. The Board took the following action:

On a motion by Ms. Wilkins, seconded by Ms. Washington, DBRA Resolution Code 19-09-254-06 was unanimously approved.

ADMINISTRATIVE

None.

OTHER

None.

PUBLIC COMMENT

None.

ADJOURNMENT

Citing no further business, Ms. DeSantis called for a motion to adjourn the meeting.

On a motion by Ms. McClain, seconded by Mr. George the meeting was unanimously adjourned at 4:32 PM.



CODE DBRA 19-09-02-263

APPROVAL OF MINUTES SEPTEMBER 11, 2019

RESOLVED, that the minutes of the regular meeting of September 11, 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 Detroit Brownfield Redevelopment Authority.

September 25, 2019



DBRA 19-09-03-191

ACCEPTANCE OF TREASURER'S REPORT FOR AUGUST 2019

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period August 1 through August 31, 2019, as presented at this meeting is hereby in all respects accepted as actions of the Detroit Brownfield Redevelopment Authority.

September 25, 2019



CODE DBRA 19-09-276-02

MIDTOWN WEST BROWNFIELD REDEVELOPMENT PLAN

WHEREAS, pursuant to 381 PA 1996, as amended (“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 Council”) for the purpose of promoting the revitalization of environmentally distressed areas in the City of Detroit; 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, in accordance with the policies, procedures and bylaws governing the DBRA, the DBRA has submitted a proposed Brownfield Plan for the **Midtown West Redevelopment Project** (the “Plan”) to the Community Advisory Committee for its consideration and comment and has solicited comments by the public by publication of notice stating that the proposed Plan has been submitted to the Community Advisory Committee and by conducting a public hearing in the area to which the proposed Plan applies; and

WHEREAS, the Community Advisory Committee has considered the proposed Plan and approved a resolution recommending the approval of the proposed Plan by the DBRA and the City Council as presented by the DBRA; and

WHEREAS, in accordance with the provisions of Act 381, the Board of Directors of the DBRA has considered the proposed Plan and desires to approve the proposed Plan and to request that City Council call a public hearing to consider and adopt a resolution approving the proposed Plan.

NOW, THEREFORE, BE IT RESOLVED:

1. The Board of Directors of the DBRA has determined that the adoption of the Brownfield Plan for the **Midtown West Redevelopment Project** is in keeping with the purposes of Act 381 and recommends submittal of the Plan to City Council for approval.
2. The Board of Directors of the DBRA approves the Plan substantially in the form attached hereto and on file with the Secretary of the DBRA.
3. Any Authorized Agent of the DBRA is authorized and directed to submit a certified copy of this Resolution and the Plan to the City Clerk, together with a request that the City Council call a public hearing concerning the Plan and to take all other actions required to approve the Plan in accordance with Act 381.
4. 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.

5. 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.

6. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

September 25, 2019



CODE DBRA 19-09-275-02

CORKTOWN LOFTS BROWNFIELD REDEVELOPMENT PLAN

WHEREAS, pursuant to 381 PA 1996, as amended (“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 Council”) for the purpose of promoting the revitalization of environmentally distressed areas in the City of Detroit; 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, in accordance with the policies, procedures and bylaws governing the DBRA, the DBRA has submitted a proposed Brownfield Plan for the **Corktown Lofts Redevelopment Project** (the “Plan”) to the Community Advisory Committee for its consideration and comment and has solicited comments by the public by publication of notice stating that the proposed Plan has been submitted to the Community Advisory Committee and by conducting a public hearing in the area to which the proposed Plan applies; and

WHEREAS, the Community Advisory Committee has considered the proposed Plan and approved a resolution recommending the approval of the proposed Plan by the DBRA and the City Council as presented by the DBRA; and

WHEREAS, in accordance with the provisions of Act 381, the Board of Directors of the DBRA has considered the proposed Plan and desires to approve the proposed Plan and to request that City Council call a public hearing to consider and adopt a resolution approving the proposed Plan.

NOW, THEREFORE, BE IT RESOLVED:

1. The Board of Directors of the DBRA has determined that the adoption of the Brownfield Plan for the **Corktown Lofts Redevelopment Project** is in keeping with the purposes of Act 381 and recommends submittal of the Plan to City Council for approval.
2. The Board of Directors of the DBRA approves the Plan substantially in the form attached hereto and on file with the Secretary of the DBRA.
3. Any Authorized Agent of the DBRA is authorized and directed to submit a certified copy of this Resolution and the Plan to the City Clerk, together with a request that the City Council call a public hearing concerning the Plan and to take all other actions required to approve the Plan in accordance with Act 381.
4. 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.

5. 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.

6. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

September 25, 2019



CODE DBRA 19-09-254-06

APPROVAL OF FUNDING AGREEMENT WITH THE CITY OF DETROIT AT THE AMC SITE - 14250 PLYMOUTH ROAD

WHEREAS, the Detroit Brownfield Redevelopment Authority (the "DBRA") was created pursuant to Act 381 of the Public Acts of Michigan of 1996 ("Act 381") for the purpose of facilitating the implementation of brownfield plans and promoting the revitalization, redevelopment, and reuse of certain property, including, but not limited to, tax reverted, blighted or functionally obsolete property within the City of Detroit; and

WHEREAS, the DBRA Board has determined that performing due diligence activities at the former American Motors Corporation property at 14250 Plymouth Road (the "Property") is consistent with the purposes for which the DBRA was created and in furtherance of its statutorily defined missions; and

WHEREAS, the City of Detroit Planning & Development Department ("P&DD") and Housing and Revitalization Department ("HRD") desires to have the DBRA perform remediation activities related to the removal and cleanup of regulated underground storage tanks on its behalf at the Property ("Remediation Activities"); and

WHEREAS, P&DD has proposed the attached Funding Agreement to provide up to \$250,000 for Remediation Activities; and

WHEREAS, the Board of Directors of DBRA has determined that proposed Funding Agreement and Remediation Activities are consistent with the powers of the DBRA, its statutory purpose, and its submission is supported by the Brownfield Redevelopment Financing Act (Act 381 of the Public Acts of Michigan of 1996, as amended).

NOW THEREFORE BE IT RESOLVED:

1 That Board of Directors of the City of Detroit Brownfield Redevelopment Authority do hereby support and approve a two hundred fifty thousand-dollar (\$250,000.00) P&DD Funding Agreement for the AMC Site.

2 That any Authorized Agent of the DBRA is authorized and directed to submit appropriate documents to P&DD and/or HRD to support and secure funds for the Project on behalf of the DBRA.

3 That upon execution, the DBRA is authorized to accept and utilize the Funding Agreement for eligible costs.

4 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.

5 All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

September 25, 2019

**FUNDING AGREEMENT
BY AND BETWEEN
THE CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
AND
THE CITY OF DETROIT
(FORMER AMC SITE PROJECT)**

THIS FUNDING AGREEMENT ("Agreement"), executed this ___ day of _____, 2019 and effective as of the date that it is approved by the City Council of the City Detroit (the "City Council"), is an agreement by and between **The City of Detroit Brownfield Redevelopment Authority** (the "DBRA"), a Michigan public authority and body corporate organized and existing pursuant to Act 381 of the Public Acts of Michigan of 1996, as amended, and the **City of Detroit** (the "City"), a Michigan municipal corporation acting by and through its **Planning and Development Department** (the "P&DD"). The City and the DBRA may also be known individually as a "Party" or collectively as the "Parties".

WHEREAS, the City has acquired certain real property in the City of Detroit as described in the attached Exhibit A (the "Properties"), incorporated herein by reference, for certain development purposes; and

WHEREAS, the City desires to engage the DBRA to conduct certain environmental remediation and other work to assist in preparing the Properties for future development; and

WHEREAS, the Board of Directors of the DBRA authorized the DBRA to enter into this Agreement and to assist the City with the Remediation Activities (as defined below) pursuant to DBRA Resolution _____ .

NOW, THEREFORE, it is agreed that:

1. The above recitals are incorporated into this Agreement as if fully set out word for word.
2. The term "Remediation Activities" as herein used, is hereby defined as any survey, environmental assessment, environmental remediation, geotechnical or title work, as well as any other miscellaneous property maintenance, development support work or real estate services requested by P&DD that are required by P&DD and related to the City's operation, marketing or development of the Property.
3. The City agrees to reserve an amount not to exceed Two Hundred Fifty Thousand and 00/100 Dollars (\$250,000.00) ("City Funds") to cover the Remediation Activities to be performed by DBRA on behalf of the City.
4. From time to time during the term of this Agreement, P&DD shall identify specific Remediation Activities scope items that the City wishes DBRA to complete under this Agreement. Once a specific scope and cost have been mutually agreed upon by the

parties, City shall pre-pay the DBRA for such costs from the City Funds and the DBRA shall diligently pursue completion of such scope items.

5. The DBRA shall be paid an administrative fee out of the City Funds for its services required to completed the Remediation Activities in the amount of 3.5% of the cost of the Remediation Activities, which shall be up to an amount not to exceed Eight Thousand Seven Hundred Fifty and 00/100 Dollars (\$8,750.00) (“Administrative Fee”); and
6. The City may pre-pay an initial amount of One Hundred Fifty Thousand and 00/100 Dollars (\$150,000.00) from the City Funds to the DBRA to cover the entire Administrative Fee and certain Remediation Activities that the City has already identified that need to be completed within certain time constraints.
7. All payments of City Funds to DBRA under this Agreement are dependent upon P&DD’s receipt of an invoice for payment in a format and with sufficient documentation as required by P&DD.
8. The DBRA will notify, or cause to have notified, P&DD of any proposed change order or other modification of a specific scope item that could cause a material increase in the mutually agreed upon costs of such work. P&DD shall approve of any such cost increases, prior to DBRA incurring any additional costs.
9. The scope of work for the Remediation Activities to be completed by the DBRA shall be publicly bid by DBRA pursuant to a bidding process reasonably approved by P&DD. P&DD shall approve the final selected DBRA contractor(s).
10. The DBRA shall include in any agreements with third parties for completion of the Remediation Activities a requirement that such third parties indemnify both the City and the DBRA. Such indemnification language shall be approved by the City prior to execution of any such DBRA agreement with a third party.
11. The DBRA shall include in any agreements with third parties for completion of the Remediation Activities a requirement that such third parties maintain certain insurance coverages acceptable to P&DD with related insurance policies naming the “City of Detroit” as an additional insured.
12. The Parties shall maintain full and complete books, ledgers, journals, accounts, documents and records in auditable form wherein are kept all entries reflecting all of its operations pursuant to this Agreement, and the Parties shall make available all books, documents, papers and records for monitoring, audits, inspections and examinations by the other Party during normal business hours. In the fulfillment of their responsibilities under this Agreement the Parties will abide by and cause any persons receiving funds pursuant to this Agreement to abide by all federal, d local laws, as well as relevant City executive orders.

13. All records referred to in Paragraph 12 shall be maintained by the Parties for three (3) years after the later of the date of completion of the Remediation Activities or the final disbursement of City Funds. In the event of dispute between the Parties arising out of this Agreement that occurs within three (3) years after the later of the completion of the Remediation Activities or the final disbursement of City Funds, the Parties shall continue to maintain the data required pursuant to this paragraph until said dispute has been finally concluded, including all available challenges or appeals and audits.
14. All notices, consents, approvals, requests and other communications, herein collectively called "Notices", required or permitted under this Agreement shall be given in writing, signed by an authorized representative of the City or the DBRA, and hand delivered, mailed by first-class mail, or mailed by overnight courier such as, by way of example only, FedEx, and addressed as follows:

If to the City: City of Detroit – Planning & Development Department
Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 808
Detroit, Michigan, 48226
Attention: Director

and

City of Detroit – Housing & Revitalization Department
Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 908
Detroit, Michigan, 48226
Attention: Director

If to the DBRA: The City of Detroit Brownfield Redevelopment Authority
500 Griswold, Suite 2200
Detroit, Michigan 48226
Attention: Authorized Agent

All Notices shall be deemed given on the date of mailing. Either Party to this Agreement may change its address for the receipt of Notices at any time by giving notice thereof to the other as herein provided. Any Notice given by a Party hereunder must be signed by an authorized representative of such Party.

15. City may terminate this Agreement at its convenience at any time by giving the DBRA a written Notice of Termination at least sixty (60) days before the effective date thereof. Upon such receipt of a Notice of Termination, DBRA shall immediately cease all Remediation Activities and the City shall promptly pay the DBRA for all amounts owed DBRA for work completed by DBRA or its contractors for Remediation Activities up to the termination date given by the City

in its Notice of Termination. Conversely, DBRA shall return such portion of the City Funds that may have been prepaid to DBRA for Remediation Activities, including the applicable portion of the Administrative Fee, that have yet to be completed by the termination date given by the City in its Notice of Termination.

16. This Agreement may be executed in any number of counterparts. All such counterparts shall be deemed originals and together shall constitute one and the same instrument.
17. This instrument contains the entire agreement between the Parties respecting the subject matter of this Agreement, and all prior negotiations and agreements are merged herein. Neither Party nor its agents have made any representations except those expressly set forth herein, and no rights or remedies are or shall be acquired by the Parties by implication or otherwise unless expressly set forth herein.
18. No amendment to this Agreement will be effective unless it is in writing, expressly makes reference to this Agreement and is executed by a duly authorized representative of each Party.
19. This Agreement shall bind, and the rights, benefits and advantages of this agreement shall inure to the successors of the City and the DBRA.
20. This Agreement will become effective upon its approval by Detroit City Council and expire on the date of the last payment of City Funds owed to the DBRA for work performed by DBRA or its contractors, unless otherwise terminated earlier as provided for herein.

(Signatures commence on next page)

IN WITNESS WHEREOF, DBRA and the City, by and through their duly authorized representatives, have executed this Agreement as of the year and date first written above.

THE CITY OF DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY, a Michigan public authority and body corporate.

By: _____

Print Name: _____

ITS: Authorized Agent

By: _____

Print Name: _____

ITS: Authorized Agent

Approved as to Form Only:
Counsel to the DBRA

By: _____

CITY OF DETROIT, a Michigan municipal corporation by and through:

PLANNING AND DEVELOPMENT DEPARTMENT

By: _____

Print Name: _____

ITS: Director

APPROVED BY DETROIT CITY COUNCIL:

APPROVED AS TO FORM IN ACCORDANCE

WITH § 7.5-206 OF THE 2012 CITY OF
DETROIT CHARTER

Counsel

Supervising Assistant Corporation

Chief Procurement Officer

**THIS AGREEMENT IS NOT VALID OR AUTHORIZED UNTIL APPROVED BY
RESOLUTION OF THE CITY COUNCIL AND SIGNED BY THE CITY'S CHIEF
PROCUREMENT OFFICER.**

EXHIBIT A

Description of the Properties

<u>LEGAL DESCRIPTION</u>	<u>TAX ID NUMBER</u>	<u>COMMON ADDRESS</u>
W SHIRLEY 460 THRU 458 PAVEDWAY SUB L51 P6 PLATS. W C R 22/582 109 X 115	22032521-3	11603 Shirley, Detroit MI 48227
W MARK TWAIN 34&21 FRISCHKORNS GRAND RIVER FARMS SUB L39 P64 PLATS. W C R 22/580 63,188 SQ FT	22037438-43	12245 Mark Twain, Detroit MI 48227
N PLYMOUTH PT OF SE 1/4 SEC 30 T 1 S R 11 E DESC AS FOLS BEG AT A PTE IN E LINE MARK TWAIN 60 FT WD 60 FT NLY ALG SD LINE FROM S LINE SD SEC TH N 0D 07M 55S W 1200 FT TH N 89D 58M 05S E 566.54 FT TH S 0D 03M 55S E 1200 FT TH WLY ALGN LINE PLYMOUTH RD 565.14 FT TO P O B 22/— 679.008 SQ FT	22006074.001	14250 Plymouth, Detroit MI 48227
N PLYMOUTH ALL THAT PT OF SE 1/4 SEC 30 T 1 S R 11 E DESC AS BEG AT A PTE IN E LINE MARK TWAIN AVE 60 FT WD DIST N 00D 07M 55S W 1200 FT FROM INT SEC N LINE PLYMOUTH RD 103 FT WD TH N 0D 07M 55S W 649.19 FT TH S 89D 54M 45S W 27 FT TH N 00D 05M 15S W 406.56 FT TH N 89D 54M 45S E 70.52 FT TH ON CUR TO R 193.61 FT RAD 590 FT CH BRGN 41D 57M 51S E 192.74 FT TH ON CUR TO R 792.56 FT RAD 716.79 FT CH BRG S 31D 44M 29S E 752.80 FT TH S 00D 03M 55S E 558.58 FT TH S 89D 58M 05S W 566.54 FT TO P O B 22/— 604.475 SQ FT	22006074.002	12300 Mark Twain, Detroit MI 48227
N PLYMOUTH ALL THAT PT OF SE 1/4 SEC 30 T 1 S R 11 E DESC AS FOLS: BEG AT INT SEC E LINE MARK TWAIN AVE 33 FT WD (PLATTED) & N LINE OF VAC FOLEY AVE 60 FT WD TH N 00D 05M 15S W 220.09 FT TO SLY LINE OF C & O RR R O W TH N 89D 45M 18S E 27 FT TH N 89D 42M 15S 49.01 FT TH S 00D 17M 45S E 28.81 FT TH ON CUR TO R 132.84 FT RAD 716.79 FT CENT ANG 10D 37M 06S CH BRG S 68D 40M 53S E 132.65 FT TH ON CUR TO L 193.61 FT RAD 590 FT 18D 48M 06S CH BRG S 41D 57M 51S W 192.74 FT TH S 89D 54M 45S W 70.52 FT TO P O B 22/— 27.439 SQ FT	22006074.003	12310 Mark Twain, Detroit MI 48227
W SHIRLEY 461 THRU 482 AND VAC WADSWORTH AVE ADJ PAVEDWAY SUB L51 P6 PLATS. W C R 22/582 855 X 115	22032476-97	11701 Shirley, Detroit MI 48227