



Detroit Brownfield Redevelopment Authority
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**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
REGULAR BOARD OF DIRECTORS MEETING
WEDNESDAY, JULY 12, 2017
4:00 PM**

BOARD MEMBERS PRESENT: Maggie DeSantis
John George
Derrick Sanders
Matthew Walters
Stephanie Washington
Donele Wilkins

BOARD MEMBERS ABSENT: Sonya Mays
Pamela McClain
Raymond Scott

OTHERS PRESENT:

Ayesha Maxwell (DEGC/DBRA)
Richard Bar (Honigman)
Elizabeth Brinson (DEGC)
Jennifer Kanalos (DEGC/DBRA)
Eric Larson(TSP)
Rebecca Navin (DEGC)
Ngozi Nwaesei (Lewis & Munday)
Sarah Pavelko (DEGC)
Brian Vosburg (DEGC)



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MINUTES OF THE DETROIT BROWNFIELD
REDEVELOPMENT AUTHORITY REGULAR MEETING
WEDNESDAY, JULY 12, 2017
DETROIT ECONOMIC GROWTH CORPORATION
500 GRISWOLD SUITE 2200 DETROIT, MI - 4:00PM

CALL TO ORDER

Chairperson Matthew Walters called the meeting to order at 4:13 PM.

GENERAL

Approval of Minutes:

Mr. Walters called for a motion approving the minutes of June 28, 2017 as presented. The Board took the following action:

On a motion by Ms. Desantis seconded by Ms. Wilkins, DBRA Resolution Code 17-07-02-219 was unanimously approved.

Acceptance of the May 2017 Treasurer's Report

Ms. Brinson presented the May 2017 DBRA Treasurer's Report and answered various questions the board members presented.

Mr. Walters called for a motion accepting the May 2017 Treasurer's Report.

On a motion by Ms. Wilkins, seconded by Mr. Sanders, DBRA Resolution Code 17-07-03-164 was unanimously approved.

PROJECTS

Pistons Corporate Headquarters and Practice Facility Campus Brownfield Redevelopment Plan Reimbursement Agreement:

Ms. Kanalos presented to the Board regarding the Agreement. A requirement for Tax Increment Financing reimbursement pursuant to the Plan is that a Reimbursement Agreement (the "Agreement") be entered into between the DBRA and Pistons Performance, LLC, an affiliate of Palace Sports and Entertainment, LLC. The Agreement has been prepared between the DBRA and the Pistons Performance, LLC and is presented to the DBRA for review and approval.

Ms. Navin and Ms. Nwaesei responded to Board member questions about the current lawsuit and its effect on the reimbursement agreement.

Mr. Walters called for a motion approving the Agreement as presented. The Board took the following action:

On a motion by Mr. George, seconded by Ms. Washington, DBRA Resolution Code 17-07-243-03 was unanimously approved.

Tiger Stadium Property Brownfield Redevelopment Plan Approval of Extension of Eligible Activities:

Mr. Vosburg presented to the Board approval of extension of eligible activities.

The Economic Development Corporation of the City of Detroit is the developer (the "EDC") for Plan which is located on the site of the former Tiger Stadium at 1620 Michigan Avenue, also known as 2121 Trumbull, at the corner of Michigan and Trumbull Avenues in the Corktown neighborhood. The original Plan contemplated that the EDC would complete demolition and some utility and site preparation activities in order to prepare for a future, to be determined, developer and development plan. Eligible activities were to have been completed within three ("3") years of the execution of the Reimbursement Agreement. The MEDC had a similar three ("3") year eligible activities completion requirement. Due to the national economic and real estate recession, the future development was delayed.

The EDC has selected Tiger Stadium Partners, LLC (the "TSP"), a Larson Realty Group affiliate, as the developer of a portion of the Tiger Stadium site. A closing and construction start by TSP and/or other entities involved in the development is anticipated to occur in the late Summer or early Fall of 2017.

As such, the EDC is requesting an extension to December 31, 2018 to complete all eligible activities. DBRA staff recommends the approval of the extension.

Mr. Walters called for a motion approving the extension of eligible activities as presented. The Board took the following action:

On a motion by Mr. George, seconded by Ms. Desantis, DBRA Resolution Code 17-07-139-04 was unanimously approved.

Tiger Stadium Brownfield Redevelopment Project Approval of Partial Assignment of Tax Increment Revenue Agreement:

Mr. Vosburg presented to the Board regarding approval of partial assignment of Tax Increment Revenue Agreement.

The Economic Development Corporation of the City of Detroit is the developer (the "EDC") for Plan which is located on the site of the former Tiger Stadium at 1620 Michigan Avenue, also known as 2121 Trumbull, at the corner of Michigan and Trumbull Avenues in the Corktown neighborhood. The original Plan contemplated that the EDC would complete demolition and some utility and site preparation activities in order to prepare for a future, to be determined, developer and development plan.

The EDC has selected Tiger Stadium Partners, LLC (the "TSP"), a Larson Realty Group affiliate, as the developer of a portion of the Tiger Stadium site. A closing and construction start by TSP is anticipated to occur in the late Summer or early Fall of 2017. As part of the development relationship between the EDC and TSP, the EDC is scheduled to assign \$1.8 million in TIF Revenue as well as up to \$334,022 in accrued interest after expiration of the tax abatements to TSP and/or other entities involved in the development.

Mr. Walters called for a motion approving partial assignment of tax increment as presented. The Board took the following action:

On a motion by Ms. Wilkins, seconded by Ms. Desantis, DBRA Resolution Code 17-07-139-05 was unanimously approved.

Tiger Stadium Property Brownfield Redevelopment Plan Approval of Assignment of TIF as Collateral:

Mr. Vosburg presented to the Board regarding approval of assignment of TIF as Collateral.

The EDC has selected Tiger Stadium Partners, LLC (the "TSP"), a Larson Realty Group affiliate, as the developer of a portion of the Tiger Stadium site. A closing and construction start by TSP is anticipated to occur in the late Summer or early Fall of 2017. As part of the development relationship between the EDC and TSP, the EDC is scheduled to assign \$1.8 million in TIF Revenue as well as up to \$334,022 in accrued interest after expiration of the tax abatements to TSP and/or other entities involved in the development.

Since then, a Security Agreement and Collateral Assignment of the Tax Increment Revenues (the "Assignment") has been drafted between TSP and/or other entities involved in the development and Capital Impact Partners (the "Lender") in order to secure a bridge loan for the Plan. Per the Assignments, the Lender is granting that the Developer "shall have and may exercise all rights as the owner or holder" of the bridge loan as long as there exists no "event of default." The DBRA is only responsible for distributing funds to the Lender in the event of default, based upon a written notice from the Lender.

Mr. Walters called for a motion approving assignment of TIF as collateral as presented. The Board took the following action:

On a motion by Ms. Desantis, seconded by Mr. Sanders, DBRA Resolution Code 17-07-139-06 was unanimously approved.

ADMINISTRATIVE

Approval of DBRA Meeting Dates (FY 2017-2018)

Ms. Kanalos presented to the Board proposed dates of DBRA meeting schedule for FY 2017-2018.

At the June 28, 2017 meeting the DBRA board discussed, but failed to take action on approving the FY 2017-2018 DBRA meeting dates.

Mr. Walters called for a motion approving the schedule of DBRA meetings for FY 2017-2018 as presented. The Board took the following action:

On a motion by Mr. Sanders, seconded by Mr. George, DBRA Resolution Code 17-07-01-186 was unanimously approved.

OTHER

None

PUBLIC COMMENT

None

ADJOURNMENT

Citing no further business, Mr. Walters called for a motion to adjourn the meeting.

On a motion by Mr. Sanders, seconded by Ms. Wilkins, the meeting was unanimously adjourned at 5:00 PM.



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CODE DBRA 17-07-02-219

APPROVAL OF MINUTES JUNE 28, 2017

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

July 12, 2017



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DBRA 17-07-03-164

ACCEPTANCE OF TREASURER'S REPORT FOR MAY 2017

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period May 1 through May 31, 2017, as presented at this meeting is hereby in all respects accepted as actions of the Detroit Brownfield Redevelopment Authority.

July 12, 2017



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CODE DBRA 17-07-243-03

**DETROIT PISTONS CORPORATE HEADQUARTERS AND PRACTICE FACILITY CAMPUS
BROWNFIELD REDEVELOPMENT PLAN: REIMBURSEMENT AGREEMENT**

WHEREAS, on March 22, 2017, the Detroit Brownfield Redevelopment Authority (the "DBRA") Board of Directors adopted a resolution recommending approval by the Detroit City Council of the Brownfield Plan (the "Plan") for a project captioned the Detroit Pistons Corporate Headquarters and Practice Facility Campus (the "Project"); and

WHEREAS, on June 6, 2017, the Detroit City Council approved the Plan; and

WHEREAS, a condition to reimbursing the developer for eligible activities under the Plan is that a Reimbursement Agreement (the "Agreement") be entered into between the DBRA and Pistons Performance, LLC as developer of the Project; and

WHEREAS, the Agreement has been drafted, approved as to form by DBRA legal counsel; and

WHEREAS, the Board of Directors desires to approve the Agreement and authorize its execution and delivery on behalf of the DBRA; and

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

1. The Agreement, in substantially the form attached to this Resolution as Exhibit A, is hereby approved, with such necessary or desirable modifications additions, deletions or completions as are approved by DBRA legal counsel and the Officers or designated Authorized Agents of the DBRA executing the Agreement.
2. Any two Officers or designated Authorized Agents or one Officer and one designated Authorized Agent of the DBRA are authorized and directed to execute and deliver the Agreement.
3. All resolutions or parts of resolutions or other proceedings in conflict herewith shall be and the same hereby are repealed insofar as such conflict arises.
4. This Resolution shall take effect immediately upon its adoption.

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

July 12, 2017



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CODE DBRA 17-07-139-04

TIGER STADIUM BROWNFIELD REDEVELOPMENT PLAN: EXTENSION OF PLAN DURATION REQUIREMENTS

WHEREAS, pursuant to 381 PA 1996 (“Act 381”), the Tiger Stadium Brownfield Redevelopment Plan (the “Plan”) was approved by the Detroit Brownfield Redevelopment Authority (the “DBRA”) on July 12, 2007 and Detroit City Council (the “Council”) on September 18, 2007; and

WHEREAS, The Economic Development Corporation of the City of Detroit is the developer (the “EDC”) for the Plan located in Detroit at 1620 Michigan Avenue at the corner of Michigan and Trumbull Avenues; and

WHEREAS, the Reimbursement Agreement, entered into on October 11, 2007, required that the Developer complete eligible activities within three (“3”) years of execution of the Reimbursement Agreement; and

WHEREAS, due to the national economic and real estate recession, the EDC did not complete all eligible activities within three (“3”) years of execution of the Reimbursement Agreement; and

WHEREAS, the EDC has selected Tiger Stadium Partners (the “TSP”), a Larson Realty Affiliate, to develop a portion of the Plan; and

WHEREAS, TSP has informed the EDC that it, and/or other entities involved in the development, will complete eligible activities by December 31, 2018; and

WHEREAS, DBRA staff recommends the approval of the extension of completion of eligible activities based on the ability of TSP and/or other entities involved in the development to complete the remainder of the eligible activities within the timeframe of the extension.

NOW, THEREFORE, BE IT RESOLVED, that the DBRA Board of Directors approves the extension of the completion of all eligible activities to December 31, 2018.

BE IT FINALLY RESOLVED, that a DBRA Authorized Agent shall hereafter have the authority to negotiate and execute any Letter(s) of Support to implement the provisions and intent of this resolution on behalf of the DBRA.

July 12, 2017



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CODE DBRA 17-07-139-05

TIGER STADIUM BROWNFIELD PLAN: PARTIAL ASSIGNMENT OF TAX INCREMENT REVENUE AGREEMENT

WHEREAS, on July 12, 2007, the City of Detroit Brownfield Redevelopment Authority (the "DBRA") Board of Directors adopted a resolution recommending approval of the Brownfield Plan (the "Plan") for the Tiger Stadium project (the "Project") by the Detroit City Council; and

WHEREAS, on September 18, 2007, the Detroit City Council approved the Plan; and

WHEREAS, on October 11, 2007 the Reimbursement Agreement (the "Agreement") was made and entered into by and between the Economic Development Corporation of the City of Detroit (the "EDC") and the DBRA; and

WHEREAS, an Amendment to Reimbursement Agreement and Partial Assignment of Tax Increment Revenue Agreement (the "Assignment") between EDC and Tiger Stadium Partners, LLC (the "TSP") and/or entities involved in the development shall be drafted in a form and substance to the satisfaction of DBRA staff and legal counsel; and

WHEREAS, the Assignment needs to be executed by EDC and TSP and/or entities involved in the development with acknowledgement and approval by DBRA; and

WHEREAS, the DBRA Board of Directors desire to approve the substantial form of the Assignment and authorize its execution and delivery on behalf of the DBRA.

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

1. The Amendment to Reimbursement Agreement and Partial Assignment of Tax Increment Revenue Agreement (the "Assignment"), to be drafted in a form and substance to the satisfaction of DBRA staff and legal counsel, is hereby approved.
2. Any two (2) Officers or Designated Authorized Agents or any one (1) Officer and one (1) Designated Authorized Agent of the DBRA is hereby authorized and directed to execute and deliver the Assignment.
3. All resolutions or parts of resolutions or other proceedings in conflict herewith shall be repealed insofar as such conflict arises.
4. This Resolution shall take effect immediately upon its adoption.

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

July 12, 2017



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CODE DBRA 17-07-139-06

TIGER STADIUM: SECURITY AGREEMENT AND ASSIGNMENT OF TAX INCREMENT REVENUES

WHEREAS, on July 12, 2007, the City of Detroit Brownfield Redevelopment Authority (the "DBRA") Board of Directors adopted a resolution recommending approval of the Brownfield Plan (the "Plan") for the Tiger Stadium project (the "Project") by the Detroit City Council; and

WHEREAS, on September 18, 2007, the Detroit City Council approved the Plan; and

WHEREAS, on October 11, 2007 the Reimbursement Agreement (the "Agreement") was made and entered into by and between the Economic Development Corporation of the City of Detroit (the "EDC") and the DBRA; and

WHEREAS, on July 12, 2017 the DBRA is scheduled to extend eligible activities to December 31, 2018; and

WHEREAS, on July 12, 2017 the DBRA is scheduled to approve the EDC's assignment to Tiger Stadium Partners, LLC (the "TSP") and/or other entities involved in the development, of \$1.8 million in TIF Revenue as well as up to \$334,022 in interest accrued after expiration of the tax abatements; and

WHEREAS, a Security Agreement and Collateral Assignment (the "Assignment") has been drafted between TSP and Capital Impact Partners (the "Lender") and approved as to form by DBRA legal counsel, Lewis & Munday, a Professional Corporation; and

WHEREAS, per the Assignments, the Lender is granting TSP and/or other entities involved in the development the ability to exercise all rights as the owner or holder of the construction loan as long as there exists no event of default; and

WHEREAS, the Assignments need to be executed by TSP and/or other entities involved in the development and the Lender with acknowledgement and approval by DBRA; and

WHEREAS, the DBRA Board of Directors desire to approve DBRA staff and legal counsel to negotiate a final agreement that is in form and substance to the satisfaction of the DBRA staff and legal counsel and authorize its execution and delivery on behalf of the DBRA.

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

1. The Security Agreement and Collateral Assignment of the Reimbursement Agreement (the "Assignment"), to be drafted in a form and substance to the satisfaction of DBRA staff and legal counsel, is hereby approved.

2. Any two (2) Officers or Designated Authorized Agents or any one (1) Officer and one (1) Designated Authorized Agent of the DBRA is hereby authorized and directed to execute and deliver the Assignments.
3. All resolutions or parts of resolutions or other proceedings in conflict herewith shall be repealed insofar as such conflict arises.
4. This Resolution shall take effect immediately upon its adoption.

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

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CODE DBRA 17-07-01-186

ADMINISTRATION: SCHEDULE OF DBRA MEETINGS FOR FY 2017-2018

RESOLVED, that the Board of Directors of the Detroit Brownfield Redevelopment Authority (“the DBRA”) hereby adopts the following as its schedule for regular meetings for the fiscal year 2017-2018. Unless otherwise posted, such meetings will be held on the **second and fourth Wednesday** of each month at **4:00 PM** in the offices of the Detroit Economic Growth Corporation, 500 Griswold Street, Suite 2200, as follows:

<u>2017</u>	<u>2018</u>
July 12, 2017	January 10, 2018
July 26, 2017	January 24, 2018
August 9, 2017	February 14, 2018
August 23, 2017	February 28, 2018
September 13, 2017	March 14, 2018
September 27, 2017	March 28, 2018
October 11, 2017	April 11, 2018
October 25, 2017	April 25, 2018
November 8, 2017	May 16, 2018
November 22, 2017	May 30, 2018
December 13, 2017	June 13, 2018
*December 20, 2017	June 27, 2018

*Due to the holiday

July 12, 2017