

City of Detroit



Downtown Development Authority
500 Griswold • Suite 2200
Detroit, Michigan 48226
Phone: 313 963 2940
Fax: 313 963 8839

CODE DDA 17-02-02-592

APPROVAL OF MINUTES OF JANUARY 25, 2017

RESOLVED, that the minutes of the Regular meeting of January 25, 2017 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.

February 8, 2017

**DOWNTOWN DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS REGULAR MEETING
WEDNESDAY, JANUARY 25, 2017 – 3:00 P.M.**

BOARD MEMBERS PRESENT: Marvin Beatty
Austin Black
Charles Beckham
David Blaszkiewicz
Ehrlich Crain
Sonya Delley
Melvin Hollowell
Richard Hosey
James Jenkins
Thomas Lewand (Mayor's Representative)
David Massaron
John Naglick
Steve Ogden

BOARD MEMBERS ABSENT: None

OTHERS PRESENT: Gary Brown (DEGC/DDA)
Harley Ehenne (University of Michigan)
Amanda Hanlin (DEGC/DDA)
Gay Hilger (DEGC/DDA)
Malinda Jensen (DEGC/DDA)
Jennifer Kanalos (DEGC/DDA)
John Lauve (Public)
Glen Long (DEGC/DDA)
Rodrick Miller (DEGC/DDA)
Jane Morgan (JFM Consulting Group)
Rebecca Navin (DEGC/DDA)
Lana Zaghmout (City Council - Castaneda-Lopez' Office)

City of Detroit



Downtown Development Authority

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Detroit, Michigan 48226
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**MINUTES OF THE DOWNTOWN DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS REGULAR MEETING
WEDNESDAY, JANUARY 25, 2017
DETROIT ECONOMIC GROWTH CORPORATION
500 GRISWOLD STREET, SUITE 2200 - 3:00 P.M.**

GENERAL

Call to Order

Noting that a quorum was present, Mr. Lewand, the Chairman's Representative, called the Regular meeting of the Downtown Development Authority Board of Directors to order at 3:02 p.m.

Approval of Minutes

Mr. Lewand asked if there were any additions, deletions or corrections to the minutes of the January 11, 2017 Regular Board meeting. Hearing none, the Board took the following action:

On a motion by Mr. Beatty, seconded by Ms. Delley, Resolution Code DDA 17-01-02-591 was unanimously approved.

Receipt of Treasurer's Report

Mr. Naglick reviewed the Treasurer's Report of Receipts and Disbursements for the month of December 2016 for the benefit of the Board and responded to questions. With there being no questions or discussion, the Board took the following action:

On a motion by Mr. Beckham, seconded by Mr. Jenkins, Resolution Code DDA 17-01-03-467 was unanimously approved.

ADMINISTRATION

Restructuring of Disclosure and Committee Practices

Ms. Navin stated that at the last meeting of the Board of Directors (the "Board") of the City of Detroit Downtown Development Authority (the "DDA"), Board members discussed the Mayor's commitment to transparency in decisions made by his administration, including but not limited to those public authorities under his oversight and/or appointment power. In light of this commitment, Board members asked for a proposal of guidelines that the Board could consider that would ensure that the DDA's procedures and practices conform to similar transparency standards.

Disclosure Practices

In the last two lame duck sessions of the Michigan legislature, the legislature considered amendments to the DDA Act that would require increased public disclosure of DDA's activities, including but not limited to website publication of meeting minutes, budget, audits, and development plans (the "Disclosure Requirements"). An excerpt from HB-5851 which was under consideration in 2016, including the Disclosure Requirements, was provided to the Board as Exhibit A.

Although this legislation and similar legislation considered in 2014 was ultimately not passed, staff expects that legislation mandating the Disclosure Requirements will eventually be adopted and believes that the Disclosure Requirements are reasonable and good practice. Consequently, staff proposes that the DDA endeavor to voluntarily comply with the Disclosure Requirements prior to the effectiveness of any legal requirement to do so. Staff believes it should be able to achieve substantial compliance within the next six months, and in any event prior to the time period which would have been allowed had HB-5851 been adopted. Further, although the Disclosure Requirements do not require publication of meeting agendas, staff proposes website publication of all DDA meeting agendas as soon as practicable following the release of an agenda to the Board, but in any event within 5 business days after such release.

Committee Practices

Article IV of the Rules of Procedure of the City of Detroit Downtown Development Authority (the "DDA") provides that by resolution adopted by the DDA's Board of Directors (the "Board"), the Board may appoint one or more committees to assist the Board in the discharge of its duties. In February 1997 (DDA-97-02-01-230), the Board established certain committees, which such committees were granted the limited authority to review materials which would be presented to the Board and make recommendations based on their review of the materials, to the Board on DDA projects but which committees were expressly not given the power to make decisions on behalf of the DDA. In light of the limited power of the DDA's committees, such committees have not been subject to the Open Meetings Act (PA 267 of 1976, as amended) (the "OMA") since their establishment.

As an additional measure of promoting transparency, Staff recommends that the Board adopt a practice whereby, except where permitted under Section 8 of the OMA, all committee meetings shall be held in accordance with OMA, whether or not required by OMA. However, in the event that a matter which would normally be reviewed by a committee prior to consideration by the Board is not able to reviewed at a committee meeting because compliance with OMA was not practicable, it may, at the discretion of the chair of the Board or the chair of such committee, be considered by the Board without prior review by the committee.

A resolution was included in the Board material for consideration.

Mr. Massaron stated that the staff has done excellent work here to bring the Detroit DDA in line with practices of other cities and city council, for example. This is the way that we want City of Detroit bodies to operate.

Mr. Blaszkiewicz asked how this would work with sensitive financial data and personal data that is provided to the DDA Finance Committee to do its due diligence in order to provide its recommendations to the Board. Ms. Navin stated that the OMA does provide for closed sessions and believes that the personal financial data is included in those exemptions.

Mr. Hollowell stated that he believes that this policy is entirely appropriate when the Board is approving use of taxpayers' dollars and thinks it is a good thing.

Ms. Navin noted that committee meetings will no longer be able to held by telephonic conference, so it will be more difficult to convene a committee meeting before the Board meeting. Because of

this, there is a stipulation in the Resolution that items may be taken directly to the Board in cases where it was not possible to convene a committee meeting.

Mr. Massaron asked staff to research if Board members can call in and participate in the Board meetings telephonically when there is a quorum present in the room. He knows that is done by the Michigan Strategic Fund. Ms. Navin responded that she would look into it.

Subsequent to the discussion, the Board took the following action:

On a motion by Mr. Hollowell, seconded by Mr. Massaron, Resolution CODE DDA 17-01-01-429 was unanimously approved.

Mr. Lewand advised that he had to leave and turned the Chair over to Vice Chairman Blaszkiewicz.

PROJECTS

Catalyst Development Project: Approval of Professional Consultant Services Agreement for Community Needs Assessment

Mr. Brown advised that on December 13, 2013 the DDA Board authorized the execution of a Concession Management Agreement ("CMA") between the DDA and Olympia Development of Michigan, LLC ("ODM"). The CMA sets for the terms and conditions pursuant to which the new home arena for the Detroit Red Wings (the "Events Center") will be developed. Pursuant to the terms of the CMA, the DDA has the responsibility to procure the Professional Consultant Services to provide a Community Needs Assessment for the DDA Catalyst Development area. Costs associated with the preparation and delivery of the needs assessment are budgeted and will be reimbursed as a Project cost and not paid with any DDA funds.

The DDA Staff prepared a Request for Qualifications and Proposals (RFQP) and solicited responses from five professional agencies with prior community needs assessment preparation and delivery experience: Wayne State, University of Michigan, University of Detroit Mercy, Michigan State University, and Data Driven Detroit. Out of the five agencies, one response was received from an association formed between University of Michigan, Data Driven Detroit and JFM Consulting Group. A Scope of Services was included with the Board material.

The DDA staff evaluated the proposal and conducted post-proposal interviews with representatives from JFM Consulting Group (as the principal proposer), University of Michigan and Data Driven Detroit. The evaluation considered the qualifications, proposal and post – proposal interview responses, including, among other factors: 1) Detroit-based business involvement; 2) experience with projects of similar use, size and complexity; 3) understanding of the City of Detroit demographics & composition; 4) qualifications of proposed staff professionals; 5) team composition and availability; 6) proposed timetable for completing the assessment; and, 7) proposed total cost and staff hourly rates.

The DDA Staff recommended the Board's approval for the DDA to enter into a standard professional consultant services agreement with JFM Consulting Group (the proposed "Consultant") in the amount of \$85,995.00 to prepare and deliver a Community Needs Assessment for the Event Center Catalyst Area as set forth in the CMA and RFQP.

Mr. Hollowell advised that he had met with the vendor which has an excellent reputation in the city and feels that the group is very well qualified.

Ms. Delley asked if there was any obligation take the suggestions of the report. Ms. Navin responded that there is not a formal obligation in the CMA and that these were only recommendations.

Mr. Blaszkiewicz requested that there be a presentation to the Board of the findings of the community assessment. At that time, there will be an opportunity to continue this discussion subsequent to receiving the report.

Ms. Jensen introduced Ms. Jane Morgan of JFM Consulting Group. Ms. Morgan provided background information on her company, described the work they will perform for the DDA, its value to the catalyst project and the DDA, and responded to Board members' questions.

A draft resolution was included in the Board material for consideration.

Subsequent to the discussion, the Board took the following action:

On a motion by Mr. Crain, seconded by Mr. Jenkins, Resolution Code DDA 17-01-123-47 was unanimously approved.

Events Center Project– Approval of Subcontract & Change Order Awards to:

- **Parsons Technologies**, Bid Package #9-01 Arena, Piazza & Elevated Walkway Integrated Audio Video
- **Jones Sign Company, Inc, Bid Package #7-01 Naming Rights Signage**

Mr. Brown stated that pursuant to Article 4.1c of the Amended and Restated Concession and Management Agreement dated as of December 11, 2014 (as amended, the "CMA") by and between the City of Detroit Downtown Development Authority (the "DDA") and Olympia Development of Michigan Events Center, LLC ("ODM"), the DDA approved the Construction Contract between ODM and Barton Malow Hunt White joint venture, as the general contractor ("BMHW"). The terms of the CMA entitle the DDA TO approve Subcontracts awarded by BMHW over \$500,000.00.

BMHW solicited and received bids for the work specified in reference bid packages.

The DDA staff participated with ODM, its advisors, and its project development manager in the evaluations of the proposals and post bid interviews based on the totality of the bid responses, including, among other factors: 1) ability to partner with Detroit-based businesses; 2) ability to comply with the Business & Workforce Participation Plan requirements; 3) qualifications on projects of similar use, size and complexity; 4) staff qualifications; 5) proposed price compared to the project cost estimates & current industry cost data; 6) availability to complete all aspects of the work as scheduled; 7) track record of budget and schedule adherence; 8) acceptance of or revisions to the terms and conditions of the construction contract and general conditions documents; 9) site logistics and construction plan; 10) compliance with specified scope; and, 11) safety planning and incident (EMR) track record.

The subcontract awards recommended by ODM and BMHW were identified in Exhibit A to the proposed resolution, which was included with the Board material (the "Recommended Subcontracts") for the Board's consideration.

Subsequent to a discussion, the Board took the following action:

On a motion by Mr. Hollowell, seconded by Mr. Jenkins, Resolution Code DDA 17-01-123-48 was unanimously approved.

Request to Amend the Development Area Citizens Council (DACC) Pursuant to DDA Act

Ms. Jensen advised that pursuant to Section 21 of the DDA Act, the DDA established the Development Area Citizens Council ("DACC") that shall act as an advisory body to the authority in the adoption of amendments to DDA Development Area No. 1 at its November 30, 2016 meeting.

The DACC must consist of not less than nine members, each of whom is a resident of DDA Development Area No. 1 and at least 18 years of age.

DDA staff, in collaboration with the Detroit City Council and other stakeholders, have identified qualified residents to serve on the DAAC who represent a diverse cross section of the population that reside within DDA Development Area No. 1. Those two individuals are as follows:

1. Imani Day
Architectural Designer – Gensler
Resident of District – Yes

2. Jaymaine Dickens
Public Affairs Professional
Resident of District – Yes

Ms. Jensen added that staff is still working on the Tax Increment Plan amendment, looking at the text of the existing DDA plan, and waiting on bond projections before beginning outreach to the members of the DACC. It is anticipated that probably will occur sometime in late February.

Ms. Jensen requested the approval to add the above-mentioned two additional qualified residents to the Development Area Citizens Council (DACC). A resolution was included in the Board material for consideration.

With there being no questions or discussion, the Board took the following action:

On a motion by Ms. Delley, seconded by Mr. Hollowell, Resolution Code DDA 17-01-123-49 was unanimously approved.

NEW BUSINESS

PUBLIC COMMENT

Mr. Blaszkiewicz called for public comment and stated that two minutes would be given.

Mr. John Lauve of Holly, Michigan stated the following:

"Opening day is coming. The 50,000 tickets that are the obligation of the lease that the Fox organization is in violation of should be addressed. They should come down here and talk to you, the responsible people that manage this operation, about why these 50,000 kids' tickets to low income families are not delivered. They owe us money for the tickets they cheated the kids out of. That money should be deposited. You should write them a letter. They are in violation of the lease. Not like, oh, it is a nice day, and we don't care about kids because we are busy with big things. That's their obligation and it reflects on the integrity of them, which of course is zero; but, it also reflects on your integrity. You talked about doing something about it and it needs to be done pretty quickly.

Moving on, we have a few leftover items for opening day. Here is the Ilitch project on Grand Circus Park. They got nice little banners here. They took \$1 million in 2009 and did nothing, so that's okay. Here is their operation behind Fox headquarters. Notice they have nice scaffolding here to catch the debris that falls off the building and they painted the

boarded up windows very nicely. This is what the close up of what the scaffolding looks like. It's a joke. And that is how they treat us.

We haven't had a hearing yet on even the sale of this Wayne State University which is part of the DDA Act. When you refinance this deal you are going to have to do something to try to give Gore money for his property. He has \$34 million and he wants to keep his house and have us buy him a new house.

Mr. Blaszkiewicz advised Mr. Lauve that his time was up and thanked him for his comments.

ADJOURNMENT

With there being no other business to be brought before the Board, Mr. Blaszkiewicz adjourned the meeting at 3:42 p.m.

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Phone: 313 963 2940
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CODE DDA 17-01-02-591

APPROVAL OF MINUTES OF JANUARY 11, 2017

RESOLVED, that the minutes of the Regular meeting of January 11, 2017 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 25, 2017

City of Detroit



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CODE DDA 17-01-03-467

RECEIPT OF TREASURER'S REPORT FOR DECEMBER 2016

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period ending December 31, 2016, as presented at this meeting, is hereby in all respects received by the Downtown Development Authority.

January 25, 2017



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CODE DDA 17-01-01-429

WHEREAS, the Chairman of the Board, being the Mayor of the City of Detroit, has expressed a commitment to transparency in decisions made by his administration, including but not limited to those public authorities under his oversight and/or appointment power; and

WHEREAS, in light of this commitment, Board members asked for a proposal of guidelines that the Board could consider that would ensure that the DDA's procedures and practices conform to similar transparency standards; and

WHEREAS, HB-5851, which was proposed but not adopted in the 2016 lame duck session of the Michigan legislature, proposed amendments to the DDA Act that would require increased public disclosure of DDA's activities, including but not limited to website publication of meeting minutes, budget, audits, and development plans (the "Disclosure Requirements"), an of which is attached here as **Exhibit A**; and

WHEREAS, staff proposes that the Disclosure Requirements are reasonable and good practice and that the DDA should endeavor to voluntarily comply with the Disclosure Requirements prior to the effectiveness of any legal requirement to do so; and

WHEREAS, staff also proposes website publication of all DDA meeting agendas as soon as practicable following the release of an agenda to the Board, but in any event within 5 business days after such release; and

WHEREAS, Article IV of the Rules of Procedure of the City of Detroit Downtown Development Authority (the "DDA") provides that by resolution adopted by the DDA's Board of Directors (the "Board"), the Board may appoint one or more committees to assist the Board in the discharge of its duties; and

WHEREAS, by resolution adopted the Board in February 1997 (DDA-97-02-01-230), the Board established certain committees; and

WHEREAS, in light of the limited power of the DDA's committees, such committees have not been subject to the Open Meetings Act (PA 267 of 1976, as amended) (the "OMA") since their establishment; and

WHEREAS, as an additional measure of promoting transparency, staff recommends that the Board adopt a practice whereby, except where permitted under Section 8 of OMA, any matters to be reviewed by a committee established by the DDA Board shall be reviewed at a meeting of such committee held in accordance with OMA, whether or not so required by OMA.

WHEREAS, the Board has reviewed the proposed disclosure and committee practices, has determined that they are in the best interest of the DDA and promote appropriate transparency standards for a public agency.

NOW, THEREFORE BE IT RESOLVED that DDA endeavor to voluntarily comply with the Disclosure Requirements prior to the effectiveness of any legal requirement to do so, substantial

compliance shall occur within the next six months, and in any event prior to the time period which would have been allowed had HB-5851 been adopted.

BE IT FURTHER RESOLVED, that all DDA meeting agendas shall be published via the DDA or DEGC website, as soon as practicable following the release of an agenda to the Board, but in any event within 5 business days after such release.

BE IT FURTHER RESOLVED, that effective immediately, except where permitted under Section 8 of OMA, any matters to be reviewed by a committee established by the DDA Board shall be reviewed at a meeting of such committee held in accordance with OMA, whether or not so required by OMA.

BE IT FURTHER RESOLVED that in the event that a matter which would normally be reviewed by a committee prior to consideration the Board is not able to be reviewed at a committee meeting because compliance with OMA was not practicable, it may, at the discretion of the chair of the Board or the chair of such committee, be considered by the Board without prior review by the committee.

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 Authorized Agents of the DDA, shall hereafter have the authority to take such further 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 25, 2017



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CODE DDA 17-01-123-47

CATALYST DEVELOPMENT PROJECT: APPROVAL OF PROFESSIONAL CONSULTANT SERVICES AGREEMENT FOR COMMUNITY NEEDS ASSESSMENT

WHEREAS, on December 13, 2013 the DDA Board authorized the execution of a Concession Management Agreement (“CMA”) between the DDA and Olympia Development of Michigan, LLC (“ODM”) setting forth terms and conditions pursuant to which the new home arena for the Detroit Red Wings (the “Events Center”) will be developed; and

WHEREAS, pursuant to the terms of the CMA the DDA has the responsibility to procure the professional consultant services to prepare and deliver a Community Needs Assessment for the Event Center Catalyst Area as set forth in the CMA; and

WHEREAS, DDA staff prepared a request for qualifications & proposals (RFQP), solicited proposals from five identified qualified firms, evaluated the submitted proposal, and has recommended the Board’s consideration and approval for the DDA to enter into Professional Consultant Services Agreement with JFM Consulting Group to prepare and deliver a Community Needs Assessment for the Event Center Catalyst Area as set forth in the CMA and RFQP; and

WHEREAS, the Board has determined, that the procurement and award of the Professional Services Agreement is consistent with the requirements of the CMA.

NOW THEREFORE BE IT RESOLVED that the DDA Board hereby approves and authorizes the DDA to enter into a Professional Services Agreement between DDA and JFM Consulting Group in the not to exceed amount of \$85,995.00 dollars to prepare and deliver a Community Needs Assessment for the Event Center Catalyst Area as set forth in the CMA and RFQP with the provision that the costs shall be paid using project funds.

BE IT FURTHER RESOLVED that the DDA 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 any documents or take any actions 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 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.

December 14, 2016 (Tabled)
January 25, 2017



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Detroit, Michigan 48226
Phone: 313 963 2940
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EVENTS CENTER PROJECT – APPROVAL OF SUBCONTRACT AWARDS TO:

- **Parsons Technologies, Bid Package #9-01 Arena, Piazza & Elevated Walkway Integrated Audio Video**
- **Jones Sign Company, Inc, Bid Package #7-01 Naming Rights Signage**

WHEREAS, pursuant to Article 4.1c of the Amended and Restated Concession and Management Agreement dated as of December 11, 2014 (as amended, the "CMA") by and between the City of Detroit Downtown Development Authority (the "DDA") and Olympia Development of Michigan Events Center, LLC ("ODM"), the DDA approved the Construction Contract (the "GMP Contract") between ODM and Barton Malow Hunt White joint venture, as the general contractor ("BMHW"); and

WHEREAS, the terms of the CMA entitle the DDA approve Subcontracts awarded by BMHW over \$500,000.00; and

WHEREAS, pursuant to Article 4.1d BMHW prepared bidding documents and solicited bids for the portions of the Event Center construction according to approved construction documents in conformance with the Minimum Requirements set forth in the CMA; and

WHEREAS, following post-bid reviews undertaken by the BMHW, ODM, its advisors, its project development manager and DDA staff, ODM has requested the DDA's approval to execute a change order to the GMP Contract incorporating the proposed subcontractor(s) and subcontract amounts identified in **Exhibit A** (the "Recommended Subcontracts"); and

WHEREAS, the DDA staff reviewed ODM's request with members of the 4.1(c) subcommittee and DDA staff and support the DDA Board's consideration and approval for ODM to execute a change order to the GMP Contract incorporating the Recommended Subcontracts; and

WHEREAS, the DDA Board of Directors has determined that approval of the Recommended Subcontracts is in the best interest of the Events Center Project.

NOW THEREFORE BE IT RESOLVED that the DDA Board hereby approves ODM's request to execute a change order(s) to the GMP Contract incorporating the proposed subcontractor(s) and subcontract amounts identified in **Exhibit A** (the "Recommended Subcontracts"), and

BE IT FURTHER RESOLVED that the DDA 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 any documents or take any actions necessary or appropriate to implement the provisions and intent of this resolution, and

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 25, 2017



REQUEST TO AMEND THE DEVELOPMENT AREA CITIZENS COUNCIL PURSUANT TO DDA ACT

WHEREAS, pursuant to Section 21 of the DDA Act, the DDA established the development area citizens council ("DACC") that shall act as an advisory body to the authority in the adoption of amendments to DDA Development Area No. 1; and

WHEREAS, DACC must consist of not less than nine members, each of whom is a resident of DDA Development Area No. 1 and at least 18 years of age; and

WHEREAS, DDA staff in collaboration with Detroit City Council and other stakeholders have identified two additional qualified residents to serve on the DACC who represent a diverse cross section of the population that resides with DDA Development Area No. 1; and

WHEREAS, the DDA Board has determined that the request is reasonable and in the best interests of the DDA.

NOW, THEREFORE, BE IT RESOLVED that the DDA Board hereby approves the appointment of the following individuals to serve as members of the 11-member Development Area Citizens Council (DACC):

Imani Day
Jaymaine Dickens

BE IT FURTHER RESOLVED that the DDA Board of Directors hereby authorizes any two of its Officers or any two of its Authorized Agents or any one Officer and any one Authorized Agent to negotiate and execute all documents, contracts and papers and 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 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 25, 2017

To: DDA (DAA)
25 Jan 11



John Lauve
200 N Saginaw St
Holly, MI 48442-1407

Subj: FOX HQ - Fitch
Violations

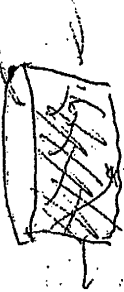
1) Tiger Lease ^{see 21.2}
Violation 50,000 LOW income kids

2) 48 W. Adams
Fix Eye Same 2009 - \$1M

3) No Hearings + Cover DK
PER PA 197
1) Dec 12, 2014 Area Lease
2) WSU site sale

4) Re finance plan ~~is to~~
violates the Original Bond
agreement. +

PALACE



KEEPS

\$34M Buildings

DUMPS

\$3/4M Property TAX

~~5/15/15~~
~~6/15/15~~
~~7/15/15~~

Competition

ARENA



SCORES

NO TAX ZONE

FREE ARENA
40 GAMES

SHARES Jobs
Parking - clean up

ZERO for #
city

NO Revenue

30

\$34M

TAXPAYERS

DDA

MAYOR "D"

City Council

MUST OK

DDA Re Finance Plan

Financial Review Committee

John LAUVE

17 Jan 2017

11/28/2016

PROPERTY #: 02-14-02-300-021
CLASS: 201
TAXABLE VAL: 16,464,120

PALACE

SCHOOL: 210
PRE/MBT %: 0.0000
SEV: \$ 16,773,480
MORTGAGE CODE: \$ 3,547,020

TAXPAYER: PISTONS PALACE HOLDINGS LLC
6 CHAMPIONSHIP DR
AUBURN HILLS MI 48326-1753

Market VALUE \$34M

PROP ADDRESS: 6 CHAMPIONSHIP DR

SUMMER TAX INFO

AD VALOREM TA 549,532.79
SP. ASSMENTS: 0.00
ADMIN. FEE: 5,438.95
INTEREST: 0.00
TOTAL: 554,971.74

TOTAL PAID 554,971.74
DATE PAID 09/10/2015
BALANCE DUE 0.00

WINTER TAX INFO

AD VALOREM TAX: 202,755.59
SP. ASSMENTS: 758.42
ADMIN FEE: 2,027.55
INTEREST: 0.00
TOTAL: 205,541.56

TOTAL PAID 205,541.56
DATE PAID 02/09/2016
BALANCE DUE 0.00

TOTAL BALANCE DUE 0.00

Property TAX Paid \$760,000 3/4 M

PROJECTS

Authorization to Enter into Memoranda of Understanding Relating to Catalyst Development Project

Mr. Duggan advised that the purpose of the Special meeting today is to discuss the prospect of the Pistons moving to Detroit. We are not looking for any final approvals today. Financial information will be before the Board the first part of next year. The purpose today is to get approval to enter into Memoranda of Understandings. Mr. Duggan introduced Mr. Turay to give a PowerPoint presentation and summary of the proposed development.

Mr. Duggan advised that half of the \$34.5 million will be generated from anticipated savings by refinancing the bonds at a lower interest rate. The rest will be paid for by extending the terms of the bonds by an additional three years.

Ms. Navin added that the DDA TIF plan will need to be amended to reflect additional bonded indebtedness, so that would be the refinancing plus the increase on the existing tax-exempt bonds, as well as the possibility of issuing the revenue bonds. In addition, as referenced, we expect that the Plan will need to be extended by three years in order to accommodate an extension of the maturity on the existing 2014 bonds, and we expect that we will also seek an additional five-year extension on top of that in order to continue to promote economic growth in the area surrounding the arena. In addition, finally, the Scope of the project with respect to the arena and the incorporation of the NBA Basketball requirements into the arena, that also will be updated. Those Plan amendments will be brought back to the DDA Board. They will then be submitted to City Council for approval, which will include engagement with the DDA with a Development Area Citizens Council, will include a public hearing. Twenty days after the public hearing, City Council will be asked to take a vote. In addition, the Michigan Strategic Fund will have to approve the Plan

+ 3 years

+ 5 years

8 years

John Lauve
200 N Saginaw St
Holly, MI 48442-1407



PUBLIC COMMENT

Mr. Duggan called for public comment. John Lauve, Steve Phillips, Woodards were given one minute each to speak.

Needs OK

City of Detroit



Downtown Development Authority