APPROVAL OF MINUTES OF JUNE 28, 2017

RESOLVED, that the minutes of the Regular meeting of June 28, 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.

July 26, 2017
Downtown Development Authority
BOARD OF DIRECTORS SPECIAL MEETING
WEDNESDAY, JUNE 28, 2017 – 2:30 P.M.

BOARD MEMBERS PRESENT:
Austin Black
David Blaszkiewicz
Ehrlich Crain
Melvin Hollowell
Richard Hosey
James Jenkins
Thomas Lewand (Mayor’s Representative)
David Massaron
John Naglick
Steve Ogden

BOARD MEMBERS ABSENT:
Marvin Beatty
Charles Beckham
Sonya Delley

OTHERS PRESENT:
Bowden Brown (Dykema)
Awante Cobinna (PSE)
James Fidler (DDP)
Rich Haddad (PSE)
Gay Hilger (DEGC/DDA)
Denise Hundley (DEGC/DDA)
Malinda Jensen (DEGC/DDA)
Jennifer Kanalos (DEGC/DDA)
Steve Kantor (Hilltop Securities)
John Lauve (Public)
Denise Lewis (Honigman)
Glen Long (DEGC/DDA)
Rebecca Navin (DEGC/DDA)
Sarah Pavelko (DEGC/DDA)
Mary Riegle (DDP)
Bob Rossbach (MCCI)
MINUTES OF THE DOWNTOWN DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS SPECIAL MEETING
WEDNESDAY, JUNE 28, 2017
DETROIT ECONOMIC GROWTH CORPORATION
500 GRISWOLD STREET, SUITE 2200 - 2:30 P.M.

GENERAL

Call to Order

Noting that a quorum was present, Mr. Lewand, the Mayor’s Representative and Acting Chair, called the Special meeting of the Downtown Development Authority Board of Directors to order at 2:30 p.m.

Approval of Minutes

Mr. Lewand questioned whether there were any additions, deletions or corrections to the minutes of the May 24, 2017 Special Board meeting. Hearing none, the Board took the following action:

On a motion by Mr. Crain, seconded by Mr. Massaron, Resolution Code DDA 17-06-02-597 was unanimously approved.

Receipt of Treasurer’s Reports

Mr. Naglick reviewed the Treasurer’s Report of Receipts and Disbursements for the month of May, 2017 for the benefit of the Board.

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

On a motion by Mr. Ogden, seconded by Mr. Massaron, Resolution Code DDA 17-06-03-472 was unanimously approved.

PROJECTS

Additional Catalyst Development Project Improvements -- Bond Authorizing Resolution

Mr. Long turned the presentation of this transaction over to Ms. Navin. Ms. Navin advised that on November 22, 2016, pursuant to Resolution DDA 16-11-123-43, the Board of Directors of the City of Detroit Downtown Development Authority (the “DDA”) (the “Board”), approved the execution of a Memorandum of Understanding (the “MOU”) between the DDA and Palace Sports & Entertainment, LLC (“PS&E”) relating to the terms upon which the DDA will, among other matters, assist in the financing and development of (a) additional improvements to the Events Center Project, now named Little Caesars Arena (“LCA”), which is currently under construction, to
accommodate the basketball, operational and facility requirements of the Detroit Pistons Basketball Company, in connection with the relocation of its home venue for professional basketball games and related operations from the Palace of Auburn Hills to the LCA commencing with the fall 2017 NBA season, (b) other eligible costs of construction of the "catalyst development project" undertaken by the DDA, of which the LCA is a part, and (c) other related public facilities, public infrastructure and public spaces in the DDA’s Development Area No. 1 (collectively, the “Additional Catalyst Development Project Improvements”).

The financing and development of the Additional Catalyst Development Project Improvements required certain amendments to the DDA Tax Increment Financing and Development Plan for Development Area No. 1 (the “DDA Plan”), including an extension of the term of the Development Plan and authorization of an increase in the tax increment bond indebtedness of the Authority (the “Plan Amendments”), which were approved by resolution of the Board on April 19, 2017, by the Michigan Strategic Fund (pursuant to the requirements of Act 197) on May 23, 2017, and by ordinance of the City Council on June 20, 2017.

DDA staff and the DDA’s financial and legal advisors engaged in discussions with potential bond purchasers to structure a plan of financing consistent with its issuance and sale of $250 million of tax increment revenue bonds in 2014 to finance a portion of the costs of the LCA and as contemplated by the MOU and the Plan Amendments. On February 22, 2017, pursuant to Resolution DDA 17-02-123-51, the Board approved the selection of Bank of America Merrill Lynch as the underwriter for the additional bonds.

It is proposed that the DDA issue tax increment revenue bonds in a principal amount not exceeding $36,000,000 to fund or reimburse $34,500,000 of the costs of the Additional Catalyst Development Project Improvements, and to finance the costs of issuance of such bonds and the DDA’s related expenses and costs (the “Series 2017 Bonds”), pursuant to the Resolution being proposed for Board approval and a Trust Indenture to be entered into between the DDA and U.S. Bank National Association, as Trustee (the “Trust Indenture”).

Significant terms of the Series 2017 Bonds are summarized below.

**Series 2017 Bonds**

**Issuer:**
- DDA will issue to its Subordinate Tax Increment Revenue Bonds, Series 2017 (Development Area No. 1 Projects)

**Principal Amount:** $36,000,000 maximum principal amount (sold at the par amount thereof)

**Use of Bond Proceeds:**
- Funding $34,500,000 of Additional Catalyst Development Project Improvements
- Payment of certain expenses incurred in connection with the issuance of the Series 2017 Bonds, including DDA’s related expenses and costs

**Term:**
- Final maturity date of July 1, 2047, with an initial mandatory tender date on January 1, 2019 (the “Initial Term Rate Period”). Principal to be paid based on an annual mandatory sinking fund redemption schedule, anticipated to commence in 2019.
- On the mandatory tender date, the Series 2017 Bonds will be subject to mandatory tender for purchase by the DDA at a purchase price of 100% of the principal amount of the Series 2017 Bonds plus accrued interest, and will be remarketed and sold to new investors at then prevailing market interest rates based on the credit strength of the tax increment revenues pledged by the DDA.
Interest Rate:

- For the Initial Term Rate Period, a fixed rate currently estimated to be approximately 3.50% per annum for the period through 12/31/17, and approximately 4.50% per annum for the period from 1/1/18 through 12/31/18.
- Following the Initial Term Rate Period, prevailing market rates determined as of the time of remarketing, or, if the Series 2017 Bonds cannot be successfully remarketed on the mandatory tender date, a default interest rate equal to the greater of (i) Prime Rate plus 6% or (ii) 10%.

Repayment Sources:

- General Tax Increment Revenues. DDA’s tax increment revenues specifically described under Section 1(cc)(i) of Act 197 (e.g., non-school tax increment revenue in the development area), excluding such revenues to the extent levied and collected on the real and personal property comprising the LCA and excluding other tax increment revenues shared with taxing jurisdictions pursuant to sharing agreements or other arrangements (the “General Tax Increment Revenues”),
- Catalyst Project Revenues. DDA’s tax increment revenues specifically described under Section 1(cc)(vi) of Act 197 (e.g., school tax increment revenue in the development area), excluding (i) Future Brownfield Tax Increment Captures (as defined below) (the “Catalyst Project Revenues” and collectively with the General Tax Increment Revenues, the “Tax Increment Revenues”) “Future Brownfield Tax Increment Captures” means the captures of tax increment revenues that would otherwise be Catalyst Project Revenues and which are generated by future brownfield redevelopment projects in Detroit DDA Development Area No. 1, subject to various statutory criteria and governmental approvals and created pursuant to Act 381 of 1996, as amended.

Security:

- The Series 2017 Bonds will be secured by a pledge by the DDA of, and statutory liens on: (i) the General Tax Increment Revenues, subordinate to the liens on such revenues securing the DDA’s Tax Increment Bonds (Development Area No. 1 Projects), Series 1996C; Tax Increment Refunding Bonds (Development Area No. 1 Projects), Series 1998A, and Tax Increment Bonds (Development Area No. 1 Projects), Series 1998B (Taxable) (collectively, the “Series 1996/1998 Senior Bonds”), and further subordinate to the lien on such revenues securing the DDA’s $250 million Tax Increment Revenue Bond (Development Area No. 1 Projects), Series 2014A (the “Series 2014A Senior Bonds”) and (ii) the Catalyst Project Revenues, subordinate to the lien on such revenues securing the Series 2014A Senior Bonds.

Flow of Funds:

- As long as the Series 1996/1998 Senior Bonds and the Series 2014A Senior Bonds are outstanding, General Tax Increment Revenues will first be sent: by the tax collecting units directly to the bond trustee for the Series 1996/1998 Senior Bonds to meet debt service, reserve replenishment, and fee requirements of the Series 1996/1998 Senior Bonds, will second be transferred to the bond trustee for the Series 2014A Bonds to fund the amount of debt service payable from scheduled amounts of General Tax Increment Revenues, additional amounts to meet debt service to the extent of deficiencies in Catalyst Project Revenues, reserve replenishment, and fee requirements of the Series 2014A Bonds, and will third be sent to the bond trustee for the Series 2017 Bonds.
- Catalyst Project Revenues will first be sent by the tax collecting units directly to the bond trustee for the Series 2014A Bonds to meet debt service not covered by scheduled amounts of General Tax Increment Revenues, reserve replenishment, and fee requirements of the Series 2014A Bonds, and will second be sent to the bond trustee for the Series 2017 Bonds.
• The Series 2017 Bonds bond trustee will first apply Catalyst Project Revenues to the extent available to meet debt service and fee requirements of the Series 2014A Bonds, and then apply General Tax Increment Revenues to the extent necessary.
• General Tax Increment Revenues and Catalyst Project Revenues after satisfaction of the Series 2017 Bonds debt service and fee requirements will annually be disbursed to the DDA.

Method of Sale - Private Placement:
• Bank of America, N.A. or an affiliate (the “Purchaser”) has proposed to directly purchase, for its own investment account, the entire principal amount of the Series 2017 Bonds, pursuant to the terms of a Bond Purchase Agreement to be executed by the Purchaser and the DDA (the “Bond Purchase Agreement”).
• The DDA will execute a continuing disclosure agreement (the “Continuing Disclosure Agreement”) pursuant to which the DDA will agree to certain ongoing disclosures consistent with its prior continuing disclosure undertakings for prior issues.

Other Material Information:

The Series 2017 Bonds are being issued to meet the immediate need to fund the Additional Catalyst Development Project Improvements pursuant to the MOU. It is intended that both the Series 2014A Bonds and the Series 2017 Bonds will be refinanced in full through the issuance of one series of DDA refunding bonds prior to the January 1, 2019 mandatory tender date applicable to both the Series 2014A Bonds and the Series 2017 Bonds.

Relevant Documentation:

A resolution is attached for the Board’s consideration, together with the forms of the following documents referenced in this Memorandum and the resolution:

• Trust Indenture
• Bond Purchase Agreement
• Continuing Disclosure Agreement

Mr. Naglick advised that there was a good open meeting of the Finance Committee yesterday and the members went through this transaction in detail and recommend approval to the Board.

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

Mr. Hollowell made a motion to approve, which was seconded by Mr. Blaszkiewicz. A roll call vote was taken and all members present, with the exception of Mr. Jenkins who abstained from voting, voted in favor of approval and Resolution Code DDA 17-06-71-19 was approved.

Catalyst Development Project: Amendment to CMA Relating to Pistons Relocation to Events Center

Ms. Navin advised that on November 22, 2016, pursuant to Resolution DDA 16-11-123-43, the Board of Directors of the City of Detroit Downtown Development Authority (the “DDA”) (the “Board”), approved the execution of a Memorandum of Understanding between the DDA and Palace Sports & Entertainment LLC (“PS&E”) (the “MOU”), relating to modifications to the DDA’s “Catalyst Development Project” as defined in Act No. 197 of Public Acts of 1975, as amended, in order to accommodate the relocation of the home venue for the Detroit Pistons (the “Pistons”) from the Palace of Auburn Hills to the Events Center, now known as Little Caesars Arena (the “LCA”).
The MOU contemplates, among other things, that the Pistons will join the Amended and Restated Concession and Management Agreement relating to the LCA (the “CMA”) in order to commit to certain undertakings by the Pistons for the benefit of the DDA consistent with certain undertakings made by the concessionaire or the Detroit Red Wings and that the CMA will otherwise be amended in order to permit the transactions contemplated by the MOU.

Staff requested DDA Board approval of an amendment to the CMA on the below terms (the “CMA Amendment Terms”):

- The additional improvements to the LCA to accommodate Pistons’ basketball, operations and facility requirements (the “Pistons EC Improvements”) are approved and incorporated into the definition of the Events Center Project under the CMA.
- The definition of “Costs of the Events Center Project” shall include cost of the Pistons EC Improvements, as set forth in the MOU.
- The DDA agrees to issue the Series 2017 DDA Bonds, of which $34.5 Million in proceeds shall be used by pay or reimburse the costs of the Pistons EC Improvements.
- Pistons shall maintain insurance in a manner consistent with the requirements of the Red Wings under the CMA.
- Pistons shall agree to indemnify and defend the DDA in the same manner as the Red Wings under the CMA.
- Detroit Pistons Basketball Company will be a party to the CMA with respect to the relevant sections of the CMA applicable to the Pistons.
- DDA acknowledges the Pistons as a sub-concessionaire under the CMA and agrees to certain standard non-disturbance provisions.

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

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

On a motion by Mr. Blaszkiewicz, seconded by Mr. Massaron, Resolution Code DDA 17-06-123-53 was approved, with Mr. Jenkins abstaining.

**Paradise Valley: Amendment to the Term Sheet for 1435 Randolph and 1455 Centre**

Ms. Pavelko reported that the City of Detroit Downtown Development Authority (the “DDA”) approved the award of a development agreement for 1435 Randolph and 1455 Centre to Randolph Centre 2020, LLC (the “Developer”) following a Request for Proposals issued by DDA staff. Based on due diligence activities conducted after approval of the term sheet, the Developer requested a reduction in the purchase price and a 3-year grace period to provide first floor retail in the new construction proposed for 1455 Centre. In the interim, the Developer has requested to allow parking on the ground level of the new construction.

On June 13, 2017, DDA staff presented the request to reduce the purchase price to the DDA Finance Committee for their review. The Committee reviewed the project and discussed the market conditions that necessitated the reduction, including the historic renovation costs and cost to construct an addition on narrow parcel. The Finance Committee approved the reduction and referred the request to the Board.

DDA staff is recommending a $350,000 reduction in the purchase price to $1,781,000 for 1435 Randolph and 3 years from the completion of construction to provide first floor retail at 1455 Centre. After the 3 years, DDA staff recommends an annual fee be assessed of $100,000 to incentivize the development of retail space. The price for 1455 Centre will remain at $220,000.

DDA staff is seeking the Board’s approval to amend the terms of the development agreement previously approved by the DDA Board to reflect the changed terms above.
The DDA Finance Committee has met and discussed this transaction and recommends approval to the Board.

A draft resolution was included for the Board’s consideration.

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

On a motion by Mr. Blaszkiewicz, seconded by Mr. Massaron, Resolution Code DDA 17-06-110-41 was unanimously approved.

**SBLT Loan Program (Seldom Blues): Authorization of Settlement of Pending Litigation—Settlement of Debt Owed by Robert Porcher**

Ms. Hundley explained that in May 2004, the Downtown Development Authority ("DDA") approved a Loan (the "loan") to Seldom Blues, LLC to assist with the development of a restaurant in the Winter Garden area of the Renaissance Center, Detroit, Michigan.

The loan was for $400,000.00 for seven years at 4% interest. The terms were interest only payments for 12 months; thereafter 6 years of principal and interest payments. The security for the loan was an all asset UCC filing and the Personal Guarantees of Frank & Carolyn Taylor, Robert & Kimberly Porcher, John & Iris Graves & Alexander Zonjic & Lorraine Steele.

The Borrower remitted interest only payments as required but could not remit principal and interest payments when they became due. The borrower requested to continue to remit interest only payments for a period. The borrower although always late, remitted some interest and sporadic principal payments until 2009.

The restaurant opened in 2004, however sales expectations were never realized. The Borrower early on failed in remitting timely payments and the required loan documentation. DDA staff vigorously pursued the borrower for payments and loan documentation. The borrower was only somewhat responsive. In 2009, the restaurant closed.

In 2010 DDA retained the services of Kotz Sangster Wysocki for collection purposes. Kotz Sangster Wysocki filed suit against the Guarantors. Frank Taylor filed for Chapter 7 Bankruptcy and his debt was discharged. DDA through negotiated settlements have received $22,500 from Carolyn Clifford (Taylor), $36,000.00 from Alexander Zonjic & Lorraine Steele, $36,000.00 from John & Iris Graves and $65,200.00 from Kimberly Porcher. Staff has vigorously continued to pursue the last remaining Guarantor, Robert Porcher.

In 2012, Wayne County Circuit Court granted summary disposition in favor of the DDA and awarded damages. Thereafter, Robert Porcher appealed to the Michigan Court of Appeals, which dismissed upon the DDA Motion for dismissal. Robert Porcher relocated to Florida and Kotz Sangster Wysocki with DDA’s concurrence engaged a Florida firm (Broad & Cassell) to represent DDA in further collection efforts.

The Judgement filed against Robert Porcher was domesticated in Florida. Broad & Cassell provided timely updates in the matter and has informed DDA that Robert Porcher has additional judgment creditors that have recently surfaced. He has made previous lower settlement offers, the latest settlement offer is for $100,000.00. Robert Porcher’s attorney has advised the impact of recent creditors seeking judgement should not impact the DDA’s settlement offer. The details of the offer involve remitting a down payment of $35,000.00 with the remaining payment of $65,000.00 to be disbursed over 23 months. In the event of a default, the judgement is fully enforceable less payments that are actually made.
In consideration of the ongoing vigorous collection efforts and Robert Porcher’s financial situation, staff recommends the acceptance of the settlement offer of $100,000.00 from Robert Porcher. The loan balance is $150,099.82. The remaining balance of $50,099.82 will be written off. The loan is 100% reserved.

Mr. Naglick advised that the Finance Committee met and discussed the proposed settlement and recommends approval to the Board. Mr. Hollowell added that the Committee felt that the $35,000 good faith down payment at the time of closing was adequate as it relates to the $100,000 repayment and that did pursue all remedies available in a very vigorous fashion.

A resolution was included for the Board’s consideration.

Subsequent to the discussion the Board took the following action:

On a motion by Mr. Crain, seconded by Mr. Naglick, Resolution Code DDA 17-06-74-70 was unanimously approved.

ADMINISTRATION

Spirit of Detroit Plaza Pilot Project Support

Ms. Jensen advised that the Downtown Detroit Partnership and the City of Detroit are leveraging the creative suggestions from Bloomberg Associates to create the Spirit of Detroit pilot project that connects the core Downtown to Hart Plaza and the riverfront. This project will close Woodward Avenue from Larned Street to Jefferson Avenue to vehicular traffic and activate 18,000 sq. feet of space from June 12, 2017 to August 31, 2017. The project’s primary goals are to test the viability of a permanent civic space and to help craft a long-term vision for the public space and mobility across the city.

Scheduled performances are planned three days a week (Mondays, Wednesdays and Fridays) from 12PM – 2PM. This summer long series will feature family-friendly performances from neighborhood based community arts organizations, with a goal of attracting residents and visitors from across Detroit to the city’s new Spirit of Detroit Plaza. By spotlighting neighborhood based community groups, the series will embrace and reinforce the fact that Detroit’s vitality and cultural life extends well beyond its popular downtown.

The Downtown Detroit Partnership has requested $50,000 to implement the public space pilot project. The total cost of the three-month project is $300,000, which supports work with the Groundswell Design Group to refine and maximize the initial design, neighborhood and cultural programming, maintenance, security and amenities.

Other funding for this project is provided from a combination of public and private sources including the City of Detroit, Knight Foundation, MDOT, Quicken Loans and the William Davidson Foundation.

The DDA staff is recommending that the DDA Board support the Spirit of Detroit Plaza Pilot Project by providing $50,000 toward the total operating cost of the three-month project. This contribution is consistent with the DDA’s support of other projects that the DDA has historically funded.

Ms. Jensen advised that there are representatives of Downtown Detroit Partnership that are prepared to give a presentation if requested by the Board.

The Board was fine with Ms. Jensen’s presentation. Mr. Crain noted that in the future, it was nice if the request would come before the implementation. Mr. Lewand agreed but added that this project went incredibly fast and time did not permit in this case.
Subsequent to the discussion, the Board took the following action:

On a motion by Mr. Blaszkiewicz, seconded by Mr. Naglick, Resolution Code DDA 17-06-01-434 was unanimously approved.

**Amended DDA Budget for FY 2017-2018**

Ms. Kanalos advised that pursuant to Article 28, Act 197, as amended, staff has prepared the attached amended FY 2017-2018 Downtown Development Authority’s General Fund Budget for review prior to its submission to the City Council for its approval.

A resolution was included with the Board material for the Board’s review and authorization of the DDA staff to submit the Amended DDA budget for FY 2017-2018 to City Council for its approval, in accordance with Section 28(1) of Act 197, Public Acts of Michigan, as amended, prior to its adoption by the DDA Board.

The Finance Committee met on June 13 and discussed the proposed budget and recommends approval to the Board.

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

On a motion by Mr. Ogden, seconded by Mr. Naglick, Resolution Code DDA 17-06-18-65 was unanimously approved.

**Renewal of DDA/DEGC Agreement for 2017-2018**

Ms. Kanalos advised that the present term of the contract dated July 1, 2016 (the “Contract”) between the Downtown Development Authority (the “DDA”) and the Detroit Economic Growth Corporation (the “DEGC”) will expire June 30, 2017.

Article II of the Contract provides that the Contract may be renewed and extended for additional twelve (12) month periods upon delivery of a written notice by DDA to the DEGC on or before the ninetieth (90th) day prior to the end of the Contract term, provided such renewal is accepted by DEGC prior to the end of such term.

On April 3, 2017, the DDA staff submitted a letter to DEGC offering DDA’s intent to extend the Contract an additional twelve (12) month period commencing July 1, 2017. Such offer was accepted by DEGC April 17, 2017.

A resolution was enclosed with the Board material for consideration authorizing execution of the DDA/DEGC Contract in an amount not to exceed One Million, Nine Hundred Thousand and 00/100 ($1,900,000.00) Dollars, to expire June 30, 2018.

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

On a motion by Mr. Hollowell, seconded by Mr. Crain, Resolution Code DDA 17-06-01-434 was unanimously approved.

**Schedule of Regular DDA Meetings for Fy 2017-18**

Ms. Kanalos reported that included in the material for the Board’s review and approval is a resolution adopting a schedule indicating dates of the DDA Board’s regular meetings for the fiscal year 2017-18.
Unless otherwise posted, such meetings will be held on the **second and fourth Wednesday of each month at 3:00 P.M.** in the offices of the DEGC, 500 Griswold Street, Suite 2200, Conference Room A, as follows:

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<th>2017</th>
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<tr>
<td>July 12, 2017</td>
<td>January 10, 2018</td>
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<td>July 26, 2017</td>
<td>January 24, 2018</td>
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<td>August 9, 2017</td>
<td>February 14, 2018</td>
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<td>August 23, 2017</td>
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<td>September 13, 2017</td>
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<td>September 27, 2017</td>
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<td>December 13, 2017</td>
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<td>December 20, 2017*</td>
<td>June 27, 2018</td>
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*Due to the Holiday, this meeting date varies from the regular schedule.

With there being no objection to the proposed schedule, the Board took the following action:

On a motion by Mr. Hollowell, seconded by Mr. Ogden, Resolution Code DDA 17-06-01-435 was unanimously approved.

**Robert Davis et al. v. Detroit Downtown Development Authority et al. – Engagement of Counsel**

Ms. Navin stated that as the Board is aware, the City of Detroit Downtown Development Authority ("DDA") and Michael Duggan and Thomas Lewand, in their official capacities as DDA chair and DDA stand-in chair, among others, have been sued in Federal Court by Robert Davis and D. Etta Wilcoxen on several counts relating to the capture by the DDA of the 18 mill school operating millage. The firms of Kotz Sangster Wysocki P.C. and Fink + Associates Law (the "Firms") have acted as counsel in the litigation to the above-defendants pursuant to DDA Code 13-06-01-399 and the City of Detroit Brownfield Redevelopment Authority.

A resolution approving the engagement of the Firms was included in the material for the Board’s consideration.

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

On a motion by Mr. Hollowell, seconded by Mr. Naglick, Resolution Code DDA 17-06-01-436 was unanimously approved.

**OTHER MATTERS**

**PUBLIC COMMENT**

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

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

I just wanted to say my Supreme Court case is still before the Supreme Court of Michigan where they violated the Constitution where they had insufficient votes of the two-thirds required to authorize this $200 million expenditure originally. So it is in the process. I have
a copy here of the presentation that I made to the Financial Review Commission that states that this contract has to be reviewed by the Financial Review Commission, as all contracts are, and it hasn’t been presented. So this is underway. They also would like to get a copy of the Annual Report which should be published in a newspaper here, that is required by State law.

The problem too is this whole project gives zero dollars to the City. On top of that, the taxpayers have to pay for repair for them. Here is what Ilitch’s development plan was. He was going to tear down these buildings right here across from the hockey rink. His idea of developing the area is to turn it into a parking lot. This was stopped by the Council.

Here is some unfinished business. This is Ilitch’s property on Grand Circus Park. The DDA gave a million and a half dollars on this one, but we can’t get that fixed, we’re going to build a new hockey rink and we’re going to throw in the Pistons. This is unfinished business and it is an embarrassment to have you give away more money to Ilitch and the gang when they have this unfinished project.

Oh, here is another one right behind where they are building the new pizza headquarters that they are getting money for. He promised to fix these up when they did the Tiger land. He said well I’m going to work on those when you get me the arena. And it is untouched except the scaffolding that he painted to collect the debris. That’s how Ilitch works the game.

The last point is the violation of the Tiger Lease that requires 50,000 children of poor families get tickets that you don’t do anything about."

Mr. Lewand 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. Lewand adjourned the meeting at 3:06 p.m.
APPROVAL OF MINUTES OF MAY 24, 2017

RESOLVED, that the minutes of the Special meeting of May 24, 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.

June 28, 2017
RECEIPT OF TREASURER'S REPORT FOR MAY 2017

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period ending May 31, 2017, as presented at this meeting, is hereby in all respects received by the Downtown Development Authority.

June 28, 2017
CITY OF DETROIT DOWNTOWN DEVELOPMENT AUTHORITY

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF
SUBORDINATE TAX INCREMENT REVENUE BONDS, SERIES 2017
(DEVELOPMENT AREA NO. 1 PROJECTS)

At a regular meeting of the Board of the City of Detroit Downtown Development Authority
(the "Authority"), County of Wayne, State of Michigan, held at the offices of the Detroit Economic
Growth Corporation, 500 Griswold Street, Suite 2200, Detroit, Michigan, on Wednesday, June 28,
2017, at 3:00 p.m., Michigan time, there were

Present: __________________________________________

Absent: __________________________________________

The following preamble and resolution were offered by _________ and seconded by
__________:

Recitals

WHEREAS, pursuant to Act No. 197, Michigan Public Acts of 1975, as amended ("Act
197"), and the Authority's Restated Tax Increment Financing Plan and Development Plan (as
amended from time to time, the "Development Plan"), the Authority has undertaken the financing
and development of a "catalyst development project" (as defined in Act 197), consisting of the
acquisition, construction, installation, furnishing and equipping of a new multipurpose events
center comprised of approximately 650,000 square feet, approximately 18,000 seats, attached
parking and ground floor retail to serve as the home arena of the Detroit Red Wings National
Hockey League franchise and as a year-round venue for a wide range of sports and entertainment
events (the "Events Center Project"), and the development or redevelopment of vacant and/or
underutilized properties within the area adjacent to or near the Events Center Project (collectively,
with the Events Center Project, the "Catalyst Development Project"); and,

WHEREAS, on December 11, 2014, the Michigan Strategic Fund (the "MSF") issued its
Limited Obligation Revenue Bonds, Series 2014A (Events Center Project) (the "Series 2014A
MSF Bonds") for the benefit of the Authority, in the aggregate principal amount of $250,000,000,
pursuant to a Trust Indenture, dated as of December 1, 2014 (the "Series 2014A MSF Indenture")
between the MSF and U.S. Bank National Association, as Trustee (the "Series 2014A MSF Bond
Trustee"), the proceeds of which were loaned to the Authority pursuant to a Loan Agreement,
dated as of December 1, 2014 (the "Series 2014A MSF Loan Agreement") between the MSF and
the Authority, to (a) finance a portion of the costs of the Events Center Project, (b) fund a debt
service reserve fund for the Series 2014A MSF Bonds, (c) pay capitalized interest on the Series
2014A MSF Bonds, and (d) pay certain expenses incurred in connection with the issuance of the
Series 2014A DDA Bond (as defined below) and the Series 2014A MSF Bonds, all as permitted under Act 270, Public Acts of Michigan, 1984, as amended (the “MSF Act”); and,

WHEREAS, in order to secure its loan repayment obligations under the Series 2014A MSF Loan Agreement, the Authority issued to the MSF its Tax Increment Revenue Bond (Development Area No. 1 Projects), Series 2014A (the “Series 2014A DDA Bond”), pursuant to Act 197 and bond authorizing resolutions of the Authority, in the principal amount of $250,000,000; and,

WHEREAS, the Series 2014A DDA Bond is secured by a pledge of the Authority’s (a) Catalyst Project Revenues and (b) Net General Tax Increment Revenues, each as defined herein; and,

WHEREAS, the Series 2014A DDA Bond was issued as a special, limited obligation of the Authority, payable solely from the Series 2014A Pledged Tax Increment Revenues, without recourse to any other revenues of the Authority or to any other properties or assets, now owned or hereafter acquired, tangible or intangible, of the Authority; and,

WHEREAS, the Authority has entered into a Memorandum of Understanding, dated December 1, 2016 (“MOU”), with Palace Sports & Entertainment, LLC, a Delaware limited liability company, with respect to the terms upon which the Authority will, among other matters, assist in the financing and development of (a) additional improvements to the Events Center Project (now named Little Caesars Arena), which is currently under construction, to accommodate the basketball, operational and facility requirements of the Detroit Pistons Basketball Company, in connection with the relocation of its home venue for professional basketball games and related operations from the Palace of Auburn Hills to the Events Center Project commencing with the fall 2017 NBA season, (b) other eligible costs of construction of the Catalyst Development Project, and (c) other public facilities, public infrastructure and public spaces in the DDA’s Development Area No. 1 relating to the foregoing, as further set forth in the Concession Agreement, as defined herein (collectively, the “Additional Catalyst Development Project Improvements”); and,

WHEREAS, it is proposed that the Authority issue additional tax increment revenue bonds pursuant to Section 16(2) of Act 197, on a basis subordinate to the Senior Authority Obligations and the Series 2014A DDA Bond, in an aggregate principal amount sufficient to enable the Authority to fund or reimburse $34,500,000 of the Additional Catalyst Development Project Improvements, as contemplated by the MOU, and to finance the costs of issuance of such bonds and the Authority’s expenses and costs, direct or indirect, related to the Events Center Project and the Additional Catalyst Development Project Improvements and allocable to capital account (the “Series 2017 DDA Bonds”) pursuant to this Resolution and a Trust Indenture (the “Series 2017 DDA Indenture”) between the Authority and U.S. Bank National Association, as Trustee (the “Series 2017 DDA Bond Trustee”); and,

WHEREAS, the development of the Additional Catalyst Development Project Improvements and issuance of the Series 2017 DDA Bonds has required certain amendments to the Development Plan, including, not by way of limitation, an extension of the term of the Development Plan and authorization of an increase in the tax increment bond indebtedness of the Authority corresponding to the maximum principal amount of the Series 2017 DDA Bonds authorized hereunder, including any amounts needed to refund the Series 2014A MSF Bonds and
the Series 2017A DDA Bonds (the "Plan Amendments"), which were approved by resolution of the Board on April 19, 2017, and by the MSF, pursuant to the requirements of Section 19(3) of Act 197, on May 23, 2017; and,

WHEREAS, the City Council approved the Plan Amendments by ordinance on June 20, 2017, pursuant to the notice, public hearing and other requirements of Act 197; and,

WHEREAS, Bank of America, N.A. (the "Initial Purchaser") has submitted to the Authority its proposal to directly purchase the Series 2017 DDA Bonds for its own account, or for the account of an affiliate, subject to certain terms and conditions, in a principal amount not exceeding $36,000,000, and has submitted a form of Bond Purchase Agreement to be entered into between the Authority and the Initial Purchaser (the "Bond Purchase Agreement") and a form of Continuing Disclosure Agreement to be executed by the Authority (the "Continuing Disclosure Agreement"); and,

WHEREAS, it is proposed that the Series 2017 DDA Bonds be issued as subordinate lien bonds, as permitted under Section 8.06 of the Master Resolution and Section 5.13(b) of the Series 2014A MSF Loan Agreement, secured by the Authority’s pledge of (i) the Series 2017 General Tax Increment Revenues, as defined herein, and (ii) the Series 2017 Catalyst Project Revenues, as defined herein (collectively, the "Series 2017 Pledged Tax Increment Revenues"); and,

WHEREAS, it is proposed that the Series 2017 DDA Bonds will bear interest from their date of issuance until the Initial Mandatory Tender Date, as defined in the Series 2017 DDA Indenture (being a date not later than January 1, 2019, unless extended as provided in the Series 2017 DDA Indenture) at a fixed rate not exceeding 4.50% per annum (without taking into account any default rate), such fixed rate to be increased effective as of January 1, 2018 to a rate not to exceed 6.00% (without taking into account any default rate) in the event the Series 2017 DDA Bonds are not refunded or remarketed prior to December 31, 2017, and shall be subject to mandatory tender on such Initial Mandatory Tender Date for purchase by the Authority; and,

WHEREAS, upon the Initial Mandatory Tender Date, the Series 2017 DDA Bonds shall be remarketed by a remarketing agent to be designated by the Authority pursuant to the terms of the Series 2017 DDA Indenture (the "Remarketing Agent"), pursuant to a Remarketing Agreement to be entered into at such time between the Authority and the Remarketing Agent, and the Authority may further elect at such time, to convert the interest rate, interest rate period and interest payment date schedule for the Series 2017 DDA Bonds to an alternate interest rate, interest rate period and interest payment date schedule to the extent provided in the Series 2017 DDA Indenture; and,

WHEREAS, substantially final forms of the Series 2017 DDA Indenture, the Continuing Disclosure Agreement and the Bond Purchase Agreement (collectively, with the form of the Series 2017 DDA Bonds attached to the Series 2017 DDA Indenture, the "Series 2017 DDA Bond Financing Documents") have been presented to the Board for approval; and,

WHEREAS, it is necessary and appropriate for the Board to approve the financing arrangements for the Additional Catalyst Development Project Improvements represented by the
Series 2017 DDA Bond Financing Documents, and to authorize the execution of the Series 2017 DDA Bond Financing Documents by the appropriate officers of the Authority; and,

WHEREAS, it is deemed to be in the best interests of the Authority and its present intention to issue tax increment refunding bonds prior to the Initial Mandatory Tender Date to refund all of the indebtedness represented by both the Series 2014A DDA Bond (and corresponding Series 2014A MSF Bonds) and the Series 2017 DDA Bonds.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority as follows:

ARTICLE I
DEFINITIONS

Section 1.01 Definitions.

Terms not defined in the foregoing Recitals or otherwise herein shall have the meanings specified in the Series 2017 DDA Indenture. In addition to the terms defined above, the following are defined terms under this Resolution and shall for all purposes hereof have the meaning herein specified unless the context clearly otherwise requires:

(a) "Authorized Agents" means those individual staff members of the Detroit Economic Growth Corporation designated in writing by the President of the Detroit Economic Growth Corporation, pursuant to the Professional Services Contract, dated July 1, 2016, between the Authority and the Detroit Economic Growth Corporation, to execute documents on behalf of the Authority as its "duly authorized agents" (each individually, an "Authorized Agent").

(b) "Authorized Officers" means the Chairman, Vice Chairman, Secretary, Treasurer and the Authorized Agents of the Authority (each individually, an "Authorized Officer").

(c) "Bond Year" means the time period commencing July 1 of any calendar year to June 30 of the immediately following calendar year.

(d) "Catalyst Project Revenues" means the Tax Increment Revenues specifically described in Section 1(cc)(vi) of Act 197, except Future Brownfield Tax Increment Captures.

(e) "Concession Agreement" means the Amended and Restated Concession and Management Agreement, dated December 11, 2014, among the Authority, Olympia Entertainment Events Center, LLC, a Delaware limited liability company ("OEEC"), as successor in interest to Olympia Development of Michigan Events Center, LLC, a Delaware limited liability company, as concessionaire, and, solely for certain purposes, Detroit Red Wings, Inc., a Michigan corporation, as to be amended by a First Amendment thereto to be entered into in connection with the transactions authorized hereunder by the Authority, OEEC and, solely for certain purposes, Detroit Pistons Basketball Company, a Michigan limited partnership, relating to the Events Center Project and the Additional Catalyst Development Project Improvements, and as it may be further amended, supplemented or restated from time to time.
(f) “Development Plan” means the Authority’s Restated Tax Increment Financing Plan and Development Plan, as amended from time to time.

(g) “Excess General Tax Increment Revenue Payments” shall have the meaning of such term as used in Section 402(D) of the Series 2014A MSF Indenture.

(h) “Future Brownfield Tax Increment Captures” means the captures of tax increment revenues pursuant to Act 197 that would otherwise be Catalyst Project Revenues and which are generated by future brownfield redevelopment projects in Development Area No. 1, subject to various statutory criteria and governmental approvals and created pursuant to Act 381 of 1996, as amended.

(i) “General Tax Increment Revenues” shall have the meaning assigned to such term in the Master Resolution.


(k) “Master Trustee” shall have the meaning assigned to such term in the Master Resolution.

(l) “Net General Tax Increment Revenues” means, so long as any Senior Authority Obligations are outstanding, the General Tax Increment Revenues required to be transferred to the Authority by the Master Trustee pursuant to Section 6.06(k) of the Master Resolution. At such time as no Senior Authority Obligations remain outstanding and the lien of the Master Resolution has been released and discharged, “Net General Tax Increment Revenues” means all General Tax Increment Revenues. Taxes, if any, on property comprising any part of the Events Center Project and any taxes shared by the Authority with taxing jurisdictions pursuant to sharing agreements or other similar instruments are excluded from this definition.

(m) “Senior Authority Obligations” means all outstanding bonds issued under the Master Resolution as of the effective date of this Resolution.

(n) “Series 2014A DDA Bond” means the Authority’s Tax Increment Revenue Bond (Development Area No. 1 Projects), Series 2014A.


(p) “Series 2014A Pledged Tax Increment Revenues” means, collectively, the Catalyst Project Revenues and Net General Tax Increment Revenues.

(q) “Series 2017 Catalyst Project Revenues” means the Catalyst Project Revenues to be released and transferred to the Authority by the Series 2014A MSF Bond Trustee pursuant to level THIRTEENTH of Section 410(A) of the Series 2014A MSF Indenture. At such time as no Series 2014A MSF Bonds remain outstanding and the lien of the Series 2014A MSF Indenture has
been released and discharged, "Series 2017 Catalyst Project Revenues" shall mean all Catalyst Project Revenues.

(r) "Series 2017 DDA Bonds" means the Authority's Subordinate Tax Increment Revenue Bonds (Development Area No. 1 Projects), Series 2017 authorized by Sections 2.01 and 2.02 of this Resolution.

(s) "Series 2017 DDA Bond Trustee" means U.S. Bank National Association, or any successor trustee under the Series 2017 DDA Indenture.

(t) "Series 2017 DDA Indenture" means the Trust Indenture between the Authority and U.S. Bank National Association, as Trustee, relating to the Series 2017 DDA Bonds.

(u) "Series 2017 General Tax Increment Revenues" means the Excess General Tax Increment Revenue Payments to be released and transferred to the Authority by the Series 2014A MSF Bond Trustee pursuant to Section 410(B) of the Series 2014A MSF Indenture. At such time as no Series 2014A MSF Bonds remain outstanding and the lien of the Series 2014A MSF Indenture has been released and discharged, "Series 2017 General Tax Increment Revenues" shall mean all Net General Tax Increment Revenues.


(w) "Tax Increment Revenues" shall have the meaning assigned to such term in Section 1 of Act 197.

ARTICLE II
AUTHORIZATION OF SERIES 2017 DDA BONDS;
BOND TERMS AND PROVISIONS; SALE

Section 2.01 Approval of the Borrowing. The Authority hereby authorizes the borrowing pursuant to the Series 2017 DDA Indenture, for the purposes of financing or reimbursing $34,500,000 of the Additional Catalyst Development Project Improvements, together with bond issuance costs and the Authority's expenses and costs, direct or indirect, related to the Events Center Project and the Additional Catalyst Development Project Improvements and allocable to capital account, in an amount not to exceed $36,000,000. The Authority hereby approves the Series 2017 DDA Indenture, the Bond Purchase Agreement, the Continuing Disclosure Agreement and the form of the Series 2017 DDA Bonds, in substantially the forms thereof presented to the Board, with such changes as the Authorized Officers executing each such agreement determine to be necessary and appropriate, not inconsistent with the terms of this Resolution, and not materially adverse to the interests of the Authority.

Section 2.02 Authorization and Designation of Series 2017 DDA Bonds. The Authority hereby authorizes the issuance of its subordinate tax increment revenue bonds, being hereby designated "City of Detroit Downtown Development Authority Subordinate Tax Increment Revenue Bonds, Series 2017 (Development Area No. 1 Projects)." The Series 2017 DDA Bonds shall be issued in a principal amount not exceeding $36,000,000, for the purposes set forth herein and in the Series 2017 DDA Indenture, and shall bear interest from their date of issuance until the
Initial Mandatory Tender Date, as defined in the Series 2017 DDA Indenture, at a fixed rate not exceeding 4.50% per annum for the period through December 31, 2017 and at a fixed rate not exceeding 6.00% per annum from January 1, 2018 through December 31, 2018 (without taking into account any default rate during such periods), and shall be subject to mandatory tender on such Initial Mandatory Tender Date for purchase by the Authority. Upon the Initial Mandatory Tender Date, the Series 2017 DDA Bonds shall be remarketed by a remarketing agent to be designated by the Authority pursuant to the terms of the Series 2017 DDA Indenture (the “Remarking Agent”), pursuant to a Remarking Agreement to be entered into at such time between the Authority and the Remarking Agent, and the Authority may further elect at such time, to convert the interest rate, interest rate period and interest payment date schedule for the Series 2017 DDA Bonds to an alternate interest rate, interest rate period and interest payment date schedule to the extent provided in the Series 2017 DDA Indenture. The Series 2017 DDA Bonds shall be subject to payment at the times and in the amounts set forth in the Series 2017 DDA Indenture.

Section 2.03 Series 2017 DDA Bonds; Pledge of Series 2017 General Tax Increment Revenues and Series 2017 Catalyst Project Revenues. The Series 2017 DDA Bonds shall be issued pursuant to this Resolution and Act 197 (including, without limitation, Section 16(2) thereof). The Series 2017 DDA Bonds shall be issued in anticipation of and shall be payable solely from the Series 2017 Pledged Tax Increment Revenues, as provided below.

For the benefit of the Initial Purchaser, as the initial sole registered owner of the Series 2017 DDA Bonds, and its successors and assigns, and in consideration of its purchase of the Series 2017 DDA Bonds pursuant to the Bond Purchase Agreement for the purposes authorized herein, the Authority hereby irrevocably pledges all of its right, title and interest in and to receipts of the Series 2017 Pledged Tax Increment Revenues as security for the payment of the Authority’s obligations under the Series 2017 DDA Indenture and the Series 2017 DDA Bonds. Pursuant to the Series 2017 DDA Indenture, the Series 2017 DDA Bond Trustee shall maintain records of its receipts of the Series 2017 General Tax Increment Revenues and the Series 2017 Catalyst Project Revenues, respectively.

The Series 2017 Pledged Tax Increment Revenues subject to the pledge of the foregoing paragraph shall include any and all reimbursements or payments of any description provided to the Authority by the State or any fund or account of the State by reason of any exemption from taxation of personal property, any reduction in operating millage leviable by any local unit of government or taxing authority, or by reason of any reduction in the valuation of property or the percentage of the reduction in the valuation of property or the percentage of the true cash value of property subject to ad valorem taxation, or any credit against taxation or resulting directly or indirectly from any change in the Constitution or laws of the State as in effect on the date of this Resolution.

It is the intention of the Authority that by operation of the provisions of Act 197, and to the fullest extent permitted by law, the pledge of the Series 2017 Pledged Tax Increment Revenues shall create a valid and binding statutory lien on the Series 2017 Pledged Tax Increment Revenues, and that the Series 2017 Pledged Tax Increment Revenues so pledged shall constitute “special revenues” within the meaning of Chapter 9 of Title 11 of the United States Code, as amended from time to time, or any successor statute thereto.
The Authority shall irrevocably direct or cause the Series 2014A MSF Trustee to transfer the Series 2017 General Tax Increment Revenues and the Series 2017 Catalyst Project Revenues to the Series 2017 DDA Bond Trustee for so long as any of the indebtedness represented by the Series 2017 DDA Bonds is outstanding, for deposit into the Series 2017 General Tax Increment Revenue Account and the Series 2017 Catalyst Project Revenue Account established under the Series 2017 DDA Indenture, and shall obtain the Series 2014A MSF Trustee's written acceptance of such direction. In the event of the release and discharge of the liens of the Master Resolution and the Series 2014A MSF Indenture during such time period, the Authority shall direct or cause the Treasurer of the City, the Treasurer of the Charter County of Wayne, and other appropriate officers of the governmental units responsible for the collection of General Tax Increment Revenues and Catalyst Project Revenues to remit the General Tax Increment Revenues and Catalyst Project Revenues directly to the Series 2017 DDA Bond Trustee immediately after collection for deposit in the same manner.

It is the intention of the Authority that, to the fullest extent permitted by law, this pledge shall be valid and binding from the time when it is made, that the Series 2017 General Tax Increment Revenues and the Series 2017 Catalyst Project Revenues so pledged and then or thereafter to be released and transferred to the Authority shall immediately be subject to the lien of such pledge without any physical delivery or further act, and that the lien of such pledge and the obligation to perform the contractual provisions in the Series 2017 DDA Indenture and herein made by the Authority shall constitute first and senior liens pursuant to Act 197 (including, without limitation, Section 16(2) thereof), having priority over any or all other obligations and liabilities of the Authority, and shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority, irrespective of whether such parties have notice thereof.

For so long as the Senior Authority Obligations remain outstanding, they are secured by a first and senior lien on the General Tax Increment Revenues pursuant to the Master Resolution, and for so long as the Series 2014A MSF Bonds remain outstanding, they are secured by a first and senior lien on the Net General Tax Increment Revenues and Catalyst Project Revenues pursuant to the Series 2014A MSF Indenture and the related authorizing resolution of the Authority, and the liens created hereunder are limited to the Series 2017 General Tax Increment Revenues and the Series 2017 Catalyst Project Revenues.

The Authority hereby covenants that, so long as any of the indebtedness represented by the Series 2017 DDA Bonds is outstanding it will not issue any additional indebtedness under the Master Resolution, nor enter into any Swaps (as defined in the Master Resolution) pursuant to the Master Resolution, except to the extent expressly permitted under the terms of the Master Resolution and Section 614 of the Series 2017 DDA Indenture.

The Authority agrees not to amend any existing agreement, enter into any agreement, approve the issuance of any bond, note or other evidence of indebtedness or approve any amendments to the Development Plan or take any other action which (i) grants a priority or lien on the Series 2017 General Tax Increment Revenues or the Series 2017 Catalyst Project Revenues which is not subordinate to the priority and liens created hereunder, or (ii) which creates any additional liens on the Series 2017 General Tax Increment Revenues or the Series 2017 Catalyst Project Revenues which will, or can reasonably be expected to, otherwise jeopardize the
Authority's ability to promptly pay all amounts due and payable under the Series 2017 DDA Bonds as provided in this Resolution and the Series 2017 DDA Indenture.

The Authority covenants that it will not refund or remarket the Series 2014A DDA Bond prior to refunding or remarketing the Series 2017 DDA Bonds.

Section 2.04 Special, Limited Obligations. Notwithstanding anything contained herein, in the Series 2017 DDA Indenture or the Series 2017 DDA Bonds to the contrary, the obligations of the Authority with respect to the Series 2017 DDA Indenture and the Series 2017 DDA Bonds shall be special, limited obligations of the Authority payable solely from the Series 2017 Pledged Tax Increment Revenues, without recourse to any other revenues of the Authority, or to any other properties or assets, now owned or hereafter acquired, tangible or intangible, of the Authority.

The Authority makes no representations under the Series 2017 DDA Indenture, the Bond Purchase Agreement or this Resolution as to the sufficiency of future collections of the Series 2017 Pledged Tax Increment Revenues to provide for the payment of all principal of, premium, if any, and interest on the Series 2017 DDA Bonds when due during any period of time that the Series 2017 DDA Bonds are outstanding, and for the other uses and purposes set forth in Section 408 of the Series 2017 DDA Indenture. The Authority disclaims responsibility for the accuracy of projections and forecasts of future collections of tax increment revenues prepared by financial consultants or advisors to any party, including, without limitation, financial consultants to the Authority, the availability and sufficiency of such collections of tax increment revenues being beyond the reasonable control of the Authority in the performance of its statutory duties under Act 197.

Section 2.05 Date, Maturity, Redemption and other Terms of the Series 2017 DDA Bonds. The Series 2017 DDA Bonds shall be dated the date of their original issuance and delivery, or such other date as the Authorized Officers shall determine, and shall have such other terms and conform in all respects to the requirements set forth in the Series 2017 DDA Indenture, subject to the requirements of Act 197.

The Series 2017 DDA Bonds shall have a final maturity date not exceeding 30 years, or such longer period as may be permitted by applicable law. The Authority hereby determines that the estimated useful life of the Additional Catalyst Development Project Improvements is longer than 30 years.

The Series 2017 DDA Bonds shall be subject to optional and mandatorily redeemable at the times, in the manner, upon the terms and following notice as set forth in the Series 2017 DDA Indenture and the Sale Order provided for under Section 4.01 hereof.

Section 2.06 Form of Series 2017 DDA Bonds. Subject to the provisions of this Resolution, and the requirements of the Series 2017 DDA Indenture, the Series 2017 DDA Bonds shall be in substantially the form set forth in Exhibit B of the Series 2017 DDA Indenture, with such changes thereto as shall be approved by those Authorized Officers executing the Series 2014A DDA Bonds, which are not inconsistent with the terms of this Resolution.

Section 2.07 Private Placement; Registration, Denominations and Number of the Series 2017 DDA Bonds. The 2017 DDA Bonds shall be issued and sold to the Initial Purchaser, as the
initial and sole registered owner, as a private placement, subject to all requirements of Act 197. At the time of issuance and delivery of the Series 2017 DDA Bonds, the Initial Purchaser shall execute and deliver to the Authority an investment certificate substantially in the form attached to the Bond Purchase Agreement. The Series 2017 DDA Bonds shall be initially issued in the form of a single fully-registered bond of the denomination of the aggregate principal amount thereof as provided herein, numbered R-1, embodying all principal maturities thereunder.

Section 2.08 Payment of Series 2017 DDA Bonds. The Authority shall promptly pay or cause to be paid to the registered owner or owners of the Series 2017 DDA Bonds, from the Series 2017 Pledged Tax Increment Revenues, pursuant to the terms of this Resolution and the Series 2017 DDA Indenture, the amounts due and payable under the Series 2017 DDA Bonds, in lawful money of the United States of America.

Section 2.09 Execution of the Series 2017 DDA Bonds and Series 2017 DDA Bond Financing Documents. The Series 2017 DDA Bonds shall be executed by (i) the manual or facsimile signatures of the Chairman, Vice Chairman, Secretary or Treasurer and an Authorized Agent of the Authority, or of any two Authorized Agents of the Authority, and by (ii) impressing, imprinting or otherwise reproducing thereon the official seal of the Authority (or a facsimile thereof). In case any officer whose signature shall appear on the Series 2017 DDA Bonds shall cease to be such officer before the delivery of the Series 2017 DDA Bonds, such signature shall nevertheless be valid and sufficient for all purposes the same as if such individual had remained in office until such delivery.

The Secretary or Treasurer and any Authorized Agent, or any two Authorized Agents of the Authority, are hereby authorized and directed to execute and deliver the Series 2017 DDA Indenture, the Continuing Disclosure Agreement and the Bond Purchase Agreement, for and on behalf of the Authority, in substantially the forms submitted to the Board, with such changes as the Authorized Officers executing each such agreement determine to be necessary and appropriate, not inconsistent with the terms of this Resolution, and not materially adverse to the interests of the Authority.

Section 2.010 Conditions Precedent to Issuance of Series 2017 DDA Bonds under Memorandum of Understanding. On or before the date of issuance of the Series 2017 DDA Bonds, the conditions precedent set forth in the MOU, including, without limitation, in Article XI thereof, shall have been satisfied in the determination of the Authorized Officers executing the Series 2017 DDA Bonds, except to the extent such conditions have been waived by the parties to the MOU.

Section 2.011 Plan Amendments. The Authority hereby determines that the Plan Amendments do not in any way limit the amounts of General Tax Increment Revenues and Catalyst Project Revenues received by the Authority prior to the Plan Amendments, and will not have any material adverse effect on the holders of either the Senior Authority Obligations or the Series 2014A MSF Bonds.

ARTICLE III
ADMINISTRATION AND
DISBURSEMENT OF PROCEEDS OF SERIES 2017 DDA BONDS

10
Section 3.01 Application of Proceeds of the Series 2017 DDA Bonds: Surplus Proceeds. The proceeds of the Series 2017 DDA Bonds shall be deposited as provided in the Series 2017 DDA Indenture into the various funds and accounts created under the Series 2017 DDA Indenture, and shall be invested, disbursed, applied and administered as set forth in the Series 2017 DDA Indenture. Any surplus proceeds of the Series 2017 DDA Bonds shall be applied as set forth in the Series 2017 DDA Indenture.

Section 3.02 Agreements and Certificates Regarding Tax Compliance. The Authorized Officers are hereby severally authorized and directed to execute and deliver on behalf of the Authority such agreements and certificates as may be required in order to evidence and maintain the tax-exempt status of interest payable on the Series 2017 DDA Bonds, including, without limitation, agreements and certificates with respect to “arbitrage bonds” and “private activity bonds” within the meanings of the Code and regulations promulgated thereunder, subject to prior review and advice of bond counsel to the Authority. The Authorized Officers are further authorized and directed to keep and retain such records as may be required for purposes of maintaining the tax-exempt status of interest payable on the Series 2017 DDA Bonds.

ARTICLE IV
ADDITIONAL PROVISIONS

Section 4.01 Order Approving Sale of the Series 2017 DDA Bonds. The Chairman, Vice Chairman, Secretary or Treasurer, together with an Authorized Agent, are hereby authorized to execute an order approving the issuance and sale of the Series 2017 DDA Bonds on behalf of the Authority, and the applicable fixed interest rate or rates payable on the Series 2017 DDA Bonds within the limits authorized under Section 2.02 hereof, and other material terms thereof, including the schedule of principal payments due thereunder, and terms with respect to the redemption and/or tender of the Series 2017 DDA Bonds, all within the parameters established under this Resolution (the “Sale Order”). The Authority shall provide continuing financial disclosure to the extent required by the Bond Purchase Agreement and Continuing Disclosure Agreement in conformity with Securities and Exchange Commission Rule 15c2-12 as amended from time to time (the “Rule”), during the term of the Series 2017 DDA Bonds irrespective of whether an exemption to compliance with the Rule may otherwise apply.

Section 4.02 Authorization of Officer Actions. The actions of the officers and Authorized Agents of the Authority heretofore taken in furtherance of the purposes authorized under the provisions of this Resolution are hereby ratified and confirmed. The Authorized Officers are each hereby individually authorized and directed to do and perform any and all acts and things with respect to the issuance and sale of the Series 2017 DDA Bonds which are necessary or appropriate to carry into effect, consistent with this Resolution, the authorizations therein and herein contained, including, but not limited to: the negotiation and execution of the Bond Purchase Agreement with the Initial Purchaser with respect to the Series 2017 DDA Bonds; the negotiation and execution of a remarketing agreement relating to the Series 2017 DDA Bonds, if necessary; the selection of bond trustees, financial advisors, and such other advisors as the Authorized Officers shall determine to be necessary; the incurrence and payment of reasonable fees, costs and expenses incidental to the foregoing (subject to any agreements for payment by others), including the payment of fees to Bond Counsel; the Initial Purchaser’s fee and fees of Initial Purchaser’s counsel; the execution and delivery of all documents, instruments, and certificates, including, without limitation, those required under the Series 2017 DDA.
Indenture, the Continuing Disclosure Agreement, the Bond Purchase Agreement and the Tax Certificate; and the filing of all necessary notices and reports with governmental units and administrative agencies and payment of related fees, including, without limitation, the filing of a Security Report with the Local Audit and Finance Division of the Michigan Department of Treasury.

Section 4.03  Bond Counsel. The law firm of Dykema Gossett PLLC is hereby retained to act as nationally recognized bond counsel for the Authority in connection with the issuance and sale of the Series 2017 DDA Bonds.

Section 4.04  Conflicting Resolutions. All resolutions and parts of resolutions in conflict with the foregoing are hereby rescinded.

A roll call vote on the foregoing resolution was taken, the result of which is as follows:

YES: ________________________________

NO: ________________________________

ABSTAIN: ____________________________

THE RESOLUTION WAS THEREUPON DECLARED ADOPTED.

June 28, 2017
CERTIFICATION

I, the undersigned, the duly qualified and acting Secretary of the City of Detroit Downtown Development Authority, Wayne County, Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Authority at a regular meeting held on June 28, 2017, the original of which is on file in my office, and that such meeting was conducted and public notice thereof was given pursuant to and in compliance with Act No. 267, Michigan Public Acts of 1976, as amended, and that minutes of such meeting were kept and are available as required by such Act.

____________________________________
Sonya Delley, Secretary

Dated: June __, 2017
AMENDMENT TO CMA RELATING TO PISTONS RELOCATION TO EVENTS CENTER

WHEREAS, November 22, 2016, pursuant to Resolution DDA 16-11-123-43, the Board of Directors of the City of Detroit Downtown Development Authority (the “DDA”) (the “Board”), approved the execution of a Memorandum of Understanding between the DDA and Palace Sports & Entertainment LLC (“PS&E”) (the “MOU”), relating to modifications to the DDA’s "Catalyst Development Project" as defined in Act No. 197 of Public Acts of 1975, as amended, in order to accommodate the relocation of the home venue for the Detroit Pistons (the "Pistons") from the Palace of Auburn Hills to the Events Center, now known as Little Caesars Arena (the "LCA"); and

WHEREAS, the MOU contemplates, among other things, that the Pistons will join the Amended and Restated Concession and Management Agreement relating to the LCA (the "CMA") in order to commit to certain undertakings by the Pistons for the benefit of the DDA consistent with certain undertakings made by the concessionaire or the Detroit Red Wings and that the CMA will otherwise be amended in order to permit the transactions contemplated by the MOU; and

WHEREAS, Staff is seeking DDA Board approval of an amendment to the CMA on the below terms (the “CMA Amendment Terms”):

- The additional improvements to the LCA to accommodate Pistons’ basketball, operations and facility requirements (the “Pistons EC Improvements”) are approved and incorporated into the definition of the Events Center Project under the CMA.
- The definition of "Costs of the Events Center Project" includes cost of the Pistons EC Improvements, as set forth in the MOU.
- The DDA agrees to issue the Series 2017 DDA Bonds, of which $34.5 Million in proceeds shall be used by pay or reimburse the costs of the Pistons EC Improvements.
- Pistons shall maintain insurance in a manner consistent with the requirements of the Red Wings under the CMA.
- Pistons will indemnify and defend the DDA in the same manner as the Red Wings under the CMA.
- Detroit Pistons Basketball Company will be a party to the CMA with respect to the relevant sections of the CMA applicable to the Pistons.
- DDA acknowledges the Pistons as a sub-concessionaire under the CMA and agrees to certain standard non-disturbance provisions.

WHEREAS, upon review of the proposed CMA Amendment Terms, the DDA Board has determined that the proposed CMA Amendment Terms as proposed are consistent with the terms of the MOU, DDA’s statutory purposes and otherwise in the best interests of the DDA.
NOW THEREFORE BE IT 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 negotiate and execute an amendment to the CMA, upon the terms described herein, together with such other terms as deemed appropriate by such Authorized Agents and counsel which are not inconsistent with this resolution and that do not otherwise alter the substance of the CMA or adversely affect the rights and/or obligations of the DDA under the CMA.

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 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 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.

June 28, 2017
AMENDMENT TO THE TERM SHEET FOR 1435 RANDOLPH AND 1455 CENTRE

WHEREAS, the City of Detroit Downtown Development Authority (the "DDA") approved the award of a development agreement for 1435 Randolph and 1455 Centre to Randolph Centre 2020, LLC (the "Developer") following a Request for Proposals issued by DDA staff; and

WHEREAS, based on due diligence activities conducted after approval of the term sheet, the Developer requested, and staff supports a reduction in the purchase price and a 3-year grace period to provide first floor retail in the new construction proposed for 1455 Centre; and

WHEREAS, staff recommends the following changes to the terms of development agreement approved by the DDA Board in June, 2016 (the "Revised Terms"):

- $350,000 reduction in the purchase price for 1435 Randolph to $1,781,000
- 3 years from the completion of construction to provide first floor retail at 1455 Centre, with parking on the ground level of the new construction in the interim.
- Assessment of an annual fee of $100,000 to incentivize the development of retail space if the construction isn’t started following the 3-year period.

WHEREAS, the DDA Board has reviewed the Revised Terms, determined that they are reasonable and otherwise consistent with the DDA’s purposes.

NOW, THEREFORE, BE IT RESOLVED that the DDA Board of Directors hereby approves the Revised Terms.

BE IT FURTHER RESOLVED that the DDA Board of Directors authorizes the negotiation and execution of a development agreement consistent with the terms previously approved by the Board, as modified to reflect the Revised Terms, upon the terms and conditions previously or herein approved, together with the same such terms and conditions deemed reasonable by DDA’s counsel and Authorized Agents.

BE IT FURTHER RESOLVED that any two officers, any two of the Authorized Agents or any one of the Officer and any one of the Authorized Agents of the DDA, shall hereafter have the authority to negotiate and execute any and all other documents, contracts or other papers, or take any and all actions, necessary or appropriate to implement the provisions and intent of this resolution on behalf of the DDA.

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

June 28, 2017
SBLT LOAN PROGRAM: AUTHORIZATION OF SETTLEMENT OF PENDING LITIGATION—SETTLEMENT OF DEBT OWED BY ROBERT PORCHER

WHEREAS, Robert Porcher served as a joint and several guarantor on DDA’s $400,000 loan to assist in the build-out and opening of the Seldom Blues Restaurant; and

WHEREAS, following extensive collection efforts, including the domestication of a judgment against Mr. Porcher in Florida where he now resides, Mr. Porcher has made a settlement offer of $100,000, payable as follows: $35,000 payable upon execution of a settlement agreement, with the remaining $65,000 to be payable over 23 months (the “Proposed Settlement”); and

WHEREAS, the DDA has previously received settlements from all other guarantors, with the exception of Frank Taylor, for whom the debt was discharged in bankruptcy; and

WHEREAS, based upon the results of a creditor’s exam and other collection efforts, staff and counsel recommend that the Board approve the Proposed Settlement and a write-off of the remaining balance of the loan.

WHEREAS, the DDA Finance Committee has reviewed the Proposed Settlement and recommends its approval to the Board of Directors and, pursuant to the DDA’s credit policy, subject to the Board’s approval of the Proposed Settlement, has approved the write-off of the remaining balance of the loan; and

WHEREAS, the DDA Board of Directors has determined that the Proposed Settlement is reasonable in light of the circumstances and otherwise in the best interest of the DDA and the SBLT Program.

NOW, THEREFORE, BE IT RESOLVED, that the DDA Board of Directors hereby approves the Proposed Settlement and subsequent loan write-off.

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.

June 28, 2017
ADMINISTRATION: SPIRIT OF DETROIT PLAZA PILOT PROJECT SUPPORT

WHEREAS, the City of Detroit Downtown Development Authority (the "DDA") has historically allocated funds to programming that will attract residents and visitors from across Detroit and the metropolitan area to its downtown; and

WHEREAS, staff supports the project’s goals which are to test the viability of a permanent civic space, to feature family-friendly performances from neighborhood based community arts organizations and to reinforce the fact that Detroit’s vitality and cultural life extends well beyond its downtown district; and

WHEREAS, staff has requested Board approval of a $50,000.00 sponsorship for support of the Spirit of Detroit Plaza Pilot Project.

NOW THEREFORE, BE IT RESOLVED that the DDA Board of Directors hereby authorizes sponsorship in the amount of $50,000.00 for 2017 Spirit of Detroit Plaza Pilot Project.

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

July 28, 2017
AMENDED BUDGET: FY 2017-2018

WHEREAS, Section 28(1) of the Downtown Development Authority Act 197, as amended, requires the City of Detroit Downtown Development Authority (the "DDA") to prepare a budget (the "Budget") for the operation of the DDA for each fiscal year; and

WHEREAS, said Budget must be prepared in a manner and contain the information required of the municipal departments of the City of Detroit; and

WHEREAS, said Budget must be approved by the Detroit City Council prior to its adoption by the DDA Board of Directors; and

WHEREAS, the DDA Staff has prepared the attached Amended DDA Budget for Fiscal Year 2017-2018 (Exhibit "A").

NOW, THEREFORE, BE IT RESOLVED, that the DDA Board of Directors hereby authorizes the DDA staff to submit the Amended FY 2017-2018 Budget to the Detroit City Council for approval, in accordance with Section 28(1) of Act 197, Public Acts of Michigan, 1975, as amended, prior to its adoption by the DDA Board.

June 28, 2017
ADMINISTRATION: RENEWAL OF DDA/DEGC PROFESSIONAL SERVICES AGREEMENT FOR 2017-18

WHEREAS, the present term of the professional services contract (the "Contract"), dated July 1, 2016, by and between the Detroit Economic Growth Corporation (the "DEGC") and the City of Detroit Downtown Development Authority (the "DDA") will expire on June 30, 2017; and

WHEREAS, on April 3, 2017 the DDA staff submitted a letter to DEGC offering DDA’s intent to extend the above-referenced Contract for an additional twelve (12) month period commencing July 1, 2017. Such offer was accepted by DEGC on April 17, 2017; and

WHEREAS, the DDA desires to extend the term of the Contract for an additional renewal term of twelve (12) months, commencing on July 1, 2017 and expiring on June 30, 2018.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the DDA hereby approves the execution of a contract (the “Contract”) substantially in the form of Exhibit “A” attached hereto for FY 2017-2018 and further authorizes any two of the DDA Officers or any one Officer and any one Authorized Agent to execute the Contract for an amount not to exceed One Million, Nine Hundred Thousand and 00/100 ($1,900,000.00) Dollars and extending its term from July 1, 2017 through June 30, 2018.

BE IT FINALLY RESOLVED, that the DDA Treasurer is hereby authorized to pay to DEGC, out of the General Fund, up to One Million, Nine Hundred Thousand and 00/100 ($1,900,000.00) Dollars for the proper performance of the services under the terms of the Contract.

June 28, 2017
ADMINISTRATION: SCHEDULE OF REGULAR DDA MEETINGS FOR FY 2017-18

RESOLVED, that the Board of Directors of the Downtown Development Authority (the "DDA") hereby adopts the following as its schedule of regular meetings for its fiscal year beginning July 1, 2017 and ending June 30, 2018. Unless otherwise posted, such meetings will be held on the **second and fourth Wednesday of each month at 3:00 P.M.** in the offices of the DEGC, 500 Griswold Street, Suite 2200, Conference Room A, as follows:

<table>
<thead>
<tr>
<th>2017</th>
<th>2018</th>
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<tbody>
<tr>
<td>July 12, 2017</td>
<td>January 10, 2018</td>
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<tr>
<td>July 26, 2017</td>
<td>January 24, 2018</td>
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<tr>
<td>August 9, 2017</td>
<td>February 14, 2018</td>
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<td>August 23, 2017</td>
<td>February 28, 2018</td>
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<td>September 13, 2017</td>
<td>March 14, 2018</td>
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<td>September 27, 2017</td>
<td>March 28, 2018</td>
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<td>October 11, 2017</td>
<td>April 11, 2018</td>
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<td>October 25, 2017</td>
<td>April 25, 2018</td>
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<td>November 8, 2017</td>
<td>May 9, 2018</td>
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<td>May 23, 2018</td>
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<td>December 13, 2017</td>
<td>June 13, 2018</td>
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<tr>
<td>December 20, 2017*</td>
<td>June 27, 2018</td>
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*Due to the Holiday, this meeting date varies from the regular schedule.

June 28, 2017
ROBERT DAVIS ET AL. V. DETROIT DOWNTOWN DEVELOPMENT AUTHORITY ET AL. – ENGAGEMENT OF COUNSEL

WHEREAS, the City of Detroit Downtown Development Authority ("DDA") and Michael Duggan and Thomas Lewand, in their official capacities as DDA chair and DDA stand-in chair, among others, have been sued in Federal Court by Robert Davis and D. Etta Wilcox on several counts relating to the capture by the DDA of the 18 mill school operating millage; and

WHEREAS, the firms of Kotz Sangster Wysocki P.C. and Fink + Associates Law (the "Firms") have acted as counsel in the litigation to the above-defendants pursuant to DDA Code 13-06-01-399 and the City of Detroit Brownfield Redevelopment Authority; and

WHEREAS, the DDA Board has determined that engagement of the Firms is in the best interests of the DDA.

NOW, THEREFORE, BE IT RESOLVED, that the DDA Board of Directors hereby approves the engagement of the Firms.

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.

June 28, 2017
Michigan Financial Review Commission,
City of Detroit:

Ilitch Arena contract approved June 20, 2017 by City Council.

Public Act 197 MCL 125.1668)

State law requires approval of this contract by the governing body.

This contract involves over $350 million and a 95 year term.

Per Public Act 181, Requires Review

this contract meets the “applicable contract definitions”

exceeds $750,000 and a term exceeding 2 years.

Per MCL 141.1632,

“Public policy of this state...with regard to debt issuance and matters of statewide concern. Absent prospective state oversight...there exists a threat. Fiscal oversight...will ensure...cities can provide...services to their residents.”

Per MCL 141.1636,

“All applicable contracts...first approved by the governing body...as required by law...are subject to review by the commission.”

Further,

This transfers city land for $1. It requires taxes to pay for repairs of $250,000 increasing 4 per cent cumulatively a year. Yet the arena pays no revenue to the city and pays no property tax.

It replaces a contract for Joe Louis Arena that paid $3 million a year in cash plus parking lot revenues. A loss to the general fund.

This new arena costs the tax payers twice the amount of state funds given to support pensions. The massive debt and pension payments that are coming due will not have any growth from the Ilitch tax free arena.

Review this non transparent Ilitch Arena deal.
Dear Mary Sheffield;

26 June, 2017 John Lauve

Please reconsider your Ilitch vote.

You were one of only 3 council women who voted NO on the Ilitch give aways.

1. The “Joe” new rent cut deal after Ilitch stopped paying rent for 3 years. The rent went from $3 million a year to $.5 million.
2. The “Event” Hockey Arena deal, Ilitch pays zero rent and taxes for 95 years and the tax payers have to pay for repairs.

This “Pistons” deal is a disguise to cover up an “okay” of all of the Ilitch deals that are buried in the 110 page development plan. A “plan” is a before the fact This plan is to okay the entire deal after the fact.

This okay amendment gives Ilitch $108 million more (page 8 LPD 05/16/2017) $34 million Pistons scam plus $74 Ancillary pizza headquarters and parking deck.

State law requires the money to be spent in district but the money does not have to be spent all on one mega project. The intent is to develop downtown, NOT turn it into a massive parking lot for sports arenas that are empty for half of the year.

The entire downtown tax growth goes to Ilitch. The vacant Ilitch building’s boarded up eye sores that contributes zero tax growth. Gilbert and Masonic Temple pays for the Arena. This plan should be rejected and redone to make it fair to the city.

CC: Jones
Lopez