

**RESTATED
CITY OF DETROIT
DOWNTOWN DEVELOPMENT AUTHORITY
TAX INCREMENT FINANCING PLAN
AND DEVELOPMENT PLAN
FOR DEVELOPMENT AREA NO. 1**

**Adopted by DDA Board of Directors
April 19, 2017
Approved by City Council
June 20, 2017
Effective Date
July 6, 2017**

**2017 DDA Plan Amendments
Calendar of Adoption and Amendments**

February 1978	Adopted by DDA
May 17, 1978	Approved by City Council
October 26, 1978	Adopted by DDA (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
November 6, 1978	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
September 26, 1979	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
May 21, 1980	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
November 26, 1980	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
February 26, 1982	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
November 3, 1982	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
August, 3 1983	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
December 7, 1984	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
November 10, 1986	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
April 15, 1987	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
September 23, 1987	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
December 9, 1987	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
January 13, 1988	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
May 6, 1988	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)

September 14, 1988	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
April 21, 1989	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
July 26, 1989	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
September 19, 1990	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
August 1, 1991	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
August 5, 1992	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
June 23, 1993	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
December 4, 1995	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
November 13, 1996	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
April 11, 1997	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
June 22, 1998	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
July 21, 1999	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
January 19, 2000	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
June 25, 2003	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
October 12, 2005	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
July 29, 2008	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)
December 20, 2013	Approved by City Council (Modification to Tax Increment Financing Plan and Amendment to Development Plan for Development Area No. 1)

June 20, 2017

Approved by City Council (Modification to Tax Increment Financing Plan and
Amendment to Development Plan for Development Area No. 1)

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RESTATED

TAX INCREMENT FINANCING PLAN AND

DEVELOPMENT PLAN FOR DEVELOPMENT AREA NO. 1

SECTION 100
INTRODUCTION

101 PURPOSE OF THE DOWNTOWN DEVELOPMENT AUTHORITY ACT

Through the perception and efforts of those concerned with a healthy central business district, efforts were initiated to establish legislative authority in Michigan for the creation of a new tool, which would assist in revitalization of and act as a catalyst to the redevelopment of the downtown areas of this State. Pursuant to those efforts, the Legislature of the State of Michigan, by Act 197, Public Acts of Michigan, 1975 enacted the Downtown Development Authority Act (the "Act"), which was entitled:

"AN ACT to provide for the establishment of a Downtown Development Authority; to prescribe its powers and duties; to correct and prevent deterioration in business districts; to encourage historic preservation; to authorize the acquisition and disposal of interest in real and personal property; to authorize the creation and implementation of development plans in the district; to create a board; to prescribe its powers and duties; to authorize the levy and collection of taxes; to authorize the issuance of bonds and other evidences of indebtedness; and to authorize the use of tax increment financing."

These are the general purposes of the Act. The Act can be made operative when it is necessary for a city to halt property value deterioration and increase property tax valuation in its business district.

The Act and the Authority, as applied by the City of Detroit, have as a specific purpose the goal of creating a functional center for those living and working in Downtown Detroit and for the entire Metropolitan Detroit area.

102 CREATION OF THE DETROIT DOWNTOWN DEVELOPMENT AUTHORITY AND DETROIT DOWNTOWN DISTRICT

Pursuant to the provisions of the Act, the Detroit City Council (the "Council") on May 20, 1976, adopted Ordinance #119-H, Chapter 2, Article 7 of the Code of the City of Detroit which created the City of Detroit Downtown Development Authority (hereinafter referred to as the "Authority" or the "DDA"). A copy of that ordinance is Attachment No. 1. It was specifically found by the Council in Section 2-2.12 that:

"In recognition of the fact it is in the best interest of the public to halt property value deterioration in the downtown business district, to eliminate the causes of such deterioration, and to promote economic growth in the downtown business district, a downtown development authority is hereby established pursuant to Act No. 197 of the Public Acts of 1975, to be known as the City of Detroit Downtown Development Authority."

The Authority was given all of the powers and duties prescribed for a downtown development authority pursuant to the Act. By Ordinance, the City Council provided that the Authority shall share with City of Detroit Executive Planning Council and the City Planning Commission all reports and studies regarding the formulation and implementation of project development plans. In addition, the Ordinance required the Authority to consult with and advise the Development Area Citizens Council regarding all preparation and implementation of development plans whenever such council exists. Ordinance #119-H requires that approval of development plans must be secured from the City of Detroit Community and Economic Development Department (the "CEDD") the City of Detroit Planning Department ("Planning")¹, and the City Council prior to the implementation of any plans.

¹The functions of the Community & Economic Development Department (CEDD) and the City's Planning Department were consolidated in 1994 under a single department, the City of Detroit Planning and Development Department.

Part of the central business district, essentially a loop created within the boundaries and junctions of the Walter P. Chrysler Freeway, the Fisher Freeway, the John C. Lodge Freeway and the Detroit River, was originally established as the area within which the Authority shall exercise its powers. This area was established under the Act as the Detroit Downtown District. The boundaries of the Detroit Downtown District are shown on the map attached as Exhibit A to Section 102.¹ In 2013, the Detroit Downtown District was expanded to include the area depicted in the map attached as Exhibit B to Section 102 (the “2013 Expansion Area”). The legal description of the entire Detroit Downtown District is set forth in Attachment 2(a) of the Appendix (the “Detroit Downtown District”); the legal description of the 2013 Expansion Area is set forth in Attachment 2(b) of the Appendix.

The Ordinance gives the Authority the power, with the approval of the Council, to levy an ad valorem tax on the real and tangible personal property in the Detroit Downtown District pursuant to powers vested in it under the terms of the Ordinance.

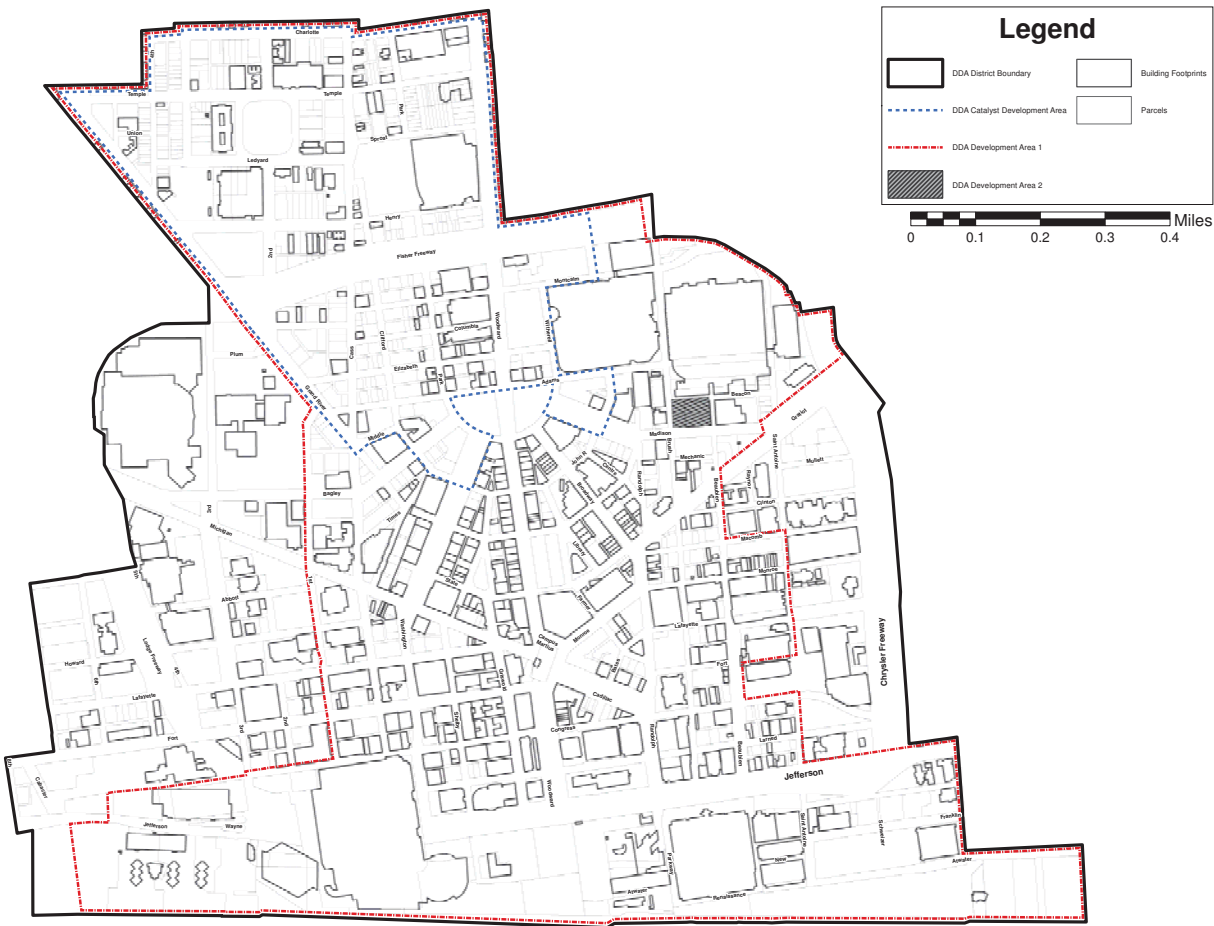
In enacting Ordinance #119-H, the City Council made a specific declaration that the Ordinance was necessary for the preservation of the public peace, health, safety, and welfare of the people of the City of Detroit.

Pursuant to power vested in him by the provisions of the Act, the Honorable Coleman A. Young, Mayor of the City of Detroit, appointed the charter Board of Directors of the Authority during the late spring and early summer of 1976. The current Mayor serves as Chairman of the Board of Directors of the Authority.

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¹ Modifications to the Downtown District subsequent to its establishment in 1976 include: (1) deletion of a two-block area bounded by Sixth Street, Porter Street and the John C. Lodge Freeway at the request of Corktown community members and authorized on April 14, 1981 by DDA Board resolution; (2) pursuant to a July 9, 1986 DDA Board resolution, the addition of an approximate one-block area generally bounded by Atwater, Rivard, the Detroit River and the western boundary of the National Gypsum property to accommodate further development in the central riverfront area.; and (3) pursuant to a June 26, 2013 DDA Board resolution, Development Area No. 1 was expanded to accommodate the Catalyst Development Project. The Development Area No. 1 boundary was expanded north of the Fisher Freeway and west of Woodward Avenue.

City of Detroit Downtown Development Authority Exhibit A to Section 102



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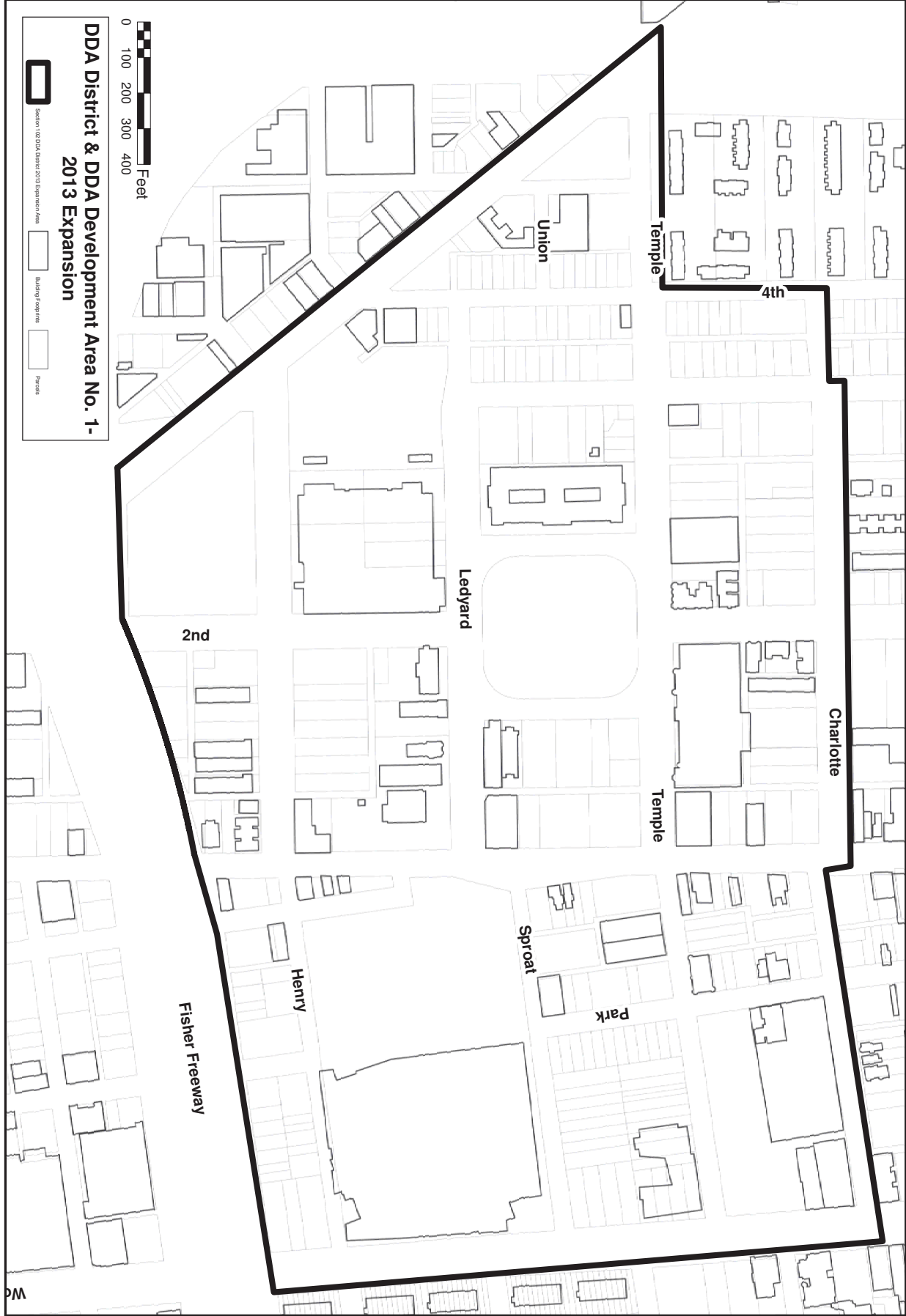


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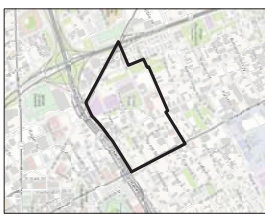
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103 **ACTIVITIES OF THE DETROIT DOWNTOWN DEVELOPMENT AUTHORITY**

The Authority selected six (6) specific program areas in which to concentrate its efforts¹. They include:

1. Creating additional downtown housing
2. Strengthening the retail-commercial core
3. Providing adequate and moderately priced parking
4. Implementing a downtown "People Mover" transportation system, related pedestrian skyways, and concentrating development at People Mover stations
5. Expanding convention and entertainment-related facilities
6. The Lower Woodward Improvement Agenda

The strategy employed by the Authority is to concentrate its efforts in those areas of the Detroit Downtown District where there are or are likely to be major public and/or private commitments to physical development. Thus, activities are proposed for the following:

- a. Washington Boulevard Area
 - Detroit City Apartments, formerly known as Trolley Plaza
 - Book Cadillac Hotel
 - Michigan Ave Garage
 - Tuller Hotel
 - Madison-Madison International
 - Ramada/Leland Downtown Hotel
- b. Retail Commercial Core Area
 - Monroe Cadillac Mixed-Use Development
 - One Kennedy Square Garage
 - Monroe Cadillac Historic/Retail
 - Annis Fur Development
 - Woodward Avenue Retail Corridor Improvements
 - Campus Martius Redevelopment Project
 - Quicken Loans Headquarters
 - QLINE (M-1 Light Rail Project)& Bus Rapid Transit
- c. Convention Facilities Area
 - Renaissance City Apartments, formerly known as the Millender Center
 - Congress/First Street Hotel-Cobo Hall Expansion
 - Riverfront Residential Phase II
 - Convention Facilities Area Public Improvements
 - 150 West Jefferson Development
 - One Detroit Center
 - Lansdowne Restaurant Improvements
 - Rossetti Building
 - Ford Auditorium
 - East Riverfront Improvements
 - Riverfront Promenade
 - EDS Relocation
- d. Greektown Area

¹Four program areas were originally selected in 1976. The fifth area, expanding convention and entertainment-related facilities, was selected in 1985. The sixth area was included in the 2003 Plan amendment.

- Greektown Casino, formerly the Trappers Alley Specialty Retail Center
- Blue Cross/Blue Shield Development
- Atheneum Hotel

- e. Grand Circus North Development Area
 - Theater District
 - Tiger/Lions Stadia Complex

- f. Paradise Valley Cultural and Entertainment District /Madison Avenue Area
 - Paradise Valley Cultural and Entertainment District, formerly known as Harmonie Park
 - Music Hall Restoration
 - Detroit Opera House

- g. Downtown People Mover System Enhancements and Pedestrian Skyways
 - Skywalk Bridges Maintenance and Improvements
 - People Mover Art
 - People Mover Route Enhancement
 - People Mover Support

- h. Lower Woodward Improvement Agenda
 - Gap Financing Program
 - Façade Improvement Program
 - Streetscape Improvement Program

- i. Loan and Absorption Programs
 - Development Financing Small Business Loan Transactions
 - Housing/Office/Retail Development and Absorption Fund

- j. Downtown Buildings
 - Downtown Video Patrol System
 - Downtown Development Planning & Marketing
 - Land Assemblage
 - Special Areas Maintenance Program
 - Demolition Program

- k. Catalyst Development Area
 - Events Center
 - Hotel and Convention Facilities
 - Office Buildings
 - Retail and Parking Facilities
 - Residential
 - Other

The concepts and proposals for each area are fully described in Section 407 of this Tax Increment Financing Plan and Development Plan for Development Area No. 1.

104 LEGAL BASIS FOR DETROIT DOWNTOWN DEVELOPMENT AREA NO. 1

The creation by the Michigan State Legislature of enabling legislation for the establishment of downtown development authorities was intended to provide a tool to local officials, which could be employed to address the need for economic development in their central business districts. The Detroit Downtown Development Area No. 1 (hereafter referred to as the "Development Area") was the first area considered by

Detroit for establishment by procedures set forth in the Act. The boundaries are shown and described in Sections 201 and 401.2.

Under the terms of the Act, "business district" means a downtown area of a municipality zoned and used primarily for business. Although there are several areas of geographical business activity within Detroit, the City of Detroit has only one downtown, which is zoned and used primarily for business. It is in that area that the activities of the Authority have been focused. Under the provisions of the Act and pursuant to Ordinance #119-H, a "downtown district" was created to include a major portion of Detroit's traditional downtown. As defined in the Act, a "downtown district" means an area in a "business district" which is specifically designated by ordinance of the governing body of the municipality pursuant to the Act. The "downtown district" within which the Authority may exercise its powers is described in Ordinance #119-H as set forth in Attachment I.

As defined under the Act, a "development area" means that area to which a development plan is applicable. A development plan for the Development Area has been prepared by the Authority and is one portion of this Restated Tax Increment Financing Plan and Development Plan for Development Area No. 1 (the "Plan" or the "Development Plan").

Section 14 of the Act permits the Authority, upon a determination that it is necessary for the achievement of the purposes of the Act, to prepare and submit a tax increment financing plan to the City Council. By definition, a tax increment financing plan seeks to capitalize on the increased tax base created by economic development within the boundaries of the downtown district. There is no requirement under the Act that the tax increment financing be derived directly and solely from the efforts of the downtown development authority. Indeed, if this were the case, it might well be that a downtown development authority would be held responsible for failure to act in a manner that prevents deterioration of property values in its downtown district while being denied the opportunity to prevent such deterioration because the only source for tax increments to finance remedial activities would be from increased property taxes on developments for which it was not responsible. Such interpretation would run directly contrary to the Act since it could virtually preclude a downtown development authority from establishing a development plan on the basis of available tax increments unless those tax increments were the direct and sole result of the downtown development authority's activities.

105 PURPOSE OF THE DEVELOPMENT PLAN

The purpose of the Development Plan and the Tax Increment Financing Plan of which it is a part is to permit and assure achievement of the purposes of the Act and to permit the Downtown Development Authority to accomplish its mission stated in State enabling legislation as follows:

". . . to correct and prevent deterioration in business districts; to encourage historic preservation; to authorize the acquisition and disposal of interests in real and personal property; to authorize the creation and implementation of development plans in the districts; to promote the economic growth of the districts . . ."

More specifically, the purpose of the Development Plan is to define proposed activities of the Authority within the boundaries of the Development Area.

The objectives of the Development Plan are to extend a corridor of development activity from Renaissance Center through the central core of the City's traditional retail district on Woodward Avenue north to Charlotte; to expand the convention and related facilities, including hotels; to develop a theater district and sports entertainment area; to provide for a catalyst development project, as such term is defined in Section 1(g) of the Act (the "Catalyst Development Project"), and, furthermore, to provide support for downtown businesses by the creation of residential facilities, parking facilities and open space, and improved

pedestrian and transit interconnections within the downtown area including enclosed pedestrian skyways and a People Mover system.

**106 PURPOSE OF THIS TAX INCREMENT FINANCING PLAN FOR DETROIT
DOWNTOWN DEVELOPMENT AREA NO. 1**

The purpose of this Tax Increment Financing Plan, including the Development Plan for the Development Area, is to provide the legal authority and procedure for public financial participation in developments within the Development Area, these developments being necessary and appropriate to generate successful commercial retail development such that a significant increase in commercial/retail activity in the Central Business District will exist to a greater degree than exists at present. In connection therewith the DDA will provide public infrastructure improvements within the Development Area for the purpose of encouraging and supporting the commercial/retail activity.

It is also the premise of the Development Plan, hereinafter set forth, that revitalization of the major commercial/retail center in the downtown district is a necessary service to residential housing development, which has occurred and will occur inside and immediately outside of the downtown district.

Other major purposes of this Tax Increment Financing Plan are to provide parking facilities at appropriate locations and with appropriate rates to serve the proposed major commercial/retail development; to provide residential facilities in the downtown areas so as to create a community that will generate twenty-four (24) hour activity and can further support the retail developments; to assist in the provision of pedestrian skyways and a People Mover system to interconnect these interrelated components; to provide for expanded convention related facilities and sports and entertainment facilities including hotels; to aid in providing the necessary support facilities such as recreation and boating; to provide support to the areas immediately surrounding the People Mover stations so as to capitalize on their new accessibility; to provide for public infrastructure improvements; and to provide support to the adaptive reuse of historic buildings.

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SECTION 200

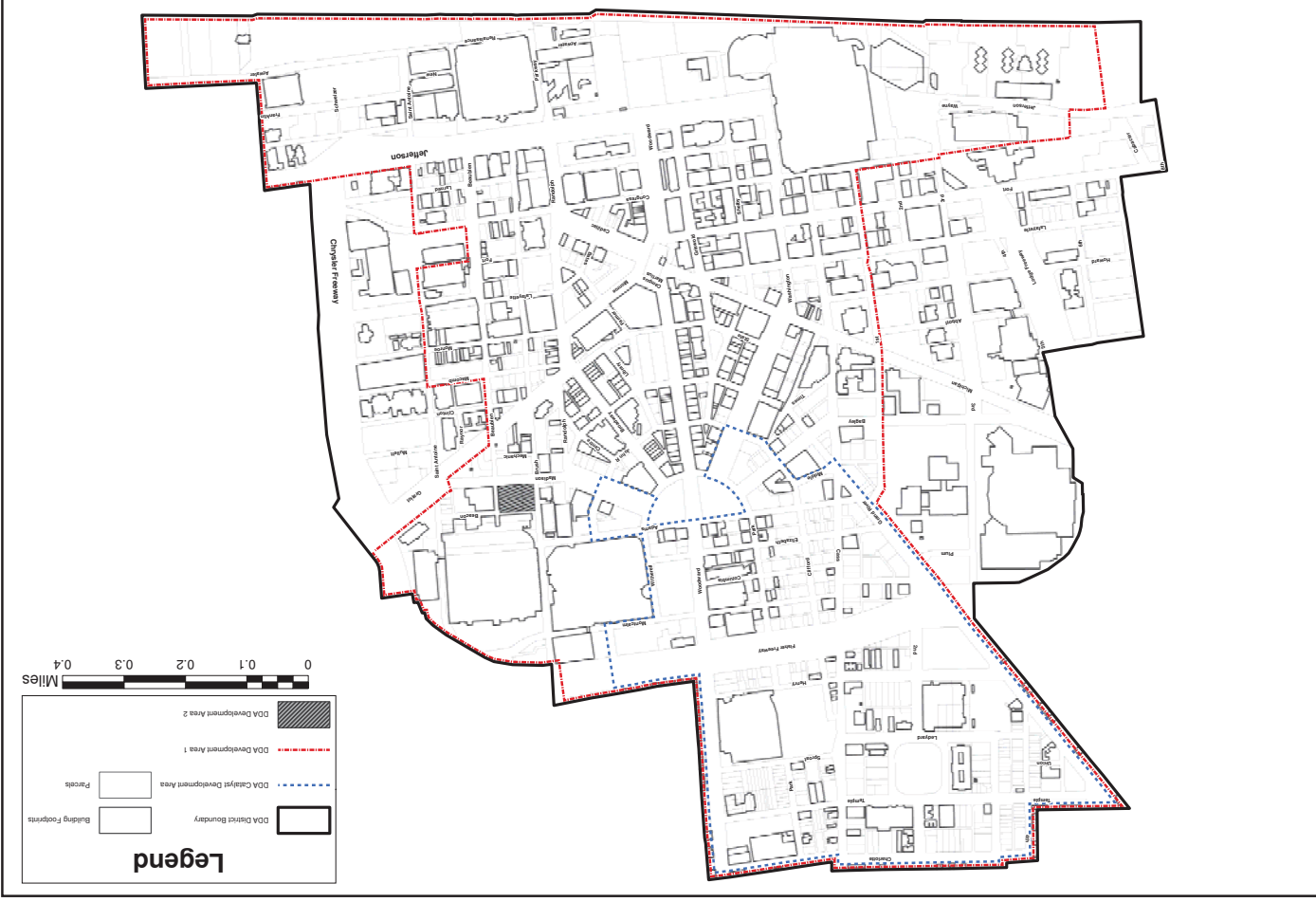
DETROIT DOWNTOWN DEVELOPMENT AREA NO. 1

201 MAP OF DETROIT DOWNTOWN DEVELOPMENT AREA NO. 1

The Development Area is shown on the Map attached hereto as Exhibit A to Section 201. In 2013, the Development Area was expanded to include the 2013 Expansion Area. The boundaries of the 2013 Expansion Area are shown on the Map attached hereto as Exhibit B to Section 201.

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City of Detroit Downtown Development Authority Exhibit A to Section 201



City of Detroit
Downtown Development Authority

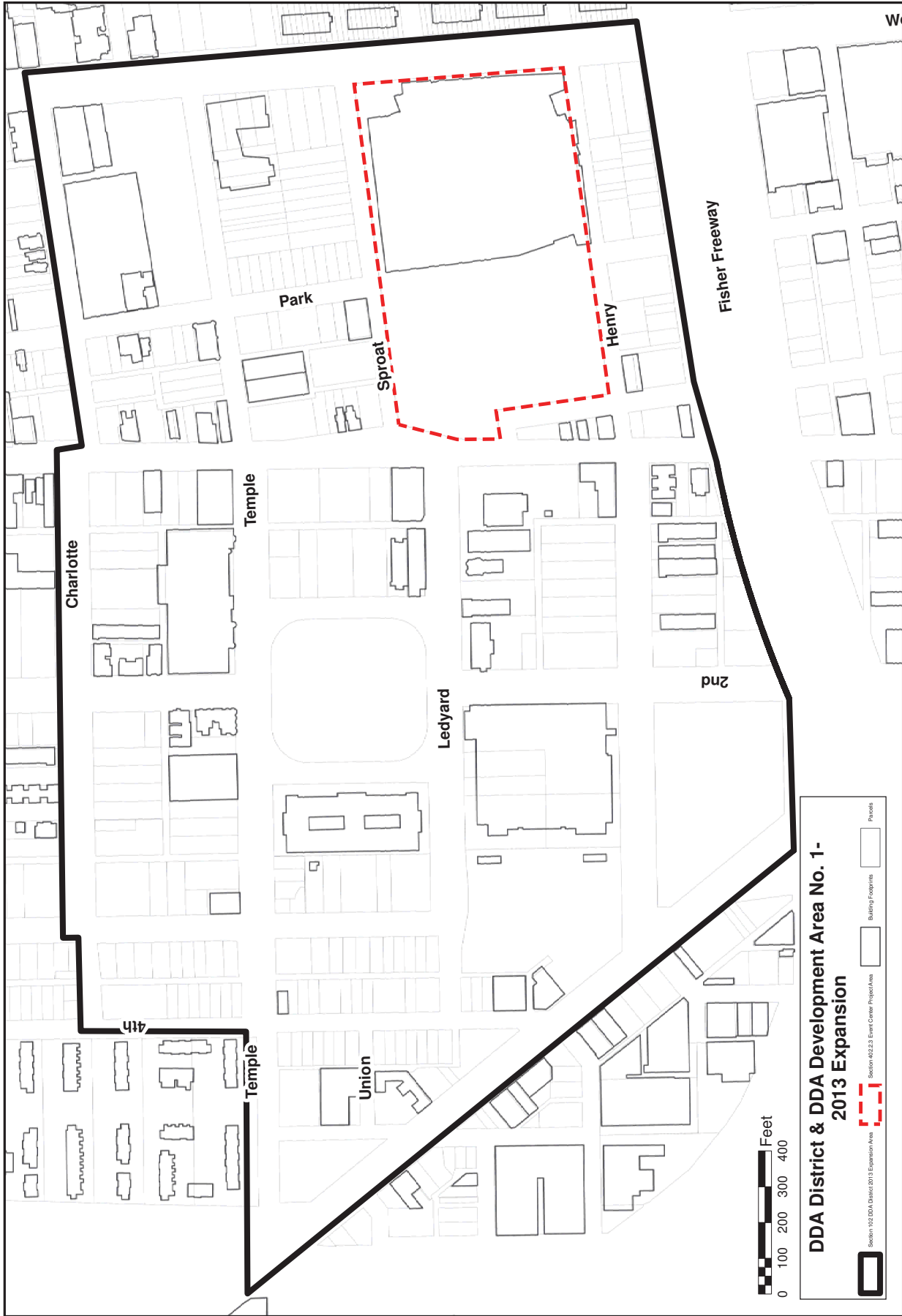
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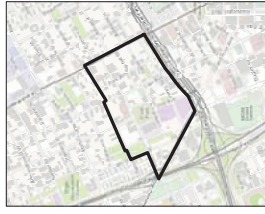
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City of Detroit Downtown Development Authority Exhibit B to Section 201



City of Detroit

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202 LEGAL DESCRIPTION OF THE BOUNDARIES OF THE Detroit Downtown Development Area No. 1

The legal description of the Development Area is set forth in Section 401.2.1. The legal description of the 2013 Expansion Area is as set forth in Section 401.2.2.

203 RATIONALE OF THE BOUNDARIES OF THE DETROIT DOWNTOWN DEVELOPMENT AREA NO. 1

The configuration of the boundaries for the Development Area is based upon the necessity of maximizing the possibility of halting property value decline and motivating the revitalization of Downtown Detroit. The boundaries include the areas thought most likely to attract private investment and private development in the near future.

Generally, all land included in Development Area No. 1 is considered by the Authority to be necessary for the following reasons: (1) tax generators are located on the property which will provide tax increment funds to be used in the financing of the Authority's development projects; (2) the assessed value of the property is so low that it is prime for rehabilitation or redevelopment; (3) the inclusion of the property will permit implementation of a specific development project or activity, including property that will permit flexibility in the final project design layouts; and (4) to correct evidence of blight and value deterioration, and to promote economic growth and development.¹

¹ Prior to the initial adoption of the City of Detroit Tax Increment Financing Plan and Development Plan for Development Area No. 1, the Authority's research of all the properties within the Authority District boundaries indicated that the Renaissance Center was the only such property that had increased significantly in assessed value and that would continue to increase in value. (See Exhibit to Section 204.4.1.) A number of additional areas within the District have subsequently been identified as sites of DDA activity or investment or of anticipated development expected to generate tax increment needed to finance DDA activities. The Authority has acted to amend the boundaries of Development Area No. 1 to incorporate these areas.

On March 21, 1980, the Board adopted a resolution to include the Riverfront West Hotel project in the Tax Increment Financing Plan and Development Plan for Development Area No. 1. Because of the proposed use of tax increment proceeds to support this new project and the need to meet the escalating costs of the three projects originally set forth in the Plan, it was necessary to amend the boundaries of Development Area No. 1 to include the Joe Louis Sports Arena and the Windsor Tunnel Plaza.

In September, 1984, the Authority adopted a resolution to include Greektown-Trappers Alley as a development project, recognizing the necessity to promote and support the economic health of the downtown retail/commercial core, particularly in light of the deferment of the Cadillac Mall project and the declining CBD retail base.

On August 12, 1986, the Authority acted to include the Theater District, the Harmonie Park area, the area south of Jefferson up to Brooklyn Street, the Cobo Convention Center expansion area north of Larned and the Pontchartrain and People Mover sites north of Jefferson, recognizing the necessity of public sector action in support of a number of proposed projects of major public benefit and consequence located within those areas. (A portion of the boundary line of this expansion encroached upon the Municipal Parking Department's Parking Structure and a Detroit Edison surface parking lot; that portion of the boundary was subsequently moved back to the west right-of-way line of First Street between Beech and Bagley.)

On March 16, 1989, the Authority acted to expand the Development Area to included the area bounded by Michigan on the north and Larned on the south, east of Shelby; an area between Adams and Bagley, just west of First Street, as well as an 80' foot westerly extension in the Theater District area; the area between Adams and Madison bounded by Brush on the east; and the area bounded by Atwater, Rivard and the western line of the National Gypsum property. (footnote continued on next page)

The Board adopted a resolution on October 27, 1995 to include the Tiger Stadium project as a DDA project. It was therefore necessary to amend the boundaries of Development Area No. 1 to include the area west of the Theater District area to Grand River Avenue.

Implementation projects are proposed for specific sites within the boundaries of Development Area No. 1.

These implementation projects are found necessary by the Downtown Development Authority for purposes identified in these Plans. The projects are fully described in Section 400 of this Plan.

204 BASIS OF AUTHORITY'S DETERMINATION OF NECESSITY FOR DETROIT DOWNTOWN DEVELOPMENT AREA NO. 1¹

204.1 Analysis of Economic Changes in the Downtown District

204.1.1 Employment

At the inception of this Plan, the estimated 1980 employment for the Detroit Central Business District (CBD) was approximately 106,000 employees. This was some 8,000 employees higher than the 1978 survey, reflecting a surge of new downtown growth in the last two (2) years of the decade. In 1970, the CBD accounted for one out of every seven jobs in the City of Detroit -- about 14.1%.

In the period between 1970 and 1977, despite major additions to downtown building space (particularly in offices), total CBD employment dropped slightly to an estimated 105,000. The greatest decline was in retail employment, but all sectors reflected the impact of the 1974-1976 recession that put a damper on employment expansion. Retail sales dropped substantially in constant dollars and a large reservoir of vacant office space was built up as the result of new construction.

The following table summarizes the 1970-1977 trends in CBD employment:

Following negotiations with the Detroit Lions football team management, it became apparent that the Detroit Lions were willing to relocate from Pontiac's Silverdome stadium to a new sports/entertainment complex to be built within the DDA District. The Detroit Tigers also agreed to locate their proposed new stadium in such a new complex. Further negotiations between the City, DDA, Wayne County, Detroit Tigers and Detroit Lions led to the decision that side by side stadiums situated on the northeast side of the District would generate the greatest economic benefit for the area. To accommodate the location of the stadia and to enable the Authority to provide tax increment support to the development, the DDA Board adopted a resolution in September, 1996 that provided for the expansion of Area No. 1 boundaries to include the area east of Woodward bounded by John R Street, East Adams, Brush, Madison, Gratiot, the northeast boundary of the DDA District and Fisher Freeway.

The Authority acted to expand the Development Area with the 2003 Plan amendment to accommodate the Lower Woodward Improvement Agenda located in the Lower Woodward Neighborhood. The westerly Development Area boundary at Grand River was extended south along First Street to Congress. Pursuant to a June 26, 2013 DDA Board resolution, Development Area No. 1 was expanded to accommodate the Catalyst Development Project. The Development Area No. 1 boundary was expanded north of the Fisher Freeway and west of Woodward Avenue.

¹ As of 2003.

TRENDS IN DETROIT CBD EMPLOYMENT, 1970-77

	1970	1977	Change 1970-1977	
			Number	Percent
Construction	500	400	-100	+20.0%
Manufacturing	10,400	9,300	-1,100	-10.6%
TCU ^{1/}	12,100	12,600	+500	+ 4.1%
Wholesale Trade	2,700	2,700	--	--
Retail Trade	15,400	9,700	-5,700	-37.0%
FIRE ^{2/}	24,600	25,200	+600	+ 2.4%
Services	26,600	30,400	+3,800	+14.3%
Government	13,700	14,700	+1,000	+ 9.4%
	106,000	105,000	-1,000	- 0.9%

1/ Transportation, communications and utilities.

2/ Finance, insurance and real estate.

SOURCE: Hammer, Siler, George Associates, Economic Consultants, 1977.

With the impetus given to downtown activity by the new Renaissance Center project and other new public and private projects already committed, and reflecting the anticipated improvements in the City's economic picture, it was forecast that CBD employment would increase by about 7,000 to a total of 112,000 workers in 1984.

According to the U.S. Census, total employment for the CBD was 111,000 in 1980, representing an approximate 5% increase since 1970. However, the distribution of employment within industrial employment categories shifted. Major construction projects in downtown increased numbers of construction workers. Retail Trade lost almost four (4) percentage points; Services increased about three (3) percentage points; and Federal, County, and City Government workers increased CBD workers by three (3) percentage points. Transportation, Communications and Utility workers increased slightly while Manufacturing (mainly newspaper workers) and Wholesale Trade remained relatively stable. The Finance, Insurance, Real Estate industry has become more geographically distributed, showing a reduction of four (4) percentage points.

CBD EMPLOYMENT

	Percent	
	1970	1980
Construction	1.0%	3.0%
Manufacturing	10.0%	11.0%
TCU ^{1/}	11.0%	13.0%
Wholesale Trade	3.0%	2.0%
Retail Trade	15.0%	11.0%
FIRE ^{2/}	23.0%	19.0%
Services	24.0%	27.0%
Government	12.0%	15.0%
	100.0%	100.0%

1/ Transportation, communications and utilities.

2/ Finance, insurance and real estate.

SOURCE: 1970 Hammer, Siler, George Associates, 1980 U.S. Census, UTPP.

With the new People Mover project to open soon and other major construction projects continuing, it is expected that modest overall employment growth will continue but the loss of Hudson's and related establishments since 1980 in the comparison retail sector will require substantial efforts to counter. The CBD now represents 22% of all the City's jobs, up from 17% in 1970. With the employment losses elsewhere in the City, the CBD is becoming increasingly important to the economic health of the City. Accordingly, it is desirable and necessary to use powers available through the DDA Tax Increment Financing and Development Plan in a manner to induce increases in employment within the CBD.

204.1.2 Office Space

Office space and the employment generated by offices are very important indicators of the growth potential of the CBD. The categories of employment which are primarily office employment are transportation, communication and utilities; finance, insurance and real estate; services; and government. These categories totaled in excess of 74,000 employees in 1970 and increased to over 82,000 employees by 1980. This represented 70% of total CBD employment in 1970 and 74% in 1980. Renaissance Center, Blue Cross/Blue Shield, McNamara Federal Building, Bell Telephone, and 333 West Fort Street are all office buildings, which were occupied during this period. It appears that these same types of businesses will be experiencing the greatest growth over the next few decades. According to Hammer, Siler, George, occupied office space amounted to 10.7 million square feet in downtown in 1970 and 12.8 million square feet by 1980, a net increase of over two million square feet. However, many buildings of lesser quality and location were converted to residential use or became increasingly vacant. Special programs have been necessary to assist this transition of older office buildings to residential.

Suburban office development has been very competitive with downtown, with Southfield and Troy experiencing almost phenomenal growth. Southfield added in excess of five million square feet of office space in the first half of the 1980's, totaling over 15 million square feet. Troy now has over eight million square feet.

The office sector appears to be an area of possible continued growth, provided that support for new and rehabilitated space can be continued. Such support is desirable and necessary to assure that the CBD remains an attractive area for businesses needing office accommodations that are at least as attractive as modern suburban facilities, with adequate parking, attractive rents, and availability of employee attractions. The use of tools provided through the Tax Increment Financing and Development Plan is necessary to provide needed support for new and renovated office facilities.

Data sourced from information on CoStar's 3-year and 5-year Retail, Office, and Multifamily report show that office vacancy rates within the CBD in the second quarter of 2016 were 13.2% down from 14.8% in the first quarter of 2015.

204.1.3 Retail Activity

Unlike growth in office employment and space, the future of retail trade in the CBD is less certain.

CBD sales dropped from about \$540 million in 1963 to \$470 million in 1970 - down about 13% -- and fell even more to an estimated \$291 million in 1977 -- down an additional 38% of the Wayne County total in 1977 and only 2.1% of the Tri-County retail sales total.

The trend of retail sales in both the City of Detroit and the CBD as compared with the Tri-County metropolitan region shows continuing decline. In 1982, the retail sales of Detroit were 16% of the Wayne-Oakland-Macomb County regional sales of \$18 billion, and CBD sales were 1.2% of this figure.

**PERCENT DISTRIBUTION OF RETAIL SALES,
DETROIT AND CBD, 1963-1982**

Year	Tri-County Area	Detroit	Detroit CBD
1963	100%	44.0%	5.3%
1967	100%	38.1%	4.4%
1970	100%	32.4%	3.7%
1972	100%	28.9%	2.9%
1977	100%	24.7%	2.1%
1982	100%	16.0%	1.2%

SOURCE: Bureau of the Census, U.S. Department of Commerce, Census of Retail Trade; Hammer, Siler, George Associates, Transit-Generated Private Investment, Detroit, Michigan, March, 1977.

The trend of retailing in Detroit's CBD is shown in the following table utilizing three (3) important measures of retail activity: sales, number of establishments, and number of employees. (The sales figures are not adjusted for inflation.)

**RETAIL TRADE
DETROIT CENTRAL BUSINESS DISTRICT
1958-1982**

Year	Retail Sales (In \$000)	Retail Employment	Number of Retail Establishments
1958	331,039	20,445	1,097
1963	287,086	14,183	817
1967	308,478	12,483	673
1972	291,442	9,717	609
1977	241,729	97,028	473
1982	220,517	5,140	339

SOURCE: U.S. Bureau of Census, Census of Retail Trade, Major Retail Centers

Estimates of 1990 retail sales in Detroit's CBD (in 1984 dollars) range from \$301 million to over \$360 million. This assumes the presence of well-managed, attractive stores offering merchandise geared to the various market components: residents, employees, and visitors. It also assumes identifiable market clusters with strong positive images.

**ESTIMATED RANGE OF POTENTIAL RETAIL SALES
IN DETROIT CBD, 1990***

Shoppers Goods	\$177,000,000	-	\$236,000,000
Total Convenience Goods (sales to CBD residents)			7,100,000
Eating and Drinking (all groups)			87,000,000
Employees (excludes food and drink)			20,400,000
Visitors (excludes food and drink)			10,000,000
GRAND TOTAL	\$301,500,000	-	\$360,500,000

SOURCE: Robert D. Swartz, Retail Potential in Detroit's Central Business District, Spring 1984.

*Estimates in 1984 dollars

A comparison of 1977 and 1982 sales in Detroit's CBD by types of business indicates that the percentage of all CBD sales made in convenience goods stores has risen from 28.8% in 1977 to 38.9% in 1982. This may be attributable to both a relative decline in shoppers' goods sales and an increase in employee shopping. In 1982, Dayton-Hudson ceased its retail operations in downtown. B. Siegel, Woolworth, and Sam's Department Stores have also since closed their doors. These incidences of closings evidence a critical need to leverage continued, substantial private investment in the CBD retail core.

**COMPARATIVE DISTRIBUTION OF CBD RETAIL SALES
BY CATEGORY OF STORE
DETROIT CBD 1977 AND 1982**

Category of Business	Percent of Total Sales	
	1977	1982
Shoppers Goods Store (General Merchandise, Apparel, Furniture, Other Shoppers Goods)	66.2	52.1
Convenience Goods Stores (Food, Eating and Drinking Liquor, Drugstores)	28.8	38.9
All Other Stores	5.0	9.0
TOTAL	100.0	100.0

SOURCE: Bureau of the Census, Census of Retail Trade, Major Retail Centers, 1977 and 1982 Michigan

In 1983, the Detroit CBD had approximately 1.6 million square feet of ground level retail space. Of this amount some 35% (575,000 square feet) was vacant. Based on an estimated annual retail sales potential of

\$300-360 million, and an assumed sales per square foot of \$200 (1984 dollars), approximately 1.5 - 1.8 million square feet will be needed in 1990. A substantial portion of this need may be met by the existing vacant or underutilized retail space.

Data sourced from information on CoStar's 3-year and 5-year Retail, Office, and Multifamily report show retail vacancy rates within the CBD increased between 2013 and 2015. Currently, retail vacancy rates are on the decline. From 2015 to the second quarter of 2016, the retail vacancy rate dropped from 7% to 2.2%.

The Central Automated Transit System (People Mover) has 13 stations. Of these, six have direct pedestrian access into a building. Daily ridership of the system in 1990 is estimated at 57,500 passengers. These station locations were anticipated to positively impact commercial retail development in their immediate areas.

In the highly competitive distribution of functions, the CBD plays more of a specialized than dominant role, as in the past, and Detroit total retail sales will continue to decline as part of the Tri-County sales unless major projects reverse this trend. This decline reflects a genuine loss of level of retail services to the entire City population, residents and workers alike, and hinders the attraction of investment for new housing and employment generators.

It is necessary to utilize the powers available through the Tax Increment Financing and Development Plan to induce and assure financial success of retail businesses to serve the CBD as well as the rest of the City.

204.1.4 Housing

At the inception of this Plan, a competitive residential complement within the defined CBD was virtually nonexistent. Not a single residential development in the area could be considered competitive with the newer high-density residential developments built throughout the metropolitan area. Existing downtown residential projects tended to be older buildings concentrated in the core area of the CBD, with many of these units located in structures converted from their original use as hotels. Many of the residential projects operated as a combination of permanent and transient residential facilities.

In 1980, there were just over 4,000 people living in downtown Detroit, almost 1,000 of whom were living in institutions or other group quarters. Of the 3,000 or so people living in households, less than 300 were living in families. About 2,100, or almost 85% of all occupied housing units, were single person occupied renter units. The market for downtown housing includes, to a large extent, downtown workers. Almost one-third of these workers are administrative, executive or professional. Another one-third are administrative support. This is in great contrast with the rest of the region where these categories totaled about 40%. 55% of all downtown workers had 1979 household incomes of over \$25,000. Of these, 11% had household incomes over \$50,000.

Between 1980 and 1985, the CBD saw a substantial increase in its resident population largely through efforts of the DDA. This increase has been the result of both the conversion of non-residential space to housing as well as the construction of new units. In all, a total of some 1,700 units were added to the downtown housing stock during that period. The conversion of commercial and office space added 480 units of senior citizen housing. Detroit City Apartments, formerly known as Trolley Plaza, added 351 one and two-bedroom units. 98% of the units were occupied by one and two person households. Median income of Trolley Plaza residents was \$35,000.

The first phase of the Riverfront West development has more than 500 units occupied primarily by higher-income, small households. Renaissance City Apartments, formerly known as the Millender Center, opened in 1985 with about 340 units. The rapid rent-up of each of these developments indicates a strong market for this type of unit and its strong appeal to the non-child-oriented higher income household targeted for

the Downtown Detroit housing of the future. However, in each case there has been major governmental financial involvement in the development. It is anticipated that this type of support will need to continue in order to fully capture the potentials for downtown population.

There has been some success in the conversion of commercial and industrial space to residential use as evidenced by the senior citizen developments and the recent interest in loft space. There is much available upper story commercial space and a large pool of downtown workers and workers in adjacent areas totaling, about 170,000 employees in 1985. Over half of Detroit households and about one-third of the region's households do not have children and live in small households. This potential market can be tapped if methods of economically financing adaptive reuse of the commercial space can be found.

Data sourced from information on CoStar's 3-year and 5-year Retail, Office, and Multifamily report show that the multifamily housing market within the CBD has experienced an increase in vacancy rates. The vacancy rates are attributed to the rise in rental rates. For a brief time during the first half of 2015, the rental rate per square foot decreased. As rental rates resumed trending upward, the vacancy rates also continued to trend upwards.

In all these developments, the cost of producing new units has exceeded the marketable rents, creating a gap, which has been financed by public participation. This gap has decreased rapidly as new projects have proven the attractiveness of downtown living and increased demand for units. There does still remain, however, a true gap and need for DDA and other public participation to continue the development of new housing deemed necessary to attract employment generators and retail services. The Tax Increment Financing and Development Plan provide the mechanism to permit this necessary participation.

204.1.5 Parking and Intra-CBD Circulation

The major land use in the downtown is now parking, and this is predominantly in surface lots. This fact did not result from careful planning but rather from an economic reaction to two trends: an increasing demand for parking and steadily declining building values of structurally and economically obsolete office buildings, restaurants, theaters, and other facilities. Increasing energy costs, maintenance and labor charges, and competition with less expensive, new office space in the suburbs have left many owners with no other choice than to demolish their structures for parking lots.

Simultaneously, there has been a recent trend for the major downtown employers, including banks, health facilities, municipal, county, state and federal office buildings, to provide their employees with convenient, secure and reasonably priced parking spaces.

In order to be competitive with suburban developments, the City recognizes the need to provide convenient, secure and inexpensive parking with new residential, commercial, and hotel facilities currently being planned.

Therefore, the Authority authorized a Downtown Detroit Parking Study for Downtown Detroit as a component of the "Growth Management Plan" prepared under the direction of the Planning Department of the City of Detroit by Wallace, McHarg, Roberts and Todd. The Downtown Detroit Parking Study was intended to fully compliment and be integrated into the completion of a "Growth Management Plan" and provide a short-range parking strategy, which will promote new development in downtown, as well as support and strengthen existing commercial activities.

The Downtown Detroit Parking Study was intended to specifically locate the supply of parking, quantify the demand and project the future requirements for parking downtown. Recommendations set forth are intended to be short-range steps toward a long-range objective which will have 50% of downtown workers arriving by transit rather than the 25% who come by bus today.

A long-range objective which is considered critical for future growth is the monitoring of the total parking supply in downtown to encourage high transit ridership and productive reuse of grade level lost. Careful control of parking supply is one of the necessary steps in a management program, which will include development strategy for downtown development in the future.

The management plan summarized the goals, objectives and the continuing planning process for downtown Detroit. The report was not an end state plan but a documentation of a growth management process, which is being used by the City to achieve a stronger and more active downtown. Much of what was shown was already underway. Major investments are being made by public and private interests and plans for many more projects are underway. The opening of the Downtown People Mover System will necessitate major changes in the parking system.

Detroit City Apartments, formerly known as Trolley Plaza, Renaissance City Apartments, formerly known as the Millender Center, Riverfront West, Kennedy Square, Book Cadillac Hotel, Quicken Loans, Greektown Casino, Cobo Arena and the Z Lot all have major parking structures as an integral part of their development. These have been built and accessed with major governmental financial assistance. It is anticipated that this type of support will be needed to facilitate many future developments, especially the retail core commercial developments.

Currently, the primary forms of intra-Central Business District motorized public transportation are the D-DOT operated "mini-bus" or "the loop" and "mini-trolley" systems. The mini-bus system provides service to all major activity centers and facilities during the weekday. The "mini-trolley" provides service, primarily recreational, along Washington Boulevard, extending to Cobo Hall and Renaissance Center. Service on this line is continued on weekends.

Although buses and automobiles provide major means of circulation, the primary form of movement within the CBD is walking. Pedestrians compose the largest segment of movement generation within the Central Business District. In many instances, conflicts exist between pedestrian and automobile traffic as they both try to maneuver between various activity centers. Conflicts and delays in traffic movement arise at various intersections, forcing less than adequate and efficient traffic movement.

Many projects are currently proposed and/or underway to improve or facilitate traffic movement within the Central Business District. The People Mover, also known as the Central Automated Transit System, is one such project. Although it is primarily financed by the Detroit Transportation Corporation (DTC) using funding from the federal Urban Mass Transportation Administration (UMTA) and the Suburban Mobility Authority for Regional Transportation (formerly SEMTA) ("SMART"), the DDA is participating in some aspects of the system and has adopted its completion as necessary to meet DDA objectives for Downtown. The People Mover's driverless vehicles travel along a single track on an exclusive path called a guide-way some 15 feet above street level. The vehicles have a maximum capacity, including standees, of 100 passengers. There are 13 station stops at key activity centers along the 2.9 mile loop.

From the Times Square station, the vehicles travel in a clockwise loop through the Central Business District, stopping at stations at the following locations: Michigan and Cass Avenues; Fort and Cass Avenues; Cobo Hall at Larned and First Streets; and the Joe Louis Arena. The guideway will follow a path on Civic Center Drive adjacent to the River, curve over the Lodge Freeway and Jefferson Avenue, and turn left off Shelby Street to the Financial District station at Larned Street between Shelby and Griswold Streets.

The next stop is at the Renaissance City Apartments, formerly known as the Millender Center; followed by stops at the Renaissance Center; Bricktown at Beaubien and Fort Streets; Greektown; the proposed Cadillac Center at Gratiot Avenue between Farmer and Library Streets; Broadway Avenue between John R and Grand River Avenue; and the David Whitney Building at Grand Circus Park.

The maintenance facility serves as a nerve center for train operation, patron communication and assistance, data communication and system surveillance. It adjoins the Times Square station at Park Place and Grand River Avenue.

Five of the 13 People Mover stations will be integrated with existing structures at Cobo Hall, Joe Louis Arena, Renaissance City Apartments, formerly known as the Millender Center, the Renaissance Center, Greektown Casino, formerly the Trappers Alley Specialty Retail Center in Greektown and the David Whitney Building. Additionally, the station at Joe Louis Arena will provide a link to the Riverfront Apartment complex.

The system provides faster, safer, and more convenient public transportation for thousands of people who come to Downtown Detroit each day to work, shop, or for recreation. It also helps alleviate traffic problems and improve pedestrian circulation. Including stopping time at each station, the automated vehicles take just 14 minutes to complete the entire loop of the Central Business District. Daily ridership is expected to reach 57,500 by 1990. Fares were projected to be the same as the "Mini Loop Bus". A token placed into a turnstile permits entry into a station. Cost of operation was expected to be covered by revenues from the fare box, advertising and joint development projects with private businesses.

The deployment of the Downtown People Mover (DPM) system was projected to reduce or eliminate the need for the mini-bus system, which currently serves intra-CBD circulation. Thus, mini-bus service may be confined to those areas not serviced by the Downtown People Mover and/or be rerouted. Considerable study will be given to the need for any form of circular bus service within the CBD with the advent of the Downtown People Mover System.

People Mover stations are located one floor above grade; without a pedestrian skywalk system, the People Mover users must descend to the street level, go outside and contend with the weather and with vehicular traffic before reaching their destinations. A walkway system permits the rider to disembark and move directly into the second levels of buildings. Each system will reinforce the patronage of the other: the People Mover provides excellent long-distance travel in a circumferential pattern; a walkway system provides excellent short-distance, multi-directional grid pattern movement connecting the People Mover and proposed subway stations, and existing sidewalks and buildings to one another.

Development of the DPM and the pedestrian skywalk system can occur only with public cooperation and participation. Eleven of the 13 DPM stations fall within Development Area No. 1. All of the initially planned pedestrian skywalk linkages occur within Area No. 1. The development of these facilities and support for private investment at the ingress/egress points for these facilities require use of tools available through the Tax Increment Financing and Development Plan.

The QLINE (M-1Rail) within the Woodward Avenue right of way from Jefferson Avenue to Grand Boulevard will be operational in April 2017 with financing from the US Department of Transportation and private parties, with a contribution from the DDA.

204.1.6 Hotels and Conventions

The firm of Leventhol and Horwath, Certified Public Accountants, was engaged by the Authority to study the supply and demand characteristics of the hotel market for the City of Detroit and to ascertain if the development of a downtown hotel is appropriate in the near future. The following are among the findings and conclusions of the report.

"The downtown area can support additional rooms if the current governmental and private development activities come to fruition. Local and federal assistance is presently being

employed to facelift the downtown area. Substandard buildings are being leveled; parking (structures) are being built; parks are being created; and, other elements needed to induce private investment are being provided."

In addition to the physical changes occurring in the Central Business District, the study noted that Detroit (metropolitan) was among the top ten major convention centers in the nation. It further noted that during the period 1971 to 1976, the average annual growth rate in number of conventions was 3.4% (363 in 1971 and 520 in 1976). However, based on future bookings, it was projected that the annual growth rate in number of conventions and total attendance over the next five (5) years would reach 8.7% and 14.2%, respectively.

Downtown Detroit has experienced a decline in first-class hotel accommodations since the mid-1960's. At that time, there were over 5,000 first-class rooms in Downtown Detroit. The following hotel rooms had been removed from the downtown inventory at the inception of this Plan:

Hotel	Approximate Number of Rooms
Leland House	800
Heritage-Hilton	1,000
Pick Fort Shelby	800
Tuller Hotel	800
The Whittier	800
Sheraton Cadillac	1,200
Holiday Inn	143

The then-current hotel room inventory included the 1,400 room Detroit Plaza Hotel, the Pontchartrain Hotel with 430 rooms, the Mariner with 300 rooms, and the Book-Cadillac Hotel with 550 rooms, representing a net loss of about 2,863 rooms over the prior 10-12 years.¹

The study recommended that the air space above the Jefferson-Randolph development site be marketed for a 300-room nationally affiliated hotel with a "normal complement of ancillary facilities and amenities..."

Two additional hotel market studies were prepared for the Downtown Development Group, the private developer for the Millender Center Project, currently called the Renaissance City Apartments. These two studies,

1. "Market Analysis and Financial Projections for a Proposed Hotel in Detroit, Michigan" prepared by Leventhol and Horwath (August, 1979), and
2. "Report on Potential Market Demand and Statements of Estimated Annual Operating Results for a Proposed Motor Hotel to be located in the Central Business District of Detroit, Michigan" prepared by Harris, Kerr, Foster & Company (January, 1980).

Both affirmed the earlier recommendation that the air space above Jefferson-Randolph (the Robert L. Millender Center) be marketed for a 300-400 room nationally affiliated hotel. This was accomplished with the 1985 opening of the 260-room Omni Hotel in the Millender Center, currently the Renaissance City Apartments.

¹The Mariner and Book Cadillac Hotels closed their doors in 1985; the Mariner reopened in 1986 as the Days Inn but subsequently again ceased operation. The Book Cadillac Hotel subsequently reopened in 2008 with 453 rooms. Doubletree Hotel, Hilton Garden Inn, the Aloft Hotel in the David Whitney Building, and hotels at the Greektown Casino and MGM Grand Casino have also opened.

With the anticipated expansion of Detroit's convention facilities, additional hotel development is being programmed near Cobo Hall and a number of the People Mover stations. Other hotels are being contemplated based on an expected increase in tourist and convention trade.

When Cobo Hall opened in 1961, it was considered one of the largest and finest convention centers in the country. After two decades of operation, its leadership position among convention centers is threatened by: a growing average size of conventions, so that more than one hall is in demand per convention; growing requirements for more and larger meeting room space directly accessible to exhibition halls; and increasing competition from other U.S. and Canadian cities.

Prior to Cobo Hall's expansion the contiguous exhibit space was limited to 300,000 square feet, requiring one convention to complete its take down before a second can be set up. The resulting inability to plan staggered and/or simultaneous use of halls has created peaks and valleys in exhibition space utilization, a problem not only for Cobo Hall, but the Detroit hotel system as well. Competition between U.S. and Canadian cities for conventions and trade shows is keen. In 1982, 47.3 million delegates spent \$16 billion at 87,763 conventions in the U.S. A continuation of present growth trends in the size and number of conventions and trade shows is expected to result in demand for a facility that can provide up to one million square feet of exhibition space by the year 2000. A number of cities are building new centers or expanding or improving old ones. New York's new center has 640,000 square feet of exhibit space and 63,000 square feet of restaurants. Washington, D.C., Dallas and San Francisco, among others, all have new or improved centers. Cobo Hall, once classified as a "medium" size facility, added 350,000 square feet to its existing 300,000 square feet of exhibition space. With teleconferencing by satellite, electronic mail, and other advanced communication techniques and potentials, conferences and conventions will also need to be served by the most modern technology.

Detroit's share of convention business is roughly commensurate with its standing as the nation's sixth largest city. In recent years, the number of delegates to the Detroit region has increased significantly - a 27% increase in 1981, for example. Detroit's 1983 convention business was 24% higher than 1982's. In 1982, there were 43 conventions in Windsor, with an estimated 15,000 delegates.

METROPOLITAN DETROIT CONVENTION BUSINESS

Year	Conventions	Number Attending	Amount Spent
1972	384	278,000	\$45 million
1973	390	370,000	65 million
1974	416	352,500	64 million
1975	367	304,464	54 million
1976	406	325,645	61 million
1977	471	386,257	69 million
1978	504	501,746	91 million
1979	555	549,786	91 million
1980	549	537,718	153 million
1981	614	681,939	106 million
1982	604	679,466	113 million
1983	602	750,000	133 million
1984	538	732,757	129 million

SOURCE: Metropolitan Detroit Convention and Visitors Bureau

From 1961-1984, 9.2 million people attended conventions and meetings in Metropolitan Detroit, spending over \$1.5 billion. Local public shows account for the majority of the attendance at Cobo Hall; however, such attendees do not stay overnight nor spend much. Most of the national conventions at Cobo Hall are related to the Detroit business base (automotive, robotics, heavy duty, etc.). In 1982, the Society of Manufacturing Engineers convention attracted 30,000 delegates to Detroit; the Society of Automotive Engineers drew 25,000.

National convention growth rate has averaged 8% per year over the previous 10 years. Using conservative growth rates, ranging from 7% per year for smaller conventions, down to 1.5% per year for the largest conventions, the total number of national convention delegates will increase, from 159,450 in 1983, to between 266,000 and 436,000 by 1993. This is an increase of 95%-173% in the number of national delegates over 1983. The difference is a function of space availability at Cobo Hall during the scheduled period of each convention and increasing Detroit's relative marketability. Projected increases in regional conventions and public shows are independent of Detroit's relative marketability.

204.1.7 Recreation/Entertainment

Recreational facilities in downtown traditionally include theaters, restaurants, clubs, and other privately owned facilities as well as the usual public open spaces, parks, auditoriums and sports facilities.

Privately owned facilities have generally relocated to or been developed in suburban areas following the same patterns and for the same reasons as did other activities. Entertainment functions have been lost over the years as the residential population suburbanized, television made inroads on movie theaters, the Pistons were lost to other areas and activities formerly associated with Hudson's Department Store were lost. There are few bowling alleys, racquet clubs or other facilities equal to contemporary ones found in outlying areas. In the 1920's, CBD theaters had, in the aggregate, 32,000 seats; at the close of 1984, only six of the 25 theaters (operating in 1930) remained. Of those, only the Adams still functioned as a movie house and live performances periodically took place at the Fox and Adams Theaters.

This condition exists despite the fact that the combined concentration of 111,000 downtown employees and some 60,000 more along lower and middle Woodward constitutes the State's largest employment center. Downtown's recreation and entertainment facilities and events also serve a large residential area, thousands of daily users of the City's convention and arena facilities, and the clients of the CBD's retail, financial and legal services. The CBD's capacity to serve its community is enriched by its location on the Detroit River and the border shared with Canada.

Public recreational facilities have been greatly improved over the last 25 years and now provide the metropolitan area with a vast complex of facilities and services such as Cobo Hall and Arena, Kennedy Square and Hart Plaza. Other facilities developed to enhance the downtown area include the Woodward Avenue Pedestrian Plaza, Capitol Park, Campus Martius, Washington Boulevard Plaza, and the Theater District with the Fox Theater, Detroit Opera House and complementary Paradise Valley Cultural and Entertainment District (formerly Harmonie Park), Broadway Avenue restaurant and entertainment facilities and the Belt. The Belt represents a growing phenomenon of transforming vacant and blighted alley ways to vibrant public spaces complete with entertainment and dining options. The combined effect of these new facilities will be to enlarge the variety of recreational opportunities available downtown and act as a catalyst for further economic growth.

Recent national trends indicate a greatly expanded leisure services industry. The 25% increase in the number of restaurants for the period 1972-1982 is some indication of that growth (U.S. population grew 11% during the same period). Restaurants are a component of the convention, travel and tourism industry, a prime example of leisure services growth (and perhaps an indication of pervasive leisure attitudes). In the City of Detroit, the absolute number of restaurants decreased, but it appears that the CBD increased its

share of restaurants between 1972 and 1977. The travel and tourism industry has grown in the nation, in Michigan and in Detroit; convention bookings and attendance have grown, and attendance at non-convention events in the Civic Center such as the Auto Show have outpaced that at conventions. These visitors, particularly out-of-towners, spend millions of dollars with businesses in the City.

Events of major proportion, sponsored by both the private and public sectors, attract thousands of downtown visitors each year. Hart Plaza, constructed in 1978 for \$31 million, is the site for the City's popular annual ethnic festivals whose estimated total attendance rose to 5.7 million in 1983 -- a 36% increase over 1978 when the festivals moved to Hart Plaza. The International Jazz Festival and the Hoe-down attract 750,000 and 400,000 annual visitors, respectively. The Annual International Freedom Festival and Fireworks celebrate the respective independence days of Detroit and Windsor. The Detroit Free Press International Marathon, which starts in Windsor and ends in Detroit, is one of the largest marathons in the nation. The Detroit Grand Prix races, sponsored by Detroit Renaissance, Inc., showed a profit in its third year (1984) and will be extended another four years.

Detroit River Days is a three-day annual festival that takes place along and celebrates the Detroit Riverfront. In 2016, the Detroit River Days celebration attracted over 165,000 people. A hallmark of the festival is the activities that visitors can participate in on both land and water. The Winter Blast attracts over 75,000 people to the downtown area to enjoy a variety of winter activities, live entertainment and fare from local restaurants.

The City, making the environment for pedestrians and others more pleasant and exciting, has upgraded a number of open public spaces. They include Capital Park, Paradise Valley Cultural and Entertainment Districts (formerly Harmonie Park), Campus Martius, Greektown and Washington Boulevard. The historic trolley car ride has proved very popular and may be extended eastward. The Downtown People Mover will be a tourist attraction as well as a new transportation mode for the Central Business District. More lunch-time programming is being provided by the City: the Downtown Public Library has noon-time concerts, in addition to those in Campus Martius, Hart Plaza and on Washington Boulevard.

In each of the categories of live theater, popular music concerts, classical music, opera, dance and exhibits at art galleries, the proportion of Americans who report attending at least once during the preceding year has risen significantly in the last ten years. A similar increase of interest and attendance has occurred in Detroit's Central Business District and adjacent areas, which has encouraged the establishment of new performing groups and show places, such as, Michigan Opera Theater and Michigan Chamber Orchestra at the Music Hall Center for the Performing Arts, Detroit Jazz Center, Attic Theater, Focus Gallery, Pittman Gallery, Spirit in the Park, the Carr Center, Preston-Burke Galleries, and the Library Street Collective.

The Downtown People Mover system increases accessibility and decrease travel time to and from various activity centers. The success of Greektown and Greektown Casino, formerly the Trappers Alley Specialty Retail Center, not only as retail centers but also as entertainment centers, can be expanded to many of the station areas if the needed development coordination and financing are available.

204.2 Analysis of Impact of Metropolitan Growth on Downtown District

Since the 1950's, many of the basic assets of the City of Detroit, people, jobs, tax base, have increasingly moved out of the City or declined in relative economic value. The bulk of the out-migration has been to the suburban communities surrounding Detroit.

The City has lost population (in general, the more affluent), manufacturing plants, housing, and retail and wholesale businesses. It has also lost many of its service enterprises, although modest gains have been experienced in some service industries, i.e., banking, educational and hospital facilities.

Poverty and unemployment have become concentrated in the City as a direct result of the out-migration of industry, commerce and the higher skilled and/or more affluent residents. The City has been left with a population mix, which is significantly different from that of the suburbs. To a large degree, Detroit's work force is lower skilled, lower paid and has less job security.

Concentration of the unemployed in Detroit has led to significant increases in the demand for public services, causing public expenditures to escalate dramatically.

a. Population Shift

Between 1950 and 1975, Detroit lost more than 500,000 people, mostly to its suburbs where population increased by nearly 1,660,000.

By 1980, Detroit's population had shrunk to 1,203,339 a decrease of 35% from a high point in 1950. However, between 1970 and 1980 the total region lost population due to shifting of jobs and a decline in household size (fewer children). The City has suffered disproportionately in this overall population loss. Due to continued population losses into the 1990s and 2000s, Detroit's population dropped below one million for the first time since 1930. According to the 2010 US Census, Detroit's population is 717,000. According to the 2015 American Community Survey the estimated population for the City of Detroit has decreased to 677,124.

b. Labor Force

Between 1950 and 1975, Detroit's labor force decreased by 291,000. The suburban labor force increased by 913,000. Detroit's labor force participation rate (percent of population 16 years or older working or seeking work) decreased significantly. The rate in the suburbs greatly increased.

Since 1975, Detroit's labor force has continued to drop, reaching below 500,000 by mid-1984. It has increased slightly since then as the economy has improved. Detroit's labor force participation rate was 55% in 1980 compared to 62% for the region.

c. Retail

Between 1958 and 1972, Detroit lost 7,200, or 42% of its retail establishments. The suburbs gained 5,300 establishments for an increase of 39%. This contributed to the loss of 32,000 jobs in the City, and a gain of 79,000 jobs in the suburbs... an increase of 100%.

This trend has continued but at a lesser rate. Between 1972 and 1982, Detroit lost an additional 2,820 retail establishments, almost a 20% loss. During the same period the suburbs gained an additional 20% in retail establishments.

Between 1972 and 1982, the City lost over 30% of its retail jobs while the suburbs gained about 20%. However, in more recent years the suburbs have not gained in retail jobs since population growth has slackened.

d. Wholesale

Between 1958 and 1972, Detroit lost 1,400, or 37%, of its wholesale establishments. The suburbs gained 2,200 wholesale establishments for an increase of 157%. This contributed to the loss of 12,000 jobs in the City, and a gain of 26,000 jobs in the suburbs...an increase of 165%.

Between 1972 and 1982, Detroit lost about 1,000 of its wholesale establishments or about 40%. The suburbs gained about 1,350 wholesale establishments, an approximate 20% gain. Detroit lost almost half of its wholesale jobs during the 1972-1982 period, while suburban wholesale jobs increased by more than 50%.

e. Unemployment

Detroit's unemployment rate has been significantly higher than the rates in its suburbs and the nation. Since 1970, it has been about double the national average. In 1973, the best automotive year in history, Detroit continued to have 50,000 people unemployed.

For the year 1985, Detroit's unemployed exceeded 100,000 people (24.6%) and this unemployment rate was double that of the region and state. Increasingly, Detroit's unemployed are long term, having exhausted most of their normal resources. Thus, while elsewhere in the region and state public assistance caseloads are decreasing, Detroit's is basically constant and the percent of Detroit's population in poverty has increased to more than one-third of all persons and families.

f. Loss of businesses and jobs from the City and growth in the suburbs, 1958-84

(1) Manufacturing

Between 1958 and 1972, Detroit lost 1,000, or almost 30%, of its plants. The suburbs gained 1,600 plants for an increase of over 50%. This contributed to the loss of 24,000 jobs in the City and a gain of 158,000 jobs in the suburbs...an increase of 79%.

This trend has continued. Between 1972 and 1984, Detroit lost over 800 factories or over 30% of its plants. The suburbs gained about 1,000 factories during the same period.

Between 1972 and 1984, Detroit lost 75,000 manufacturing jobs while the suburbs also lost an additional 64,000 manufacturing jobs, a loss of about 15%. Some of this loss has been reversed as the recession has softened, but the City has not gained at the same rate as the suburbs. This has drastically affected Detroit's purchasing power.

(2) Selected Services

Between 1958 and 1972, Detroit lost 3,100, or 29% of its service establishments. The suburbs gained 6,300 establishments for an increase of 87%. This contributed to the loss of 6,000 jobs in the City, and a gain of 54,000 jobs in the suburbs... an increase of 746%.

This trend has continued but is less drastic. Between 1972 and 1982, Detroit lost about 500 of its service establishments or about 12%. This represents an increase since 1977. The suburbs had over a 100% increase in service establishments since 1972. Detroit service employment dropped only about 5% since 1972 but shows an increase of about 15% since 1977. Suburban selected service jobs grew by over 100,000 jobs between 1972 and 1982, representing a 50% increase.

g. Public Assistance and Poverty

During this period of massive loss of population, businesses and jobs, the people remaining are in increasing difficulty because of long term unemployment. In 1979 there were 308,000 total public assistance recipients in Detroit. By 1985, this had increased by about one-third. The rest of the region and state are now showing reductions in caseloads as the overall economy improves. This is not so in Detroit.

In 1976, about 20% of Detroit's population and 18% of its families had incomes below poverty levels. By 1983, these proportions had almost doubled to 36% for individuals and 35% for families. With the rest of the nation coming out of the recession, Detroit has not improved at the same rates.

h. City Expenditure and Tax Revenues

- (1) Detroit's property tax revenues have declined from 38% to only 19% of total City revenues. By 1985 property taxes represented only 9% of all City revenues.
- (2) Detroit's property tax base has increased only 3%, while the tax base for the suburbs has risen by 327%. Between 1967 and 1985, the property tax base has gone from \$4.8 billion to \$5.2 billion with a 50% increase in residential and a 20% decrease in commercial and industrial valuations.
- (3) Detroit has added both an income tax and a utility excise tax to its tax on property. These three taxes combined provide only 38% of the City revenues, the same percentage provided by the property tax alone 20 years ago. By 1985, these taxes raised only 28% of the needed revenues. The amount of revenue that must be raised from other sources has risen from \$200 million in 1957-1958 to \$500 million in 1974-1975, and this gap had widened to almost \$1.3 billion by 1985-1986.

The picture for the City of Detroit and the Detroit Central Business District (CBD) are quite similar. The CBD has patterned the City's overall decline in retail activity.

Retail activity is dependent upon the population and income of an area. Since 1940, the City of Detroit has been declining in its share of the metropolitan area's population and with this decline has gone the cities and CBD's share of retail trade. Until the mid 1960's, the City retained a share of retail activity in the region greater than its share of population. By 1972, however, the City's share of retail activity had fallen below its share of population in every retail category. This trend has continued to the present.

A growing disparity between the suburban and City income levels, and increasing accessibility of new suburban retail centers with abundant free parking, are believed to be the principal causative factors behind this trend.

The net effect of all trends, conditions and problems discussed has been to decrease the attractiveness of the City of Detroit versus the suburbs as a place in which to live, work, be entertained and, most importantly, as a place in which to make investments of private capital for new development.

Despite the dispersal of markets and suburban proliferation of competitive facilities, the compact interrelationships of functions in the CBD cannot be duplicated at outlying locations. Major investments in central governmental, institutional, cultural and professional functions have created a unique complex whose continued efficiency is an essential element in the functioning of the metropolitan economy. The legitimate decentralization of office, retail, hotel and other services to respond to suburban market demands and land availability has not destroyed the legitimacy of highly integrated, specialized functions in the CBD. Moreover, to a large part of the central city, the CBD remains the major market place, employment center and service center. It is for these reasons that expressway systems and bus operations in Detroit have continued to focus on CBD origins and destinations as well as provide broad coverage elsewhere.

The one area of growth has been in services, and the central area has continued to hold its own as a center of decision making and consensus seeking. The convention and entertainment specialty areas are also areas of strength.

204.3 Property Value Deterioration

204.3.1 Halt Property Value Deterioration

In general, property values have decreased materially in the downtown Central Business District between 1953 and 1978 and have continued to decrease up to 1986. The decline in property values can be traced in part to the loss of population of the City of Detroit to the suburbs and the location of retail activity in shopping malls and centers in suburban areas. Both of these trends have led to a decline in retail/commercial activity in the CBD of Detroit as consumers and retailers have relocated retail transactions from the CBD to suburban shopping centers. In addition, office facilities and office parks have developed in the suburbs as adjunct developments to shopping centers and malls, which serve a suburban and outer urban constituency. Consequently, service establishments have relocated substantial portions of their operations to suburban centers which resulted in the decline of occupancy of office facilities in Downtown Detroit. Further, the incomes of the residents in and around the downtown area have not kept pace with residents of other areas. Many low and moderate income persons and families in metropolitan Detroit live near the Downtown Detroit retail center. All of these trends have worked to the detriment rather than to the benefit of Downtown Detroit property values.

The Development Area is an initial effort to restore to the CBD of the City of Detroit the commercial/retail vitality, which once existed there. The utilization of certain vacant property in the heart of the Detroit CBD, known as the "Kern Block", has long been a priority for CBD economic development. Various proposals have been made by the private sector to utilize the area, but none of these plans have come to fruition.

As retail activity has declined in the CBD, several important retailers have relocated their operations completely or to a very substantial degree away from the CBD. The failure to develop a major regional shopping center in or near the CBD has tended to push a certain part of the retail market away from the CBD since the quality of merchandise available is marketed toward a different segment of the retail dollar.

It is the conclusion of studies conducted by various City Departments, the Authority Staff and outside consultants that if property value deterioration in the CBD is to be halted, a major commercial/retail center must be developed on and around the "Kern Block" site. The creation of such a magnet will provide services desired by residents and tenants for commercial offices, by tourists and by the public at large and will thereby attract such people to the downtown area. The value of the property near the center will stabilize and increase in value due to the nature of the development. The adjacent properties will become more attractive for existing or future uses by virtue of accessibility to the new and attractive services the center will afford.

The opening of the Downtown People Mover and related skywalk system will increase property values near each of the 13 stations due to increased access and alterations in the location and density of development which are likely to occur as a result. The expanded convention activity will also cause increases near related facilities. The areas near the Hudson's block, Paradise Valley Cultural and Entertainment District (formerly Harmonie Park) and north of Grand Circus Park will also show increases if adequate financing and other necessary support are available. The result of all of this will be a restoration of faith in downtown and a stabilization in property values.

204.3.2 Eliminate Causes of Property Value Deterioration

Evidence that a major retail development and related proposals of the Development Plan will materially assist in eliminating causes of property value deterioration is found in several elements. First, since the development would be anchored by at least three major national retailers, there would be an opportunity to attract to the CBD retail area those consumers who do not now shop in the CBD. Second, because the proposed retail development would be designed as an integrated and enclosed shopping mall it would

provide a new opportunity for downtown to compete with suburban shopping centers for shoppers who look for convenience and time-saving shopping patterns. Third, the proposed retail development, connected with the Renaissance Center by a corridor of activity up Randolph Street and through Cadillac Square, as well as by a People Mover system and pedestrian skyways, will further strengthen the resurgence in commercial/retail activity in downtown Detroit which was initiated by the construction of Renaissance Center and the commercial/retail facilities contained in it. Fourth, with an increased level of commercial/retail activity, developers will certainly find Downtown Detroit a more attractive alternative than it is at present for the location of market rate residential housing.

For these reasons, the proposed retail development (Cadillac Mall), the centerpiece of the tax increment plan for the Development Area, would halt property value deterioration and would eliminate causes of property value deterioration and assist in an increase in property tax valuation over the years ahead.¹

204.4 Property Tax Valuation

204.4.1 Declining Property Tax Valuation

Property tax assessment within the Downtown District between 1976 and 1977 dropped from \$233,786,810 in 1976 to \$226,820,320 in 1977 despite Renaissance Center appearing on the tax roll. According to the assessors, this was based on severe winter weather resulting in higher energy costs and a loss in leased office space due to the openings of Renaissance Center and the Federal McNamara Building.

At the time of the initial adoption of this Plan, the Renaissance Center was the only major tax increment generator in the Downtown District. In 1976, the assessed value was \$15,734,670 and in 1977 it was \$29,285,910, resulting in a 1977 assessed value increase of \$13,551,240. The 1978 assessment reflected the completion and partial occupancy of all four office towers. The hotel and its retail, commercial and eating and entertainment facilities also became fully operational. This resulted in an increase in the total assessment for the Renaissance Center complex in 1978 and will result in similar increases in subsequent tax years. Conservative estimates are that the tax increment dollars generated will stabilize in the neighborhood of \$5 to \$6 million.

For the year 1976 and 1977, personal property tax assessment did not appear to increase within the Downtown District. For example, as of December 31, 1976, the Western International Hotel had no personal property tax assessment and the office towers had only a small amount of personal property assessment. However, personal property tax increments increased significantly in 1978 when more of Renaissance Center was occupied.

The new Joe Louis Sports Arena and the new Windsor Tunnel Plaza will also be sources of significant tax increases and proceeds.

The historic declining property tax valuations in the Downtown District (excluding the 2013 Expansion Area) are shown on the Map attached as Exhibit to Section 204.4.1. With respect to the 2013 Expansion Area, property valuations have decreased by approximately 12 % in the period from 2009 – 2012.

¹ This and the previous paragraphs were originally written prior to the national recession, prior to the impact of national shifts in methods of retailing, and prior to a realization of the leveling out of regional population growth. While ultimate development of a shopping mall is seen as possible, the scale and type of mall is currently seen as more modest and the resultant property tax effects also more modest. However, the total impact of developments near the convention area, Greektown, north of Grand Circus Park, near Paradise Valley Cultural and Entertainment District (formerly Harmonie Park), along Washington Boulevard, and near each of the 13 People Mover stations are expected to have an impact on property values in total even greater but not as focused at any one point. Developments in the central riverfront area will also help to ameliorate the causes of property value deterioration.

Areas of greatest stability, zero percent change or exempt, were generally located east of Randolph Street to the Chrysler and south from Gratiot to the Detroit River and the Detroit Edison Walker Cisler Building area.

The next most stable area, 1%-10% decrease, is the financial district including Lafayette south to Jefferson and from First Street east to Woodward.

The least stable area appears to be in the commercial district situated between the Fisher Freeway south to Cadillac Square and from Randolph/Brush west to Cass Avenue. Much of the area had decreases of 20% or more with many exceeding 30% to as high as 67%.

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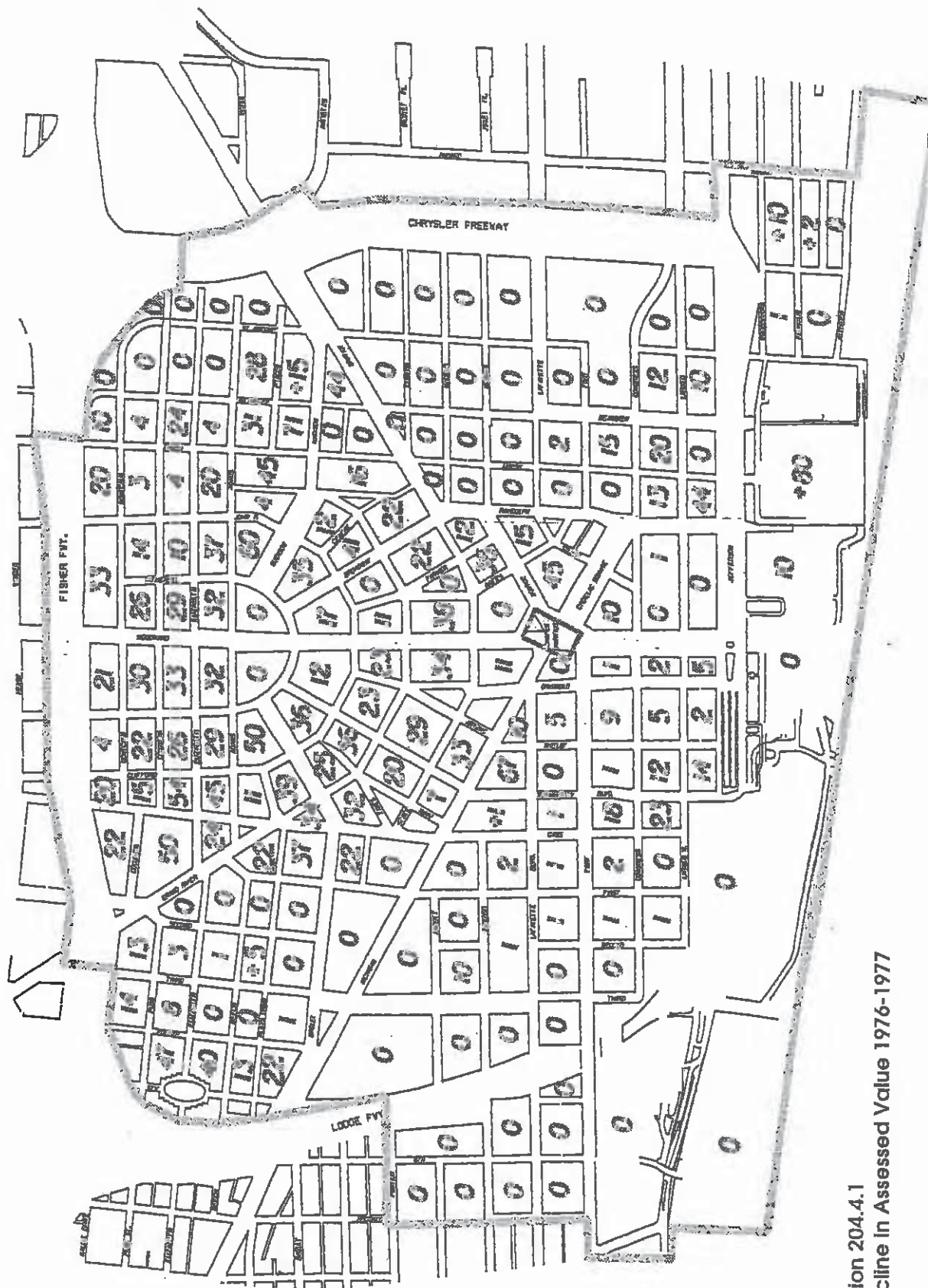


Exhibit to Section 204.4.1
Percent of Decline in Assessed Value 1976-1977

City of Detroit
DDA
Downtown Development Authority

204.4.2 Increase Property Tax Valuation

The construction of the proposed new facilities in areas where deteriorated or no facilities previously existed will increase the value of the properties where such development occurs. Insofar as the presence of the new development creates a desire to locate other adjacent facilities in proximity to it, value of properties adjacent to the development will also increase and so will the tax valuation of such properties. Particularly in relation to the proposed commercial/retail core, entertainment/ recreation centers, and convention-related developments, such increases in adjacent property values and tax valuation will occur. It will be desirable to locate office, residential, and retail uses in existing or new structures adjacent to the major magnets and source of services that will be in the proposed retail and service centers. The property values will, therefore, increase rather than deteriorate as a reflection of demand for such proximity to the centers. Developments near the river will also gain in value from proximity to this valuable natural resource.

204.5 Promote Economic Growth

The creation of facilities such as the proposed retail development, new housing, parking, convention and entertainment facilities, and transportation links will create numerous job opportunities and will increase income for City and area residents as well as for local taxing jurisdictions.

Development of numerous new retail businesses is in itself economic growth. Construction of all proposed facilities over several years time will contribute millions of dollars in wages to area residents and will yield hundreds of millions in new construction, excluding the People Mover construction which is related to but not part of the Development Plan.

Presence of the facilities proposed in the Development Plan will attract still other office, service and retail business to the downtown area as the services provided at all major new commercial centers lead to selection of adjacent sites for maintenance or expansion of office facilities. Presence of the proposed hotel and convention facilities will also stimulate more nighttime activity in the downtown area and will promote growth of restaurant and entertainment facilities. All of these features will make the area more attractive for conventions and tourists and should lead to increasing demand for hotel space.

Each secondary effect mentioned above will also create job opportunities and thereby further economic growth.

204.6 Determination of Necessity for Detroit Downtown Development Area No. 1

It is the conclusion of the Board of Directors of the Detroit Downtown Development Authority that actions in the attached Development Plan, are necessary to aid in economic growth of Detroit Downtown Development Area No. 1 and the Detroit Downtown District, to halt property value deterioration, to eliminate the causes of such deterioration, to promote economic growth and the increase of property tax valuation in the downtown business district, and to permit and assure achievement of the purposes of the Act.

Attached hereto as Attachment Nos. 3, 3(a) and 3(b) are the Resolutions of the Authority Determining the Necessity for the Development Area.

SECTION 300

**METHOD OF FINANCING THE DETROIT
DOWNTOWN DEVELOPMENT AREA NO. 1**

301 GENERAL

Activities of the Authority shall be financed from one or more of the following sources:

- (1) Donations to the Authority for their performance of its functions.
- (2) Proceeds of a tax imposed pursuant to Section 12.
- (3) Money borrowed and to be repaid as authorized by Sections 13 and 13a.
- (4) Revenues from any property, building, or facility owned, leased, licensed, or operated by the Authority or under its control, subject to the limitations imposed upon the Authority by trusts or other agreements.
- (5) Proceeds of a tax increment financing plan, established under Sections 14 to 16.
- (6) Proceeds from a special assessment district created as provided by law.
- (7) Money obtained from other sources approved by City Council or otherwise authorized by law for use by the Authority or City Council to finance a development program.
- (8) Money obtained pursuant to Section 13b.
- (9) Revenue from the federal facility development act, Act No. 275 of the Public Acts of 1992, being Sections 3.931 to 3.940 of the Michigan Compiled Laws, or revenue transferred pursuant to section 11a of Chapter 2 of the city income tax act, Act No. 284 of the Public Acts of 1964, being Section 141.611a of the Michigan Compiled Laws.
- (10) Revenue from the federal data facility act, Act No. 126 of the Public Acts of 1993, being Sections 3.951 to 3.961 of the Michigan Compiled Laws, or revenue transferred pursuant to Section 11b of Chapter 2 of the city income tax act, Act No. 284 of the Public Acts of 1964, being Section 141.661b of the Michigan Compiled Laws.
- (11) Money received by the Authority from a source not listed above shall immediately be deposited to the credit of the Authority, subject to disbursement pursuant to the DDA Act. Except as provided in the Act, the City shall not obligate itself, nor shall it ever be obligated to pay any sums from public funds, other than money received by the City pursuant to this section, for or on account of the activities of the Authority.

302 AD VALOREM TAX

Under Section 12 of the Act, the Authority, with the approval of the City Council, may levy an ad valorem tax on all real and tangible personal property not exempt by law and as finally equalized in the Downtown District. Because the City of Detroit has a population of less than one million, the tax imposed may not exceed two (2) mills. The tax is collected by the City at the same time and in the same manner as it collects its other ad valorem taxes. The tax proceeds are paid to the treasurer of the Authority and credited to the general fund of the Authority for purposes of the Authority.

303 TAX INCREMENT FINANCING

303.1 Detailed Explanation of the Tax Increment Procedure

303.1.1 General

Property value deterioration has been a serious problem in Downtown Detroit, and the causes that create such deterioration still persist and continue to be a serious problem in Downtown Detroit. It is of prime importance to increase property tax valuations and eliminate the continued causes of property value deterioration and to promote economic growth in downtown. The causes of property value deterioration can be eliminated by obtaining substantial additional private development and investment in downtown. Federal funds are useful for this purpose, but the amounts available are inadequate to stem such deterioration by themselves.

Tax increment financing provides a method of obtaining funds which can be used to motivate private developers, investors, and lenders to reinvest in Downtown Detroit by lowering the relative costs of development and increasing return on investment to competitive levels. The means for using tax increment financing in Downtown Detroit became available with the adoption of the Act containing tax increment financing provisions. The needs of Downtown Detroit and the purposes and goals of the Act are identical.

The Act is not limited to eliminating slums; it is not limited to removing blight. The Act seeks to halt property value deterioration, to eliminate the causes of that deterioration, to increase property tax valuation, and to promote economic growth. Detroit greatly needs to achieve each of these goals.

In the dramatic, inflationary period preceding the establishment of the Plan, areas which had been merely economically stable should have actually had increases in property values due to inflation. However, in Downtown Detroit, the Renaissance Center, the Joe Louis Sports Arena and the Windsor Tunnel Plaza were the only major developments producing value increments by increasing property values. Without these developments the entire downtown would have had stagnant or declining property values. The declining property values and the continued persistence of the causes of such decline, constitute an unhealthy economic condition. Other areas of the City and the County that are relatively healthy economically have been and continue to be burdened by the continued lack of economic health in most of downtown. It is in the interest of the City of Detroit and its surrounding suburbs in Wayne County that Downtown Detroit be and remain strong economically and self-supporting. In addition to economic health, the revitalization of Downtown Detroit will produce jobs, a better environment, better living conditions, and a core of activity which will serve the entire County and metropolitan area culturally, as a government center, as a business and commercial center, recreationally and in all the other affirmative ways that cores of cities serve the immediate surrounding neighborhoods and trade areas while also serving the entire community at large.

The development of the Renaissance Center and the Joe Louis Sports Arena are the most dramatic steps forward in stabilizing downtown property values and in stimulating economic growth. Other steps must also be taken to revitalize the remainder of downtown so as to eliminate the persistent causes of decline. Tax increments generated from the Renaissance Center, the Joe Louis Sports Arena and the Windsor Tunnel Plaza can finance these steps if used properly. Continued development is needed to assure economic health and elimination of the causes of property value decline in Downtown Detroit. Such development in downtown areas is being carried out successfully through tax increment financing in many cities. The technique is operative in many jurisdictions throughout the country and is not merely experimental.

Also important for an improved living quality, for economic health and for elimination of the causes of property value decline, is the provision of adequate housing in downtown for all economic groups, and improved retail activity. Finally, the downtown particularly requires continued improvement in secondary transportation to assure that the Renaissance Center and other existing and future developments do not become isolated from each other or from other parts of downtown and the development of hotel facilities to accommodate convention business and increased tourism.

The need for retail activity, housing, parking, Hotels and continued improvement in secondary transportation if attained will, over time, increase property values and revitalize private economic activity in the core of the metropolitan area so as to eliminate the causes of continuing decline. They cannot be attained by private enterprise and investment alone for the following reasons:

1. The cost of acquiring property remains higher than retail developers and most housing developers can afford to pay because land in downtown is held with the hope that it will some day increase in value for speculative purposes.
2. It is difficult for a private developer to assemble land privately where the land is improved and is owned by many different persons and entities.
3. Because of the high cost of property, permanent downtown parking usually has to be in parking structures. Parking in structures can cost from \$5,000 to \$15,000 or more a stall depending upon design and whether parking is above or below ground.
4. Other costs such as taxes, utility relocations and those for construction and site improvements are higher downtown than elsewhere and make development downtown more expensive than development on vacant land in the suburban areas.

These problems, when added to other negative perceptions about downtown held by developers and private lenders, have made it difficult to get private investment for downtown development.

Tax increment financing can provide the means whereby development sites and parking can become available to developers at prices and costs consistent with the needs of development. Developers in the suburbs have had comparatively risk-free opportunities at comparatively low cost that could not be matched in downtown areas without tax increment financing. Tax increment financing ameliorates the competitive disadvantage suffered by downtown areas. The developer pays the same price and makes the same investment in either the suburbs or the downtown.

Property tax increment financing has certain facets which are a manifestation of common occurrence in American society, such as "value increment" (or increases in property value) due to government action and expenditures. For example, freeway on and off ramps often creates increases in private property values adjacent to such on or off ramps. The same is true of some transit stations. This result is often true in or near other public facilities such as armed services facilities, universities, courthouses, etc. It is also true of private developments, which have been assisted financially or otherwise by local, state, and federal governments. It is also true of unassisted private development.

Thus, in areas which have property value deterioration or continuing causes of property value deterioration and which need economic growth, any increment (whether privately or publicly induced) can serve as the means to finance the promotion of economic growth and increase property tax valuation. This can be done by using such value increments to enhance opportunities in downtown for private improvements, public facilities, relocation of occupants, demolition, site clearance, land acquisition, etc.

Property tax increments can be used either as they accrue annually or can be pledged to bonds or other debt obligations for obtaining leveraged funds for immediate use.

303.1.2 OPERATIONAL DEFINITIONS

Initial Assessed Value. The phrase "initial assessed value" (defined in Section 1 of the Act) (Cpt. IAV) in pertinent part means the assessed value, as equalized, of all the taxable property within the boundaries of

the development area at the time the ordinance establishing the tax increment financing plan is approved, shown by the most recent assessment roll of the municipality for which equalization has been completed at the time the resolution is adopted.

Captured Assessed Value. The phrase "captured assessed value" (contained in Section 1 of the Act) (Cpt AV) means the amount in any one year by which the current assessed value of the project area, including the assessed value of property for which specific local taxes are paid in lieu of property taxes as determined in subdivision (x), exceeds the initial assessed value. The state tax commission shall prescribe the method for calculating captured assessed value.

303.1.3 Explanation Of Tax Increment Financing Concept

The basis of tax increment financing is that increases in property values in an area produce increases in property tax increment. Such increase and potential increases in property taxes are used to motivate investment and development in the area by providing financial assistance to stimulate investment opportunities for developers with reasonable risks and returns consistent with risks and returns of similar opportunities in suburban areas.

Tax increment can accrue from increases in property values that are due to:

- a. New construction of developments occurring after the date establishing the "initial assessed value".
- b. Construction activity through rehabilitation, remodeling, alterations, or additions occurring after the date establishing the "initial assessed value".
- c. Increases in property values which occur for any other reason, including as a by product of increased economic activity.

Tax increment is generated when the current assessed valuation each succeeding year is higher than the initial assessed valuation. If there is no increase in assessed valuation in the Development Area as a whole, there is no tax increment. If there is in any year a decrease in the current assessed valuation, there will be no tax increment for that year. Tax increment will be granted only in years when the current assessed valuation gain exceeds the initial assessed valuation. Tax increment is collected from all local taxing jurisdictions, not merely from the City. Each year, the municipal and county treasuries transmit to the Authority the tax increment generated within the designated development area.

The Authority will use such increments to carry out the approved development plan for that area as stated in the Tax Increment Financing Plan for the Development Area. The Act requires that surplus funds revert to the appropriate taxing bodies. If bonds or other obligations have been issued or the tax increment flow has been otherwise pledged, then the tax increments each year are paid to the appropriate entity for use in retiring the bonds or other obligations.

303.2 Definition of Uses to Which Increment Can Be Applied

Section 15(2) of the Act specifies the manner in which tax increment can be expended. It states as follows:

"The Authority shall expend the tax increment revenues received for the development program only pursuant to the tax increment financing plan. Surplus funds shall revert proportionately to the respective taxing bodies. These revenues shall not be used to circumvent existing property tax limitations. The governing body of the municipality may abolish the tax increment financing plan when it finds that the purposes for which it was established are accomplished.

However, the tax increment financing plan shall not be abolished until the principal of, and interest on, bonds issued pursuant to Section 16 have been paid or funds sufficient to make the payment have been segregated."

Section 15(2), as above quoted, must be read together with Section 7 of the Act which relates to the powers of the Authority. In general, the Authority is empowered, among other things, to plan and propose the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a public facility, an existing building, or a multi-family dwelling unit that may be necessary or appropriate to the economic growth of the downtown district. Therefore, the purposes for which tax increment can be spent flow from the tax increment financing plan and the power of the Authority as exercised to achieve the objectives of the Act. From and after July 1, 2010, tax increment revenues described in MCL 125.1651(cc)(vi) may be used for certain costs associated with a Catalyst Development Project as further described therein.

The tax increment funds may also be used to pay costs of carrying out the plan, including, but not limited to, relocation costs, demolition costs, cost of public improvements, bond closing costs and bond trustee service fees. Pursuant to these authorized uses, as of the 2013 Plan amendment, the Authority had allocated \$34,950,000 million in tax increment funds to support operating costs, specifically, to be used for DDA operation and administration costs related to implementation of Tax Increment Financing Plan and Development Plan projects for Development Area No. 1, and \$6.72 million was dedicated to bond closing costs and bond trustee service fees, in each case through 2044-2045. For fiscal years 2045-2046 through 2050-2051, the Plan allocates an additional \$4,500,000 for operating costs and \$740,000 for closing costs and trustee fees for bonds other than the EC Tax Increment Revenue Bonds.

303.3 Provision for the Captured Assessed Value, Particularly the Portion Intended to be Used by the Authority

It is the intention of the Authority to use the entire captured assessed (now taxable) value in the Development Area for the number of years necessary to complete the development projects outlined in the Development Plan. The Authority intends to use all Catalyst Project Revenues for the duration of the Plan for the Catalyst Development Project.

The tax increment revenues received for the duration of the Tax Increment Financing Plan may be used for these purposes but will only be expended when it is reasonably clear that their expenditure will result in a project which will serve the purposes of the Plan.

Public costs are estimated to be at least \$2.18 billion for the duration of the Plan, at least \$1.72 billion of which will be funded using tax increment revenues. Since it was anticipated that the major portion of the development costs would be expended during the first thirty-eight (38) years of the Development Plan, annual tax increment revenues totaling approximately \$659.5 million for the same period would be inadequate to meet expenditures on a year-by-year basis. Consequently, Authority funded costs will be financed through funds made available by, among other things, a \$32 million HUD Section 108 loan obtained by the City of Detroit and through the sale of tax increment bonds in the amount of \$520.42 million pursuant to the Act. After completion of most of the development activities in the first thirty (30) years of the program, tax increment revenues would be utilized primarily to retire bonds repay funds borrowed by the City under Section 108 and to pay such other obligations that the Authority has incurred in furtherance of the Plan. Any deficit accumulation resulting from collection of less projected tax increment revenue than expected may be accommodated either through earnings on the investment account or refinancing and restructuring of the Section 108 loans and other obligations. If annual tax increment revenues exceed

projections, it may eventually be possible to re-evaluate the scope of the Development Plan and/or the repayment schedule for outstanding bonds or other debt.

The tax increments available to the Authority under the Downtown Development Authority Act occurred after adoption of the initial Development Plan by the City Council in February of 1978. After adoption of the Plan, taxes levied for all taxing jurisdictions encompassing the Development Area have and will continue to be paid over the years to the respective taxing agencies on the basis of the assessed value of all property within the Development Area as shown on the last equalized assessment role at the time of adoption of the Plan. The taxes on any increase in total assessed value will be paid to the Authority and will be used to finance the Development Plan and to pay the principal and interest on any obligations incurred by the Authority during implementation of the Development Plan.

Under the Act, the Authority is required to expend tax increment revenues received for the development program only in accordance with the Tax Increment Financing Plan. Any surplus funds revert proportionately to their respective taxing bodies if the Tax Increment Financing Plan does not put such funds or revenues to use. In no event will the Authority allow revenues available from the tax increment procedures to circumvent existing property tax limitations of the taxing jurisdictions that have an interest in the Plan.

Sufficient flexibility is needed however to permit the use of such funds to accomplish the overall goals and objectives of the Development Plan.

303.4 Statement of the Estimated Impact of Tax Increment Financing on the Assessed Values of all Taxing Jurisdictions in Which the Detroit Downtown Development Area No. 1 is Located

Property values in the downtown area have previously been declining in past years. The causes of such property value deterioration and decline continue to persist due to a variety of reasons, including, but not limited to, the following: office vacancies as a result of relocations to the suburbs; lessening of economic activity in key sectors of the statewide and regional economy increased labor and energy costs assessed against fixed leases; and decline in retail sales activity as a result of new suburban regional shopping centers being opened. As a result of these developments and despite the construction of the Renaissance Center Development, Joe Louis Arena, Windsor Tunnel Plaza, Detroit City Apartments (formerly Trolley Plaza) and Renaissance City Apartments (formerly the Millender Center) and other development projects, present projections indicate that the declining trend may continue for other properties in downtown. This long term trend will result in the City of Detroit, Wayne County and Detroit School Board continuing to lose annual tax millage revenue each year.

The Authority proposes to strengthen the retail core and to arrest the causes of declining property values by establishing a tax increment financing plan and by using revenues generated in the area affected by the plan to promote redevelopment in that area. It is estimated that an amount in excess of \$1.66 billion of tax increment revenue would be directed to development purposes by the Authority for the duration of the Development Plan. These developments in the long run will greatly benefit all the taxing jurisdictions concerned. It is anticipated that the completion of the proposed developments will yield new sources of employment and revenue and will encourage property valuation increases in the surrounding areas and eliminate the causes of deterioration and decline. Upon the completion of the tax increment plan, all remaining captured property taxes will revert proportionately back to the appropriate taxing jurisdictions. It is estimated that an amount in excess of \$3.83 billion in new private construction will be built. Thus, it is projected that assessments could eventually increase.

New housing in the downtown area will mean substantial numbers of new residents in Detroit subject to the resident income tax. New employment opportunities for people working in these developments will mean added tax income for the city and added employment opportunities for Detroit residents.

The proposed retail core developments and the new downtown hotels are expected to generate large numbers of jobs, increased local income and excise tax revenues and new state sales tax revenues annually.

303.5 Discussions With the County and the School Boards

Before this tax increment financing plan as amended can be submitted for public hearing, the City Council must provide a reasonable opportunity for the taxing jurisdictions levying taxes subject to capture to meet with City Council.

It is the responsibility of the Authority to fully inform members of the taxing jurisdictions levying taxes subject to capture of the fiscal and economic implications of the proposed development area. The representatives of the taxing jurisdictions may present their recommendations with respect to the tax increment financing plan at the public hearing scheduled by the City Council for the plan.

The Authority may enter into agreements to share a portion of the captured assessed value of the district with the taxing jurisdictions and the governing body of a municipality in which the development area is located.

In July of 1978, the Authority entered into an agreement with the Wayne County Board of Commissioners to share a portion of the captured assessed value of the district. That agreement calls for the exclusion from the tax increment of:

- (1) the one mill special assessment imposed to finance Wayne County governmental operations,
- (2) the one-half mill tax imposed to finance the construction of the new Wayne County Jail, and
- (3) the proceeds from future special millages approved for Wayne County governmental operations after the date of said agreement.

303.6 Duration of the Tax Increment Financing Program Proposed for the Detroit Downtown Development Area No. 1

It is expected that the final tax increment financing program and the capture of tax increment within the present Development Area will have a duration of approximately 71 years from the date of its adoption, being a duration through fiscal year 2050-2051, in order to provide sufficient time for the Authority to meet its statutory and/or contractual obligations with respect to bonded indebtedness and its contractual obligations payable from tax increment or other revenues authorized pursuant to the Act and the Plan. While year 2051 is the projected Plan expiration date, the expiration of the Plan shall occur at the later of (i) the payment of the principal of, and interest on, all bonds issued pursuant to Section 16 of the Act, or the segregation of funds sufficient to make such payments, pursuant to Section 15 of the Act, specifically MCL 125.1665(2), or (ii) when the purposes for which this Plan was established are accomplished, including the payment of any then outstanding Obligations or Other Protected Obligations, each as defined in Section 1 of the Act, specifically MCL 125.1651(t) and (w), respectively.

The duration proposed for the tax increment financing program includes a reasonable time to obtain developer commitments for the projects envisioned, to acquire the property necessary for the projects, and to complete a detailed and final financing package using tax increment revenues, bonds or other debt instruments used in financing capital structure for a public purpose of the city, and state and federal grants and loans in a financing scheme to make certain that the developments materialize. The proposed duration

of the tax increment financing program is also flexible enough to allow for preparation and submission of the details of financing such projects as soon as the information is available and ready to be presented for City Council review.

304 STATE AND FEDERAL FUNDS

Certain State and Federal loans, loan guarantees and grants will be sought for carrying out this Tax Increment Financing Plan including the Development Plan. These are listed in Section 408.2. All efforts will be made to utilize such financing.

305 BOND ISSUES AND OTHER BORROWINGS

305.1 General

305.1.1 Tax Anticipation Notes

Section 12(2) of the Act permits the Authority to request of the City authorization to borrow money and issue tax anticipation notes in anticipation of collection of the ad valorem tax authorized under that Section and pursuant to the provisions of the Revised Municipal Finance Act, being Act No. 34 of the Public Acts of 2001, as amended (MCLA Sections 141.2101 to 141.2821) ("Act 34 of 2001"). The projected revenues and expenditures for actual construction do not anticipate the issuance of general obligation tax anticipation notes that would be retired with proceeds from the one mill levy.

305.1.2 Revenue Bonds

Revenue bonds, payable from the revenues generated by self-supporting projects, have been employed by public agencies for a wide variety of projects with a "public purpose." The Act contains authorization for the Authority to issue revenue bonds for its development activities. That authorization is contained in Section 13 of the Act, which states as follows:

"The Authority may borrow money and issue its negotiable revenue bonds therefore pursuant to Act No. 94 of the Public Acts of 1933, as amended, being Sections 141.101 to 141.139 of the Michigan Compiled Laws. Revenue bonds issued by the Authority shall not, except as herein provided, be deemed a debt of the municipality or the state. The municipality, by majority vote of the members of its governing body, may pledge its full faith and credit to support the Authority's revenue bond."

The sale of revenue bonds may be possible when a fairly certain source of revenue can be identified, such as parking fees or lease revenues from either public or private sources. Sale of revenue bonds could serve to reduce dependence upon tax increment financing, general obligation bonds and other public sources, which could then be used for other purposes.

305.2 Explanation of the Procedure for Issuance of General Obligation Bonds and Tax Increment Bonds

Pursuant to the Act, the City or the Authority may issue tax increment bonds or general obligation bonds.

The City through the City Council, by resolution, may authorize the issuance and sale of general obligation bonds, subject to the limitations set forth in Section 16(1) of the Act. Section 16(1) allows the Authority to finance a development program under the Tax Increment Financing Plan. Pursuant to Section 16(1), the City is required to pledge its full faith and credit to the bonds within constitutional, statutory and charter limitations if not approved by the voters and without limitation if approved by voters. Additionally, the bonds are subject to the provisions of Act 34 of 2001 and shall mature in not more than thirty (30) years.

The Authority is required under Section 16(1) to submit to the City an estimate of the anticipated tax increment revenue to be available for payment of principal and interest on the bonds. The estimate of anticipated tax increment revenue must be approved by a resolution of the City Council authorizing the bonds and becomes conclusive upon approval by the Department of Treasury of the issuance of the bonds under Act 34 of 2001.

The Authority may also issue tax increment bonds under Section 16(2) of the Act. Tax Increment bonds under Section 16(2) are issued by the Authority (instead of the City) and pledge solely the tax increments of the project for which the bonds are issued and any other revenues, which the Authority shall specifically pledge in the resolution authorizing the bonds. Section 16(2) also requires that neither the City nor the Authority shall pledge their full faith and credit for bonds issued under Section 16(2). It further requires that the bonds mature in not more than 30 years, with certain exceptions, and allows the Authority to issue bonds in a sum sufficient to pay interest on the bonds until full development of the tax increments from the project. The Authority may also issue bonds in an amount, which would provide a reasonable reserve for the payment of principal, and interest on the bonds. Section 16(2) provides that the resolution authorizing the bonds shall create a statutory lien on the increments and other revenues pledged by the resolution, which lien shall be a first lien subject only to liens previously created. The Section also provides for the issuance of additional bonds on a parity basis with bonds previously issued by the Authority under such section.

305.3 The Amount of Bonded Indebtedness to be Incurred for the Development Area

The development program of this Tax Increment Financing Plan may either be financed through the authorization, issuance and sale of general obligation bonds by resolution of the City Council or tax increment bonds by resolution of the Authority.

There are a number of activities in the Development Plan that could benefit from the use of tax increment bonds or general obligation bonds. Land acquisition and public improvement costs may be substantially defrayed through the issuance of tax increment bonds or general obligation bonds. A number of components of the Development Plan, including skywalks, and public improvements connected to projects described in the Development Plan, do not provide attractive projects for financing with revenue bonds. This is due in part to the fact that many of these activities are neither self-liquidating nor self-supporting. Nevertheless, these components of the Development Plan are essential to provide an integrated approach to eliminating property value deterioration and preventing the continued causes of property value deterioration in the Detroit Downtown District. Therefore, it is attractive to finance many of these public improvements through the issuance and sale of tax increment bonds under either Section 16(1) or 16(2) of the Act.

In the event that tax increment bonds are issued under Section 16(2), the Authority is simply required to pledge solely the tax increments of the development area in which the project for which the bonds are issued is located and any other revenues which the Authority has specifically identified in the resolution. The amount of bonds that may be issued on the basis of Section 16(2) is not limited to any percentage of increment that is produced by the project. Under Section 16(2) the Authority may issue any amount of bonds that can be supported by the tax increment and other revenues that have been pledged for the bonds under the resolution. The Authority may include, from time to time, the issuance of tax increment bonds under Section 16(2) of the Act in the financing plan for projects authorized to be included in the Tax Increment Financing Plan.

Without taking into account any funds pledged in connection with the Catalyst Development Project, the maximum amount of bonded indebtedness to be incurred by the Authority under the Plan payable from tax increment revenues is approximately \$250.0 million¹. Such bonded indebtedness shall be tax increment bonds and shall be utilized by the Authority to: (1) refund tax increment bonds issued by the City or the

¹ As of July 1, 2016, the outstanding principal amount of such indebtedness is approximately \$52.0 million.

DDA; (2) make the necessary deposit to the debt service reserve fund for said bonds; (3) pay the costs for issuance of the bonds; and (4) make the following project allocations: (a) \$40.0 million for the Tiger Stadium Project; (b) \$26.8 million to the Land Assemblage Program; (c) \$15.0 million to the East Riverfront Improvements Project; (d) \$2.0 million to the Riverfront Promenade Project; (e) \$1.8 million to the Paradise Valley Cultural and Entertainment District (formerly Harmonie Park) Development for public site improvements; (f) \$21.0 million to build the 150 Michigan Avenue Garage; and (g) the balance of approximately \$34.3 million will be used to partially fund the DDA's contribution to the Campus Martius Redevelopment Project. The City of Detroit has issued \$15.0 million in limited tax general obligations bonds to partially finance the Tiger/Lions Stadium Complex. Such bonds will be repaid in the first instance by DDA tax increment revenues, in accordance with Section 16(1) of the DDA Act.

In addition, 2012 amendments to the Act permit the Authority to pledge available tax increment revenues of the Authority as security for any bonds issued to develop and construct a Catalyst Development Project. In December, 2014, the Michigan Strategic Fund (“MSF”) issued \$250,000,000.00 in tax exempt bonds (the “2014A Bonds”) and \$200,000,000.00 in taxable bonds (the “2014B Bonds”). Proceeds of the 2014A Bonds and the 2014B Bonds were loaned to the Authority for purposes of supporting the construction of the Events Center. The 2014A Bonds were secured by a \$250,000,000 tax increment revenue bond issued to the MSF by the Authority pursuant to Section 16(2) of the Act (the “Series 2014A DDA Bond”). The 2014B Bonds were secured by a \$200,000,000 concession revenue bond issued to the MSF by the Authority pursuant to Section 13 of the Act (the “Series 2014B DDA Bond”).

It is anticipated that the Authority will issue additional tax-exempt tax increment revenue bonds in an amount not to exceed \$36,000,000 in 2017 pursuant to Section 16(2) of the Act (the “Series 2017 DDA Bonds”) to generate an additional \$34.5 Million in proceeds to support additional costs of the construction of the Events Center in connection with the commitment of the Detroit Pistons to relocate the Pistons home arena from the Palace of Auburn Hills to the Events Center. It is further anticipated that the Authority will issue additional tax exempt tax increment bonds prior to January 1, 2019 to refund the indebtedness represented by the Series 2014A DDA Bond and the Series 2017 DDA Bonds (the Series 2014A DDA Bond, the Series 2017 DDA Bonds, and any bonds issued to refund and/or refinance the Series 2017 DDA Bonds and/or the 2014A DDA Bond shall hereinafter be collectively referred to as the “EC Tax Increment Revenue Bonds”). Following such bond issuances, the maximum bonded indebtedness of the Authority represented by EC Tax Increment Revenue Bonds will be no higher than \$310 million¹.

[Remainder of page intentionally left blank.]

¹ The maximum EC Tax Increment Revenue Bond indebtedness of \$310 million is comprised of amounts anticipated to be necessary prior to January 1, 2019 to (1) refund the Series 2014A DDA Bond and the Series 2017 DDA Bonds; (2) make any necessary deposits to the debt service reserve and capitalized interest funds for said bonds; (3) pay the costs for issuance of the bonds; and (4) fund other lawful purposes under the Act and the Plan; provided, however, that such maximum does not include original issuance premiums.

SECTION 400

DEVELOPMENT PLAN FOR DETROIT DOWNTOWN DEVELOPMENT AREA NO. 1

401 BOUNDARIES OF THE DETROIT DOWNTOWN DEVELOPMENT AREA NO. 1

401.1 Map of the Detroit Downtown Development Area No. 1

The boundaries of the Development Area are shown on the Map attached hereto as Exhibit A to Section 201. The boundaries of the 2013 Expansion Area are shown on the Map attached hereto as Exhibit B to Section 201.

401.2.1 Legal Description of the Boundaries of the Detroit Downtown Development Area No. 1

The legal description of the boundaries of the Development Area is as follows:

Beginning at the intersection of the U.S. (north) Harbor Line of the Detroit River, established on April 13, 1953 by the Corps of Engineers, and the east right-of-way line of Rivard extended, then east along the Harbor Line to the east line of Lots 1 and 7 of "Plat of part of the Guoin Farm", as recorded in Liber 11, Page 596 of Deeds, W.C.R.; then north along said lot lines to the north line of Atwater, 50 feet wide; then west along Atwater to the east line of Rivard; then north along Rivard to the north right-of-way line of East Jefferson; then west along East Jefferson to the east right-of-way line of St. Antoine; then north along St. Antoine to the north right-of-way line of East Congress; then west along East Congress to the east right-of-way line of Beaubien; then north along Beaubien to the south right-of-way line of Fort; then east along the south line of Fort to the east right-of-way of St. Antoine; then north along the east line of St. Antoine to the north right-of-way of Macomb; then west along the north line of Macomb to the east right-of-way line of Brush; then north along Brush to the north right-of-way line of Gratiot; then north along Gratiot to the east right-of-way line of the Walter P. Chrysler Freeway; then northwest along the east line of the Walter P. Chrysler Freeway to the north line of a public easement, (Elizabeth Street); then west along the north line of vacated Elizabeth Street, as extended west to the west right-of-way line of the Walter P. Chrysler Freeway; then northwesterly along the southwesterly right-of-way of the turning roadway from the Fisher Freeway to the Walter P. Chrysler Freeway, and the south line of the Fisher Freeway South Service Drive to the west right-of-way line of Brush; then north along the west line of Brush extended north to the north right-of-way line of the Fisher Freeway North Service Drive; then west along the north line of the Fisher Freeway North Service Drive to the east right-of-way line of Woodward Avenue; then north along the east right-of-way line of Woodward Avenue to a point on the north right-of-way line of Charlotte Street and its extension thereof; then west along the north right-of-way line of Charlotte to the west right-of-way line of Fourth; then south to the north right-of-way line of Temple; then west along the right-of-way line of Temple to the west right-of-way line of Grand River; then southeast along the west right-of-way line of Grand River to the northwest right-of-way line of First; then southwest along the northwest right-of-way line of First to the westerly line of First; then southerly along the said westerly line of First to the intersection with the right-of-way northerly right-of-way line of Congress; then west along Congress to the west right-of-way line of Sixth Street; then south along Sixth Street to the south right-of-way line of West Jefferson Avenue; then west along West Jefferson to the east line of Brooklyn, as extended from the north; then south along Brooklyn to the U.S. Harbor Line; then east along the Harbor Line to the east line of Rivard and the point of beginning.

L.D. 28-29 (93-26) April 28, 1993 RE/ss R March 6, 2003
Confirmed by BSEED February 13, 2013

401.2.2 Legal Description of the Boundaries of the 2013 Expansion Area

The legal description of the boundaries of the 2013 Expansion Area is as follows:

Beginning at the north right of way line of the Fisher Freeway North Service Drive and the east right-of-way line of Woodward Avenue; then north along Woodward Avenue to a point on the north right-of-way line of Charlotte Street and its extension thereof ; then west along Charlotte to the west right-of-way line of Fourth; then south along Fourth to the north right-of-way line of Temple; then west along Temple to the west right-of-way line of Grand River; then southeast along the west right-of-way line of Grand River to the north line of the Fisher Freeway Service Drive; then east along the north line of the Fisher Freeway Service Drive to the point of beginning.

401.3 Designation of the Boundaries of the Detroit Downtown Development Area No. 1 in Relation to Highways, Streets, Streams or Otherwise

The boundaries of the Detroit Downtown Development Area No. 1, as defined in relation to highways, streets, streams or otherwise is substantially the same as the legal description of the boundaries set forth in Section 401.2.

402 LOCATION, CHARACTER AND EXTENT OF THE CATEGORIES OF EXISTING PUBLIC AND PRIVATE LAND USES¹

The general character of that portion of the Development Area east of Randolph, with the exception of Renaissance Center and Renaissance City Apartments (formerly the Millender Center), is established by low density retail commercial uses and extensive commercial surface parking lots. Development potential appears to be enhanced by the creation of the Renaissance Center in this area.

The general character of the of the Development Area situated between Capital Park and Randolph is established by high density retail and office uses centered on Woodward Avenue; however, the heart of the area consists of urban renewal parcels held by the City for redevelopment intended to be supportive of the adjacent downtown retail core. This core, including the former J.L. Hudson department store demolished in 1997,² extends north along Woodward Avenue and the site of the Woodward Bus Transitway and Plaza. Renovations of Capitol Park have been undertaken to further bolster this declining retail and office area.

The general character of the Washington Boulevard area lying between Capital Park and Bagley north of Michigan Avenue is one of declining office and retail uses. Area property owners report significant decline in demand for such space. Extensive commercial surface parking exists near Bagley. Several vacant structures exist in the area. The renovatd Book Cadillac Hotel and adjacent parking structure to support the project reopened to the public in October 2008. Oher efforts to revitalize the area are evidenced by the Washington Boulevard Plaza, the Detroit Trolley, Detroit City Apartments (formerly the Trolley Plaza Apartments), Holiday Inn Express on the south side of Michigan Avenue and conversion of several commercial buildings to senior citizen apartments.

The general character of the Greektown area between Randolph and St. Antoine and Macomb and Fort Streets is predominately that of high-density commercial/retail uses, a casino and surface parking. The principal concentration of retail activity is on Monroe Street between Beaubien and St. Antoine Streets, comprised of some 35 stores, representing about 68,000 square feet that supply comparison merchandise, services and eating and drinking establishments, and the Greektown Casino (formerly the Trappers Alley Specialty Retail Center). The Atheneum Hotel lies within the area and the International Marketplace office center and the expanded Blue Cross/Blue Shield offices comprise the major office facilities in the area. The

¹ As of December 1997.

² The J. L. Hudson store closed in 1983.

Monroe/Brush parking structure provides more than 1,000 parking spaces. The area also contains a church facility, small surface parking lots, a county government facility, and a fire station.

The area just south of the Catalyst Development Area is known alternately as the Theater District and Grand Circus North. The area west of Woodward can be described as that of a densely built, aging high-rise office and theater area. The restored Fox Theatre and its spin-off entertainment and restaurant developments are the nucleus of the area west of Woodward. A number of the large scale buildings have been underutilized for more than a decade, with occupancies continually on the decline. Many are vacant, including the Michigan Mutual office building on Adams. The Kales Building on Adams has been redeveloped as a mixed use residential/commercial project, and other buildings have been renovated for restaurant and bar uses on Park Avenue in the area. There are a number of buildings of substantial size scattered throughout that part of the area situated east of Woodward. The general character of the area is established by the Tiger and Lion stadia developments that has largely supplanted, and in some instances incorporated, these buildings.

Both the Civic Center area and that portion of the Development Area known as Paradise Valley Cultural and Entertainment District (formerly Harmonie Park) can be characterized as commercial, including hotels, retail and service, with substantial surface parking.

The general character of the Lower Woodward Improvement Agenda ("LWIA") area is comprised primarily of nine blocks between Campus Martius and Grand Circus Park, known as downtown's Lower Woodward Neighborhood. The area is predominately that of commercial/retail uses and surface and garage parking. The four areas primarily impacted by the LWIA are Woodward Avenue, Washington Boulevard, Broadway, and the entrance to Cobo Hall. A number of under utilized properties have been targeted for commercial, retail and residential reuse. One Campus Martius (formerly Compuware World Headquarters), includes office and retail uses, and the One Kennedy Square project have also added office space in the Development Area.

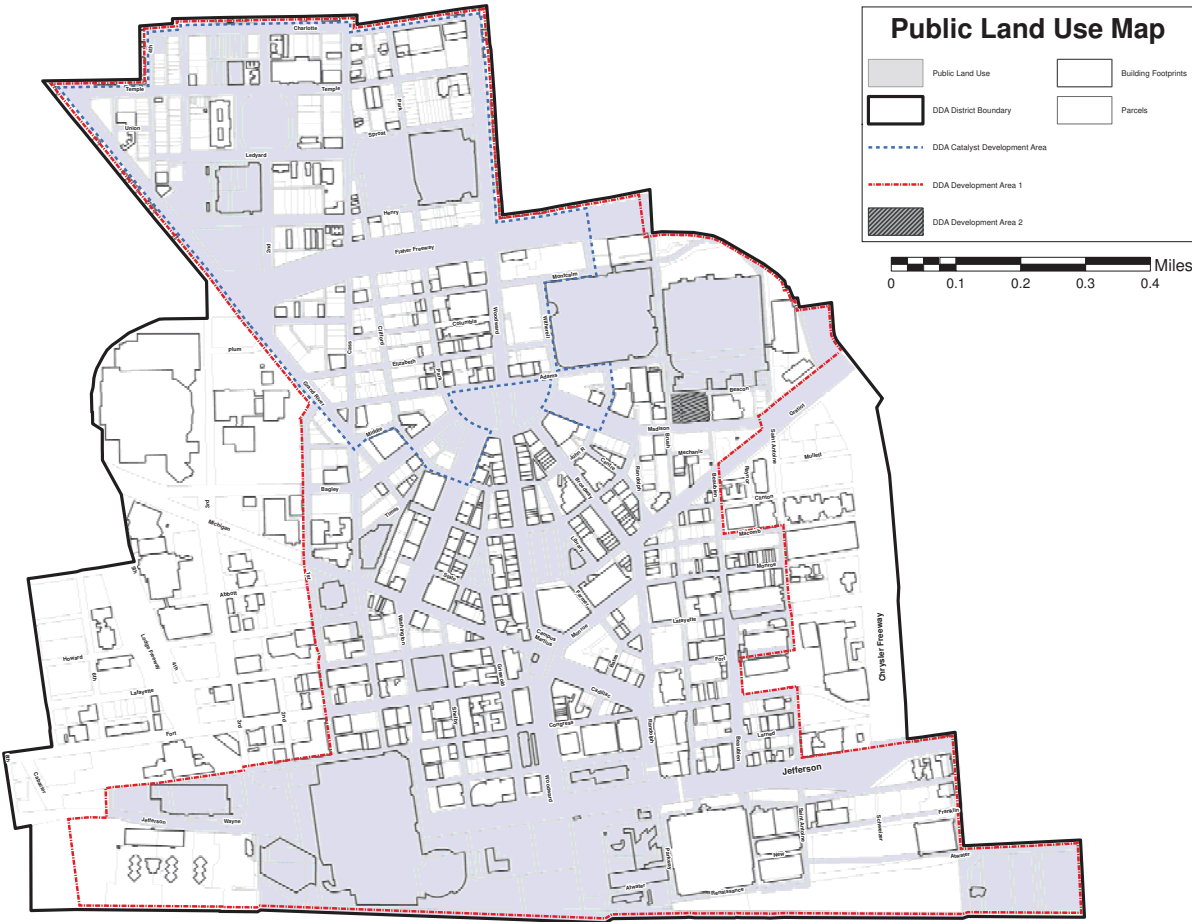
402.1 Existing Public Land Uses in the Detroit Downtown Development Area No. 1

Public land uses include governmental offices, both in publicly owned buildings and in leased accommodations, transportation facilities, public parking facilities, parks and public open space, streets and rights-of-way, and a library. Several parcels of land, with and without buildings, are held in City ownership (some as urban renewal parcels) and are waiting to be redeveloped as public parking facilities, or are for sale for commercial or other types of redevelopment. There also are historic public structures and monuments that fall within the area.

The Public Land Uses are detailed on the Existing Public Land Use Map, attached hereto as Exhibit to Section 402.1.

[Remainder of page intentionally left blank.]

City of Detroit Downtown Development Authority Exhibit to Section 402.1



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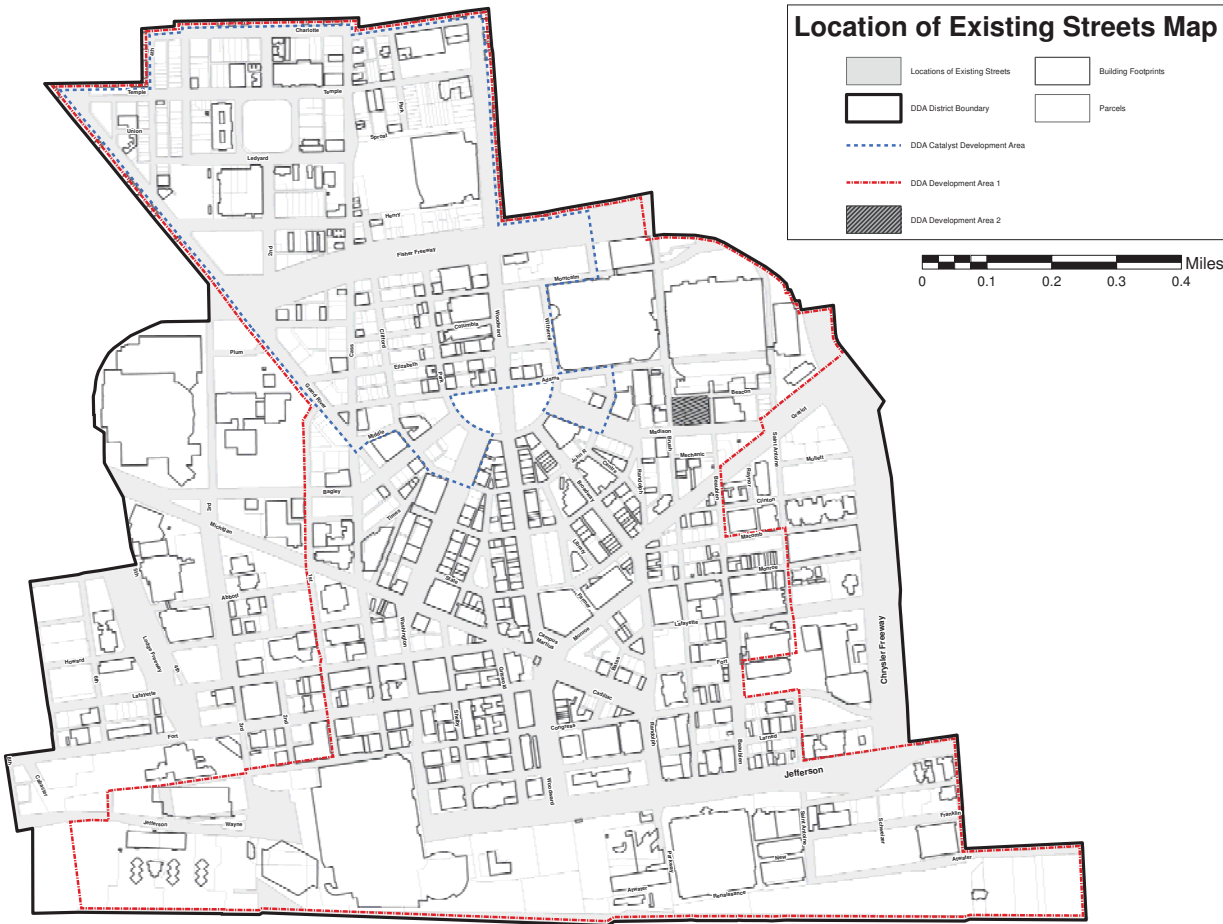
402.1.1 Location, Extent, and Character of Existing Streets

The location and extent of existing streets are shown on the Location of Existing Streets Map attached hereto as Exhibit to Section 402.1.1. Streets within the Development Area can be characterized as major thoroughfares, retail shopping streets and pedestrian walkways. The John C. Lodge Freeway where it passes under Cobo Center, short lengths of the Walter P. Chrysler Freeway and a portion of the Fisher Freeway at the northern edge of the Theater District are within the Development Area. Included within the Development Area are portions of the downtown laid out in the Governor's and Judges Plan of 1805. The distinctive radial street pattern north of the Detroit River that focuses on Kennedy Square and on Grand Circus Park is derived from this old plan for the city. Several major features that fall within the Development Area are the Woodward Transitway including Campus Martius, the Washington Boulevard Plaza, Cadillac Square, Capitol Park, the plaza around the Detroit Public Library branch, Paradise Valley Cultural and Entertainment District (formerly Harmonie Park) and portions of the Riverfront area designated for pedestrian and bike paths as part of Hart Plaza and the Detroit Riverfront Conservancy RiverWalk project. These features combine public open space and rights-of-way.

Many street rights-of-way within the Development Area are owned in fee simple by the City of Detroit. These are located in the most central portion of the Development Area. They were granted directly to the City in original land grants and were not dedicated by adjacent property owners. Therefore, many rights-of-way must be sold if they are to be converted to private ownership. Simple vacation of the rights-of-way will not result in the reversion of these streets to abutting owners. In the more outlying areas, street vacation causes ownership of the original right-of-way to shift to owners of adjacent parcels.

[Remainder of page intentionally left blank.]

City of Detroit Downtown Development Authority Exhibit to Section 402.1.1



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402.1.2 Location, Extent and Character of Other Public Facilities

The location and extent of other public facilities are shown on the Location of Other Public Facilities Map attached hereto as Exhibit to Section 402.1.2. The character of such public facilities is set forth below:

Public Parking Structures owned by the Detroit Building Authority and operated by the Municipal Parking Department or private contractors provide an essential resource for offices and retail uses in the area. The facilities include the Grand Circus Park garage (under Grand Circus Park), the Foster Winter Garage, the Cobo Conference and Exhibition Center garages, the Ford Auditorium garage, the Joe Louis Arena garage, the Millennium garage, the Premier garage, and Greektown Casino parking. Several surface lots are also maintained by the Municipal Parking Department. The DDA also owns and maintains a parking garage at 150 Michigan Avenue.

The Civic Center south of Jefferson from Randolph to Third Street includes Hart Plaza, the Dodge Fountain, Cobo Conference and Exhibition Center, the Joe Louis Arena, and Mariner Church (an historic church at Jefferson and Randolph).

The Water Board Building on Randolph at Bates houses the offices of the Detroit Water Department and several other City agencies.

The Downtown Branch of the Detroit Public Library at Library and Gratiot is located on a plot of land originally granted to the City and serves the downtown area.

Bus Terminals for the Detroit Department of Transportation, including shelter and layover facilities, are located in the Rosa Parks Transportation Center, located in a two block area east of Cass, north of Michigan Avenue.

The City-County Building at Woodward and Jefferson houses most City offices, County offices and court rooms for Circuit Courts, Probate Courts and other similar facilities.

Detroit Fire Department Headquarters Building is located at 250 West Larned at Washington Boulevard, and one fire station is located on West Columbia.¹

The Patrick V. McNamara Building is located at 477 Michigan Avenue. The building occupies a full City block and is surrounded by Michigan Avenue, Cass, Howard Street and Second Avenue.

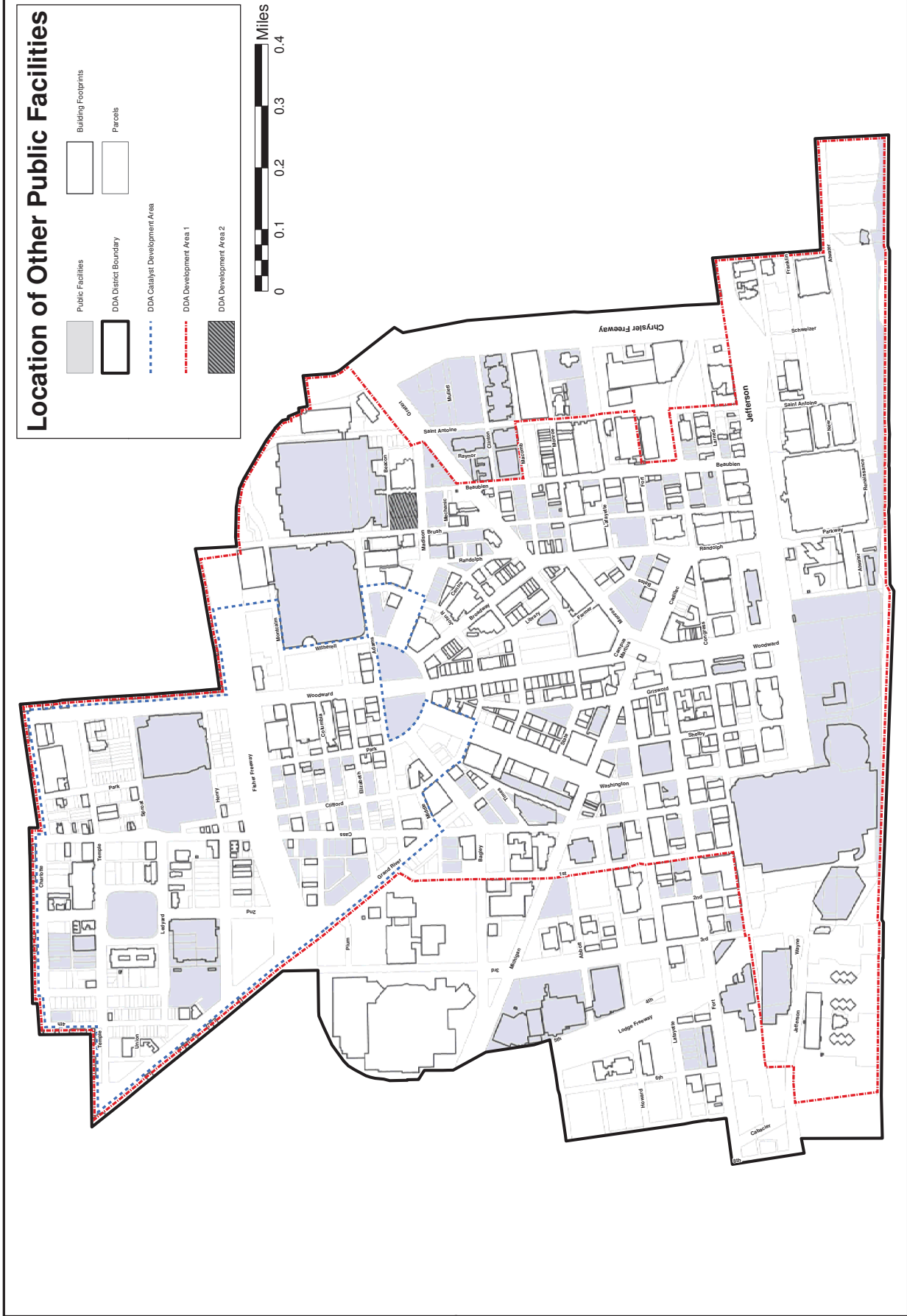
The Drug Enforcement Agency Building is located at 431 Howard Street between Cass and First Street.

The Theodore Levin US Courthouse is located at 231 West Lafayette.

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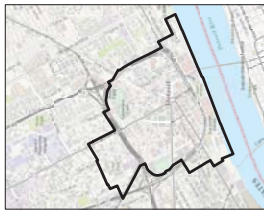
¹ A proposal to sell the building on Larned to a private developer for purposes of developing a boutique hotel is currently under consideration by City Council.

City of Detroit Downtown Development Authority Exhibit to Section 402.1.2



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402.1.3 Location, Extent, and Character of Other Public Land Uses

The location and extent of other public land uses, other than rights-of-way and facilities, are shown on two maps: the Public Parks and Open Space Map attached hereto as Exhibit A to Section 402.1.3 and the Urban Renewal and Other Publicly Held Sites Map attached hereto as Exhibit B to Section 402.1.3.

1. Public Parks and Open Space within the Development Area include:

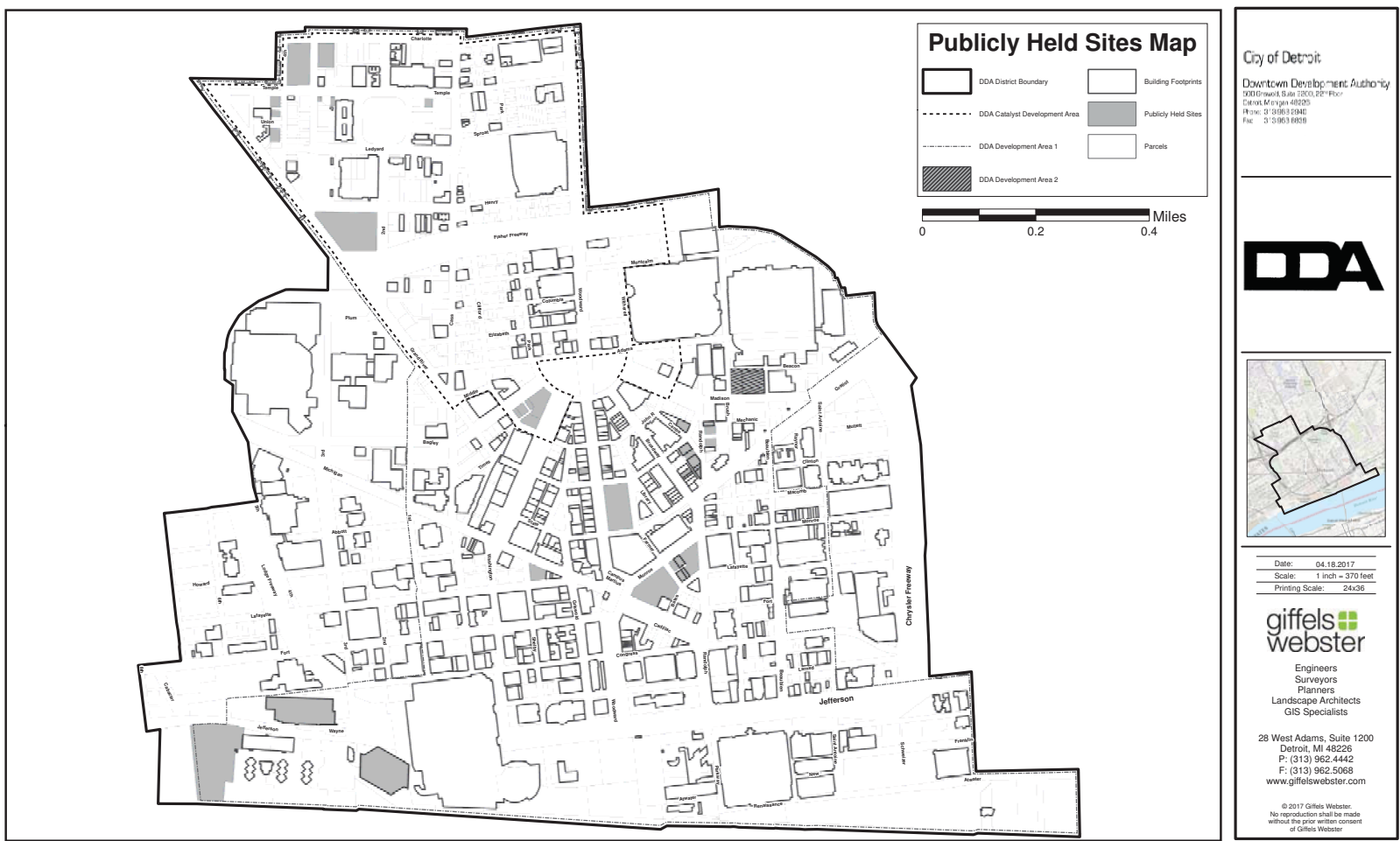
Phillip Hart Plaza and Dodge Fountain
Cadillac Square
Capitol Park
Grand Circus Park
Paradise Valley Cultural and Entertainment District (formerly Harmonie Park)
Campus Martius Park
Cass Park

2. Urban Renewal and Other Sites Being Held in Public Ownership Pending
Redevelopment include but are not limited to:

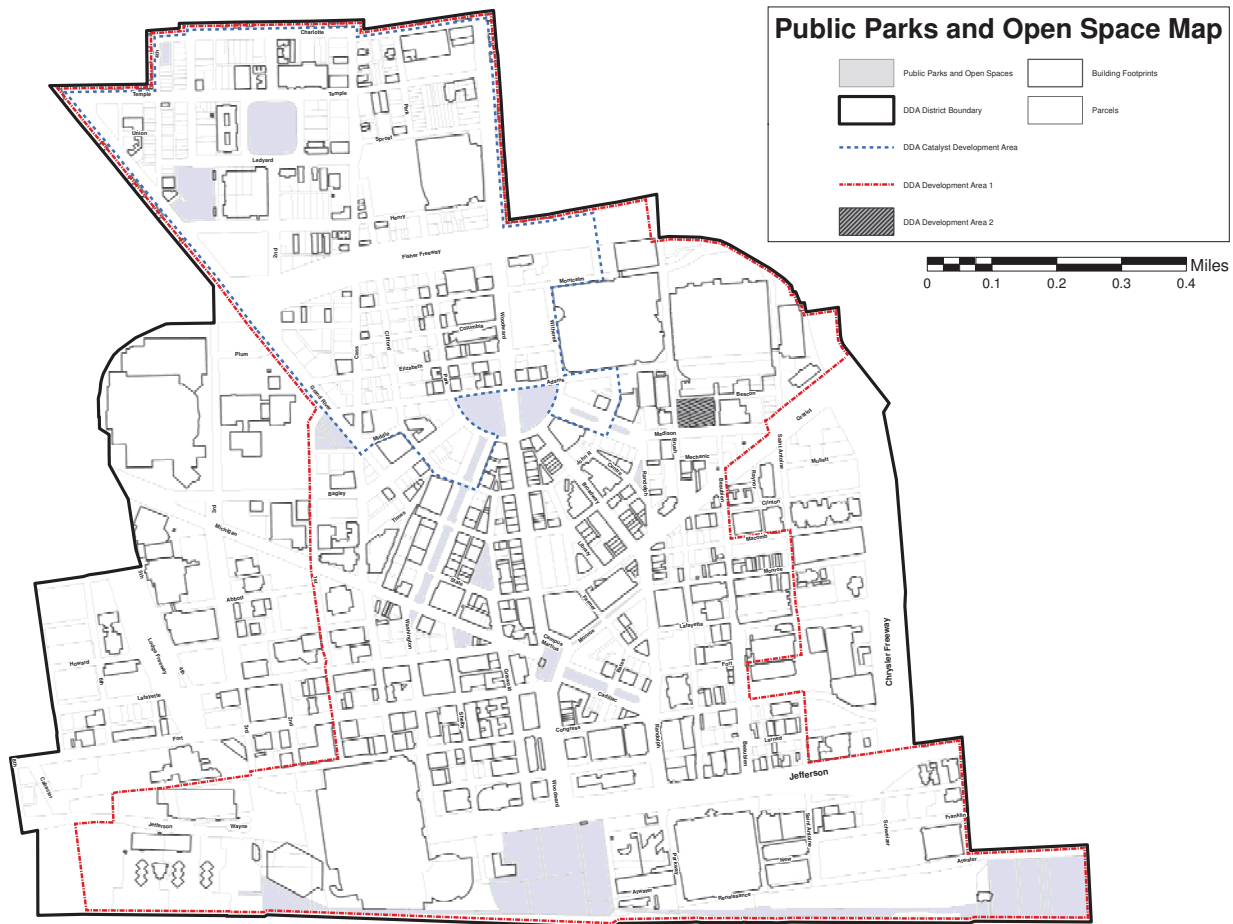
Hudson's Condominium Units No. 1 and 2
Monroe Block
Statler Hilton site
Lafayette Building site

[Remainder of page intentionally left blank.]

City of Detroit Downtown Development Authority Exhibit B to Section 402.1.3



City of Detroit Downtown Development Authority Exhibit A to Section 402.1.3



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402.2 Existing Private Land Uses in the Detroit Downtown Development Area No. 1

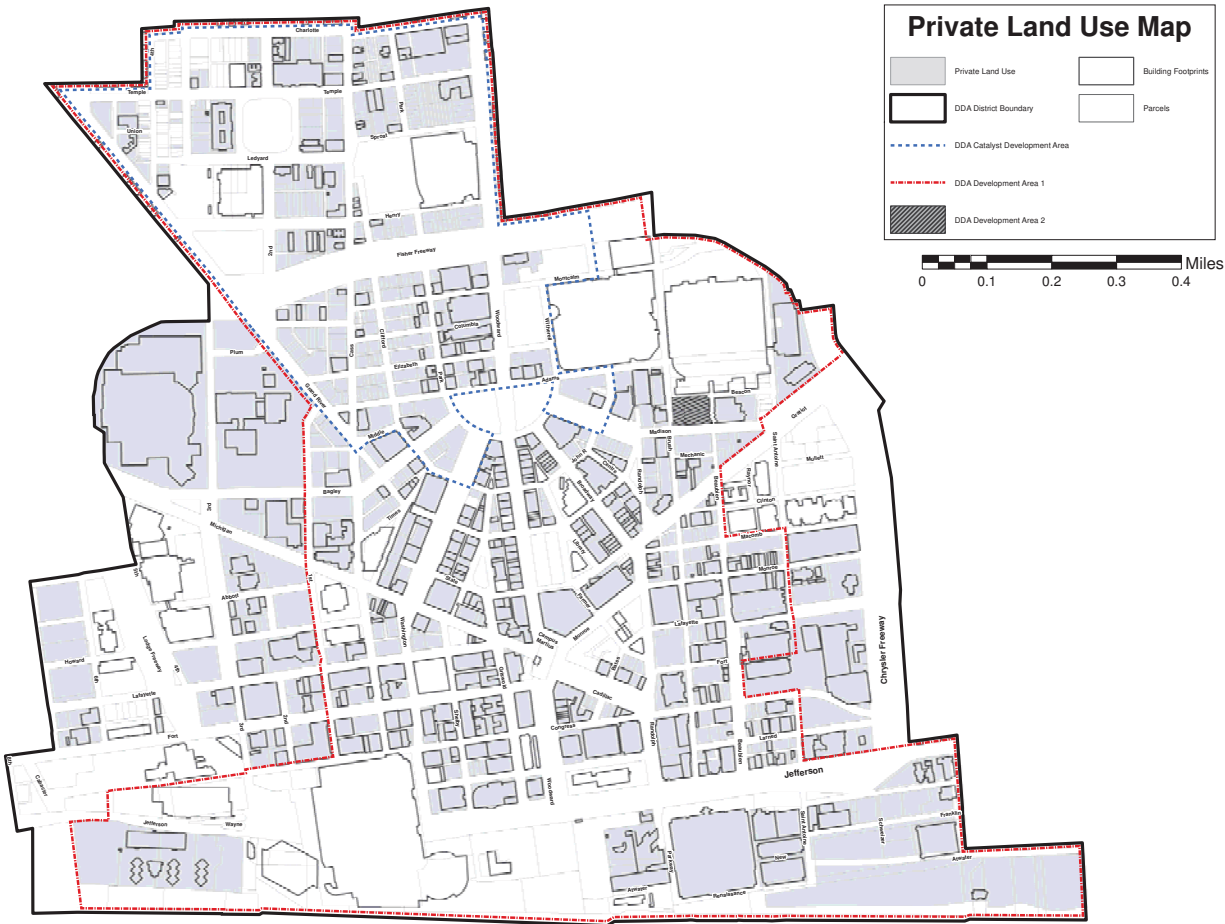
Private land uses are those generally found in the commercial and financial core of a large city, including commercial, retail and office uses and supplemental parking. Also included are hotels, churches, and some warehouse facilities.

The character of the Development Area is essentially one of large, multi-story structures of fairly uniform steel and masonry construction, dating primarily from 1900 to 1940. The Renaissance Center is also included, as are some structures on the National Register of Historic Places.

The Private Land Uses are more fully detailed on the Location of Private Land Use Map attached hereto as Exhibit to Section 402.2.

[Remainder of page intentionally left blank.]

City of Detroit Downtown Development Authority Exhibit to Section 402.2



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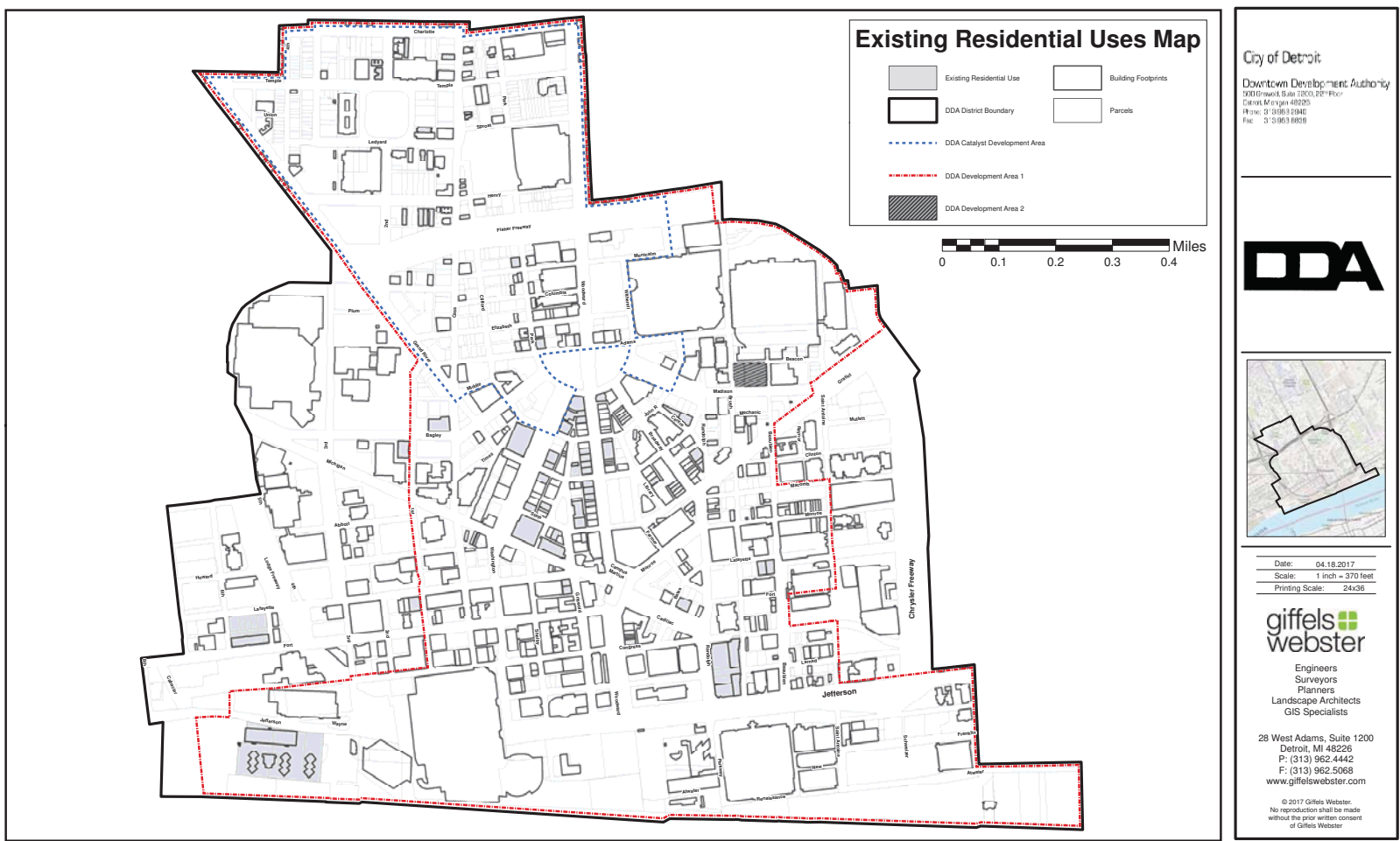
402.2.1 Location, Extent, and Character of Existing Residential Uses

A number of office buildings on Washington Boulevard have been converted to residential use both for sale and for lease. Several major apartment buildings are included within the Development Area as are a few scattered flats or apartments in principally commercial structures. A few single-family or small multiple-family houses can be found in the Theater District Area. Loft apartments have been developed within the Development Area.

The existing residential uses are more fully detailed on the Existing Residential Uses Map attached hereto as Exhibit to Section 402.2.1.

[Remainder of page intentionally left blank.]

City of Detroit Downtown Development Authority Exhibit B to Section 402.2.1



402.2.2 Location, Extent, and Character of Existing Recreational Uses

The location and extent of existing recreational uses are shown on the Existing Recreational Uses Map attached hereto as Exhibit to Section 402.2.2.

Private recreational facilities within the Development Area include the Detroit Athletic Club on Madison at John R, health and recreation clubs known as the Detroit Racquet Club on Woodbridge east of St. Antoine, and the Marriott Hotel Health Club in Renaissance Center. A YMCA also opened up in 2007 offering another recreational opportunity and programs for members. In addition, new gyms and recreational facilities have been added to the Central Business District, including but not limited to Detroit Pilates, Crossfit in the D, Pulse Fitness, and Anytime Fitness.

Both the Renaissance City Apartments (formerly the Millender Center) and Riverfront West residential projects include health clubs. Tennis courts, a jogging track and a 77-boat slip marina are also a part of the Riverfront West residential project.

Commercial/entertainment is offered in the Theater District, which, as its name implies, contains two major theatres -- the Fox and Palms-State. Recognized as treasures on the national Register of Historic Places, the Fox and Palms-State are venues for a variety of entertainment programs and are the nucleus of a revitalized Theater District.

A third theatre, the Gem/Century Club Theater, was moved to Madison Avenue and Beaubien to make way for the stadia. Operating side by side are the new football stadium, Ford Field, and Comerica Park, the new baseball stadium.

The Events Center, which will be located within the EC Project Area, generally located north of the Fisher Freeway, west of Woodward Avenue and east of Cass Avenue, will include a NHL Hockey Arena to be used by the Detroit Red Wings, and serve as a year-round venue for wide range of other sports and entertainment events.

The Masonic Temple is located in the 2013 Expansion Area, west of the Events Center.

Several parks accommodate private and public recreation activities, and festivals such as Hart Plaza situated along the Detroit River, Campus Martius Park in the heart of the Central Business District, Capital Park, and Times Square Park.

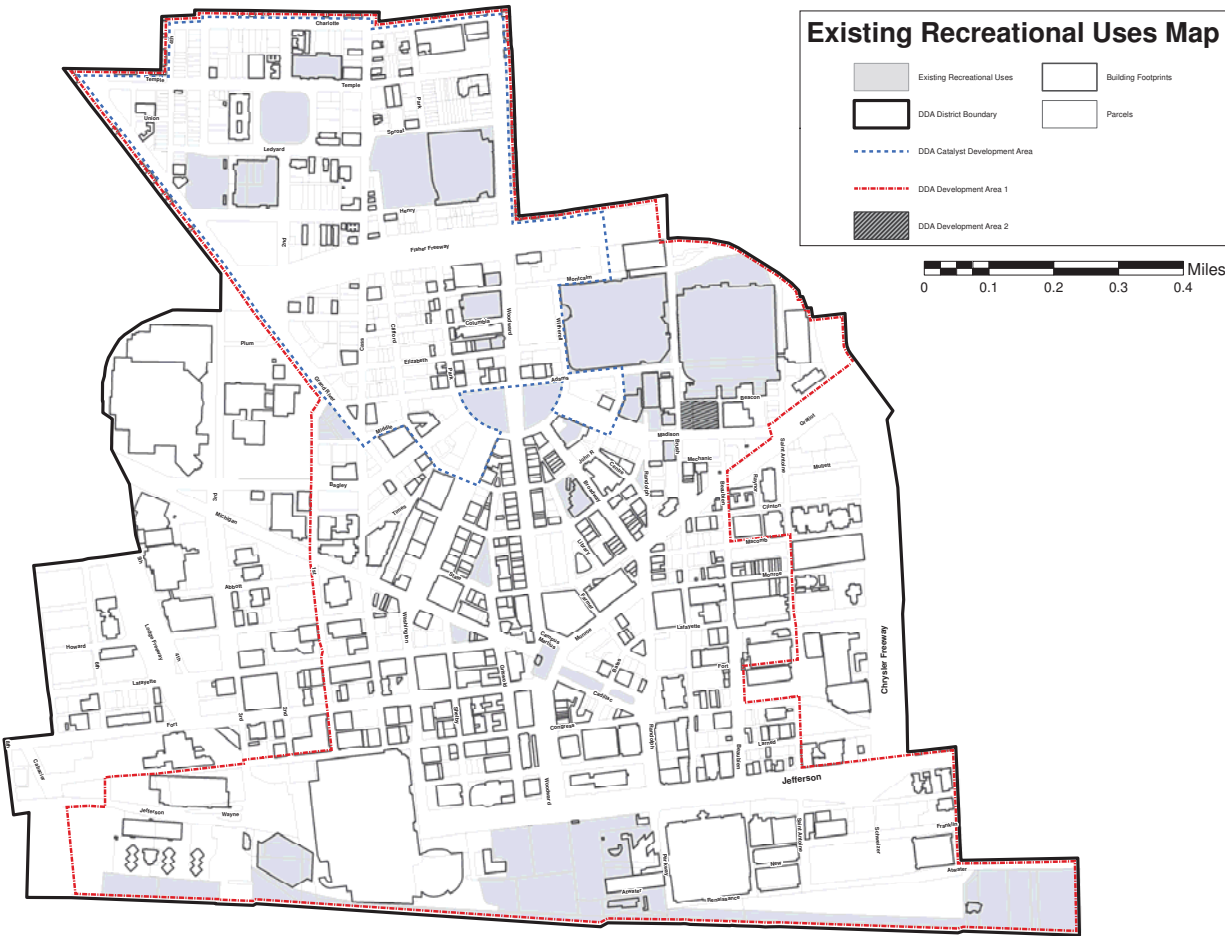
Private recreation is provided by several bars and restaurants, private health club facilities and entertainment such as jazz concerts offered by the Music Hall Center for the Performing Arts.

In the Paradise Valley Cultural and Entertainment District (formerly Harmonie Park) there is a focus on the area becoming an "arts district" although a number of galleries have left the area in the past decade.

A variety of shows are offered at the Music Hall Center for the Performing Arts; the redeveloped Detroit Opera House is the permanent home of the Michigan Opera Theater; and the Gem Theatre now sits on Madison Avenue directly across from the Music Hall. The Detroit Athletic Club is on Madison Avenue in the block immediately north of the Gem.

[Remainder of page intentionally left blank.]

City of Detroit Downtown Development Authority Exhibit to Section 402.2.2



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402.2.3 Location, Extent, and Character of Existing Commercial Uses

The Renaissance Center features a 73 story hotel, office space and mixed retail space, including fine and casual dining establishments. Offices and parking commercial uses lie east of Renaissance Center south of Jefferson within the Development Area.

North of Jefferson Avenue and east of Randolph are located a few small office structures of one to four floors, some small retail shops such as clothing stores, printing shops, restaurants, an antique dealer, and commercial parking garages and expansive surface parking lots. The largest structures are the Renaissance City Apartments (formerly the Millender Center) complex and the Blue Cross/Blue Shield office building and parking garage at Jefferson and Beaubien. The Renaissance City Apartments (formerly the Millender Center), located between Jefferson on the south, Randolph on the west, Congress on the north and Brush on the east, is a major commercial development that includes a 260 room hotel and 40,000 square feet of commercial/retail space. Retail shops near Randolph and Gratiot form a small comparison shopping area. Most of these businesses and structures do not, individually, make major contributions to the downtown tax base, retail sales, employment or quality of the environment. Exceptions are the Renaissance City Apartments (formerly the Millender Center) and the Blue Cross/Blue Shield facility. However, collectively, the uses in this area provide a significant portion of the support services for offices east of Woodward Avenue.

Between Beaubien and St. Antoine on Monroe Street high density commercial exists. The area includes Greektown, a regional specialty shopping district comprised primarily of eating and drinking establishments, the International Marketplace office and banquet center, and Greektown Casino.

Between Randolph and Woodward lays an area of predominantly retail and office structures several stories in height. The area north of Jefferson on both sides of Woodward is the existing downtown office core. The Cadillac Tower, American Title Building, City-County Building, First National Building, Broderick Tower Building, Water Board Building, the L. B. King Building, and others are examples of major structures of eight or more floors housing retail, residential and office uses. In 2012 the Z Lot, a ten story building with commercial and parking uses was constructed north of Gratiot between Broadway and Library. Between these major structures lie one to four story structures housing small offices and retail shops. Limited surface parking lots and three commercial parking structures are also in this area. The heart of the area, however, is City-owned property acquired for urban renewal redevelopment (CBD #5-Kern Block and Cadillac Square Project) and for a public parking garage. The City-owned properties generally are vacant land or vacant buildings. Also within this area was the one-block structure occupied by the Crowley Department store until July, 1977. Crowley's demolished the building and the City acquired the vacant site and, as well, acquired and demolished the adjacent one-block Crowley Annex building. Most of the City-owned vacant land is used for parking. The exception is the Kern Block, which is a landscaped open area. By 2005, several projects located in the area of Kern Block, and currently referred to as Campus Martius, were developed including a one million square foot One Campus Martius (formerly Compuware World Headquarters) office. A multi-tenant office building located on Kennedy Square has been developed by an affiliate of REDICO.

North of Michigan Avenue between Capitol Park and Bagley lies an area originally comprised primarily of multi-story office structures with lower floor retail uses to service the offices. Most of the office structures were built prior to 1940 and many needed modernization. Occupancy of these structures, with some exceptions, has been on the decline for several years. Some structures were essentially vacant above the first floor. Despite the occupancy problems, most of these major structures were sound and capable of modernization or even conversion to other uses. Many have been adaptively reused as senior citizen apartment buildings. The Ameritech regional office and the Comerica operations center are the largest commercial facilities in this area.

Ground floor retail space around Capitol Park is occupied by restaurants and retail shops. Washington Boulevard retail space is not fully utilized and the nature of uses in the space has in recent decades changed from fashionable shops, airline offices and travel agencies to small retail shops of a marginal nature. This area, once the focus of the downtown "Carriage Trade," has been abandoned by such businesses as they moved to suburban or other downtown areas. New uses have yet to develop a strong character in the area. As a result of a Request for Proposal (RFP) issued by the DDA in 2011, two publicly owned buildings, 1145 and 1212 Griswold have been redeveloped into mixed-use including residential, office and commercial. A third publicly owned building, 1249 Griswold (a/k/a the Farwell Building) is currently being redeveloped into mixed-use including residential, retail and restaurants and is slated to be open in 2018.

Also in this area are both the Himelhoch and David Whitney Buildings at Grand Circus Park and Washington Boulevard. The Himelhoch retail building housed headquarters for the local chain, which went out of business; it has since been converted to residential use. The David Whitney professional office building has been redeveloped into the Aloft Hotel and multi-tenant use. The first floor of the Madison Square Building is leased to retail tenants; floors two through four are leased to office tenants.

The former Statler Hotel on Grand Circus Park has been demolished. The Detroit Times Building at Cass Avenue and Times Square, vacant former publishing plant, has been demolished and the site is now surface parking. The Book Office Building and Tower at Grand River and Washington Boulevard is vacant with plans for redevelopment, and the long vacant Empire Building at Clifford and Washington Boulevard has been demolished. The building at 150 Michigan Avenue formerly housing municipal offices has been demolished and a parking garage to accommodate the Book Cadillac Hotel project now occupies the site which also includes five stories of newly constructed residential above the garage. West of Washington Boulevard are several large commercial surface parking lots.

Detroit City Apartments (formerly Trolley Plaza), an apartment structure located on Washington Boulevard, has 10,000 square feet of retail including a grocery store.

There are no commercial uses south of Jefferson west of Randolph except the Detroit-Windsor Tunnel, concessions and restaurants in Cobo Center and Joe Louis Arena, and retail in the Riverfront Apartments.

In that part of the Grand Circus North Area located between Park Avenue and John R in the northern part of the District, there are some restaurants and nightclubs, large office-type uses and some retail stores. However, the most significant commercial uses include primarily office space utilization in the large Fox and Palms-State office buildings.

The area immediately east of the Theater District proper boundaries includes a number of scattered commercial properties, many of which were subsequently be displaced by the stadia developments.

In the area west of Woodward between West Jefferson and Congress, is the Civic Center and nearby is the former Pontchartrain Hotel, which has been rehabilitated and is now the Crowne Plaza Hotel, and the 150 West Jefferson office building, a major 500,000 square foot office structure completed in 1990 which includes an 800-space garage and 14,000 square feet of retail commercial space and a restaurant. The American Natural Resources office building and Roney & Company are located in this area. On the corner of Woodward and Congress, the One Detroit Center office complex includes one million square feet of office space, parking facilities for 2,500 vehicles, and a branch bank and a restaurant/café. A Doubletree Hotel is now located on Lafayette Street in the Detroit Downtown District.

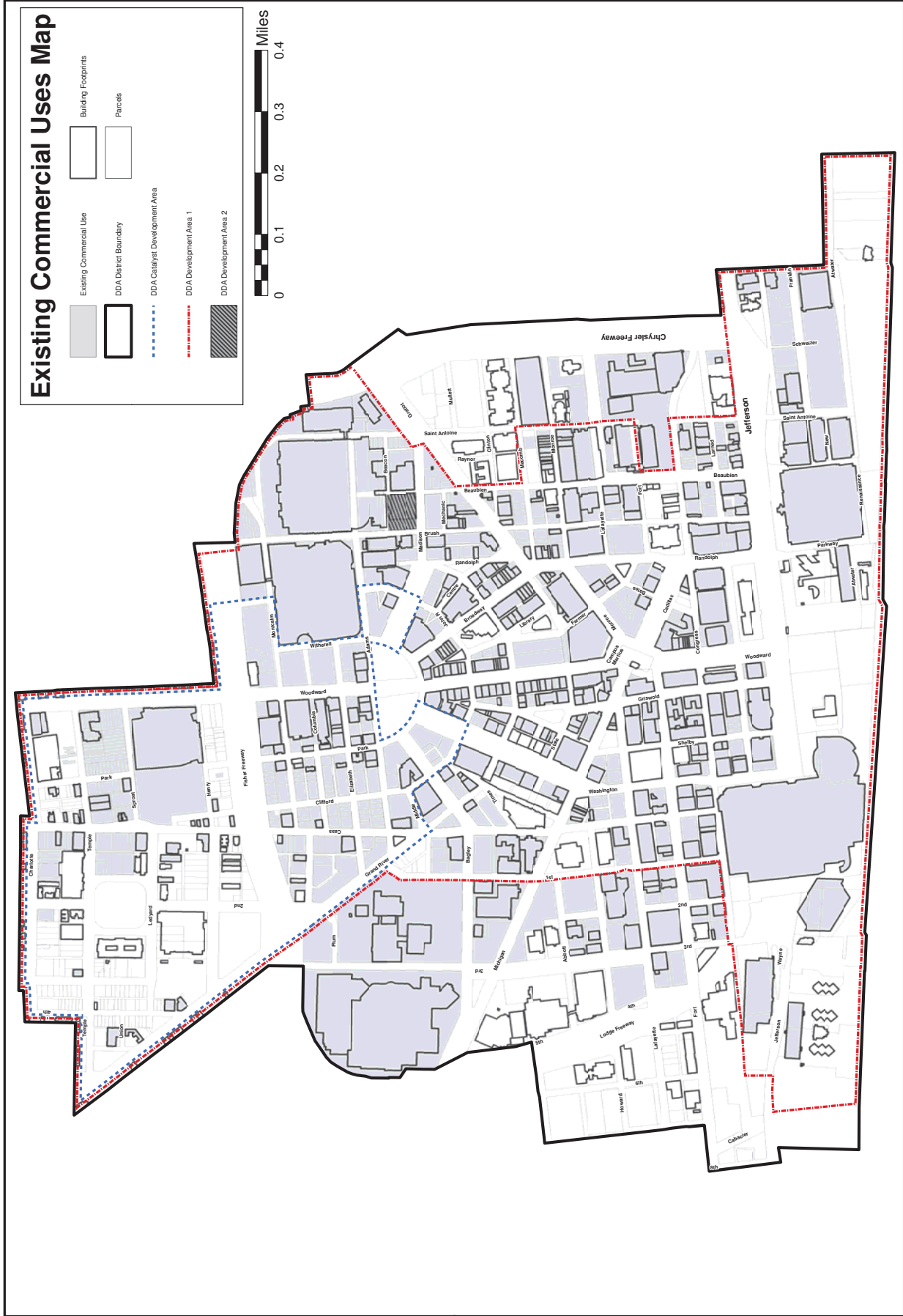
In the Paradise Valley Cultural and Entertainment District (formerly Harmonie Park) north of Gratiot, east of Broadway and south of east Adams, major commercial uses include the Ashley Apartments and the parking garage for the former Hudson's department store. There are a number of retail stores, including some in the parking garage. Some large parking lots and a parking garage serve Music Hall, the MOT and

the Madison Center. The Detroit Athletic Club and Madison Center/36th District Court, both on Madison Avenue, border this area. In June 2016, five development teams were selected to redevelop properties owned by the Authority in the Paradise Valley and Cultural Entertainment District (formerly Harmonie Park). The total investment for these redevelopment projects is in excess of \$52 million dollars.

The location of existing commercial uses is shown on the Existing Commercial Uses Map attached hereto as Exhibit to Section 402.2.3.

[Remainder of page intentionally left blank.]

City of Detroit Downtown Development Authority Exhibit to Section 402.2.3



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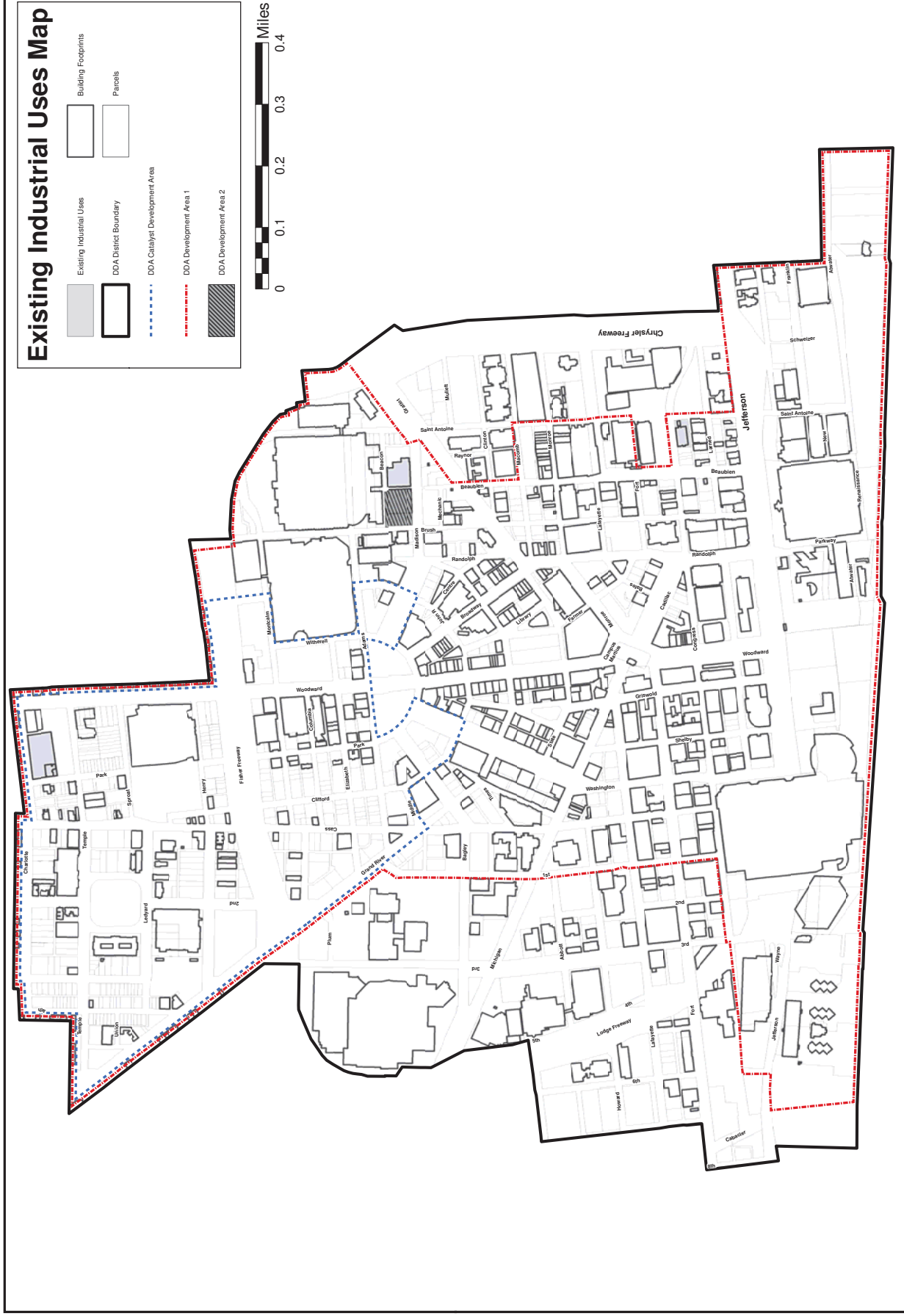
**402.2.4 Location, Extent and Character of Existing Industrial
Uses**

Other than railroad facilities for the Grand Trunk/SMART commuter train and limited freight storage facilities associated with the tracks, there are no industrial uses in the Development Area. These facilities are unused. The Detroit Thermal steam generation plant located on Madison east of the 36th District Court facility constitutes an industrial use.

These few uses are shown on the Existing Industrial Uses map attached hereto as Exhibit to Section 402.2.4.

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City of Detroit Downtown Development Authority Exhibit to Section 402.2.4



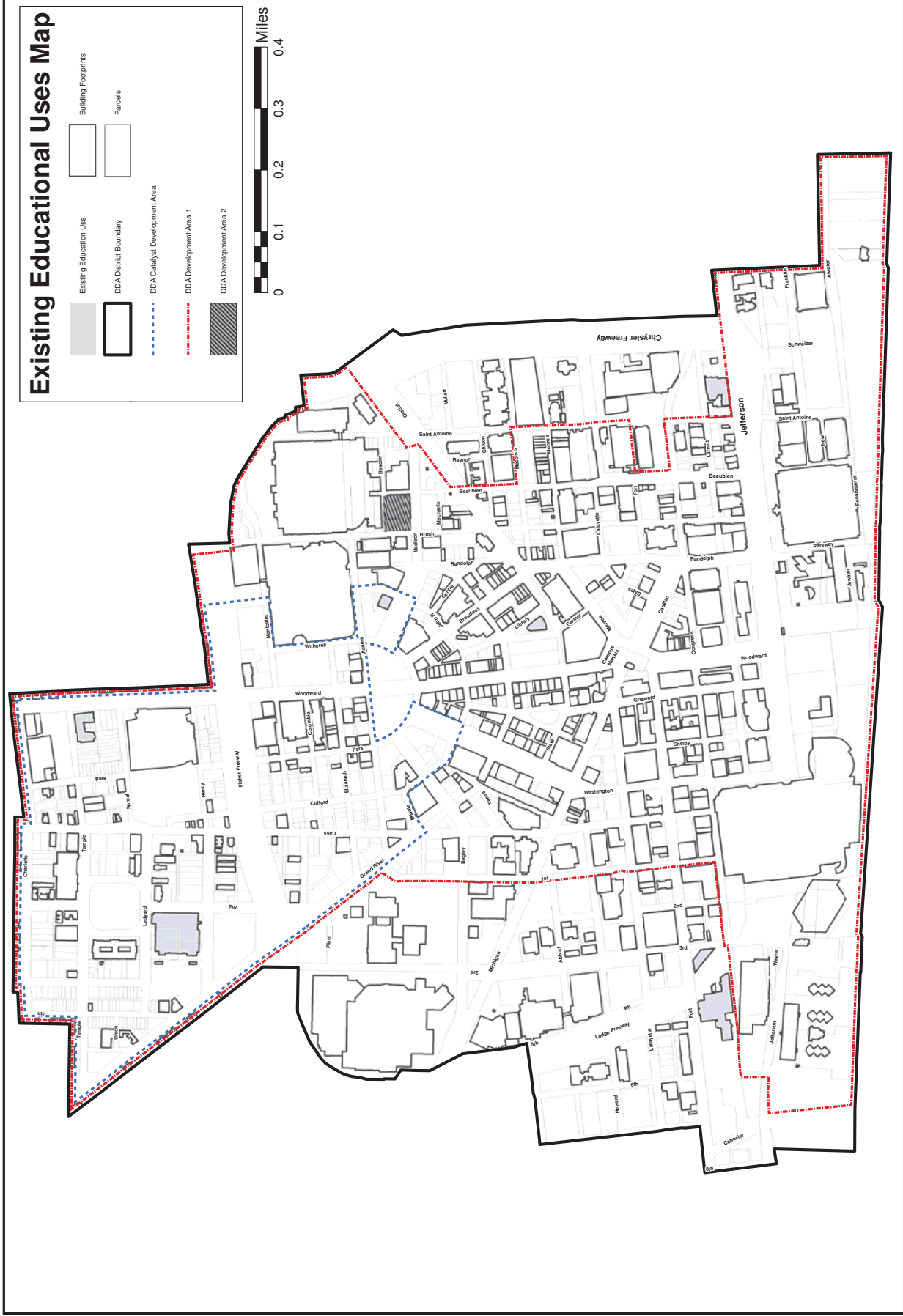
402.2.5 Location, Extent and Character of Existing Educational Uses

The University of Detroit Mercy Law School at Jefferson and St. Antoine and small private schools such as the Payne Pulliam School of Trade and Commerce (2345 Cass) occupy space in some commercial buildings. Wayne County Community College is within the Downtown District, with a portion of its campus within the Development Area. Cass Technical High School is located at 2501 Second Avenue.

The location of educational uses is shown on the Existing Educational Uses Map attached hereto as Exhibit to Section 402.2.5.

[Remainder of page intentionally left blank.]

City of Detroit Downtown Development Authority Exhibit to Section 402.2.5



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402.2.6 Location, Extent and Character of Other Existing Private Uses

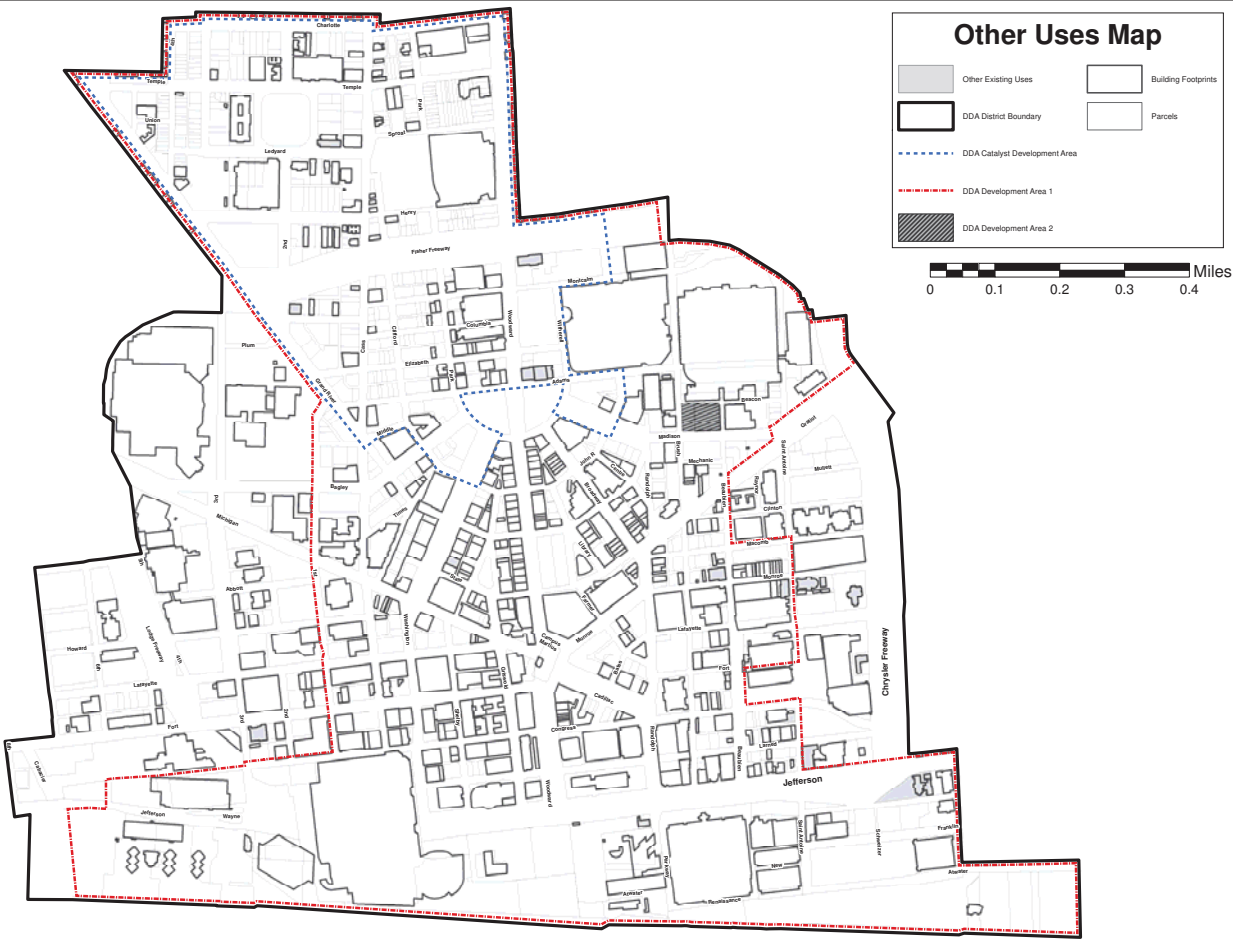
Several religious institutions lie within the Development Area, including Second Baptist, Central United Methodist, St. John's Episcopal churches, Christ Church, the Catholic Archdiocesan offices, the Isaac Agree Downtown Synagogue and the Annunciation Greek Orthodox Cathedral.

Detroit Edison has a substation facility on Congress at St. Antoine. Michigan Bell Telephone has a similar service facility on Jefferson at Rivard.

These uses are shown on the Other Existing Uses Map attached hereto as Exhibit to Section 402.2.6.

[Remainder of page intentionally left blank.]

City of Detroit Downtown Development Authority Exhibit to Section 402.2.6



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403 DESCRIPTION OF EXISTING IMPROVEMENTS IN THE DETROIT DOWNTOWN DEVELOPMENT AREA NO. 1 TO BE DEMOLISHED

403.1 Description of Demolition Proposed

The City-owned **Tuller Hotel** located at 521 Park Avenue, more fully described as follows:

Land in the City of Detroit, County of Wayne and State of Michigan, being the West 1/2 of Lot 18, East 1/2 of Lot 19, Lots 20 through 23 and West 1/2 of Lot 24 and vacant adjoining alley of Plat of Section 12 of Governor and Judges Plan, City of Detroit, Liber 34, Page 555, Deeds, Wayne County Records.

The Retail Commercial Core area is generally bounded by the alley west of Woodward, Grand River, Library, Gratiot, Brush, Fort, Randolph and Cadillac Square. Proposed development of major parking and retail facilities within this area would require (as was originally required for the **Cadillac Mall Project**) the demolition of some structures within these boundaries as follows:

- A 100' x 40' one and one-half story masonry building at 1241-1247 Broadway. (Funky Broadway)
- A 55' x 25' two-story masonry building at 1237 Broadway. (Regal Shoes)
- A 50' x 40' one-story masonry building at 1231 Broadway. (J.L. Stone Co.)
- A 45' x 1005' one and one-half story masonry building at 301-319 Macomb, also addressed as 302-10 Gratiot and 1300 Randolph. (Bad Records)
- A one-story masonry vendors stand at 1200 Randolph.
- A 40' x 100' two-story masonry building at 44-50 Monroe. (T & H Discount)
- A 20' x 100' four-story masonry building at 54 Monroe. (Monroe Discount)
- A 20' x 100' four-story masonry building at 58 Monroe. (vacant building)
- A 20' x 100' four-story masonry building at 62 Monroe. (Cine X - vacant)
- A 20' x 100' four-story masonry building at 66 Monroe. (Tip Top Books - vacant)
- A 30' x 100' four-story masonry building at 70-72 Monroe. (Father & Son Shoes and Barrel Bar)
- A 30' x 100' four-story masonry building at 74-78 Monroe, also addressed as 1025-43 Farmer. (Wormser's Hat and vacant store)
- A 20' x 100' four-story masonry building at 100 Monroe, also addressed as 1026-42 Farmer. (B & C Lunch)
- A 20' x 100' four-story masonry building at 101-106 Monroe. (Monroe Sandwich Shop and Shoe Repair)
- A 20' x 100' two-story masonry building at 110-112 Monroe. (Hardy Shoes)

The **Jefferson Avenue Streetscape Project** will require some demolition of existing sidewalk pavings and removal of some existing plant materials.

The **150 West Jefferson Development** will require demolition of an existing structure, located at 126 West Jefferson.

The **Harmonie Park Acquisition/Rehabilitation Project (now Paradise Valley Cultural and Entertainment District)** plan calls for extension of Centre Street which will require demolition of the Boston Bar located on the northeast corner of Randolph and Gratiot Avenue, as well as certain contiguous surface parking areas.

The **Madison-Lenox Hotel** renovation proved infeasible and the DDA assisted with the demolition of the property which is now a surface parking lot.

Implementation of the **Detroit Opera House Project** requires the demolition of the following structures:

- A vacant three-story building at 231 John R commonly known as the International Art Building
- A vacant eight-story commercial building at 110-112 Madison commonly known as the Roberts Furs Building

The private developer of the Detroit Opera House Project will undertake this demolition.

The following structures are proposed to be demolished for purposes of implementing the **Theater District Project**. However, it should be noted that certain of these structures will be examined for their possible adaptive reuse.

- 2125 Woodward (Vacant and former restaurant) -- Lot 7 of Plat of Park Lots 84, 85 and 86, as recorded in Liber 7 of Plats, page 27, Wayne County Records.
- 2129-39 Woodward (2-story commercial building) -- Lots 7 and 8, Plat of Park Lots 84, 85 and 86, as recorded in Liber 7 of Plats, page 27, Wayne County Records.
- 65 East Columbia (3-story office building which is presently housing the Southern Christian Leadership Conference) -- Lots 141 and 142, Plat of Williams Park, as recorded in Liber 1, page 39 of Plats, Wayne County Records.
- 81 West Columbia (Blenheim Apartments) -- Lot 35, Plat of Brown's Subdivision of Park Lots 84, 85 and 86 as recorded in Liber 7 of City Records, Page 27, Wayne County Records.
- 2230 Park (Varney) -- Lot 10, Lothrop's Subdivision, as recorded in Liber 39, Page 430 of Plats, Wayne County Records.
- 76 West Columbia (Cedar Bar) -- Lot 49, Plat of Park Lots 84, 85 and 86, excepting the northerly 7-1/2 feet thereof which has been taken for the purpose of a public alley, as recorded in Liber 7, Page 27, Deeds of Wayne County Records.
- 2210 Park Avenue (Detroit Building) -- Lot 50, Plat of Park Lots 84, 85 and 86, excepting the northerly 7-1/2 feet thereof, which has been taken for the purpose of a public alley as, recorded in Liber 7, Page 27, Deeds of Wayne County Records.

- 21' x 60' improved brick, small restaurant. N 21' of Lot 88, Plat of Williams Park Lots 1, 2, 3 and 4 as recorded in Liber 1, Page 39 of Plats, Wayne County Records.
- 100' x 100' improved brick 17 story vacant building commonly known as the Wolverine Building. Lots 72-76 Plat of Williams Park Lots 1, 2, 3 and 4 as recorded in Liber 1, Page 39 of Plats, Wayne County Records.
- Lots 153, 154, J.R. Williams Plat of Williams Park Lots 1, 2, 3 and 4 as recorded in Liber 1, Page 39 of Plats, commonly known as the Greene Building.

The Authority and the private developer(s) of the Theater District Project will undertake this demolition.

The **Tigers/Lions Stadia Project** will require the demolition of the majority of structures located in the Project Area east of Woodward. Certain historic buildings and other structures located in the southeast end of the Project Area were relocated or renovated.

The **Land Assemblage program** has identified certain buildings to be acquired for purposes of this program; other acquisitions have yet to be determined. The Authority anticipates that some buildings acquired in the process will require demolition.

The **Kennedy Square Garage** was demolished and reconstructed for redevelopment purposes, along with certain appurtenant roads and other public improvements within the Campus Martius Redevelopment Project.

The **Lower Woodward Improvement Agenda** required demolition of a transient hotel known as the Statler Hilton located at 1539-1565 Washington Boulevard. Generally bounded by Park Avenue, Clifford Street, and Bagley Street, the 515,000 square foot structure was formerly used as a hotel or hotel apartment with minimal commercial use.

The building at **150 Michigan Avenue** was demolished to make way for the parking garage to service the Book Cadillac development.

Ford Auditorium was demolished in 2012.

The building and parking structure located at 136 Monroe Street will be demolished in 2013.

The **Events Center Project** will require the demolition of the majority of structures located in the EC Project Area. Additional structures located in the Catalyst Development Area may be identified for demolition by the Authority for implementation of the Events Center Project or the EC Ancillary Development Project; however, it should be noted that certain structures located in such areas will be examined for the possible adaptive use.

Joe Louis Arena, the soon to be former home of the Red Wings, is expected to be demolished after the arena is vacated. The 8.6 acre is expected to be redeveloped into mixed-use including residential, retail, and a hotel.

As provided by Act 13 of 2005 the DDA is implementing a **Demolition Project** for the purpose of removing dangerous and blighted buildings located in the Development Area.

404 LOCATION, CHARACTER AND EXTENT OF THE CATEGORIES OF PROPOSED PUBLIC AND PRIVATE LAND USES¹

Proposed land uses are the same as the existing land uses and those permitted by existing zoning throughout most of the geographic area contained in the Development Area. Proposed changes in public land uses are described below.

404.1 Proposed Public Land Uses in Development Area No. 1

404.1.1 Location, Extent and Character of Proposed Streets

The locations of streets that may be altered, insofar as they are now known, are shown on the Location of Streets that May be Altered Map attached as Exhibit to Section 404.1.1. Other streets may be proposed for alteration at a later time when plans for each project have been more fully detailed.

Retail Commercial Core Area: Major changes in street and utility layouts are anticipated to permit consolidation of parcels necessary to provide for future development of the downtown retail commercial core area. Streets that may be affected lie between Woodward and Randolph, Grand River and Cadillac Square, among others. There may be a need to close and vacate certain streets to accommodate such development. In particular, parts of Farmer, Library, Monroe, Gratiot, and Campus Martius Streets along with alleys in the Kern Block, behind the Monroe buildings, and an alley through the Crowley block may be vacated. A realignment of the Woodward Avenue right-of-way at the convergence of Cadillac Square, Campus Martius, Fort Street, Monroe Street, and Michigan Avenue required alterations to a portion of the Woodward Avenue right-of-way to accommodate structural elements, entrance features, and pedestrian or transit related features for existing or new structures. In addition, several new pedestrian easements are anticipated for the RiverWalk project, and short access to newly developed structure(s) and parking facilities may be dedicated for public use.

East Lafayette Avenue between Randolph and Brush shall retain its present south right-of-way line through at least the year 1990; and it is currently anticipated that the right-of-way width will remain 50 feet until at least 1990.

Convention Facilities Area: The construction of the Congress/First Street hotel may necessitate some modification to streets to accommodate the flow of traffic at entrances.

A ramp leading from the Lodge Freeway into the project area was provided to improve access to the Riverfront West development site. Pedestrian bridges will connect the project with the People Mover and downtown areas east of the Lodge Freeway. A public bicycle path along the Third, Jefferson and Eight Street sides of the Riverfront properties will connect to riverfront portions of the path east and west of the development.

The north-south alley through the 500 Woodward block was vacated pursuant to the Larned-Bates urban renewal plan to permit implementation of the One Detroit Center project. The anticipated pedestrian bridges built across Congress and Larned as part of an eventual development of an enclosed walkway from Renaissance City Apartments (formerly the Millender Center) to Cadillac Center were never constructed.

The East Riverfront Improvements project calls for modification of existing street patterns including, but are not limited to, the relocation of Atwater and Schweitzer Streets, the construction of a paved surface along the river's edge, the construction of a new boulevard street extending south from the I-375 termination

¹ All public and private land uses proposed by this Tax Increment Financing and Development Plan, as amended.

to the Detroit River, and the widening of other streets as may be necessary to provide for the efficient operation of the roadways immediately adjacent to the General Motors global headquarters.

Greektown Area: The design and development of the Blue Cross/Blue Shield expansion necessitates the closing of Fort Street between Beaubien and St. Antoine and St. Antoine between Fort and East Lafayette. The development may also require some modification of East Lafayette to accommodate the flow of traffic at the entrance of the Blue Cross/Blue Shield facilities.

Grand Circus North Development Area: In order to accommodate the proposed public open spaces and pedestrian ways, Columbia Street was closed to traffic between Park and John R, vacated and converted to an underground easement for any existing utilities to remain. Pursuant to the planned public recreation project, the alley south of Columbia between Witherell and John R was vacated. The alley north of Columbia between Witherell and John R was vacated adjacent to the YWCA and a new alley outlet north of Montcalm was provided.

The Theater District Project Master Construction Plan calls for the closing of Columbia Street between Witherell and Park, its vacation and conversion to an underground easement for any existing utilities to remain. Additionally, the Plan requires that all alleys lying within the bounds of the Fisher Freeway, Witherell, Elizabeth and Park likewise be vacated and converted to an easement to allow the project site to be reconfigured for parking.

In order to accommodate the development of the Tigers/Lions Stadia, the Project Area was subject to many alternations. Major infrastructure improvements may include a new entrance and/or exit ramps to the surrounding freeways, and improvements to the service drives. The Stadia development plan may call for the vacation, dedication and/or conversion to easement of certain streets and alleys as reflected in the map entitled Location of Streets that May be Altered Exhibit to Section 404.1.1. Other improvements include traffic management and directional signage upgrades throughout the project area.

Paradise Valley/Madison Avenue Area: The extension of Centre Street was completed, and Randolph Street was closed to all traffic between Centre Street on the north and Gratiot Avenue on the south. The extended Centre Street has become the new Randolph alignment.

Lower Woodward Improvement Area: To accommodate the revitalization in the Lower Woodward Neighborhood (which will include streetscape redesigns, the development of additional residential units, the attraction of small businesses and investment, the development of attractive and safe public areas, and an overall improved image), Washington Boulevard, Woodward Avenue, Broadway Street, and the entrance to Cobo Hall will be primarily impacted. Additional proposed streetscape and infrastructure improvements will affect Clifford and John R from Bagley to Broadway, Grand River from the Fisher Freeway to Broadway, State from Washington to Griswold, Farmer from John R to Gratiot, Library from Grand River to Gratiot, Griswold from Clifford to Michigan Avenue, Michigan Avenue from Woodward to First Street, and Shelby from State to Michigan Avenue.

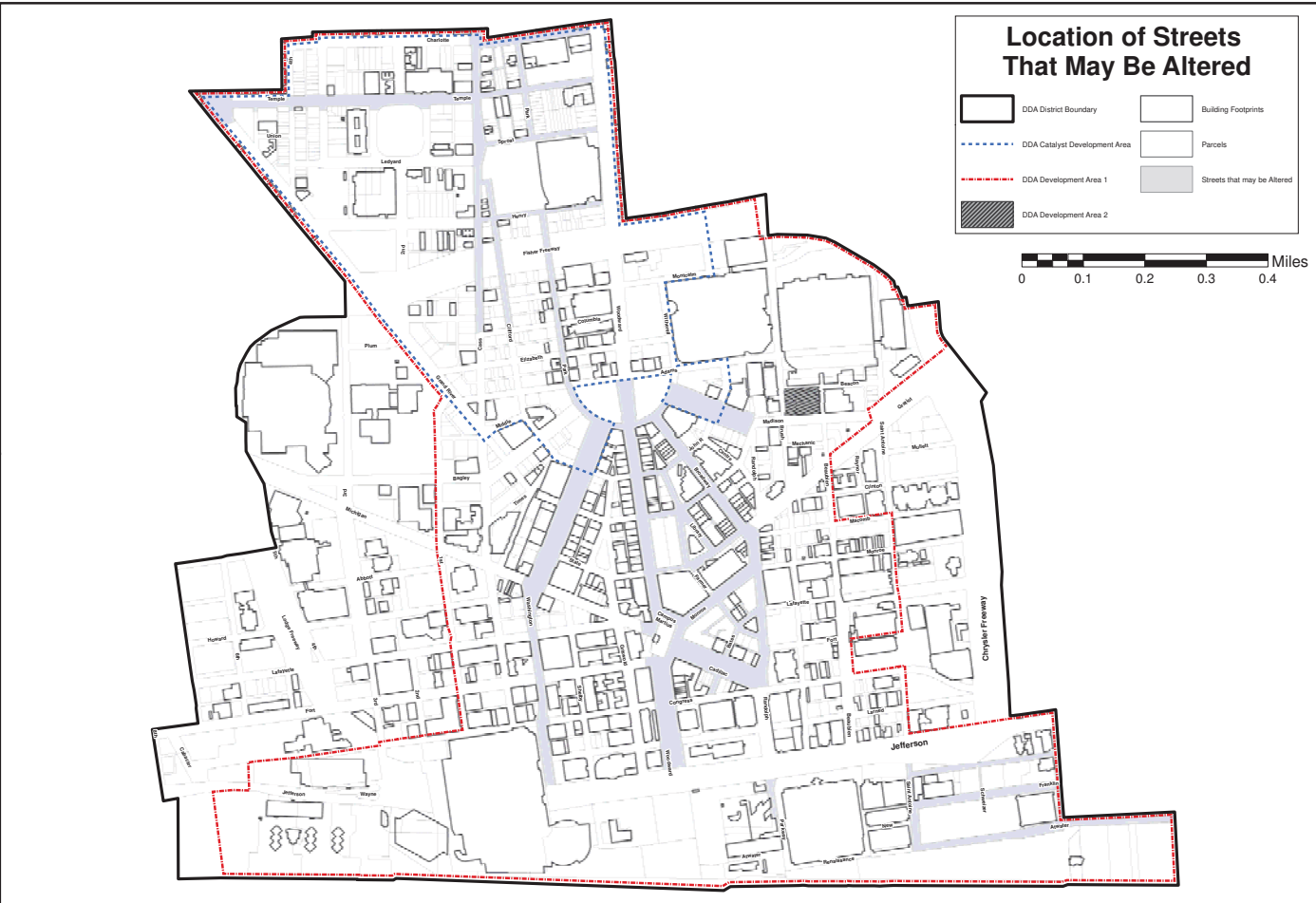
The EC Project Area: All streets and alleys lying within the EC Project Area have been, or are expected to be vacated, including Henry Street between Woodward and Clifford Street and Sproat Street between Woodward and Clifford, and portions of Clifford. In addition, other changes to existing streets and traffic patterns may be necessary. Additional streetscape and infrastructure improvements may also impact other streets and alleys in the EC Project Area. Finally, due to combination of the current poor condition of many of the roadways throughout the EC Project Area and required utility upgrades, many of the impacted rights-of-way will require reconstruction.

To enhance pedestrian and non-motorized vehicle access to the 2013 Expansion Area and in and around the EC Project Area, the Plan contemplates possible improvements including the construction of an elevated

pedestrian bridge over the Fisher Freeway, and/or the construction of an additional vehicle and pedestrian bridge over the Fisher Freeway, and/or the widening of the Woodward Avenue bridge over the Fisher Freeway, and/or other general streetscape improvements such as widened sidewalks, the introduction of landscaping, pedestrian and road level street lighting, street furniture, on-street parking, bike lanes, traffic calming measures, barrier free sidewalk ramps and wide, well-marked and controlled pedestrian crossings.

[Remainder of page intentionally left blank.]

City of Detroit Downtown Development Authority Exhibit to Section 404.1.1



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404.1.2 Location, Extent, and Character of Other Proposed Public Facilities

The locations of other proposed public facilities are shown on the Location of Other Proposed Public Facilities Map attached as Exhibit A to Section 404.1.2.

Retail Commercial Core Area: It is anticipated that major development in the Kern Block will be designed to accommodate a future rapid transit station and that grade level walkways surrounding such development and other linkages to the central downtown area will be constructed.

The QLINE (M-1Rail) within the Woodward Avenue right of way from Jefferson Avenue to Grand Boulevard will be operational in May 2017 with financing from the US Department of Transportation, and private parties, with a contribution from the DDA.

People Mover stations have been constructed on Broadway between John R and Grand River and on Gratiot between Farmer and Library. These stations were financed by UMTA and SMART without DDA participation.

A below grade parking garage has been constructed on the cleared site of the former Hudson's building, constituting Unit No. 1 of a contemplated condominium development at and above grade. The garage is owned by the Detroit Building Authority and operated by the City's Municipal Parking Department.

A park has been constructed as part of the Campus Martius Redevelopment Project for the area at the convergence of Woodward Avenue, Michigan Avenue, Fort Street, Monroe Street, and Cadillac Square. The development of new structures within the Campus Martius Redevelopment Project contains a restaurant, recreational amenities, and a publicly financed, owned and operated parking facilities.

Convention Facilities Area: A People Mover station has been constructed on Larned by the Detroit Transportation Corporation with financing provided by UMTA and SMART.

The Detroit Regional Convention Facility Authority increased the size of Cobo Hall and the exhibition facility for the Convention Center. The Cobo Hall expansion project scope includes additional parking, atrium, ballroom and convention space.

A small park has been constructed for the Riverfront West development area at the foot of Third Street where the right-of-way can be extended to the Detroit River, as well as an extension of this park along the river as part of RiverWalk related improvements.

A commuter rail terminal may be constructed within the Joe Louis Arena garage by SMART with the cooperation of other agencies. Rail lines to serve this station may also be built.

Greektown Area: People Mover stations have been constructed on Beaubien between East Lafayette and Fort Street and between East Lafayette and Monroe.

Grand Circus North Development Area: It was proposed that a public recreation area and jogging track and some public parking be constructed within an area generally bounded by Montcalm, John R, Elizabeth and Witherell.

The Tiger Stadium and Lions Stadium are owned by the Detroit/Wayne County Stadium Authority, a public body.

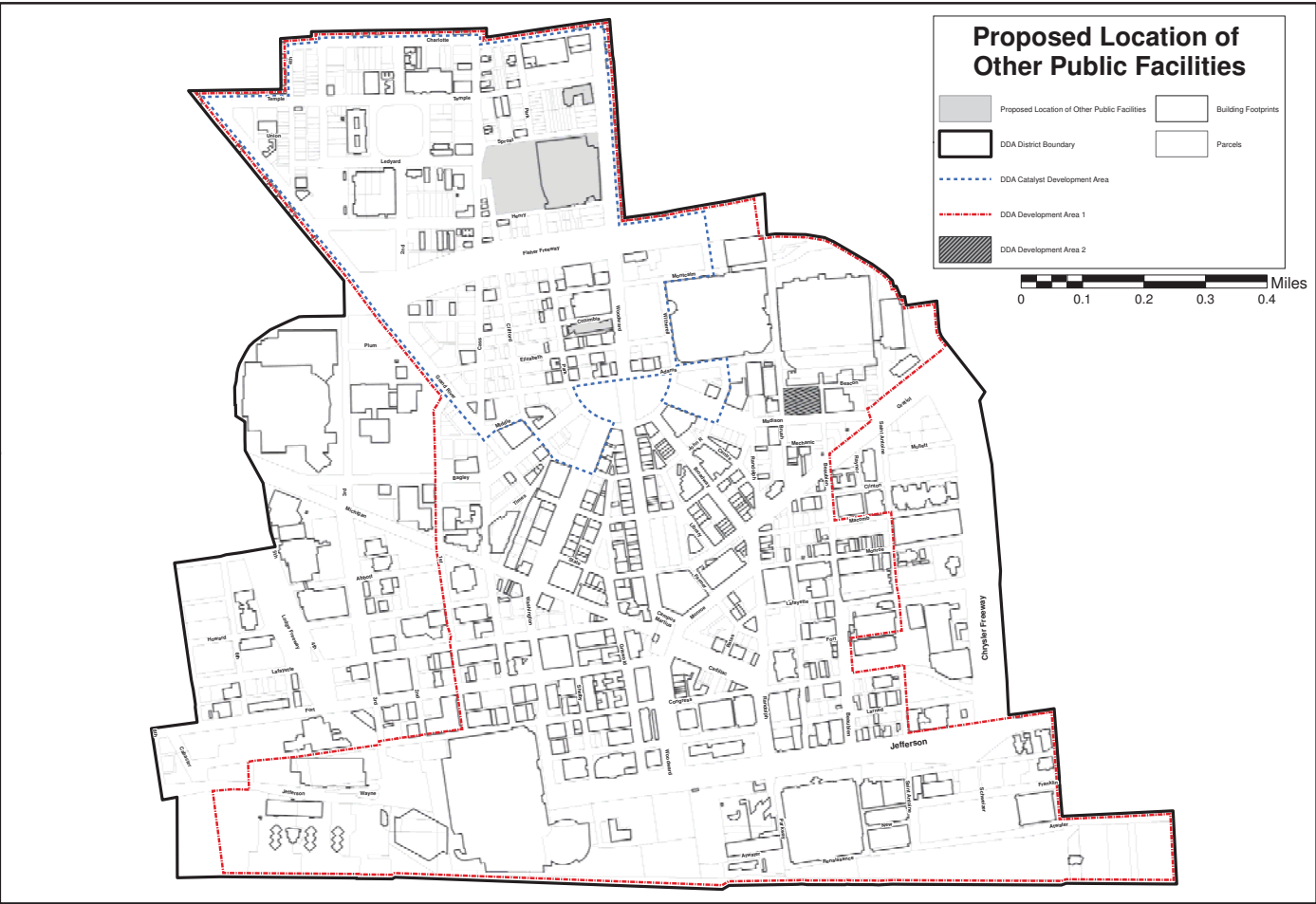
People Mover System and Pedestrian Skyways: The elevated, automated 2.92 mile People Mover system has stations in several of the Authority's activity areas (Washington Boulevard, Retail Commercial Core, Jefferson-Randolph, Cobo Hall/Convention Facilities Area, Riverfront West). See the People Mover System Map attached as Exhibit B to Section 404.1.2.

The People Mover can be complimented by a proposed pedestrian skyway system of climate controlled passages between and through buildings. Several such passages are proposed for the retail commercial core area and are now a part of Renaissance City Apartments (formerly the Millender Center).

EC Project Area: The Events Center will be owned by the Authority, except as contemplated in Section 406.2.2 of the Plan.

[Remainder of page intentionally left blank.]

City of Detroit Downtown Development Authority Exhibit to Section 404.1.2



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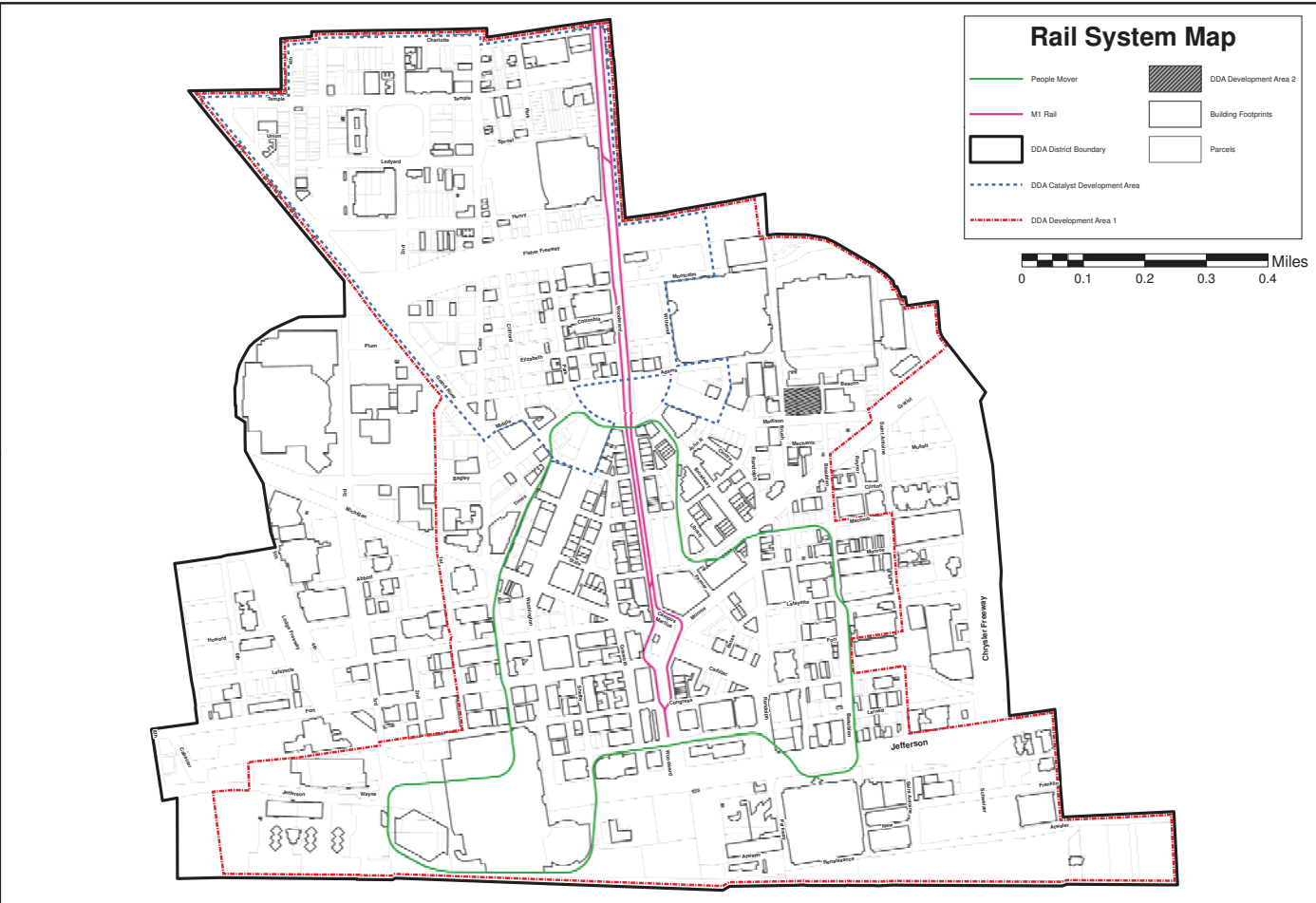


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404.1.3 Location, Extent and Character of Other Proposed Public Land Uses

Particular developments within the Retail Commercial Core Area may include public open spaces at major entrances as well as open walkways, landscaping and pedestrian amenities. No other public land uses are currently planned.

The Cobo Hall expansion and related amenities constitute public uses.

The only public components proposed for the Riverfront West development and area will be the covered walkway connecting the project to the proposed People Mover, the park on the River at Third Street, the bicycle path and, possibly, a commuter rail station and trackage at Joe Louis Arena Garage.

The development of the new Tigers/Lions Stadia Complex may necessitate the creation of a public plaza of open space between and/or surrounding the two stadia.

Public land use in the Paradise Valley Cultural and Entertainment District (formerly Harmonie Park) would include a park and the creation of a public entry plaza to the west of newly extended Centre Street. Madison Avenue will receive new landscaping and a pedestrian link to Broadway from Centre Street may be created.

The development of the Events Center may necessitate the creation of one or more public open spaces at major entrances as well as open walkways, landscaping and pedestrian amenities. It is also anticipated that OEEC (or its affiliate) will “adopt” Cass Park, located west of the Events Center in order to ensure certain maintenance at the park.

404.2 Proposed Private Land Uses in the Detroit Downtown Development Area No. 1

The location, character and extent of proposed private land uses and any proposed changes in such uses are described in Section 407 for each of the areas where specific activities are proposed.

404.3 Description of any Parts of the Development Area to be Left as Open Space and the Use Contemplated for the Space

No change in amount or use of open space is anticipated as a result of provisions of this Development Plan; except, if a parcel is acquired and is then cleared of structures existing at the time of acquisition, then that parcel of open land may be used during an interim period for an appropriate use. Campus Martius Park is the focal point of Campus Martius, a mixed-use development located in the Central Business District. Campus Martius Park is a 2-acre public park located at the intersections of Michigan Avenue, Woodward Avenue, Monroe Street, and Cadillac Square¹.

404.4 Description of Desired Zoning Changes

Some zoning changes are proposed. All parcels lying within the boundaries described in Section 406.2.1 "Description of Any Portions of the Development Area which the Authority Desires to Sell, Donate, Exchange or Lease to or from the City," both those which may be acquired by the Authority and those remaining in existing public and private ownership, may be rezoned to "PD- Planned Development" at the time when a detailed plan for development of these areas is adopted by the City Council and after appropriate hearings and satisfaction of other applicable requirements of State law and City ordinances.

¹ The Campus Martius Park project was made part of the Plan with the June, 2003 amendment and is now complete.

It is anticipated that certain zoning changes may be required to accommodate the development of the Tiger/Lions Stadia, the Land Assemblage project and the Grand River/Plaza Drive development.

404.5 Adequacy of Public Services Including:

404.5.1 Police Protection

The Development Area falls entirely within the Central Precinct of the Detroit Police Department (formerly the 1st and 13th precincts). This precinct is adequate to protect the public and its property. The Development Area has consistently maintained its position as an area in the City with one of the lowest incident rate of all types of crime. Recent increases in the manpower of the Police Department will further assure adequacy of police protection in this area.

404.5.2 Fire Protection

The Development Area has been adequately served by the Detroit Fire Department for decades.

The Department now has a full complement of personnel in each company with equipment necessary to service downtown high-rise buildings.

404.5.3 Utilities

404.5.3.1 Electricity

(a) DTE Energy

The Development Area is served by DTE Energy, which maintains extensive generating capacity and has distribution facilities throughout the downtown and within the Development Area. These facilities include underground conduit and lines in street and alley rights-of-way. Primary lines are adequate to serve any development due to implementation of this Development Plan. However, some local feeder lines may need increased capacity. A new downtown substation was built in 1974 at Congress and St. Antoine to further enhance the utility's capacity in the downtown area.

In connection with the development of the Catalyst Development Area, the electrical power distribution facilities will require a significant upgrade. To accomplish this, a new DTE substation is proposed. This will provide for the electrical needs for all or part of each of the EC Project Area, the 2013 Expansion Area, the Development Area, and the entire Downtown Detroit District as new load comes into such areas. This facility is to be sized to accommodate new load in the entire Detroit Downtown District.

Some existing underground lines may need to be relocated to permit consolidation of development parcels; however, it is a policy of the utility to maintain or increase capacity of its facilities when making such relocations.

(b) Public Lighting Company

The City of Detroit maintains its own public lighting department, which has extensive and adequate distribution facilities within the Development Area. The Department maintains several generating plants that currently have reserve capacity. The Department has the power and authority to expand this capacity to service definite needs or to service reliably projected needs. The Department generally limits its service to public facilities (local, state and federal) and provides power for all public lighting in streets and recreational open space facilities. It recently expanded its principal downtown distribution substation at Michigan and Third.

Some Public Lighting District distribution lines may need to be relocated to permit consolidation of parcels for development; however, it is a policy of the Department to maintain or expand its facilities when making such relocations.

404.5.3.2 Gas

The Development Area is served by the Michigan Consolidated Gas Company, which maintains extensive underground gas distribution facilities in public rights-of-way within the Development Area. Primary lines are generally adequate for any development likely to be built as a result of implementation of this Development Plan, although some local service feeders may need an increased capacity.

Some distribution lines may need to be relocated to permit consolidation of development parcels; however, it is a policy of the utility to maintain or increase capacity of its facilities when making such relocations.

404.5.3.3 Telephone

The Development Area is serviced by the Michigan Bell Telephone Company, which maintains major equipment facilities and extensive underground trunk and feeder lines serving the Development Area. Primary facilities are adequate to serve any development likely to be built as a result of implementation of this Development Plan; however, some local feeder lines may need increased capacity.

Michigan Bell recently built a new substation at Jefferson and Rivard and recently expanded its installation at Michigan and Cass more adequately to serve the downtown area and expected development. Some trunk lines may need to be relocated to permit consolidation to parcels for developments.

404.5.3.4 Water

The Development Area is serviced by the Detroit Water and Sewerage Department, which maintains supply, and distribution facilities, which are more than adequate to serve any developments likely to be built due to implementation of this Development Plan. The underground distribution system in streets and alley rights-of-way of the Development Area consists of water main loops designed to provide adequate supply and pressure for servicing and for fire prevention needs of the high-rise downtown area. Although some mains are 75 years old or more, they are in good repair. The Department maintains crews and equipment adequate to meet localized problems and the loop supply system assures continuation of service when repairs are underway.

The major water resources for the Detroit Water and Sewerage Department are the upper Detroit River and Lake Huron. The City currently diverts less than 1% of 181,000 cubic feet per second flow of these bodies of water. The existing facilities for intake and treatment of water are sufficient to supply projected needs for the Development Area.

Some lines may need to be relocated to permit consolidation of development parcels, however, the Department policy is to maintain or increase capacity when making such relocations.

404.5.3.5 Sewer

The Detroit Water and Sewerage Department also maintains a sewer collection and treatment system that adequately services the Development Area. Major sewers under street and alley rights-of-way pass through the Development Area and are adequate to meet the needs of any development likely to be built due to implementation of this Development Plan. These services are in some cases over 75 years old, but are in

good repair due in part to the stability of soils in the area. The Department also maintains crews and equipment adequate to correct problems when they do occasionally occur.

The City of Detroit provides primary sewage treatment capacity of 1200 million gallons per day (mgd) and secondary treatment (activated sludge) of 450 (mgd average daily flow of the system in Fiscal Year 1975 was 890 mgd). Discharges from the City's treatment facilities enter the Detroit River, which is rated by the Michigan Water Resources Commission as suitable for partial body contact recreation (e.g., boating, fishing), municipal water supply, and agriculture.

The City has an additional 600 mgd secondary treatment (oxygen aeration) facility under construction with operation (including solids disposal) scheduled for December, 1979, and is studying current operations of its air and oxygen aeration facilities to determine the best method of adding more secondary treatment capacity, if average daily flows ever warrant more treatment capacity. With the additional 600 mgd facility under construction, the City, which is currently exceeding EPA secondary treatment standards on suspended solids and BOD (the standards are that the City's discharge, averaged over thirty (30) days, contain not more than 30 milligrams of suspended solids, 30 milligrams of biological oxygen demand, and 1 milligram of phosphorus per liter of discharge).

All types of solid wastes, residential, commercial and bulk items, are collected by the Solid Waste Division of the Detroit Department of Environmental Protection and Maintenance. City collections are trucked to transfer yards (nearest location: St. Aubin at Harper Avenue, about three miles from the project area) where it is hauled by licensed private contractors to landfills outside of the City limits. Landfills in the Detroit area are projected to be usable into the early 1980's by which time the City intends to have one or more power generating plants in operation, which would be fueled, by the City solid wastes.

Some sewer lines may need to be relocated to permit consolidation of parcels for development; however, it is the policy of the Department to maintain at least existing capacity when making such relocations.

404.5.3.6 Steam

Detroit Thermal, LLC maintains a steam generating and distribution system for heating and supplying steam to downtown buildings. This system services most portions of the Development Area. Existing mains are generally adequate to serve new development likely to be built due to implementation of this Development Plan; however, it might be necessary to increase or expand capacity at some locations. The utility has authority and ability to make such changes when it is determined that a customer wishes to make use of the steam service.

Some mains may need to be relocated to permit consolidation of development parcels; however, it is a policy of the utility to permit construction over lines whenever possible and to maintain existing capacity when making relocations if current or projected demand requires that capacity.

404.5.4 Other Public Services

404.5.4.1 Health Protection

The Development Area is within two miles of the Detroit Medical center, which contains one of the nations most concentrated complexes of hospitals, outpatient clinics and medical professionals. The Detroit General Hospital, located in a City-owned facility in the Downtown District, in 1980 moved into a new and well-equipped building located in the Medical Center. Wayne State University Medical School facilities are also located in the Center. The new State University Clinics building opened in 1979 and offers a total family care program. All institutions have entered into agreements with each other and with the Medical

Center Corporation whereby they support a number of shared facilities and infrastructure elements and whereby each accepts referrals and emergency cases requiring its specialized area of treatment.

Furthermore, the Henry Ford Hospital is located approximately three miles north of the Development Area. It is also a major, nationally known hospital with extensive facilities and is affiliated with the University of Michigan Medical School.

The City maintains an Emergency Medical Service with a fleet of ambulances and a staff of paramedics who are dispatched to provide treatment at the site of emergencies and to transport persons in need of emergency services to the hospitals.

These elements in combination provide a very thorough and adequate health protection service for the Development Area.

404.5.4.2 Transportation

Public Transit

The Development Area is serviced by bus line of SMART and by lines of the Detroit Department of Transportation. Both systems are heavily concentrated in the downtown area with most lines terminating or passing through the Development Area.

The Area contains a major bus terminal area at Capitol Park with the Rosa Parks Transit Center opened in 2009, as well as the Downtown People Mover System. These combined facilities serve the area.

The QLINE, within the Woodward Avenue right of way from Jefferson Avenue to Grand Boulevard (M-1Rail) will to serve the Detroit Downtown District and the City's Midtown Area beginning in April 2017.

Streets and Railways

The downtown area is the hub of the regional interstate and freeway system and is directly served by three major freeways (Lodge, Chrysler, Fisher) and indirectly by a fourth and fifth (Jeffries via Fisher, and Ford via Lodge and Chrysler). The freeways form a circle around the Downtown District when connected along the riverfront by 10-lane Jefferson Avenue. Ramps feed traffic to and from the freeways at regular and well distributed intervals along the perimeter of the downtown area. In addition, Detroit's radial pattern of major thoroughfares, a legacy of the Governors and Judges Plan of 1805, fans out from downtown and compliments the freeway system. A gridiron system of streets generally of very generous width is overlaid on these two patterns of highways. The Downtown Development Area No. 1 lies at the heart of this network and is very well served by the system. Traffic flows are generally rapid and smooth with little congestion; however, some changes to Randolph and Cadillac Square will be necessitated due to closing of Monroe Avenue through the Cadillac Center site and due to construction of the Center itself which will be generator of auto traffic. Cadillac Square will be rebuilt with strong emphasis on pedestrian amenities and landscaping as well as improvements for traffic purposes. Gratiot will be altered between Randolph and Brush. Also, the Joe Louis Garage exit ramp from the Lodge Freeway will be modified to provide a connection directly to Third and Atwater Street. Some changes may be necessary to the streets and freeway system to accommodate increased traffic flow created by the construction and use of the new Tiger/Lions Stadia Complex.

404.6 Conformance of Development Plan with City Master Plan¹

The Master Plan of Policies, City of Detroit is for use by public officials and citizens in proposing, and the Detroit City Council in evaluating and implementing, specific public or private action projects. Particularly,

¹ The present Master Plan of Policies, City of Detroit, was adopted by City Council in 2009.

it is used in relating specific action projects to each other and to the needs of Detroit's people and environment.

The proposed Development Plan is consistent with the Master Plan of Policies, City of Detroit. The land use designations on the "Future Land Use" map for Development Area No. 1 are "Special Commercial-Residential" and "Special Residential-Commercial" west of Park Avenue.

405 PUBLIC ACQUISITION OF PROPERTY

All existing City-owned vacant land and buildings within the Development Area, including urban renewal parcels in interim use awaiting redevelopment and public rights-of-way after these are officially vacated, may be converted or transferred to the Authority if needed for development purposes. Development rights above and sub-structure rights below planned public parking structures may also be conveyed to the Authority.

405.1 Acquisition of Property From Private Persons and Entities

405.1.1 General

The locations of proposed acquisition are shown on the Location of Proposed Acquisition Map attached hereto as Exhibit A to Section 405.1.1.

The DDA requested the City of Detroit Community & Economic Development Department to acquire the parcels necessary for the Cadillac Center project. CEDD then proceeded to have appraisals made and began negotiations with the land owners. The DDA now finds it necessary to acquire additional parcels between Randolph, Brush, East Fort and Monroe and will request CEDD to follow the same procedure. Should negotiations on any parcel fail to result in acquisition consistent with fair market appraisals, the City shall utilize its power of eminent domain to fulfill the requirements of the Development Plan.

The following properties were acquired for use in the **Cadillac Center Project** by the City.

- Lot 2
West Randolph
Governor & Judges Sec. #1 Liber 34 Page 550
Lot 3
West Pingree Sq.
Governor & Judges Sec. #1 34 Page 550
- W. 50' Lot' E. 10' Lot 38, W. 20' Lot 37
North Cadillac Square
Governor & Judges Sec. #1 Liber 34 Page 550
Lot 76
South Farmer
Governor & Judges Sec. #1 Liber 34 Page 550
- Lot 13; Lots 12-8
Randolph
Brush Farm Subdivision Liber 7 Page 224
Lots A-F
East Randolph
Brush Farm Subdivision (Sub. of W. Part of Blk 7)
as recorded in Liber 5 Page 14

- Lot 11
East Randolph
Brush Farm Subdivision Liber 7 Page 224
Also included are Monroe Street and parts of Farmer and Gratiot Avenue
- South Monroe, Lots 4, 5, 6, 14, 15, 16
West Part of Block 7, Brush Farms Subdivision,
as recorded in Liber 5, Page 14
- North Fort, Lots 14-16; B6,
Brush Farms Subdivision by J. Mullett (also Pg. 224)(CR)
as recorded in Liber 7, Page 224.
- South Lafayette, Lots 4-6; B6
Brush Farms Subdivision by J. Mullett (also Pg. 225),
as recorded in Liber 7, Page 224.

Parcels acquired for development of the **Congress/First Street Hotel Project** are described as follows:

Lots 1 through 14, Block 7, Map of Western Addition to the City of Detroit, Wayne County, Michigan (as surveyed into lots by John Mullett) as recorded in Liber 7, Page 164 W.C.R., and vacated east-west alley adjacent to above lots.

The following parcels were acquired for the purpose of constructing a parking facility adjacent to the proposed **Downtown Hotel**.

- Lots 109 and 110
Beaubien Farm Liber 6 Pages 475-8
Wayne County Records
- Lots 7, 8, 9 also W. St. Antoine Street Lots 7, 8, 9
Antoine Beaubien Farm Liber 27 Pages 197-9
Wayne County Records

The Authority requested that the Community & Economic Development Department, through its powers of eminent domain, acquire privately owned property for the purpose of transfer to the Authority for use in the approved Downtown Hotel Project to fulfill the requirements of the Development Plan.

The parcels to be acquired, in whole or in part, for the purpose of entry modifications and streetscape improvements in the **Harmonie Park (currently the Paradise Valley Cultural and Entertainment District)/Madison Avenue Area** are described as follows:

- Lots 114-118
North Gratiot
Houghtons Subdivision Liber 7 Page 174
(City Records)
- Lots 110 and 113 Houghton's Subdivision
as recorded in Liber 7, Page 174,
City Records.

The DDA will request that the Community & Economic Development Department acquire the parcels necessary for the proposed expansion of Centre Street. Should negotiations on any parcel fail to result in acquisition consistent with fair market appraisals, the City shall utilize its power of eminent domain to fulfill the requirements of the Development Plan.

The following parcels comprise the proposed acquisitions for purposes of the **Theater District Project**.

- 50' x 80' paved parking lot, part of larger parking lot. 4,000 sq. ft.

Lots 158 and 159, Plat of Williams Park Lots 1, 2, 3, and 4 as recorded in Liber 1, Page 39 of Plat, Wayne County Records.
- 50' x 100' improved brick three (3) story building housing the Southern Christian Leadership Conference.

Lots 141 and 142, Plat of Williams Park Lots 1, 2, 3 and 4 as recorded in Liber 1, page 39 of Plat, Wayne County Records.
- 21' x 60' improved brick, small restaurant.

N 21' of Lot 88, Plat of Williams Park Lots 1, 2, 3 and 4 as recorded in Liber 1, Page 39 of Plat, Wayne County Records.
- Parcels within the block bounded by Park Avenue, 1-75, Woodward Avenue and Montcalm Street, more fully described as Land in the City of Detroit, Wayne County, Michigan, described as being all or part of Lots 39, Lots 40 through 48 and Lots 51 through 56, also the reversionary interests in the public alleys adjoining said Lots, all of Lothrop's Subdivision of Park Lot 83 and part of Lot 82, as recorded in Liber 39 of Plats, Page 430, Wayne County Records.

Also Lots 1, 2 and 3 of the "Plat of Albert Crane's Subdivision of Lots 49 and 50 of Lothrop's Subdivision of Park Lot 83 and part of Park Lot 82" recorded in Liber 1, Page 38 of Plats, Wayne County Records.
- Parcels within the block bounded by Park Avenue, Montcalm Street, Woodward Avenue, and Columbia Street, more fully described as Land in the City of Detroit, Wayne County, Michigan described as being Lots 1 through 6, the easterly 22 feet of Lot 7, Lots 8 through 10, also the vacated public alleys adjoining said Lots 1 through 6 and the easterly 22 feet of Lot 7, also the reversionary interests in the public alleys adjoining said Lots 7 through 10, all in the "Lothrop's Subdivision of Park Lot 83 and part of Park Lot 82, as recorded September 9, 1850" in Liber 39 Page 430 of Deeds, Wayne County Records. Also Lots 9, 10 and 43 through 50, which include the vacated public alley adjoining Lots 10, 43 through 46 and part of 47, also the reversionary interests in the public alley adjoining Lots 48 through 50 and part of Lots 47, all of the "Plat of Park Lots 84, 85 and 86 as subdivided May 7, 1835" recorded in Liber 7, Page 27 of Deeds, Wayne County Records.
- That portion of the block bounded by Park and Woodward Avenue, Columbia Street and the alley north of Elizabeth Street, described more fully as Land in the City of Detroit, Wayne County, Michigan described as being Lots 7, 8 and Lots 35 through 42 of the "Plat of Park Lots 84, 85 and 86 as subdivided May 6, 1835" recorded in Liber 7, Page 27 of Deeds, Wayne County Records.
- 100' x 100' improved brick 17 story vacant building and vacant land 100' x 125' including the parking and outside patio areas commonly known as the Wolverine Building. Lots 72-80 Plat of Williams Park Lots 1, 2, 3 and 4 as recorded in Liber 1, page 39 of Plats, Wayne County Records.

The majority of these properties were owned by Charles Forbes and sold by Forbes to the Authority. However, where necessary, the DDA requested that the Community & Economic Development Department acquire the parcels required for the proposed Theater District project. Where necessary, the City utilized its power of eminent domain to fulfill the requirements of the Development Plan.

All properties in the **Tiger/Lions Stadia** proposed Project Area as set forth in Exhibit B to Section 405.1.1, Stadia Project Area map east of Woodward not owned by the Authority, the City, the Detroit Tigers, Inc., and the Detroit Lions, Inc., may be acquired. All properties that are not acquirable via market transactions will be obtained by the Detroit/Wayne County Stadium Authority through eminent domain.

The entire parcel comprising the **One Detroit Center** project site, a portion of which was purchased by the Authority for purposes of both above and below-grade construction, is described as follows: Land in the City of Detroit, County of Wayne, Michigan, described as: All of Lots 58 through 62, 86, 87, 95 through 99 and Part of Lots 41 through 44, 84, 85, 88, 89, 90 and 91, part of Section 1, all of the 20 ft. vacated alley contiguous to and lying south of said part of Lots 41 through 44 and north of all or part of said Lots 85 through 88, then to be vacated 20 ft. alley contiguous to the east line of said Lots 58 through 62 and the west line of Lots 95 through 99 and to be vacated Bates Street lying between Congress Street, 60 ft. wide and Larned Street 60 ft. wide, of Section 1, Governor and Judges Plan, as recorded in Liber 34 of Deeds, Wayne County Records, and more particularly described as: Beginning at the intersection of the east line of Woodward Ave., 190 ft. wide with the north line of Larned Street, 60 ft. wide at the southwest corner of said Lot 62; then along said line of Woodward, N. 30 12'29"W. 260.25 ft.; then along south line of said Congress Street, N.59 52'01"E. 663.77 ft.; then along the west line of Randolph Street 120 ft. wide, S.30 10'04"E. 260.30 ft.; then along said line of Larned Street, S. 59 52'16"W. 663.59 ft. to the point of beginning.

A portion of the Book-Cadillac Hotel site was acquired and an abandoned building demolished with **Demolition Project** funds for the purpose of constructing a parking facility as part of the **Lower Woodward Improvement Agenda**. The Book-Cadillac is located at 220 Michigan Avenue, and generally bound by Michigan Avenue, Washington Boulevard, State Street, and Shelby Street.

Prior to commencement of construction of the Events Center, the following parcels have been or will be transferred to the Authority (or other owner of the Events Center as contemplated by Section 406.2.2) by OEEC, and/or its affiliates:

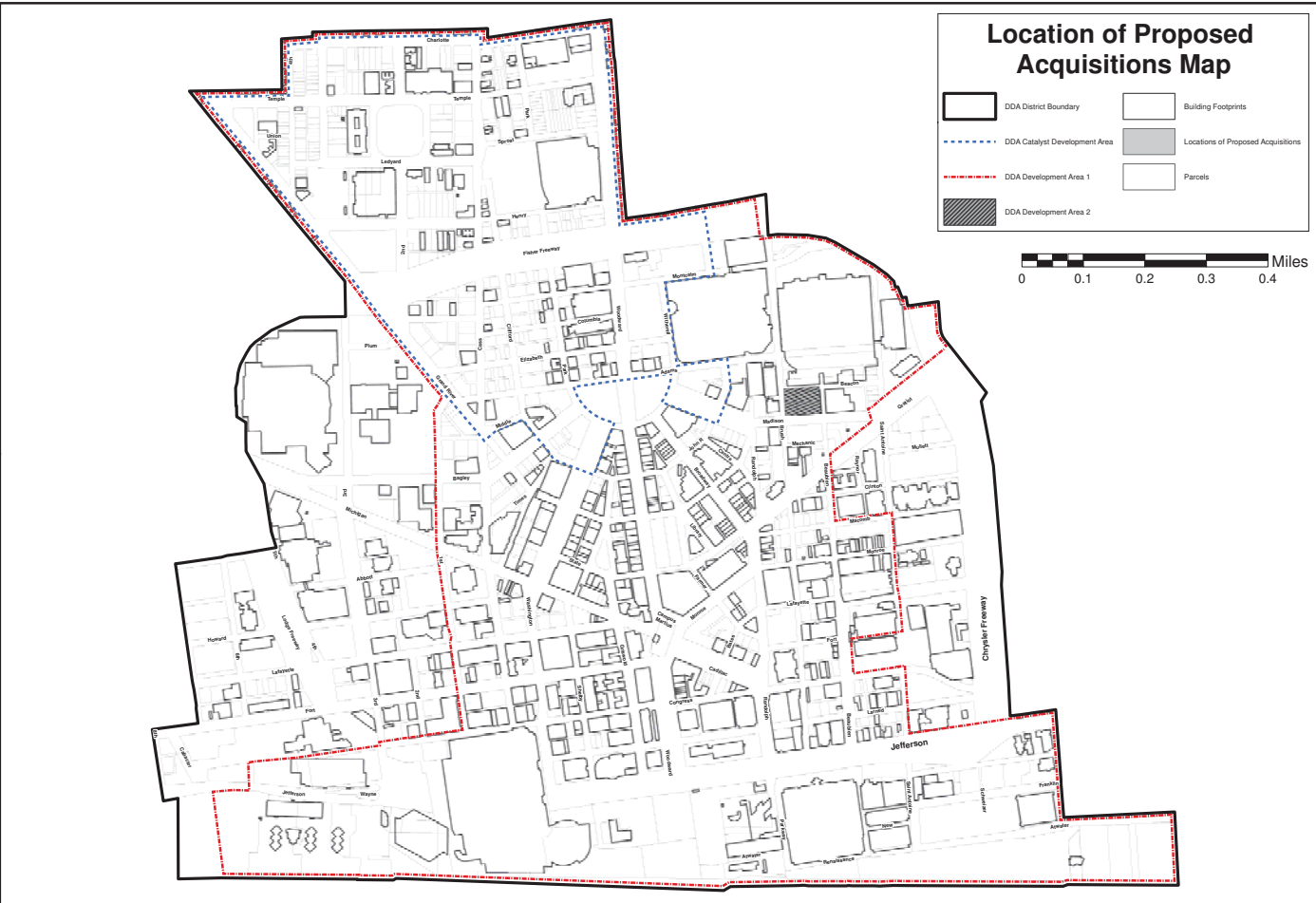
Street Address	Tax Parcel Id
2530 Park	Ward 02 Item 001926
2500 Park	Ward 02 Item 000581
34 Henry	Ward 02 Item 000587
42 Henry	Ward 02 Item 000586
28 Henry	Ward 02 Item 000588
2501 Woodward	Ward 02 Item 001850
59 Sibley	Ward 02 Item 000592
2540 Park	Ward 02 Item 000594.001
52 Henry	Ward 02 Item 000585.001
66 Sibley	Ward 02 Item 000609-14
31 Sproat	Ward 02 Item 000626
136 Henry	Ward 02 Item 000577
124 Henry	Ward 02 Item 000578
2571 Park	Ward 02 Item 001975
141 Sibley	Ward 02 Item 000597-8
2601/2605 Park	Ward 02 Item 001974

2607/2611 Park	Ward 02 Item 0001973
2617/2621 Park	Ward 02 Item 01971-2
2643 Park	Ward 02 Item 00633-8
124 Sibley	Ward 02 Item 00608
140 Sibley	Ward 02 Item 00607
2600 Clifford	Ward 02 Item 000604
2500 Clifford	Ward 02 Item 000572
165 Sibley	Ward 02 Item 000601-1
148 Sibley	Ward 02 Item 000606

If necessary, the City will utilize its powers of eminent domain to fulfill the requirements of the Plan.

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City of Detroit Downtown Development Authority Exhibit to Section 405.1.1a



City of Detroit
Downtown Development Authority
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Fax: 313.224.5195



Date: 04.21.2017
Scale: 1 inch = 370 feet
Printing Scale: 24x36

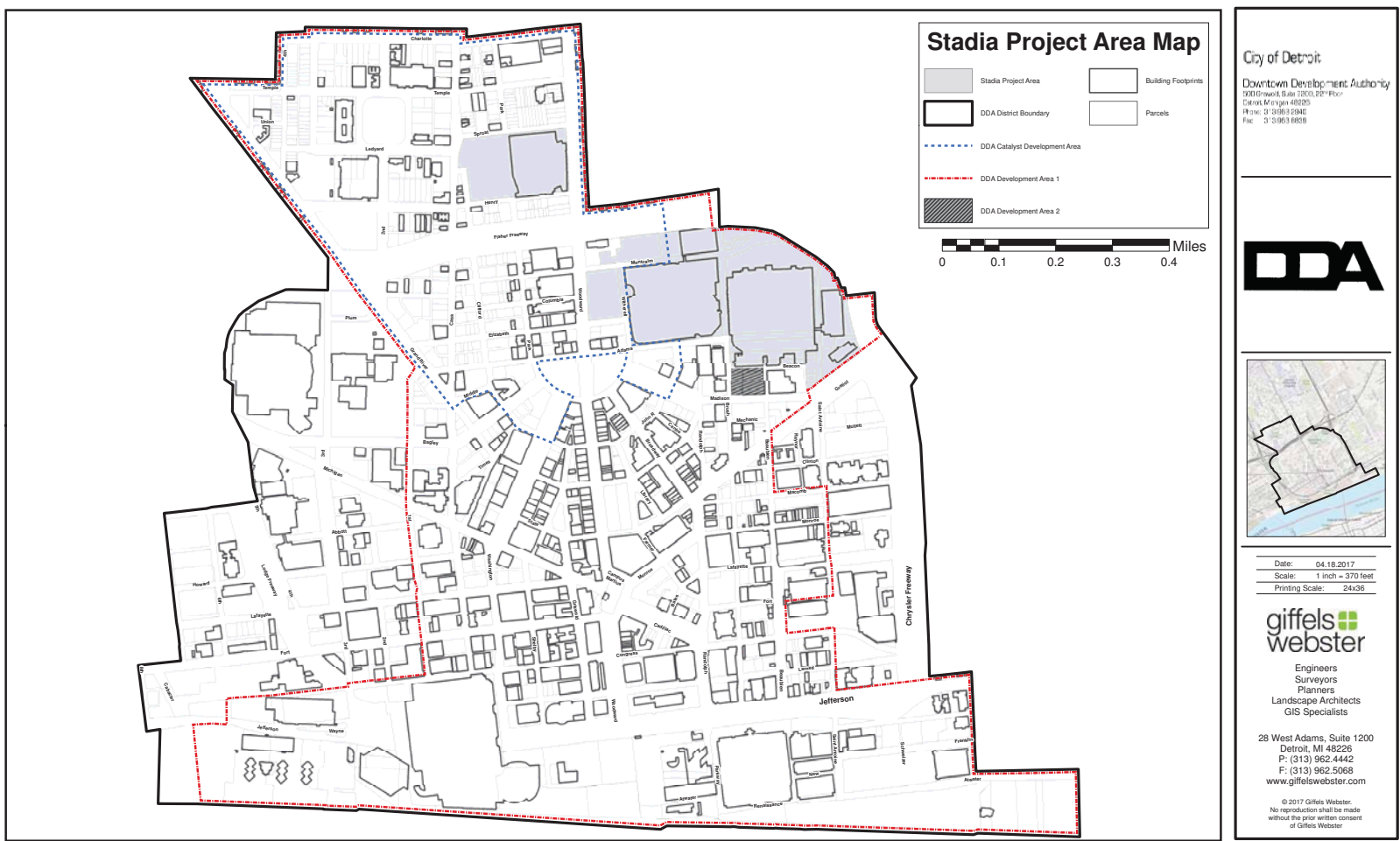


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City of Detroit Downtown Development Authority Exhibit B to Section 405.1.1



405.1.2 Eminent Domain

Section 10 of the Act authorized the City of Detroit to transfer to the Authority private property taken pursuant to its power of eminent domain as granted in Act No. 149 of the Public Acts of 1911, as amended. The City may take private property under the statute for the purpose of transfer to the Authority for use in an approved development plan. The City may take private property for this purpose on the terms and conditions it deems appropriate, and the taking, transfer and use shall be considered necessary for public purposes and for the benefit of the public.

405.1.3 Properties Not to be Acquired

The Development Plan for the Development Area anticipates that most privately owned properties will not be acquired by the Authority or other public agencies.

One of the primary purposes of the Development Plan is to provide private persons and entities with incentives to invest in the Development Area. The greatest initial investment probably will be by development of new housing and the retail commercial core.

However, the Development Area and the Downtown District will be revitalized ultimately by those owners and tenants in the area who have confidence to invest in each of their properties. Such investment will stop the deterioration of the physical, economic and social conditions of the downtown area.

Only by the participation of all parties, owners, tenants and outside developers, will the goals and purposes of the Development Plan and the Tax Increment Financing Plan be accomplished.

A more complete description of owner and tenant participation is set forth in Section 407.2.

406 PUBLIC DISPOSITION OF PROPERTY

406.1 General

The Authority may convey property to public agencies or private entities for development in accordance with the Development Plan. Land will be conveyed to private entities by negotiation and/or by open competitive conditions.

406.2 Disposition to Public Agencies

406.2.1 Description of any Portions of the Development Area No. 1 which the Authority Desires to Sell, Donate, Exchange or Lease to the City and the Proposed Terms

There are no specific portions of the Development Area, which have been identified to be sold, donated, exchanged or leased to the City. However, if any such parcels are identified, the Authority will establish the terms of conveyance at the appropriate time. Property conveyed to the City in the Riverfront West area for public right-of-way was conveyed by the developer rather than by the Authority.

406.2.2 Other Public Agencies

In addition, the transfer of the DDA's ownership rights in the new Tiger Stadium to the Detroit/Wayne County Stadium Authority for \$40,000,000, the provisions of the two memorandums of understanding between the DDA, Detroit Tigers, Inc., Detroit Lions, Inc., and Wayne County (collectively the "MOUs"),

in relevant part, essentially provided for the conveyance of all City-owned properties within the Tiger/Lions Stadia Project Area east of Woodward to the Stadium Authority for nominal consideration for purposes of project implementation. In accordance with this Plan and in furtherance of project implementation and the public purpose it serves, the City-owned properties were transferred by the City to the DDA and then by the DDA to the Stadium Authority for a nominal cash amount and other valuable consideration. The City-owned parcels in the Project Area east of Woodward include, but are not limited to, the following:

- Part of lots 7 and 8 described as beginning at a point in north line of Columbia Street being also in east line of Brush Street; thence north 26 degrees west 102 feet; thence north 60 degrees 17 minutes east 84.82 feet; thence south 26 degrees east 15.06 feet; thence south 12 degrees west 73.81 feet; thence south 26 degrees east 7 feet; thence south 64 degrees west 9.65 feet; thence south 26 degrees east 8.70 feet; thence south 64 degrees west 8.55 feet; thence south 26 degrees east 17.22 feet; thence south 60 degrees 17 minutes west 21.04 feet to point of beginning, Houghtons Section of Brush Farm, as recorded in Liber 7, Page 174, Wayne County Records.
 - East 80.79 feet on north line and east 68.93 feet on south line of lot 8, Brush Farm of park lots 5 and part of Brush Farm east, according to the recorded Plat thereof, as recorded in Liber 45 of Deeds, Page 121, Wayne County Records.
 - South 26 feet from beginning south 22 feet rear of lot 1, north 27.51 feet front beginning 30.58 feet rear of lot 2, also private alley adjacent in rear, except west 8.05 feet thereof, subdivision of lot 13, as recorded in Liber 1, Page 144 of Plats, Wayne County Records.
 - Lots 56 through 58 inclusive, west 10 feet of lot 102, lots 98 through 101 inclusive, lots 137 through 140 inclusive, west 10 feet of lot 136, and vacated east west alley adjacent lots 56 through 58 inclusive, and west 10 feet 98, 101, 102 and vacated East Columbia Street adjacent lots 98 through 101 inclusive, west 10 feet of lot 102; lots 104 through 137 inclusive, west 10 feet of lot 136, Plat of Williams Park lots 1, 2, 3 and 4, according to the recorded Plat thereof, as recorded in Liber 1 of Plats, Page 39, Wayne County Records.
 - The east 110 feet of the south 45.22 feet of that part of lot 12 lying south of Montcalm Street (50 feet wide) and the west of Brush Street (50 feet wide) of the Plat of Brush subdivision of park lot 5 and part of Brush Farm east of and adjoining park lots 5 and 4, as recorded in Liber 45 of Plats, Page 121, Wayne County Records.
- Also, all of lot 7 of Rathbone's subdivision of lot 12 of subdivision of park lot 5 and part of the Brush Farm, as recorded in Liber 1, Page 171 of Plats on August 23, 1866, Wayne County Records.
- Lot 115, Williams Park lots 1, 2, 3 and 4, according to the recorded Plat thereof, as recorded in Liber 1 of Plats, Page 39, Wayne County Records.
- Lots 9 and 10, Houghtons Section of Brush Farms, according to the recorded Plat thereof, as recorded in Liber 7, of Plats, Page 174, Wayne County Records.
- And lots 116 through 118, inclusive, Plat of Williams Park of lots 1, 2, 3 and 4, according to the recorded Plat thereof, as recorded in Liber 1 of Plats Page 39, Wayne County Records.
 - Lot 11, Houghton's Section of Brush Farm, according to the recorded Plat thereof, as recorded in Liber 7 of Plats, Page 174, Wayne County Records.
 - Lot 14, Houghton's Section of Brush Farm, according to the recorded Plat thereof, as recorded in Liber 7 of Plats, Page 174, Wayne County Records.

- Lots 12 and 13, Houghton's Section of Brush Farm, according to the recorded Plat thereof, as recorded in Liber 7 of Plats, Page 174, Wayne County Records.
- Lots 20, 21 and 22, Houghton's Section of Brush Farm subdivision, according to the recorded Plat thereof, as recorded in Liber 7 of Plats, Page 174, Wayne County Records.
- Lots 29 and 30, Houghton's Section of Brush Farm subdivision, according to the recorded Plat thereof, as recorded in Liber 7 of Deeds, Page 174, Wayne County Records.
- Lots 36, 37 and 38, Houghton's Section of Brush Farm, according to the recorded Plat thereof, as recorded in Liber 7 of Deeds, Page 174, Wayne County Records.
- The East 27.13 feet of lot 5 and all of lot 6, Houghton's Section of Brush Farm, according to the recorded Plat thereof, as recorded in Liber 7 of Deeds, Page 174, Wayne County Records.

In connection with the Events Center, the following properties owned by the City or The Economic Development Corporation of City of Detroit (the “EDC”) located within the boundaries of the EC Project Area have been or will be conveyed to the Authority (or other owner of the Events Center as contemplated below) to accommodate the construction of the Events Center:

48 Henry	Ward 02 Item 000585.002L	EDC
2515 Woodward	Ward 02 Item 001849	EDC
2521 Woodward	Ward 02 Item 001848	EDC
2529 Woodward	Ward 02 Item 001847	EDC
2533 Woodward	Ward 02 Item 001846	EDC
2539 Woodward	Ward 02 Item 001845	EDC
21 Sibley	Ward 02 Item 000589	EDC
29 Sibley	Ward 02 Item 000590	EDC
43 Sibley	Ward 02 Item 000591	EDC
73 Sibley	Ward 02 Item 000593	EDC
2550 Park	Ward 02 Item 000594.002L	EDC
76 Henry	Ward 02 Item 000582-4	EDC
44 Sibley	Ward 02 Item 000615	City of Detroit
40 Sibley	Ward 02 Item 000616	City of Detroit
34 Sibley	Ward 02 Item 000617	City of Detroit
2603 Woodward	Ward 02 Item 001844	City of Detroit
2631 Woodward	Ward 02 Item 001843	City of Detroit
2645 Woodward	Ward 02 Item 001842	City of Detroit
25 Sproat	Ward 02 Item 000625	City of Detroit
51 Sproat	Ward 02 Item 000627-9	City of Detroit
61 Sproat	Ward 02 Item 000630	City of Detroit
67 Sproat	Ward 02 Item 000631-2	City of Detroit
2743 Woodward	Ward 02 Item 001838-9	City of Detroit
2771 Woodward	Ward 02 Item 001835-7	City of Detroit
2720 Park	Ward 02 Item 001928	City of Detroit
84 Sproat	Ward 02 Item 001927	City of Detroit
2715 Woodward	Ward 02 Item 001840-1	City of Detroit
54 W. Fisher	Ward 02 Item 000543	EDC
83 Henry	Ward 02 Item 000550-1	EDC

2473 Woodward	Ward 02 Item 001851	EDC
128 Henry	Ward 02 Item 000575	City of Detroit
122 Henry	Ward 02 Item 000576	City of Detroit
106 Henry	Ward 02 Item 000579-80	City of Detroit
2531 Park	Ward 02 Item 001976	City of Detroit
129 Sibley	Ward 02 Item 000595	City of Detroit
135 Sibley	Ward 02 Item 000596	City of Detroit
2723 Park	Ward 02 Item 001967	City of Detroit
134 Henry	Ward 02 Item 000574	City of Detroit
140 Henry	Ward 02 Item 000573	City of Detroit
155 Sibley	Ward 02 Item 000599	City of Detroit
154 Sibley	Ward 02 Item 000605	City of Detroit
202 Sibley	Ward 02 Item 000603	City of Detroit

For purposes of potential future use in connection with the EC Ancillary Development Project, the following City-owned and EDC-owned properties located in the Catalyst Development Area, outside of the EC Project Area, have been or may be conveyed to the Authority:

643 Temple	Ward 04 Item 000564	City of Detroit
2770 Third	Ward 04 Item 003374	City of Detroit
2929 Woodward	Ward 02 Item 001832	EDC
2901 Woodward	Ward 02 Item 001834	EDC
2929 Woodward	Ward 02 Item 001833	EDC
2913/2915 Third	Ward 04 Item 003597-8	City of Detroit
2923 Third	Ward 04 Item 003596	City of Detroit
2931 Third	Ward 04 Item 003595	City of Detroit
2939 Third	Ward 04 Item 003594	City of Detroit
2951/2953 Third	Ward 04 Item 003592	City of Detroit
2961 Third	Ward 04 Item 003591	City of Detroit
2969 Third	Ward 04 Item 003590	City of Detroit
2981 Third	Ward 04 Item 003589	City of Detroit
3000 Fourth	Ward 04 Item 003714	City of Detroit
2940 Fourth	Ward 04 Item 003713	City of Detroit
2934 Fourth	Ward 04 Item 003712	City of Detroit
2928 Fourth	Ward 04 Item 003711	City of Detroit
2922 Fourth	Ward 04 Item 003710	City of Detroit
2916 Fourth	Ward 04 Item 003709	City of Detroit
2841 Fourth	Ward 04 Item 004050	City of Detroit
2837 Fourth	Ward 04 Item 004051	City of Detroit
2831 Fourth	Ward 04 Item 004052	City of Detroit
2825 Fourth	Ward 04 Item 004053	City of Detroit
2811 Fourth	Ward 04 Item 004055	City of Detroit
2727 Fourth	Ward 04 Item 004058	City of Detroit
2719 Fourth	Ward 04 Item 004059	City of Detroit
2713 Fourth	Ward 04 Item 004060	City of Detroit
2709 Fourth	Ward 04 Item 004061	City of Detroit

In addition, as other City-owned or EDC-owned properties located in the Catalyst Development Area, outside of the EC Project Area, are identified for potential use in connection with the EC Ancillary

Development Project, upon the approval of the Board of Directors of the Authority, the Board of Directors of the EDC and/or City Council, as applicable, such properties will be conveyed to the Authority.

406.2.3 Hudson's Condominium Unit No. 1 was transferred to the Detroit Building Authority

406.3 Disposition of Property Rights to Private Persons and Entities

406.3.1 Land or Development Rights

406.3.1.1 General

When property rights including air rights above structures are to be conveyed or leased to private entities for private development it may be by negotiation, by open competitive conditions or by any other means permitted by law. Since property for such a purpose may be acquired by the Authority, and/or the City, the conveyances from one or more of those entities to private developers will follow any law and procedures which are applicable. In general, developers, will be selected by the Authority based on their past accomplishments and present capabilities. Prices for property rights will be established on the basis of fair value for uses permitted giving recognition to the public purposes to be accomplished. Architectural review by the Authority may be exercised to assure that the uses proposed are consistent with the public goals and purposes desired.

406.3.1.2 Procedures

(a) Negotiated Sale or Lease

When property rights are to be sold or leased by negotiation, the Authority and the developer may enter into an exclusive negotiating agreement for a time certain while they seek to enter into a sale and development agreement, a joint development agreement, or other agreements appropriate for the transaction. Such agreements would be subject to approval by the Authority Board and subject to all legal requirements.

(b) Open Competitive Sale or Lease

When property rights are sold or leased under open competitive conditions, the following procedures would generally be used:

(1) Advertisement: In most cases, advertisement will be published locally and nationally. The advertisement should be published in at least the *Wall Street Journal (National Edition)* and two local newspapers.

The advertisement should be designed to provide maximum exposure of the parcels to the market in order to attract serious inquiries from developers. The advertisement may differ from parcel to parcel depending upon the nature of the offering. The utmost flexibility should be provided to allow the Authority to accept any reasonable proposal without re-advertising.

Reprints of the advertisement should be mailed or delivered with appropriate accompanying material to a comprehensive list of potential developers.

Simultaneously, or as soon as possible after publication of the formal advertisements, the unique nature of the project and its goals and accomplishments should be disseminated widely both nationally and locally through non-paid newspaper and magazine articles, speeches and any other appropriate methods.

(2) Response to Developer Expression of Interest: A kit containing appropriate documents will be distributed to those responding to the advertisement. Such documents may include:

A description of the Project, a description of the marketing procedure, information pertaining to the Development Area, the Authority's design objectives and criteria, and the form to offer to be submitted by the developer. The Authority's design objectives and criteria are subject to change by the Authority without the need to re-advertise. However, developers who have received the kit will be formally notified of such changes.

Prior to the formal offering of any land or development rights the Authority may be contacted by potential developers interested in the project. The Authority will invite such contacts and will cooperate in every way with developers making such contacts. In these contacts, the Authority will make it clear from the outset that no advance commitment will be made prior to the selection of a developer.

During the period when offers are being accepted (30-60 days), no oral interpretation of the Authority's requirement will be given to any prospective developer. Requests for interpretation may be made to the Authority and all replies giving such interpretation will be issued as written addenda to all prospective developers. Such requests for interpretation must be received by the Authority at least two (2) weeks before termination of the offering notice. Requests received after that time will not be answered.

The Authority will review all proposals and may select the developers or development teams to be approved. The Authority will reserve the right to request additional information from any prospective developer to recommend modifications to his proposal during the selection period.

The selection by the Authority will be final, subject to any applicable legal requirements. It is expected that the selection will be announced within 15-30 days after the cut-off date for receiving proposals.

(3) Exclusive Negotiation Offers by Developers: Developers, at any time after the first publication of the advertisement with regard to any parcel or sub-parcel, may submit offers to negotiate exclusively with the Authority. Such offers should be in substantially the form required by the Authority.

The Authority may not choose any developer with whom to negotiate exclusively until a specified number of days after the publication of the first advertisement. Thereafter, the Authority may choose a developer for each parcel and sub-parcel either immediately or at any later date chosen by the Authority.

If two or more developers indicate an interest in a given parcel or sub-parcel, the Authority may establish a reasonable period within which offers to negotiate must be submitted to the Authority. The Authority will adequately notify developers who have shown an interest of the date within which such offers should be submitted.

The Authority may receive offers to negotiate after such period, but it may also refuse to receive such late offers if it so desires.

If after the elapse of the specified number of days after the first publication of the advertisements there is only one interested developer for any parcel or sub-parcel, the Authority may negotiate exclusively with that developer if the Authority so desires. If at the end of the period there are no interested developers for any parcel or sub-parcel, the Authority may negotiate exclusively with any interested developer without any further exposure to the market.

(4) Review of Offers to Negotiate: When an offer to negotiate has been received, the Authority staff and appropriate consultants will prepare and submit reports to the Authority members

analyzing the qualifications of the developer. The Authority members should then meet in workshops with Authority staff and consultants and thereafter separately with each developer who has submitted an offer to negotiate. As appropriate, Authority members, members of staff, and consultants should visit developments completed by those who have submitted offers. Staff and consultants should submit recommendations as to the developer or developers who have submitted offers.

(5) Choice of Developer with Whom to Negotiate: The Authority may choose one developer for each parcel or sub-parcel with whom to negotiate a disposition and development agreement. A chosen developer will have exclusive negotiation rights for a given period established by the Authority. Where applicable, appropriate notices required by law must be published by the Authority before executing any agreement to negotiate exclusively. The selected developer will usually be required to deposit an amount with the Authority to ensure that he will, during the negotiation period, proceed diligently and in good faith to meet all obligations under the offer to negotiate.

(6) Negotiation of Authority/Developer Agreement: The Authority's staff and consultants as appropriate will then attempt to negotiate a proposed disposition and development agreement, joint development agreement, or other agreements appropriate to the transaction with the developer. The negotiated agreement will be signed by the developer and submitted to the Authority with a performance deposit.

(7) Approval of Agreement: If the negotiations are successful, the Authority's staff and consultants will then recommend the proposed agreement to the Authority and the Authority may then consider the agreement and act, or suggest changes and then act if the developer agrees with the changes. The agreement may then be submitted to the Detroit City Council for approval.

After the approvals and publications of appropriate notices, the Authority may authorize the signing of the agreement.

406.3.2 Disposition of DDA's Interest in Completed Development

406.3.2.1 General

The Authority has the legal power to develop properties for sale, lease, or conveyance to private persons and entities. Pursuant to the purposes of the Act, the Downtown Development Authority Act requires an explanation of the procedure to be used when a development is sold after it has been completed by the Authority. Such a requirement does not apply if an agreement for sale of such a development is entered into prior to completion or land is being sold for development by a public or private person or entity.

The DDA ownership rights in the new Tiger Stadium were conveyed to the Detroit/Wayne County Stadium Authority upon completion for the consideration of \$40,000,000.

406.3.2.2 The Procedures for Bidding for the Leasing, Purchasing, or Conveying in Any Manner of all or a Portion of the Development Upon its Completion, if there is no Expressed or Implied Agreement between the Authority and Persons, Natural or Corporate, that all or a Portion of the Development will be Leased, Sold, or Conveyed in any Manner to these Persons

The Authority does not anticipate completion of any portion of a development unless there is an expressed or implied agreement between the Authority and persons, natural or corporate, for the leasing, purchasing or conveying in any manner that development or portion thereof. However, should some development or

portion thereof be completed under such conditions, the completed development or portion would be leased, sold or conveyed after requesting bids in a manner that meets all requirements of applicable law.

Generally, and when not prohibited by applicable laws, the following procedures would be used:

(a) Advertisement Regarding procedures for bidding for the leasing, purchasing or conveying in any manner of all or a portion of the development for advertisement, as outlined in Section 406.3.1.2(b)(1).

(b) Response to Expression of Interest from Potential Bidders: When potential bidders respond to the advertisement, they should be encouraged to meet with appropriate representatives of the Authority to receive written information concerning the nature of the offering.

A kit containing appropriate documents can be distributed to those responding to the advertisement. Such documents may include:

A description of the project, a description of the marketing procedure, information pertaining to the Development Area, the Authority's objectives and criteria, the form of bid to be submitted by the Bidder, and the period within which the Authority will accept bids.

The Authority's objectives and criteria for selection of a bidder need not be based solely on the dollar value of a lease, sale, or other monetary compensation, but may include other considerations such as tax generation potential, economic impact, compatibility of proposals with other aspects of the development, with adjacent properties, and with the overall plans of the City and Authority, and experience and reputation of the bidder. Such other considerations should be identified in the kit given to each prospective bidder.

(c) Submission of Bids: Bidders, at any time during the period established by the Authority for receipt of bids with regard to any development or part thereof, may submit bids to the Authority or its designated representative(s). Such bids should be in substantially the form required by the Authority. Various bonds to assure good faith or performance may be required of bidders.

(d) Selection of a Successful Bidder: The Authority may not choose any bidder with whom to complete an agreement until after the date when all bids must be submitted and until all bids received by that date are opened and analyzed. Thereafter, the Authority may announce a successful bidder for each development or part thereof either immediately or after a reasonable time established by the Authority; or the Authority may reject all bids if they are determined by the Authority to not meet the criteria established for the development.

If two or more bidders submit bids for a given development or part thereof, the Authority, before, or at the end of the period within which bids will be accepted, may establish a reasonable period within which to analyze the bids. At or before the elapse of this analysis period, the Authority may announce its decision regarding the bids and the awarding of an agreement to a successful bidder, or its decision to reject all bids.

If, after elapse of the period within which bids are to be submitted, there is only one interested bidder for any development or part thereof, the Authority may negotiate exclusively with that developer if the Authority so desires. If, at the end of the bidding period, there are no interested bidders for a development or part thereof, the Authority may re-advertise for bids; or the Authority may negotiate exclusively with any interested party who may thereafter appear. If negotiations are unsuccessful as to any development or part thereof, the Authority may thereafter negotiate with any interested party without any further exposure to the market.

(e) Review and Analysis of Bids: When one or more bids have been submitted and only after elapse of the period within which bids are to be submitted, the bids shall be opened and the Authority staff and appropriate consultants will prepare and submit reports to the Authority analyzing the qualifications of each bidder, the compliance of the bid with the required form for the bid, and compliance of the bid with objectives and criteria established by the Authority for the development or part thereof.

Authority staff and consultants should, within a reasonable time after opening of bids, submit recommendations to the Authority regarding the bidder or bidders who have submitted bids.

(f) Award of Agreement: The Authority should, within the reasonable period it established, announce that no bids were received and another advertisement for bidders may be placed; or, that no bids were received but negotiations are under way or have been successfully concluded with a party who expressed interest after elapse of the bidding period; or, that only one bid was received and the bid has been rejected or an agreement has been prepared or negotiations have ensued with that bidder; or, two or more bids were received, a successful bidder has been selected, and agreements have been or will be prepared; or, all bids have been rejected.

Once a developer has been identified by the Authority as the prospective purchaser or lessor, or as the party to accept conveyance of the development or part thereof, the Authority staff and consultants as appropriate will prepare a proposed agreement for sale, lease, or conveyance of the development. This agreement will be signed by the developer and submitted to the Authority with a performance deposit.

The Authority's staff and consultants will then recommend the proposed agreement to the Authority.

407 CONTEMPLATED PUBLIC AND PRIVATE DEVELOPMENT, REHABILITATION, CONSTRUCTION AND IMPROVEMENTS

407.1 WASHINGTON BOULEVARD AREA

407.1.1 Trolley Plaza (currently the Detroit City Apartments)¹

Project Description

A conceptual plan prepared by Rossetti Associates for revitalization of the area recommended recycling of the once retail "carriage trade" and hotel center of downtown into a moderate, middle-income residential community, focusing on the new Washington Boulevard Plaza. New construction, rehabilitation and conversion of offices for housing would be primarily by private action; however, some public activities would be needed to facilitate initiation of the program and to support its execution.

The Authority's specific proposal is to create a new privately financed 351-unit apartment structure on air rights above a publicly-owned 600-car parking structure with approximately 11,000 square feet of retail commercial space integrated at ground level to provide shops and services for the apartment tenants and others. A full-service grocery market is a priority commercial space tenant. The complex could be connected by enclosed pedestrian skyways to major structures around it and the People Mover station scheduled for this location integrated into the garage structure.

Developer

¹ The "Washington Boulevard Project" concept was endorsed by the DDA and designated its first development project in July 1976. City Council adopted the project as part of the Tax Increment Plan with the May 17, 1978 amendment. Pre-leasing of the apartment tower began in December, 1980; grand opening ceremonies were held in October, 1981. With the opening of the Trolley Market in September, 1983, the commercial space was fully leased and the project complete.

Forest City Dillon, Inc., of Cleveland Ohio, is air-rights developer; the garage is a DDA undertaking.

Location, Extent and Character of the Proposed Construction

The project site is bounded by Clifford, Washington Boulevard, Grand River and Times Square. Construction staging will begin with site preparation including utility relocation, vacation of Times Square Street, the demolition of two masonry buildings. Once the eastern half of the garage is constructed up to the podium level, the apartment superstructure will be erected and the western half of the garage completed. The remaining elements will be built concurrently.

Estimated Cost \$30,868,954

Source of Funds

Private: \$18,966,000

Public: \$ 6,842,287 in tax increment financing;¹ \$5,060,667 UDAG.

Completion Date: July, 1981.²

TROLLEY PLAZA (currently the Detroit City Apartments)

Sources and Uses of Funds

Estimated Project Costs

Land Acquisition

Public Financing (UDAG)	\$ 1,085,000
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Demolition

Public Financing	22,331
(Public financing consists of tax increment funds and UDAG)	

525-space Parking Structure³

Public Financing	6,996,305
(Public financing consists of tax increment funds and UDAG)	

Infrastructure Support

Public Financing (tax increment funds)	1,188,651
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Commercial Space

Includes \$393,540 construction cost, \$229,324 for equipment and installation, and a \$35,000 A/E fee

¹ The first ten (10) years of use rendered the Trolley Plaza Garage in need of structural repairs and/or improvements. The nature and extent of such repairs would be determined by a comprehensive assessment of the physical condition of the garage and its components by an engineering consultant.

Pursuant to amendments first in August, 1991 and then in June, 1993, December, 1995, and June, 1998, the Plan allocates a total of \$190,000 in tax increment funds to provide for the necessary engineering analysis, structural improvements, and the needed replacement of garage equipment as identified by the engineering analysis and recommended by the Municipal Parking Department.

² Date of completion of this mixed-use project. The garage component was conveyed by DDA to a private entity in July of 1997.

³ In July, 1997, the Authority sold the garage and its air rights interests in the Trolley Plaza development to a private entity, realizing \$500,000 from the transaction. This transaction also allowed the Authority to reallocate \$160,000 previously dedicated to structural improvements to the garage to other projects in the Plan

to aid in the design and construction of a 7,643 sq. ft. full-line grocery store at ground level in the parking garage.	
Public Financing (Public financing includes tax increment funds and UDAG)	1,146,207
Architectural, Engineering and Construction Management Fees	
Public Financing (tax increment funds)	1,180,866
Contingencies	
Public Financing (UDAG)	283,317
Residential Development	
Private Financing (Interim with GNMA permanent)	18,966,277
Total Cost	\$ 30,868,954

407.1.2 Book Cadillac Hotel¹

Project Description

The long-term operation of the 29-story Book Cadillac Hotel has long been viewed as critical to the revitalization of Washington Boulevard and to the City's growth in convention/tourism industry. Several market and financial feasibility studies showed that the success of the property depended upon its redevelopment to a mix of commercial, office and hotel uses. Pursuant to the redevelopment plan approved in March, 1986 by the Bankruptcy Court, the redeveloped property would include hotel, parking and office components with a small amount of retail space. At the time of the 2005 Plan amendment the Authority negotiations with a private developer were finalized resulting in the redevelopment of the hotel. The hotel is anticipated to be open in late 2008. The redevelopment of the building is consistent with the 1986 bankruptcy plan as revised in 2001. When completed the renovated hotel will contain over 455 hotel rooms and be a four-star luxury Westin hotel, and approximately 67 luxury residential condominiums.

Developer

The DEGC and the Authority have committed and expended substantial funds to support, first, the maintenance and operation of the facility and, then, after the facility ceased operation in 1984, to secure the building and to maintain a minimum state of repair while working to secure a developer commitment.

Location, Extent and Character of Proposed Improvements

The 29-story Book Cadillac Hotel is located within the block bounded by State Street on the north, Shelby Street on the east, Michigan Avenue on the south and Washington Boulevard on the west. In the short-term, rehabilitation included maintenance and improvements to the existing hotel facility and support of working capital needs. In the long-term, rehabilitation plans called for the complete renovation and rehabilitation of this historic property.

Estimated Cost

Phase I	\$ 21,500,000
Phase II	\$ 11,875,000
Phase III	\$183,500,000

Source of Funds

Phase I	Private:	\$16,000,000
	Public:	\$ 5,500,000 in tax increment financing
Phase II	Private:	\$ 9,200,000
	Public:	\$ 2,675,000 in tax increment financing
Phase III	Public:	\$ 8,000,000 in tax increment financing ²
	Other Public and Private:	\$175,500,000

Estimated Completion Date

The renovation was completed in late 2008, with The Ferchill Group as the developer.

¹ The Book Cadillac Hotel project was made a part of the Plan with the February 26, 1982 amendment.

² Additional funds for the project may be provided through the Housing/Office/Retail Development and Absorption Fund.

BOOK CADILLAC HOTEL

Sources and Uses of Funds

PHASE I

Estimated Project Costs

Maintenance, improvements and working capital	
Private Financing	\$16,000,000
Public Financing ¹	5,500,000
(Public financing consists of \$5 million in tax increment funds and DEGC/EDA funds (\$500,000))	
Total Cost Phase I	\$21,500,000

PHASE II

Estimated Project Costs

Acquisition/land and building	\$ 9,200,000
Acquisition of property bounded by Michigan Avenue, Washington Boulevard, Shelby Street and State Street (private funding).	
Pre-development expenses	2,675,000
Reimbursement of \$2 million plus interest (at 1% over NBD's prime accrued and capitalized quarterly) to DEGC for carrying costs and pre-development expenditures.	
Reimbursement to take place immediately following the approval of this tax increment plan (public funding ¹).	
Total Cost Phase II	\$11,875,000

PHASE III

Estimated Project Costs

Partnership costs	\$ 11,288,000
Development and Construction of soft costs	18,076,000
FF & E	18,000,000
Construction	118,518,000
Financing (interim)	17,618,000
Cost Phase III	\$183,500,000

The above costs to be funded through \$15.0 million in equity investment, private debt of \$67.5 million, tax credits of \$33.7 million, DDA tax increment of \$8.0 million, and other public debt of \$28.5 million. In addition, the private developer received \$30.8 million in Federal conversion easement tax credits. The DDA will provide a loan commitment to the developer and the easement purchaser, to the extent a funding source (including TIF funded assets and any other source of funds available to the DDA) is identified by the DDA, in an amount equal to the reduction in value of the tax credits if they are so reduced.

Completion Date: 2008

¹ Tax increment funds comprise the public funding.

407.1.3 Michigan Avenue Garage¹

Project Description

The project consists of the acquisition by the Authority of a under construction 545-space garage with approximately 12,000 square feet of retail at street level. The garage is being built to accommodate the redevelopment of the Book Cadillac Hotel as well as future development in the air rights above the garage. An enclosed pedestrian bridge will link the garage and the Residences at Book Cadillac on the third level. This garage will provide additional secured parking to support future development projects in the area.

Developer

The Downtown Development Authority acquired the garage from 150 Michigan, LLC who serviced as the developer for the construction of the garage. The Authority granted development rights for the air rights on top of the garage to Griswold Project, LLC for the development of The Griswold Apartments, an 80 unit, five-story residential project which opened in 2017.

Location, Extent and Character of Proposed Treatment

The Michigan Avenue Garage is bounded by Shelby on the west, Michigan Avenue on the south, an alley on the north, and Griswold to the east. The garage façade will be consistent with that of the renovated Westin Book Cadillac Hotel.

Estimated Cost	\$ 23,430,000
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Source of Funds

Public financing ²	(Tax Increment)	\$ 21,000,000
Public financing ³	(Sale of DDA Real Estate)	\$ 2,430,000

In the event that the Authority is unable to raise all or a portion of the \$21.0 million of debt required to finance the purchase of the Garage, the DDA staff, subject to DDA Board approval, will make certain reallocations of TIF funds to provide the necessary resources for the completion of the transaction.

Completion Date	2008
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¹ As adopted by the June 2008 Plan amendment.

² The DDA anticipates receiving a loan or issuing TIF Bonds to pay for the construction of the garage. Loan or bond debt service is estimated at \$1.54 million annually for 20 years. The loans for the garage were paid in full in 2014, prior to their maturity, and resulting in a savings of \$1,360,000 in scheduled debt service.

³ Includes the proceeds from the selling of 100-spaces to the Residences at the Book Cadillac.

407.1.4 Tuller Hotel¹

Project Description

Built in 1909, the Tuller Hotel has suffered substantial deterioration in recent decades, particularly after closing its doors in the 1970's. Efforts over the years to redevelop the property have failed, and non-payment of taxes caused its forfeiture to the City. The Plan calls for the demolition of the 14-story structure.

Developer

The demolition of the Tuller is a DDA undertaking.

Location, Extent and Character of the Proposed Project

The Plan calls for demolition of the 14-story Tuller Hotel situated on Park between Adams and Bagley Streets and clearance of the site. Demolition and site clearance will require six months to complete.

Estimated Cost \$2,470,000

Source of Funds

Public: \$2,470,000 in tax increment funds

Completion Date May 1991²

¹ This project was made a part of the Plan with the August 1, 1991 amendment.

² Actual completion date.

407.1.5 Madison-Madison International¹

Project Description

The project proposes the renovation of the former Gardner-Schumacher building on Washington Boulevard. The landmark building will undergo extensive interior redesign and renovation to be performed by Madison-Madison International of Michigan, Inc. This architectural firm will occupy the fifth, sixth and seventh floors for its offices. The first floor will be renovated and developed as commercial retail space; the remainder of the building will be leased to office tenants. The City of Detroit also will sell the adjacent vacant lot to the developer for use as off-street parking.

Developer

Madison-Madison International of Michigan, Inc.

Location, Extent and Character of the Proposed Construction

The project is located at 1420 Washington Boulevard between Clifford and Grand River. The exterior of the building will be cleaned and repainted and all windows replaced with energy efficient thermal sash. The roof will be replaced and a solar structure constructed on part of the roof and tied into the half-seventh floor. The interior of the building is basically free of partitions, thus permitting considerable flexibility in the design of the spaces. Improvements will include modernization of passenger elevators, new HVAC systems and plumbing, and new electrical power and lighting systems. Improvements will also be made to the adjacent parking lot.

Interior demolition will be accomplished within sixty (60) days. The rehabilitation will take place on a continuous basis until completed.

Estimated Cost \$4,098,000

Source of Funds

Private:	\$3,379,000
Public:	\$719,000 (\$671,000 in tax increment financing; \$48,000-DDA Purchased Money Mortgage) ²

Completion Date Summer 1993.³

¹ The Madison Square Office project was made a part of the Plan pursuant to the November, 1986 amendment.

² The Authority's participation includes acquisition of the building for \$450,000 (inclusive of the cost of minor repairs) and allocation of \$221,000 to be loaned to the developer for additional structural repairs.

³ Loan paid in full in August, 1996.

MADISON-MADISON INTERNATIONAL
Sources and Uses of Funds

Estimated Project Costs

Acquisition of the building at 1420 Washington Boulevard	
Public Financing	\$ 473,000
(Public financing consists of tax increment funds and a \$48,000 purchase money mortgage via the City for the parking lot)	
Construction/Rehabilitation	
Private Financing	2,086,000
Public Financing (tax increment funds)	246,000
Construction Period Interest Fees and Reserves	
Private Financing	716,000
Professional and Pre-leasing Fees	
Private Financing	200,000
Contingency	
Private Financing	377,000
Total Cost	\$ 4,098,000

407.1.6 Ramada/Leland Downtown Hotel¹

Project Description

The Leland House was built in 1927 as a 900 room hotel. In the late 1970's it was converted to a 424-unit apartment building. With the expansion of Cobo Conference and Exhibition Center, the developer, the Leland House Limited Partnership Company, recognized the need for additional hotel rooms in the downtown district.

Plans call for the renovation and adaptation of the Leland to a Ramada Downtown Hotel consisting of approximately 440 hotel rooms, banquet, ballroom and meeting facilities and several dining areas. The Authority would participate in a proposed funding of capital improvements.

Developer

The Leland House Limited Partnership Company.

Location, Extent and Character of Proposed Improvements

The Partnership has already completed much of the capital improvements such as a new roof, windows, HVAC, boilers, etc. Proposed improvements include renovation of hallways and rooms, rehabilitation of ballroom and common areas, new kitchen equipment and other furniture, fixtures and equipment, cleaning and remodeling of the exterior, signage and painting.

The entire renovation process is estimated to take forty-eight (48) months, putting into service approximately 100 hotel rooms at a time. Renovation of common areas is expected to be undertaken last.

Estimated Cost \$14.746 million

Source of Funds

Private: \$13.766 million
Public: \$980,000 in tax increment financing

Completion Date Summer 1993.²

¹ The April 21, 1989 amendment incorporated the Ramada Leland project as a part of the Plan.

² Only first phase conversion of 100 rooms to hotel use was completed. The developer was ultimately unable to secure necessary private sector financing and filed for bankruptcy before completing the project.

RAMADA LELAND DOWNTOWN HOTEL
Sources and Uses of Funds

Estimated Project Costs

Renovation and Remodeling	
Private Financing	\$ 2,001,400
Public Financing (tax increment funds)	667,000
Furniture, Fixtures, and Equipment	
Private Financing	2,219,700
Public Financing (tax increment funds)	313,000
Architectural, Engineering, and Consultant Fees	
Private Financing	218,150
Renovation Contingency Private Financing	458,115
Working Capital, Marketing, Financing and Other Fees	
Private Financing	2,939,246
Senior Mortgage Payouts	
Private Financing	5,930,115
Total Cost	\$ 14,746,726

407.2.1 Monroe-Cadillac Mixed Use Development**Project Description**

The project proposes the acquisition of property bounded by Monroe, Randolph, Fort and Brush. A mixed-use project comprised of parking, retail and possible future residential, hotel and/or office components will be constructed on one half of the site.

The City and the DDA intend to first construct the parking garage, placing deep foundations to accommodate future development in the air rights above the garage. It is anticipated that residential, hotel or office components would later be constructed above the proposed 1,016-space garage, with 34,000 square feet of street-level commercial space on Monroe and Brush. An enclosed pedestrian bridge will link the garage and the International Marketplace at the third level. Future development of the block bounded by Randolph, Brush, East Lafayette and Fort is proposed to include a similar mixed-use project that provides additional parking to support both Greektown business patrons and the retail-commercial core area.¹

Developer²

The Downtown Development Authority will serve as developer of the garage/retail component on the aforementioned site. The Authority will work to seek a developer for a similar mixed-use development, including parking, on the remaining portion of the site. Future selection of a developer(s) will be carried out in accordance with City of Detroit and DDA guidelines, procedures and criteria.

¹ The April, 1989 Plan amendment described this component of the project as a garage of some 1,150 spaces, 890 of which would be designated for use by Greektown businesses and patrons; construction of a privately financed 250-unit apartment tower in the air space above; and 21,200 square feet of commercial space at ground level. That description was altered to its present form by the August 5, 1992 Plan amendment.

² The City has fruitlessly tried to obtain adequate redevelopment in the retail core area. In 1966, the federally funded urban renewal CBD #5 Rehabilitation Project, also known as the Kern Block, was offered to the general public for development and a nationwide competition was held to select a developer. In 1968, the M.E. Arden Company was designated as developer for this portion of what became the Cadillac Square Shopping Center site. The developer was never able to proceed with his proposed development, which included an office tower, a hotel and retail space.

By 1974, when the M.E. Arden Company released its interest in the site, the City had available another adjacent urban renewal site, but by that time had determined that the development of a regional shopping center would be the most beneficial use for the site then owned by the City. At this point the City initiated the process, which led to selection of the Taubman Company and the Dayton-Hudson Corporation as developers for the shopping center. Though these two developers demonstrated their ability and willingness to work with the community to achieve the desired product, they and the City were subsequently unable to secure the participation of the necessary anchor and other quality stores typical of regional centers.

In November of 2016 the DDA approved development plans by Rosko Development L.L.C. an affiliate of Bedrock Real Estate Services. The integrated development plan includes three sites: (1) the surface parking lot bounded by Monroe, Cadillac Square, Farmer and Bates (the “Monroe Block”); (2) the former Bates Garage located at 126 Monroe; and (3) the National Theatre Site owned and operated by the City and located at 118 Monroe. The mixed use project will be redeveloped in two phases. Phase one of the Project will be constructed on the Monroe Block and consist of at least 600,000 square feet of mixed use development inclusive of at least 35,000 square feet of ground-floor retail and an office tower of at least 20 stories. In addition, there will be below grade parking as part of phase 1. Phase two of the Project will be constructed on the Bates and National Theatre sites and consist of 225,000 square feet of residential inclusive of at least 25,000 square feet of ground-floor retail and a residential tower of at least 16 stories. It is the intention of the developer to incorporate and restore the National Theatre façade into the redevelopment unless the developer demonstrates through the report of a qualified engineer that the façade cannot be preserved.

Location, Extent and Character of Proposed Improvements

The Monroe Cadillac Mixed Use project area is bounded by the alley west of Woodward, Grand River, Library, Gratiot, Brush, Fort, Randolph and Cadillac Square. The Authority intends to complete the acquisition, demolition, relocation and utility work as originally proposed by the Cadillac Mall project. However, the Hudson's and Monroe block developments represent a loss of area available for new retail and parking. In order to ensure adequate parking for existing and future retail-commercial facilities in the area, the Authority intends to acquire, with the exception of the Sheik restaurant, all properties within the bounds of Monroe, Fort, Randolph and Brush Streets not originally a part of the Cadillac Mall project to enable future construction of a parking facility. (See Section 405, Public Acquisition of Property.)

Originally proposed acquisition, demolition, relocation and utility work will proceed as currently in progress. Pursuant to this Plan, additionally proposed acquisition of property would take place as soon as the legal mechanisms for same are in place. Once acquired, these parcels may be used for surface parking until such time that construction of the aforementioned-development is imminent.

Construction of the proposed garage should not exceed eighteen (18) months.

Estimated Cost \$20.13 million

Source of Funds

Private: \$ 8 million
Public: \$12.138 million¹

Completion Date January, 1994.²

¹ Includes \$1.5 million to support operation of the Monroe-Cadillac Garage, that amount representing the garage's net operating revenues plus refinancing proceeds, less required debt service as approved by the December 5, 1995 Plan amendment.

² Construction of the garage was substantially completed in January, 1994. The garage was conveyed to a private entity (Greektown Casino, LLC) in April, 1997.

MONROE-CADILLAC MIXED USE DEVELOPMENT
Sources and Uses of Funds

Estimated Project Costs

Acquisition of property bounded by Monroe, Randolph, Fort, Brush Streets and construction of an 1,016-space garage	
Public Financing (tax increment funds)	\$ 3,800,000
Acquisition, Improvements of Crowley Milner Property	
Public Financing	1,083,600
(Public financing consists of \$704,000 in tax increment funds and CDBG funds of \$379,600)	
Construction of an approximate 1,016-space parking structure, including 42,000 sq. ft. of retail space, the necessary infrastructure to support additional development within the air rights and a pedestrian skyway linking the garage and the International Marketplace.	
Other Financing	5,430,000
Public Financing	6,774,000
(Public financing consists of \$5,720,000 in tax increment funds, and \$1,054,000 UDAG funds. Other financing consists of loans obtained by the DDA and secured by a revenue note(s) and mortgage(s) on the project site)	
Fees, Interest and Contingencies	
Other Financing	2,570,000
(Other financing consists of loans obtained by the DDA and secured by a revenue note(s) and mortgage(s) on the project site)	
Operating Reserve	
Public Financing (tax increment funds)	480,000
Total Cost	\$ 20,137,600

Project Description

The Downtown Detroit Garage Associates Limited Partnership proposes to construct a multi-level parking deck at the southeast corner of Lafayette and Shelby to accommodate 437 cars to support the historic 23-story, 266,068 square foot One Kennedy Square Office Building at 719 Griswold. The parking deck and office building would be linked by a second level pedestrian-way extending down the alley between the One Kennedy Square Building and the Olde Building.

Developer

Downtown Detroit Garage Associates Limited Partnership.

Location, Extent and Character of Proposed Improvements

The project involves construction of a multi-level parking deck located at the southeast corner of Lafayette and Shelby Streets. The structure will be comprised of grade-level parking plus six above grade level elevated decks and will support 437 vehicles. The design of the exterior facade will be compatible with the surrounding structures. Construction work includes necessary signage, mechanical and electrical apparatus, security equipment and proper lighting. A pedestrian link extending down the alley between the parking structure and the One Kennedy Square building would be constructed above the second story of the new deck. An existing surface lot and guard shack would be removed.

The twelve (12) month construction schedule anticipates a December, 1991 completion.

Estimated Cost \$6.5 million

Source of Funds

Private:	\$4.7 million
Public:	\$1.8 million in tax increment financing

Completion Date April, 1992²

¹ This project was made a part of the Plan with the April 21, 1989 amendment. A private entity acquired the garage in 1997 for \$1.3 million.

² Actual completion.

ONE KENNEDY SQUARE GARAGE
Sources and Uses of Funds

Estimated Project Costs

Acquisition of land and buildings located
at the south-east corner of Lafayette and
Shelby streets.

Private Financing \$ 1,625,000

Demolition of existing buildings and construction
of a six-story, 437 spot parking deck.

Private Financing 1,937,000

Public Financing (tax increment funds) 1,800,000

Financing, Professional Fees and Interest Costs

Private Financing 1,175,000

(Funds will be provided by equity and/or private borrowings)

Total Cost \$ 6,537,000

Project Description

The Authority proposes to demolish 12 of the 13 buildings comprising the Monroe-Cadillac historic blocks; the 30,000 square foot National Theatre would remain and be secured for future development.²

Developer

The demolition of the buildings and securing the National Theater for future treatment are undertakings of the Authority.

Location, Extent and Character of the Proposed Demolition

Proposed is the demolition and removal from the site of 12 of the 13 buildings comprising the Monroe-Cadillac historic blocks that line the south side of Monroe Avenue from Cadillac Square to the National Theatre. Building artifacts of historic and architectural significance will be salvaged to the extent practicable for artistic and/or curatorial purposes for future reuse. Where practicable, certain architectural elements, either as representative elements of artistic or historic significance will be salvaged during the demolition process for future reuse. Additionally, the DDA will work with the City and other interested parties who may wish to obtain, for curation or use in other projects, all or some of the artifacts or dismantled facades. First rights of refusal for obtaining artifacts or facades will be given to the Detroit Historical Department.

Commencement of demolition is contingent upon the resolution of the interpretation of the intent of the National Register listing of these buildings as an historic district. Following the satisfaction of Federal requirements related to the survey and removal of toxic materials within these structures, demolition could be completed within ninety (90) days.

Project Cost \$1,040,000

Source of Funds

Public: \$1,040,000 in tax increment funds, of which up to \$200,000 are dedicated to a new roof or such other improvements necessary to secure and protect the National Theatre from adverse weather conditions.

Completion Date³ January, 1990.

¹ The City-owned Historic Monroe Avenue Commercial Buildings were placed on the National Register of Historic Places in 1975. In 1979, the City signed a Memorandum of Agreement with the Federal government, which required development of these historic structures. In conjunction with the Cadillac Mall development, it was proposed that the facades be restored consistent with federal standards, two extraneous structures be removed, and a build out behind the restores facades of some 113,000 square feet of commercial space, a 470-car parking garage, 19-story 230-unit residential tower and glass atrium, for a total 400,000 gsf on a 2.2 acre site.

A request for proposals for development was advertised on a local, national and international level in the summer of 1984. Responses were limited: five were received but none successfully addressed financing or possessed the necessary credibility to assure performance. Ensuing development efforts were unsuccessful and ultimately the continued deterioration of the structures became a detriment to CBD development efforts in general.

² The September 4, 1988 Plan amendment authorized the removal of the 12 buildings.

³ The site has been cleared, paved and landscaped and is currently being used as a parking lot operated by the Municipal Parking Department.

407.2.4 Annis Furs Development¹

Project Description

The project site is a six-and-one-half story, 47,000 square foot building located at 1274 Library Street just east of Hudson's. The developer proposes to rehabilitate the structure for commercial and office use.

Developer

A Michigan partnership comprised of local professionals.

Location, Extend and Character of Improvements

The building is located at 1274 Library, approximately one block south of the Broadway People Mover Station. The first floor will be rehabilitated and dedicated to retail use; the remaining 5-1/2 stories will provide office space. Improvements will include new electrical and mechanical systems and basic tenant upgrades, along with a new or refurbished automatic elevator.

Construction is expected to require nine (9) months to complete.

Project Cost	\$3.15 million
Source of Funds	
Private:	\$2,205,000
Public:	\$950,000 in tax increment financing
Completion Date	February, 1990. ²

¹ This project was made a part of the Plan with the September 23, 1987 amendment.

² Actual completion date.

ANNIS FURS BUILDING
Sources and Uses of Funds

Estimated Project Costs

Acquisition of Land and Building located at
1274 Library Street

Private Financing	\$ 20,000
Public Financing (tax increment funds)	380,000

Construction

Private Financing	1,935,000
Public Financing (tax increment funds)	470,000

Mortgage Fees

Private Financing	30,000
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Construction Period Interest

Private Financing	143,331
Public Financing (tax increment funds)	100,000

Loan and Professional Fees

77,000

Total Cost	\$ 3,155,331
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In previous decades, the Woodward Avenue retail corridor has served as the core of retail activity in downtown Detroit. A number of factors and trends have, over the years, contributed to the decline and/or disuse of the retail facilities along this corridor. In some instances, the decline and disuse, if left unattended, could result in conditions of property deterioration and/or blight. The Authority intends to dedicate funds to be used for either public or private site improvements, which may mitigate instances of decline, deterioration and blight within the Woodward Avenue retail corridor. M-1 Rail (QLINE) was created pursuant to Public Act 481 of 2008 for the purpose of building a light rail link from Grand Boulevard to Jefferson Avenue along Woodward Avenue. It has sought sponsorship of proposed stations from both public and private entities. The M-1 Rail line (QLINE) will mitigate instances of property deterioration, blight, decline and disuse of retail uses along Woodward Avenue within the Downtown District and aid in the redevelopment and acceleration of retail activity within the corridor.

This project is an undertaking of the Authority and M-1 Rail.

The Authority proposes to address and prevent, to the extent funding permits, conditions of property decline and deterioration within the Woodward Avenue retail corridor situated between Charlotte and Fort Street by making available grants or loans to either private or public property owners for public or private site improvements intended to correct such conditions and providing funding assistance to M-1 Rail.

The first such sight to be treated is 1075 Woodward, the site of the B. Siegel property recently destroyed by fire. Proposed site improvements include repair of alley pavement, grading of the site, sodding and plantings, and installation of concrete bumpers.

The proposed improvements to the site of the destroyed B. Siegel building are anticipated to require only a few weeks to complete.

M-1 Rail has requested that the DDA sponsor three stations at a cost of \$3,000,000 per station. In March 2009 the Board of Directors of the Authority authorized the sponsorship of the stations and redirected funds from the Housing/Office/Retail Development and Absorption Fund to this Project to fund the sponsorship.

Project Cost	\$136,050,000
Source of Funds	
DDA Public:	\$9,050,000 in tax increment financing.
Other Public:	\$35,000,000
Private:	\$92,000,000

Completion Date	July, 1993 ² M-1 Rail (QLINE) scheduled for completion in April, 2017.
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¹ The September 19, 1990 Plan amendment incorporated this project.

² Actual completion date.

407.2.6 Quicken Loans Headquarters¹

Project Description

The City and the DDA were successful in obtaining a commitment from Quicken Loans to relocate its Headquarters along with an estimated 4,000 employees to a Downtown location. Part of the incentive package to attract this relocation includes a commitment from the City and the DDA to provide a parking subsidy for a period of up to 20 years through the DDA. The DDA will provide a grant to Quicken or the landlord in the amount of up to \$2 million per year.

Quicken Loans is seeking benefits pursuant to Act 376 of 1996 (Michigan Renaissance Zone Act) for its headquarters site for a period of twenty (20) years rather than current maximum period of fifteen (15) years. In the event that a Renaissance Zone is created for the headquarters site but Quicken is unsuccessful in obtaining the benefits provided pursuant to the Act 376 for a period of twenty (20) years, the DDA staff, subject to Board approval, will investigate the appropriateness of providing a rebate of the tax increment collected by the DDA on account of the headquarters site to the owner of the headquarters site for a period commencing with the date of termination of the Act 376 benefits and extending for a period of up to five (5) years from that date.

Developer

Rosko Development LLC.

Location, Extent and Character of the Proposed Improvements

As part of the aforementioned incentive package, the DDA granted to Rosko Development Company, LLC, an affiliate of Quicken Loans, development rights for certain DDA-owned property within the Development Area, including the Z-block, the Monroe Block, the former Bates Garage site² and the site of the former Hudson's department store³.

Estimated Costs	\$350,000,000
Source of Funds	
Private:	\$310,000,000
Public:	\$ 39,000,000 in tax increment financing
Estimated Completion Date	December 2020

¹ As adopted by the June 2008 Plan amendment.

² See Section 407.2.1 for a description of the proposed development of the Monroe Block and former Bates garage sites.

³ See Section 407.2.7 for a description of the proposed development of the site of the former Hudson's department store.

407.2.7 Campus Martius Redevelopment Project (Previously Campus Martius Condominium)

Project Description

In December, 1997 the DDA issued a Request For Qualifications/Proposals (RFQ/P) to promote major development opportunities in the lower Woodward corridor now known as the Campus Martius area in Downtown Detroit. The purpose of the RFQ/P was to identify one or more Developers to develop the blocks around a new public space to be created at the intersection of Woodward Avenue, Fort Street, Michigan Avenue, Monroe and Cadillac Square. Through the process set forth in the RFQ/P, the City of Detroit and the DDA have entered into or will enter into development agreements, as they may be amended from time to time ("Development Agreements"), with Kern Woodward Associates (KWA) and Compuware Corporation, or its designee, ("Compuware") (collectively, "the Developers"). The Development Agreements will be or were approved by City Council and the DDA. Pursuant to the terms of the Development Agreements, the Developers are to develop office, retail, hotel, parking facilities and other commercial buildings ("Buildings") on real property owned by or to be transferred to the DDA within the Project Area, which is defined below. In connection with the construction and development of the Project Area and pursuant to the Development Agreements, the DDA may provide development support, site preparation, public infrastructure improvements and parking facilities within the Project Area. These activities may include, but are not limited to, engineering and design work; relocation, improvement, creation and paving of streets and intersections; relocation, improvement and removal of water and sewer lines; relocation, improvement and addition of public lighting facilities; design and creation of a new public park; installation of public sidewalks; landscaping of public areas; design, construction, ownership, operation of parking facilities and/or financial support to the Developers for parking facilities; connection of certain parking facilities to the People Mover system; and building structural enhancements. The DDA may either engage directly in the activities described or provide financial assistance to the Developers in connection therewith.

This Project also includes the Project previously described as "Campus Martius Condominium" which is the first unit of a condominium development on the site of the former J. L. Hudson department store and consists of the construction of an underground parking garage on the site. The DDA has conveyed the cleared project site ("Campus Martius Condominium Unit No. 1") to the Detroit Building Authority. The Building Authority constructed the garage, which is operated by the Municipal Parking Department upon completion. The DDA will retain ownership of Campus Martius Condominium Unit No. 2 until it is developed.

In November, 2007, the DDA Board of Directors approved a resolution authorizing the execution of a development agreement between the DDA and Rosko Development Company, LLC ("Rosko"), an affiliate of Bedrock Real Estate Services, granting development rights to certain DDA-owned properties to Rosko, including the site of the former Hudson's department store, as part of an incentive package for Quicken to relocate its operations and at least 2,000 employees to downtown Detroit. Pursuant to the development agreement, Rosko had until December 2016 to present a development plan for the site of the former Hudson's department store, including the City-owned below grade parking garage located thereon, meeting the following minimum requirements: a mixed use development consisting of at least: (a) 225,000 square feet of mixed use space (i.e., commercial and/or retail, including integrated, programmed civic space, office, auditorium(s), etc.), (b) 700 subterranean parking spaces, (c) 250 residential units, (d) a building footprint covering at least 75% of the gross acreage of the Hudson Block at grade, and (e) no grade-level parking other than short term parking for delivery or other uses incidental to the operation of the site. Developer submitted a development plan for a project consisting of approximately 1,500,000 square feet, including a 42-story 250-unit residential tower, approximately 840,000 square feet of mixed use, commercial, and civic space, and 700 below grade parking spaces. Financing for the proposed development plan depends, in part, on the approval by the Michigan legislature of certain amendments to PA 381 of 1996. If the legislature is

not approved, it is expected that Rosko will pursue an alternative development plan meeting the above-described minimum requirements.

Developer

The developers are REDICO and Compuware. At the time of the 2005 Plan Amendments the relationship between the DDA, the City, and KWA had been terminated. The DDA has entered into a development agreement with an affiliate of REDICO to develop a 250,000 square foot office building within Unit 2 of the Kennedy Square Condominium. Rosko is expected to develop the Hudson's site into a project meeting the above-mentioned minimum requirements.

Public improvements, site preparation, development support and construction of parking facilities may be conducted by the DDA directly.

The Parking Garage on the former Hudson's site has been constructed by the Detroit Building Authority.

Location, Extent and Character of the Proposed Construction

A. Project Area. The improvements are to take place within an area described as follows: Beginning at the intersection of Griswold and Fort Street proceeding north along Griswold to the intersection of Griswold and Grand River, then east on Grand River to the intersection of Grand River and Broadway; then southeast along Broadway through the intersection of Gratiot and Broadway/Randolph, southeast on Randolph to the intersection of Randolph on Monroe; then southwest on Monroe to the intersection of Monroe and Farmer; then southeast on Farmer to the intersection of Farmer and Bates; then southwest on Bates to the intersection of Bates and Cadillac Square; then northwest on Cadillac Square to the intersection of Cadillac Square and Fort Street then west on Fort Street to the point of beginning. The Project Area may be amended from time to time by means of a resolution passed by the Board of the City of Detroit Downtown Development Authority.

B. The improvements to Campus Martius Condominium Unit No. 1 are parking facilities are constructed below-grade, in an area generally encompassed by the footprint of the demolished Hudson's department store, including underground basement areas extending under certain streets and is bounded by Grand River, Farmer, Gratiot and Woodward Avenue. Campus Martius Condominium Unit Nos. 1 and 2 are expected to be improved as follows: a mixed use development consisting of at least: (a) 225,000 square feet of mixed use space (i.e., commercial and/or retail, including integrated, programmed civic space, office, auditorium(s), etc.), (b) 700 subterranean parking spaces, (c) 250 residential units, (d) a building footprint covering at least 75% of the gross acreage of the Hudson Block at grade, and (e) no grade-level parking other than short term parking for delivery or other uses incidental to the operation of the site.

C. The nature of the improvement may include, but not be limited to, construction of buildings and parking facilities; design, engineering and construction of a new public park; relocation and construction of road and utility improvements, and traffic control; building infrastructure support; engineering and design services; landscaping; relocation and addition of public lighting facilities; relocation and construction of public sidewalks; creation of a connection between parking facilities and the People Mover, and similar related public improvements as called for in the Development Agreements.

Existing Improvements to be demolished, repaired or altered

The Kennedy Square Garage was demolished and rebuilt. All roads, public utilities, sidewalks, existing landscaping, traffic control devices, and intersections within the Project Area may be modified, demolished,

repaired or altered. In addition, new roads, public utilities, sidewalks, landscaping, traffic control devices, intersections and other public facilities may be created.

Estimate of the Number of Persons residing in the Project Area

Approximately 50-100 people who reside in existing buildings within the Project Area.

Estimate of the Number of Persons to be relocated

None

Required Zoning Changes

None

Estimated Cost \$735,000,000¹

Source of Funds

Public:		\$ 44,400,000 in DDA tax increment funds or
	other public funds	
		\$ 29,000,000 in DBA Revenue Bonds
Private:	\$661,600,000	

The improvements to Campus Martius Condominium Unit No. 1 were constructed with approximately \$29.0 million in City of Detroit Building Authority Revenue Bonds plus an amount not to exceed \$6 million in tax increment funds to support the cost of structural enhancements necessary to accommodate future development in Condominium Unit No. 2.

In addition to the allocation identified above, as an inducement to relocate in the City of Detroit and to compensate for the requirements created by the design and use criteria imposed by the DDA and the City of Detroit, an amount of tax increment funds will be paid to Compuware to support the public benefits gained by the design and use restrictions imposed upon Compuware.²

Estimated Commencement Date: Fall/Winter, 1999

Estimated Completion Date: Condominium Unit No. 1 was completed in 2004. Kennedy Square Condominium Unit No. 2 was completed in 2007

¹ Rosko's proposed development plan anticipates a total project cost of approximately \$766 Million, approximately \$75 Million of which would be through public financing tools other than DDA tax increment financing.

² The details of such allocation of funds are reflected in the Development Agreement entered into or to be entered into between Compuware, the DDA and the City.

407.2.8 Ally Financial

Project Description

The DDA's Amended and Restated Tax Increment and Financing and Development Plan for Development Area No. 1 established the Housing/Office/Retail Development and Absorption Fund for the purpose of assisting with tenants wishing to be located within the downtown district and the costs associated with improving the existing office space to accommodate the relocation. In the beginning of 2015, Ally Financial sought to retain its current operations plus consolidate its suburban operations to downtown Detroit. Ally Financial moved its headquarters to 500 Woodward Avenue and signed a 12-year and nine-month lease for approximately 321,000 square feet of office space. The move was expected to result in the retention of 700 employees, the relocation of an additional 600 employees as well as 200 independent contractors and vendors from outside the City.

In an effort to encourage Ally Financial to consolidate and relocate its employees to downtown Detroit, on March 31, 2015, the DDA Board of Directors approved a resolution relocating funds from the Housing/Office/Retail Development and Absorption Fund to offset costs associated with employee parking.

Developer

Ally Financial

Location, Extent and Character of Proposed Improvements

The project site is located at 500 Woodward Avenue, bounded by Woodward Avenue and Larned Street. It is adjacent to the Coleman A. Young Municipal Center and located down the street from Campus Martius Park. The estimated square footage to be leased by Ally Financial is 321,000.

Estimated Cost \$50 million

Source of Funds

Public:		\$ 11,630,000 in DDA tax increment funds
Private:	\$ 38,370,000	

Completion Date: **April 1, 2016**

407.3 Convention Facilities Area

407.3.1 Robert L. Millender Center (currently the Renaissance City Apartments) 1

Project Description

The Robert L. Millender Center project comprises a multi-story 1,850-space parking structure covering an entire two-city-block site at East Jefferson and Randolph, including the air space over the dedicated right-of-way of Larned Street. The garage design incorporates an infrastructure and podium deck that supports a 258-room hotel and 339 residential units constructed in the air rights above.

All facilities are connected at an interchange level one floor above grade. The second level accommodates a commercial mall of approximately 40,000 square feet developed in conjunction with a pedestrian skyway system that connects the center directly with the City-County Building and the Renaissance Center. The project accommodates a People Mover station at its southwest corner. Limited commercial area is located at grade. Amenities include a health club that serves both the hotel/apartment complex as well as the general public. Hotel restaurants at ground level also serve residents and tenants of the complex as well as the general public.

Developer

Forest City Dillon, of Cleveland, Ohio.

Location, Extension and Character of the Proposed Construction

The project site is bounded Jefferson, Randolph, Congress and Brush Streets, encompassing two city blocks totaling approximately 3.5 acres and crossing over Larned Street, which will remain open to through traffic. Land acquisition, demolition and relocation are essentially complete, and the site is ready for construction to commence. It is estimated that construction of the garage will require less than twenty-four (24) months; the apartment structure and the hotel to be constructed above the garage are estimated to require less than twenty-four (24) months to complete.

Estimated Cost \$98.877 million

Source of Funds

Private: \$52.383 million

Public: \$46.494 million² (includes \$7.096 million in tax
increment financing; \$22.435 million tax increment/HUD Section 108;
\$13.150 million HUD UDAG; \$3.795 FAUS)

¹ Was adopted by the DDA in May, 1978 as the concept plan for development of a multi-use project with components devoted to public transportation and public parking, apartments, office space, health club, commercial space and skyway connectors to the Renaissance Center and City-County building.

² The September, 1988 Plan amendment reflected an increase of \$2 million for contingent costs associated with the Skywalk Bridge construction closeout costs and \$280,000 were reallocated from the Millender Center project to a newly implemented project entitled, "Skywalk Bridges Maintenance and Improvements".

As amended in June 23, 1993, the Plan allocated an additional \$2.25 million to cover FY94-96 operating shortfalls. The subsequent Plan amendment reduced that allocation by \$2 million, dedicating the remaining \$250,000 to professional services.

The project cost was reduced by \$160,000 with the reallocation of the unexpended tax increment funds; pursuant to the July 21, 1999 Plan amendment.

Estimated Completion Date October, 1985.¹

ROBERT L. MILLENDER CENTER (currently the Renaissance City Apartments)
Sources and Uses of Funds

Estimated Project Costs

Land acquisition

The City acquired the land for the project; the Authority will purchase the site from the City

Public Financing (tax increment) \$ 3,500,000

Infrastructure support to permit private development above the garage to include a deck or podium over the top level of parking; structural reinforcements and additional, special lobby and access provisions. Additionally, it would be necessary to modify, relocate, and extend the utilities to make them available to the site.

Public Financing (tax increment funds) 1,099,000

Parking Garage: 1,950-space publicly-owned parking garage with foundations and columns to support development above.

Public Financing (UDAG Funds) 11,687,000

Hotel: A 250-room hotel with banquet and recreational facilities built above the garage

Public Financing (HUD Section 108 funds) 16,000,000

Commercial Space: 40,000 sq. ft.

Private Financing

Public Financing (UDAG funds) 4,513,000

Residential: 450 one and two bedroom apartments

Private Financing 32,715,000

Skyway System and People Mover Station

Two climate-controlled pedestrian bridges connected to the City-County Building and Renaissance Center, connected within the building at a concourse and transfer level. The DPM station is constructed inside the building.

Private Financing 1,050,000

Public Financing 5,828,000

(it is anticipated that UMTA or FAUS (\$3,795,000) and tax increment funding (\$2,033,000 will be utilized)

¹ The project was completed in the Fall of 1985 and a project grand opening held in October, 1985. However, the Authority retained certain rights and responsibilities with respect to the project.

In May, 1998, General Motors Corporation acquired the Authority's rights and interests in the Robert L. Millender Center hotel, garage and retail components, along with the Authority's responsibilities associated with the operation, maintenance and repair of the two skywalk bridges connected to Millender Center.

Robert L. Millender Center (currently the Renaissance City Apartments)

Sources and Uses of Funds (continued.)

Soft Costs	\$ 21,080,000
A&E, taxes and insurance, construction period interest, leasehold improvements, contingencies, working capital, etc. (Tax increment funds and private financing)	
Operating Shortfalls	
Provide for operating shortfalls of the project for FY 1993-94 to 1995-96	
Private	1,250,000
Public	155,000
Total Cost	\$ 98,877,000

407.3.2 Congress/First Street Hotel-Cobo Hall Expansion¹

Project Description

When Cobo Hall opened in 1961, it was considered one of the largest and finest convention centers in the country. By 1983, it had slid to 14th position and was considered a medium sized complex. The center's competitive position in the convention market is impacted by continued growth trends in the size and number of conventions and trade shows and the consequent increasing demand for more contiguous exhibition space and for more and larger meeting room space directly accessible to exhibition halls. The City of Detroit therefore determined that Cobo Hall must expand if it is to remain nationally competitive. In October, 1985, a ground breaking ceremony marked the beginning of an expansion program to expand the center from 400,000 square feet of exhibition space to an ultimate build-out of one million square feet in exhibition space.

The City of Detroit and the Authority determined development of a hotel adjacent to the site of the Cobo Hall expansion project to be both feasible and necessary in order to meet the demand for additional hotel rooms anticipated to result from the Cobo Hall Expansion Project. The proposed hotel site is bounded by Second, Congress, First and Larned Streets. With funds made available pursuant to this Plan, the Authority would acquire a portion of the site and would reimburse the City for the cost of that portion of the property acquired by the City, in consideration of rights to development in the space above the expanded Cobo facility within the aforementioned block.

In cooperation with the Civic Center and the Metropolitan Detroit Convention and Visitors Bureau, the Authority intends to fund the establishment of a "sister city" display² in the Cobo Center atrium which will be incorporated into a comprehensive visitor information center. The display will showcase the many sites and mementos received by the City as a result of the continuous relationship between Detroit and Toyota City, Japan, a relationship that has proven beneficial to the City's economic development objectives. The information center will service the one million plus annual visitors to the Center, providing current information on dining, entertainment, lodging and other activities of interest to visitors.

Developer

A hotel developer is yet to be selected. The sister city display is an undertaking of the Authority.

Location, Extent and Character of Proposed Improvements

The proposed hotel would be constructed within an area bounded by Second, Congress, First and Larned Streets. The proposed 30 story, 466 room hotel would include lounges, restaurants, an indoor pool, exercise facilities and commercial retail shops to serve hotel guests. The exterior design will be compatible with that of the expanded Cobo Conference and Exhibition facility.

The hotel construction would require twenty-four (24) months to complete. During that period, construction activities will involve laying of foundations, steel fabrication and erection, exterior panels and glazing, rough mechanical (electrical, HVAC and plumbing), interior cement, interior partitions, elevator, finish mechanical, finish carpentry, painting and wall finish. All exterior work, such as walkways,

¹ The Congress/First Street Hotel project was made a part of the Plan pursuant to the November 10, 1986 amendment. Proposed was a \$53 million, 466-room hotel in the air rights above a portion of the expanded Cobo facility. The hotel development did not materialize.

In October, 1985, a ground breaking ceremony marked the beginning of an expansion program to add 350,000 square feet of exhibition space to the existing 400,000 square feet. The Cobo Expansion project was completed in late 1989. The July, 1989 Plan amendment provided a stabilization grant to the Cobo Hall Expansion project to defray certain operational costs and expenses associated with the completed facility's first year of operation. An August, 1991 Plan amendment provided an additional \$7.1 million to defray 1991 and 1992 shortfalls, and a subsequent modification provided \$7.1 million to defray FY 1992-1993 and 1993-1994 operating shortfalls.

² Included in the Plan pursuant to the August 5, 1992 amendment.

driveways, rough grading, landscaping, and sprinkling system would be accomplished within the twenty-four (24) month time frame.

Location, Extent and Character of Proposed Improvements

The Cobo Hall Expansion project is generally bounded by Congress, Washington Boulevard, the Detroit River and Second Streets. In December, 1986, with funds made available pursuant to this Plan, the Authority purchased a portion of the block bounded by Congress, First, Second and Larned Streets. At the same time, the City of Detroit purchased the remainder of the property. The Authority will reimburse the City its acquisition cost plus interest, in consideration of conveyance to the Authority of the air-rights above the expanded Cobo Conference and Exhibition facility as constructed within this block. The Cobo Expansion project is anticipated to commence in October, 1985.

Estimated Cost \$71,607,000

Source of Funds

Private:	\$37,500,000
Public:	\$34,107,000

Completion Date Cobo Hall Expansion project: 1989.
The sister city display: Spring 1995.

CONGRESS/FIRST STREET HOTEL/COBO HALL EXPANSION
Sources and Uses of Funds

Estimated Project Costs

Acquisition of land in the block bounded by First, Second, Congress and Larned Streets	
Public Financing (tax increment funds)	\$ 7,125,000
Construction of a 30-story 466-room hotel	
Private Financing	20,500,000
Public Financing	8,000,000
(Public financing consists of \$8,000,000 UDAG)	
F, F & E	
Private Financing	5,100,000
Architectural/Engineering and Professional Fees	
Private Financing	2,750,000
Financing Costs and Construction Period Interest	
Private Financing	6,500,000
Working Capital	
Real estate taxes, insurance and miscellaneous expenses	
Private Financing	2,650,000
Financing	
Public Financing (tax Increment funds)	992,000
Cobo Expansion Stabilization Grant	
Public Financing (tax increment funds)	3,690,000
Cobo Expansion Stabilization Loan	
Public Financing (tax increment funds)	14,200,000
Sister city display/information center	
Public Financing (tax increment funds)	100,000
Total Cost	\$ 71,607,000

407.3.3 Riverfront West Residential

Project Description

The Riverfront West area is comprised of a 26.7 acre site along the river, west of the Joe Louis Arena. A comprehensive and balanced approach to the development of the area calls for phased development of a residential complex consisting of associated parking and marina facilities and for hotel and retail facilities to complement the convention facilities in the area. The extension of a pedestrian/bicycle path north of the apartment complex will be an integral part of a linked pedestrian/bikeway system connecting the residential and hotel components with other Riverfront developments to the east and the west including Hart Plaza and other public spaces.

The initial project phase includes a 520-unit luxury apartment complex in twin high-rise towers, a health club, 77-slip boat marina and 900-space parking garage.¹ Phase II development involves construction of a 350-room hotel² just west of the Joe Louis Arena and a 273-unit residential tower similar to and compatible with the Phase I complex.

Developer

Riverfront Associates 1 and 2 and Riverfront Associates 3 and 4.

Location, Extent and Character of Proposed Improvements

Land for the project is part of parcels of land purchased by Riverfront Associates, the developer, from Penn Central Railroad. That land is generally located between the Detroit River and West Jefferson Avenue, west of Third Avenue. A pedestrian bridge would link the development to the People Mover System.

Phase I construction would commence in September, 1982 on the apartments, the first stage of construction, with completion of the entire project within thirty-six (36) months. The sequence of construction activities for Phase II will be such that pile foundations and utility work will be accomplished over a nine (9) month period. Construction of the residential tower would begin in the fall of 1989. The projected completion of construction activities, inclusive of street and site improvements and vertical transportation connection to the People Mover system, is September, 1991.

Estimated Cost Phase I - \$83.84 million; Phase II - \$39.85 million

Source of Funds

Private:	Phase I - \$57.643 million (including \$50 million in DDA revenue bonds)
	Phase II - \$30.6 million
Public:	Phase I - \$26.199 million
	Phase II - \$9.25 million in tax increment funding

Completion Date	Phase I:	Spring 1985
	Phase II:	September 1991

¹ Phase I development adopted as a DDA project pursuant to the May 21, 1980 amendment and completed in Spring, 1985; Phase II development incorporated on November 10, 1986 and completed in September, 1991.

² Implementation of the hotel component was held in abeyance pending firm financing commitments.

RIVERFRONT WEST RESIDENTIAL PHASE I
Sources and Uses of Funds

Estimated Project Costs

Acquisition/Land

26.7 acres located along the river west of the Joe Louis Arena

Private Financing	\$ 2,722,513
Public Financing (UMTA)	370,930

Infrastructure

Foundations, platforms, ground level pedestrian walkway and bike path and related structures

Private Financing	5,877,282
Public Financing (UDAG, UMTA)	12,029,968

Street Site and Other Public Improvements

Private Financing	69,933
Public Financing (UDAG, UMTA, CDBG)	7,079,765

Elevated Pedestrian Walkways

Private Financing	75,400
Public Financing (UMTA)	301,600

Construction of a 900-car parking garage

Private Financing	4,559,485
Public Financing (UDAG)	978,542

Construction of a 520-unit luxury apartment complex

Private Financing	40,349,608
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Land Reclamation and Marina

Club house, jogging track and 77-slip boat marina

Private Financing	542,000
Public Financing (UDAG, UMTA)	2,247,000

Health Club, retail, including foundations, platforms and related structure

Private Financing	1,896,450
Public Financing (UDAG)	332,600

Contingencies

Private Financing	1,500,000
Public Financing (UDAG, UMTA)	2,859,000

Total Cost	\$ 83,842,076
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RIVERFRONT WEST PHASE II
Sources and Uses of Funds

Estimated Project Costs

Acquisition/Land	
Private Financing	\$ 2,000,000
Street and Site Improvements	
Private Financing	2,000,000
Construction and General Conditions	
Private Financing	17,458,000
Public Financing	9,250,000
(Public financing consists of and tax increment funds)	
Construction Financing and Interim Taxes	
Private Financing	4,127,000
Marketing, Equipment, Fixtures and Professional Fees	
Private Financing	3,355,000
Working Capital	
Private Financing	280,000
Contingency	
Private Financing	1,380,000
Total Cost	\$ 39,850,000

407.3.4 Convention Facilities Area Public Improvements

Project Description

Proposed is a Washington Boulevard/Jefferson/Brush/Civic Center Enhancement Project¹ which would encompass the entire 120 foot wide Jefferson Avenue right-of-way between Cobo Hall and St. Antoine, the Brush right-of-way between Jefferson and Gratiot and the Washington Boulevard right-of-way between Jefferson Avenue and Grand Circus Park providing paving, plant materials, signage, lighting (including Christmas lighting) and irrigation system improvements, street furniture and other boulevard construction. The Authority will finance the requisite engineering study related to this portion of the project and will use its best efforts to identify a funding source for construction.

Tax increment funds would also support the Clean Up, Fix Up Program² to be spearheaded by Downtown Detroit, Inc. ("DDI"). The program is intended to address such blighting conditions as broken windows and deteriorating facades of vacant and boarded up buildings, damaged sidewalks, unsanitary alley spaces, and greening/landscaping needs in and around public spaces, all within the DDA Downtown District.

Additionally, the Authority proposes to provide funds in support of the Downtown Christmas Lighting Program, now an annual undertaking of DDI. Tax increment revenues will be made available for the purpose of lighting Jefferson and Woodward Avenues.

Developer

The Downtown Lighting and the Clean Up, Fix Up programs are a DDI initiative. The Washington Boulevard/Jefferson/Brush/Civic Center Enhancements Project was a DDA initiative. Pursuant to the 2003 Plan amendment, the DDA portion of this project has been reassigned to the Lower Woodward Improvement Agenda.

Location, Extent and Character of Proposed Improvements

As part of the Lower Woodward Improvement Agenda adopted in the 2003 Plan amendment, improvements to the Cobo Center public space fronting on Washington Boulevard will be implemented through the Lower Woodward Streetscape Improvement Project.

In cooperation with various City departments, building managers and building owners, and a network of block captains acting as the "eyes and ears" of DDI, committees comprised of volunteers would formulate and implement strategies for improving aspects of urban design, parking, security, lighting, image, landscaping, retail presence, etc., throughout the Downtown District. Two summer interns would assist the DDI staff in administering the program.

Once implemented, the Clean Up, Fix Up program would be on-going.

Estimated Cost	\$5,560,000
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Source of Funds

Public:	\$5,560,000 in tax increment financing.
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The estimated cost of the necessary preliminary streetscape design and engineering study is \$1.2 million; \$1.15 million is dedicated to the Cobo Center frontage public site improvements. The Authority will use its best efforts to raise additional monies to complete the improvements.

¹ The November 13, 1996 Plan amendment added the Washington Boulevard right-of-way between Jefferson and Grand Circus Park as area to be treated.

² Introduced in the Plan pursuant to the August 5, 1992 amendment.

Estimated Completion Date

The project was completed in the late 1990's with the exception of (a) the Washington Boulevard/Jefferson/Brush/Civic Center Enhancement component which was assigned to the Lower Woodward Improvement Agenda to be completed by December, 2005, and (b) the Downtown Holiday Lighting and Safety Program to be completed December 2022.

CONVENTION FACILITIES AREA PUBLIC IMPROVEMENTS
Sources and Uses of Funds

Estimated Project Costs

Washington Boulevard/Jefferson/Brush/Civic Center Enhancements Preliminary design and engineering in preparation for streetscape improvements along Jefferson Avenue from St. Antoine Street to the Cobo Conference and Exhibition Center, along Brush from Jefferson to Gratiot, and along Washington Boulevard from Jefferson to Grand Circus Park	
Public Financing (tax increment funds)	\$ 450,000
Cobo Hall Entrance/Public Improvements Improvements would include but not be limited to paving plantings, surface treatment and repairs along the trolley tracks in this area, and installation of art.	
Public Financing (tax increment funds)	- 0-
Jefferson Avenue - Woodward Avenue Lighting ¹ Financing for Holiday Lighting/Decorating Program for FY 1986-1987 through FY 2022-2023	
Public Financing (tax increment funds)	5,560,000
Clean-Up, Fix-Up Program DDI-implemented program to address blighting conditions as presented by vacant/boarded up buildings, sidewalk disrepair, greening/landscaping needs in public spaces, etc.	
Public Financing (tax increment funds)	100,000
Total Cost	\$ 5,560,000

¹ The Plan initially provided approximately \$60,000 annually for the Downtown Holiday Lighting Program, beginning in FY 1986-1987. The 1991-92 allocation was \$70,000 as was the allocation for FY 1994-1995. For the next five fiscal years, 1995-1996 through 1999-2000, the Authority allocated \$70,000 per annum to finance the Holiday decoration of Woodward Avenue and East Jefferson. The June, 1998 Plan amendment provides an additional \$70,000 per year through FY 2002-2003. The June, 2003 Plan amendment provides for an additional \$200,000 per year for the next five fiscal years, 2003-2004 through FY 2007-2008 to support the Holiday Lighting and Safety/Decorating Program. The June, 2008 Plan amendment provides for an additional \$200,000 per year for the next five fiscal years, 2007-2008 through FY 2012-2013 to support the Holiday Lighting/Decorating Program. The 2013 Plan amendment provides for an additional \$200,000 per year for FY 2013-2014 through FY 2017-2018. The 2017 Plan amendment provides for an additional \$200,000 per year for FY 2018-19 through FY 2022-2023.

Project Description

The project involves the construction of a 25-story, 500,000 square foot office building, an 800-car parking garage and 14,000 square feet of retail space. Restaurants and a sundry store and other convenience retail uses will be located at ground and lobby level for the convenience of office tenants. The Authority intends to participate in the financing of construction and tenant improvements. Additionally, the Authority will provide a grant to the developer in consideration of the developer providing an easement to the Detroit Transportation Corporation ("DTC") for the People Mover Station.

Developer

The developer is the Detroit Development Group, LTD., a Colorado limited partnership, in which the John Madden Company is a general partner. The John Madden Company approached the Authority and the City for assistance.

Location, Extent and Character of Development

The project will occupy the block bounded by Jefferson Avenue, Shelby, Larned and Griswold, positioned so as to maximize peripheral views and solar exposure and to enhance its relationship to the surrounding buildings. The exterior will be of stone and glass; the building will have state-of-the-art mechanical systems, with each floor being mechanically self-contained.

The construction timetable anticipates a construction start of September, 1987, with completion by May of 1989.

Estimated Cost	\$92,634,335
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Source of Funds

Private:	\$83.103 million
Public:	\$9.531 million in tax increment financing

The tax increment participation includes a \$2 million grant to the developer in consideration of providing an easement for the People Mover Station located on Larned between Shelby and Griswold.

Completion Date	Spring 1989
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¹ Adopted as DDA project pursuant to the April 15, 1987 Plan amendment and completed in Spring, 1989.

150 WEST JEFFERSON
Sources and Uses of Funds

Estimated Project Costs

Acquisition of property bounded by W. Jefferson, Shelby, Congress
and Griswold

Private Financing	\$ 8,000,000
Public Financing	2,000,000

Construction of a 500,000 sq. ft. office tower, 800-car garage and
14,000 sq. ft. of retail space

Private Financing	52,497,615
Public Financing (tax increment funds)	97,500,000

Construction period financing, projected operating deficits and
financing fees

Private Financing	9,148,292
Public Financing (tax increment) ¹	31,363

Professional Fees

Architectural, engineering, leasing and development

Private Financing	10,687,065
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Contingency

Private Financing	2,670,000
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Total Cost	\$ 92,634,335
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¹ Provided to developer by DDA due to delay of disbursement of committed funds.

407.3.6 One Detroit Center

Project Description

Proposed is development of a landmark commercial real estate project encompassing the site known as the 500 Woodward block as consistent with the City's development plans for the Larned-Bates urban renewal site.¹ The entire block is owned by the City of Detroit. The developer is currently negotiating with the private owners the acquisition of parcels within the block bounded by Congress, Randolph, Larned and Bates, which comprises the balance of the proposed development site as envisioned by the Hines Interests.

Developer

Gerald D. Hines Interests (GDHI) of Houston, Texas.²

Location, Extent and Character of the Proposed Improvements

The project site is bounded by Woodward Avenue, Larned, Randolph and Congress Streets. The project would be undertaken in two phases: Phase I would construct an office building comprised of approximately 940,000 square feet of net rentable office space, 15,000 square feet of retail space and an integrated garage for approximately 2,000 cars. The design would allow for construction of a second office tower of equal size, parking for another 600 cars and such additional development as a first class hotel in Phase II.

Access would be provided at both ground and second floor levels. A pedestrian skyway proposed to provide a convenient route to the City-County Building and other skyways leading to the People Mover stations at Renaissance City Apartments (formerly the Millender Center) and the Renaissance Center.

Construction of Phase I office and parking components are anticipated to require twenty-four (24) months to complete.

Estimated Cost	\$242,331,000
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Source of Funds

Private:	\$206.040 million
Public:	\$36.291 million (\$6.715 tax increment; \$7 million Section 108; \$22.576 million comprised of \$16 million Section 108 principal proceeds, plus \$6.58 million in interest at an estimated rate of 8.5%)

Completion Date	Phase I:	September 1991
	Phase II:	Undetermined.

¹ In 1980, the City requested that the Authority assist in the development of the 500 Woodward block.

² The 500 Woodward (Larned-Bates) site was owned by the City prior to the DDA Board approving acceptance of the property. The City had advertised the parcel to the public and entertained proposals from a succession of developers, none of which were able to execute its proposed project. The Gerald D. Hines Interests (GDHI) approached the City to become the designated developer for a reasonable period of time within which the developer would attempt to finance his proposal.

In May, 1998 the Authority realized a net of \$3.9 million (of a total \$5 million) in consideration from the One Detroit Limited Partnership for the DDA's rights and interests in the One Detroit Center development.

ONE DETROIT CENTER **Sources and Uses of Funds**

Estimated Project Costs

Acquisition of land bounded by Woodward Avenue, Larned, Randolph and Congress and construction of a 940,000 sq. ft. office building and parking facilities to accommodate approximately 2,000 vehicles

Private Financing	\$ 101,717,000
Public Financing	29,715,000
(\$7 million UDAG, \$16 million Section 108/tax increment, \$6,715,000 DDA/Mortgage)	

Tenant Finish

Private Financing	44,419,000
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Professional Fees

Architectural, engineering and professional fees

Private Financing	11,158,000
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Marketing

Private Financing	2,845,000
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Leasing

Private Financing	30,863,000
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Financing

Private Financing	10,038,000
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Public Financing (tax increment funds)	6,576,000
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General Administrative

Private Financing	5,000,000
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Total Cost	\$ 242,331,000
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407.3.7 Lansdowne Restaurant Improvements¹

Project Description

The Lansdowne side-wheeler ferry, built to carry railroad cars between Detroit and Windsor, made its maiden voyage in November, 1884. The vessel served that function for some 75 years. The successful rejuvenation of the Lansdowne was brought about by Specialty Restaurants, Inc. of California, when in 1983 the renovated ferry was put into service as a floating restaurant and bar, permanently moored on the waterfront just east of Hart Plaza. Specialty Restaurants owned and operated the restaurants for five years before finally closing its doors.

Proposed are improvements to the physical plant, introduction of varied menus, and modification and adaptation of the space and its uses to attract a wide variety of users. The Authority would participate in funding the proposed capital improvements.

Developer

Partners Dr. Darnell Kaigler and Abdul Duke Fakir.

Location, Extent and Character of the Proposed Improvements

The Lansdowne is permanently moored on the waterfront just east of Hart Plaza. It has three decks devoted to restaurants, bars, kitchens and entertainment. Proposed interior improvements include installation of new bars, new windows and new banquet kitchen; cleaning, repair and restoration work; alterations to rooms and corridor accesses, a new elevator and shaft and development of unused hull space. Exterior treatment will consist of new lighting and signage, painting and repair work, pilot house development and boardwalk treatment of the pedestrian surfaces to render a dock-like setting. The vessel would also be dry-docked to extend its useful life.

Estimated Cost \$2.803 million

Source of Funds

Private: \$2.303 million

Public: \$500,000 in tax increment financing to fund capital improvements.

Completion Date Spring 1989.²

¹ Made a part of the Plan with the April 21, 1989 amendment.

² Improvements substantially completed.

LANSLOWNE RESTAURANT
Sources and Uses of Funds

Estimated Project Costs

Acquisition	
Private Financing (provided by seller notes)	\$ 1,930,000
Renovation and Rehabilitation	
Public Financing (tax increment)	408,000
Furniture, Fixtures and Equipment	
Private Financing	136,000
Public Financing (tax increment)	82,000
Professional Fees	
Private Financing	152,000
Contingency	
Public Financing (tax increment)	10,000
Pre-Opening Expenses	
Private Financing	85,000
Total Cost	\$ 2,803,000

407.3.8 Rossetti Building¹

Project Description

Purchase and improvements to the vacant three-story building at 601 Washington Boulevard formerly occupied by the Rossetti & Associates architectural firm. Broad, Vogt & Conant, Inc., a steel fabricating and erection company with headquarters and plant facilities in River Rouge, proposes to purchase the property and move its corporate headquarters, along with some 50 of its administrative employees, to the Washington Boulevard site.

Developer

Broad, Vogt & Conant, Inc., a structural steel fabrication and erection company located in River Rouge, Michigan.

Location, Extent and Character of Proposed Improvements

The project site is located at the northwest corner of the intersection of Washington Boulevard and Congress Street, comprised of a land area of 7,314 square feet and three-story building of some 23,000 square feet built in 1915 and renovated in 1974. The current building configuration lends itself to the operation of Broad, Vogt & Conant, Inc. and will be used as the corporate headquarters. Contemplated renovations include interior painting, redecorating, carpeting and open landscaping furniture systems.

A financial closing on the property is expected in the summer of 1993. The necessary alternations can be accomplished within 120 days of purchase.

Estimated Cost \$900,000

Source of Funds

Private: \$600,000

Public: \$300,000 in tax increment financing.

Completion Date June 1997.²

¹ Made a part of the Plan with the June 23, 1993 amendment.

² Actual completion date.

ROSSETTI BUILDING
Sources and Uses of Funds

Estimated Project Costs

Acquisition of the real property located
at 601 Washington Boulevard (once occupied
by the Rossetti architectural firm)

Private Financing

\$ 600,000

Rehabilitation/Improvements to the facility
to house 50 employees of River Rouge
steel erecting and fabrication company
to be relocated to Detroit

Public Financing (tax increment funds)

300,000

Total Cost

\$ 900,000

Project Description

Ford Auditorium was the home of the Detroit Symphony until the orchestra moved back to the restored Orchestra Hall, the symphony's original home. In the Authority's view, the possibilities for recapturing the use of Ford Auditorium are wide and varied, provided that the facility's structural integrity and viability can, in the meantime, be sustained. And in that view, the Plan provides that the dedicated tax increment funding may be used for any and all expenses related to the repair and maintenance and/or proposed redevelopment of the facility, including predevelopment studies and analyses.²

Developer

This project is an undertaking of the Authority.

Location, Extent and Character of Proposed Improvements

The project site is located at the intersection of Jefferson and Woodward Avenues. Physical improvements may include, but not be limited to, roof repairs and other maintenance to protect the facility from the elements.

Estimated Cost	\$10,000 (reallocated)
Source of Funds	
Public:	\$10,000 in tax increment financing.
Estimated Completion Date	Fall, 2006. ³

¹ Adopted as a DDA project with the December, 1995 amendment.

² July 21, 1999 Plan amendment expanded the allowable uses tax increment funds for benefit of this project.

³ Ford Auditorium was subsequently demolished in 2012 and funds not used towards the project were reallocated to other projects.

407.3.10 East Riverfront Improvements¹

Project Description

The relocation of General Motors' Global Headquarters to the Renaissance Center and GM's planned East Riverfront Development Design necessitates street modifications to support the particular uses located there, as well as meet the aesthetic requirements of General Motors. Proposed are modifications to roadways, circulation routes and ingress/egress accesses as part of an integrated system intended to provide efficient operation of the roadways immediately adjacent to the Renaissance Center and all entryways to the headquarters.

Developer

The private and public site improvements constituting GM's East Riverfront Development Design will be undertaken by General Motors Corporation with the assistance and cooperation of the DDA and such other public and private entities as appropriate.

Location, Extent and Character of Proposed Improvements

The project area generally lies south of Jefferson Avenue, west of Rivard to the Detroit River, north of the Detroit River and east of Bates. Modification of existing street patterns include, but are not limited to, the relocation of Atwater and Schweitzer Streets, the construction of a paved surface along the river's edge, the construction of a new boulevard street extending south from the I-375 termination to the Detroit River, and the widening of other streets as may be necessary.

Estimated Cost	\$100,000,000
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Source of Funds

Public:	\$15,000,000 - tax increment financing
	85,000,000 - other public and private sources yet to be identified

Estimated Completion Date	To be determined.
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¹ Made a part of the Plan on June 22, 1998.

407.3.11 Riverfront Promenade¹

Project Description

Proposed is enhancement of the Convention Facilities Area along the Detroit waterfront from the westerly boundary of Development Area No. 1 to the easterly boundary of the Development Area. These improvements are a part of an overall strategy designed to create an aesthetically pleasing and functional riverfront environment that is accessible to pedestrians and integrates fully with the enhancements planned by General Motors Corporation for its new headquarters and the river's edge in its vicinity.

Developer

The DDA, which will act as the implementing agency.

Location, Extent and Character of Proposed Improvements

The project area encompasses the public space spanning the southern boundary of Development Area No. 1 along the river's edge. The land between the river's edge and the street right-of-way is a series of paved and gravel parking lots which are enclosed with chain link fence in most areas; the People Mover guideway is immediately above the site as it passes Cobo Center, with several columns intruding into the space at regular intervals. Phase I of the Plan calls for extensive repair of the seawall and coffer dam which has significantly eroded over the years; elimination of existing parking lots along the water's edge; installation of new landscape materials, concrete walkways, railings, lighting, street furniture, signage and irrigation. These improvements will take place along the waterfront from Joe Louis Arena on the west to Ford Auditorium on the east.

Provided that funds become available, Phase II of the project will include improvements along a 200 by 30 foot waterfront strip, which is situated between Third Street and the Riverfront Apartments complex.²

Albert Kahn Associates executed the preliminary project design with Sasaki Associates, who provided architectural, engineering, landscape architecture and conceptual estimating services.

Preparation of construction documents is expected to take approximately 90-120 days, with construction extending 6-8 months from execution of a contract. Based on DDA experience constructing and maintaining the Riverfront Promenade the budget is established at \$1,000,000. .

Estimated Cost	\$9,000,000
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Source of Funds

Public:	\$1,000,000	Tax Increment financing to fund any and all aspects of project design, implementation and maintenance
	\$8,000,000	From public sources yet to be identified.

Estimated Completion Date	Fall, 2000
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¹ Adopted as a part of the Plan in June 1998.

² The July 21, 1999 Plan amendment provided for Phase II improvements and expansion of the project area to encompass the southern boundary of the Development Area.

407.3.12 EDS Relocation

Project Description

The City and the DDA were successful in attracting over 1,500 EDS employees to Tower 500 of the Renaissance Center. Included as part of the incentive package utilized to attract these employees, the City and the DDA committed to providing parking for the employees at reduced rates for a period of up to ten (10) years. The DDA will make arrangements with the nearby parking operators to secure these spaces. In addition, the DDA will provide a \$3 million grant to the landlord towards the cost of the tenant improvements to the office space occupied by EDS.

Developer

The DDA and RHI Holdings II, Inc.

Location, Extent and Character of Proposed Improvements

Tower 500 of the Renaissance Center.

Estimated Cost	\$29,000,000
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Source of Funds

Private:	\$20,000,000
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Public:	\$3,000,000 in tax increment financing
	\$6,000,000 grant from The Economic Development Corporation of the City of Detroit

Completion Date	December, 2005.
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EDS RELOCATION
Sources and Uses of Funds

Estimated Project Costs

Private Financing	\$20,000,000
Public Financing	
Tenant Improvements	\$3,000,000
Parking Subsidy	\$6,000,000
Total Public Funds	\$9,000,000
Total Cost	\$29,000,000

407.4 GREEKTOWN AREA

407.4.1 Trappers Alley Specialty Retail Center (currently Greektown Casino)

Project Description

The Trappers Alley Specialty Retail Center development involves the renovation and adaptive reuse of the former Traugott Schmidt Fur Tanning Company to a 160,000 square foot, five-story, specialty retail center comprised of approximately 60% retail and 40% food establishments. The Authority's role in the project is to administer the \$2.8 million Urban Development Action Grant (UDAG) funds to the Trappers Alley Limited Partnership (TALP), and to negotiate a proposed \$982,170 loan from the Michigan Strategic Fund (MSF) to TALP.¹

Developer

Trappers Alley Limited Partnership.

Location, Extent and Character of Proposed Improvements

Trappers Alley Specialty Retail Center is located on a 1.2 acre site at the southeast corner of Monroe and Beaubien Streets. The property consists of five buildings constructed between 1853 and 1920. Treatment of three of these buildings constitutes the project. Plans call for significant improvements and alterations to the buildings and leasehold improvements for retail tenants. The buildings, which surround an L-shaped skylight-covered alley, will be connected by escalators, elevators, walkways and balconies.

Estimated Cost \$20,974,014

Source of Funds

Private: \$11.973 million
Public: \$9.037 million
Includes a \$2.49 million in tax increment funding; a \$2.8 million UDAG; \$1.5 million CDBG; \$2.046 million DEGC funding; \$200,000 in ICF.

Completion Date April, 1985.

¹ The DDA was unable to reach mutually agreeable terms with MSF at the time of closing and the Detroit Economic Growth Corporation (DEGC) was requested to make an interim loan of \$982,170 to permit closing on the project. The DDA would allocate an amount of up to \$200,000 to repay the DEGC for interest on the interim loan extended to TALP from December 1983 until such time that the MSF loan was closed, as the MSF would only consider lending the principal amount of \$982,170. The DDA established a sinking fund account for 19 years, initially funded at \$75,000 a year (subject to periodic adjustments to reflect market conditions), to provide for repayment to MSF of all outstanding principal and accrued interest 19 years from closing of the loan.

The MSF loan was never closed. The DEGC interim loan, therefore, remained on the books. In addition, in late 1986 and early 1987 the DEGC extended, on behalf of the DDA, through its subsidiary, the Amerivision Development Corporation, a \$1 million capital contribution to the Trappers Alley project in order to prevent its deterioration due to lack of marketing resources and required improvements. The capital contribution was matched by the Developer and by payment accruals in favor of Blue Cross/Blue Shield, the first mortgage lender. The Authority's original allocation of \$1.25 million increased by \$1.3 million (considered a grant to the Trappers Alley project) to a total of \$2.55 million. The funds were dedicated to the reimbursement of the DEGC and its subsidiary for the \$982,170 interim loan and the \$1 million capital contribution, including principal and interest at 1% above NBD's prime rate, accrued and capitalized quarterly.

TRAPPERS ALLEY (currently Greektown Casino)
Sources and Uses of Funds

Estimated Project Costs

Acquisition/Land and Buildings	
Private Financing	\$ 6,380,800
Public Financing	2,246,000
(\$2,046,000 DEGC/EDA; \$200,000 ICF)	
Rehabilitation/Construction	
Rehabilitation of three buildings into a 160,000 sq. ft. GLA retail/ food center	
Private Financing	3,469,137
Public Financing	2,654,000
(\$689,000 tax increment funds; \$1,965,000 UDAG)	
Tenant Allowance	
Private Financing	723,000
Public Financing	2,277,000
(Public financing consists of \$202,000 in tax increment; UDAG of \$575,000; and \$1,500,000 CAS)	
Promotion/Leasing/Administration	
Includes marketing, leasing fees, legal and administrative	
Private Financing	383,907
Public Financing	1,350,000
(\$1,091,000 in tax increment; \$259,000 UDAG)	
Contingency	
Reserve for two years of BC/BS loan service requirements	
Private Financing	982,170
Financing	
Interest on the gap financing and capital contribution	
Public Financing	508,000
Total Cost	\$ 20,974,014

407.4.2 Blue Cross/Blue Shield Development

Project Description

In order to accommodate technological advances Blue Cross/Blue Shield of Michigan ("BC/BS") must increase its available office space in downtown Detroit or move its employees from the present corporate facility on East Lafayette between St. Antoine and the Fisher Freeway. BC/BS therefore proposes to expand its downtown facilities with construction of a 170,000 square foot office building and 584-car parking structure on the site of the previously proposed Downtown Hotel.¹ The proposed BC/BS development, adjacent to their existing corporate headquarters, is anticipated to meet this demand. Upon completion, BC/BS will relocate 400 employees from their present facility and thus provide space for an additional 400-600 employees at some future date.

Developer

The City has long held parcels of land on East Lafayette and Beaubien originally acquired to permit widening of those two streets. The City made these parcels available to the public and entertained proposals from various developers. The City and the Authority have selected Blue Cross/Blue Shield of Michigan as the developer for this site.

Location, Extent and Character of Proposed Improvements

The project site is bounded by East Lafayette, Beaubien, St. Antoine and East Fort. It is adjacent to the existing BC/BS corporate offices and to Greektown and is one block away from the Atheneum Hotel and the Monroe-Cadillac Mixed-Use project, all of which collectively represent substantial improvements in the area.

A seven-story office tower totaling 170,000 square feet and 584-car parking structure are to be constructed. The design would be compatible with the adjacent buildings in nearby Bricktown and Greektown, which will enhance consumer perception of the BC/BS development as a part of Greektown.

The project is expected to take eighteen (18) months to complete.

Estimated Cost \$36.8 million

Source of Funds

Private: \$34.8 million
Public: \$2 million

Estimated Completion Date Groundbreaking in May, 1996 and completion in June, 1998.

¹ The "Downtown Hotel" project was one of several hotel projects the City anticipated coming on-line to meet demand for additional hotel rooms. It was adopted as a DDA project with the November 10, 1986 Plan amendment which provided for site acquisition and DDA participation in construction funding. The Authority acquired property adjacent to the proposed hotel to permit construction of a public parking facility which would not only accommodated hotel patrons but provide additional parking for Blue Cross/Blue Shield employees and visitors and those patronizing and working in Greektown. Twice, designated developers were unable to move forward with development plans. The hotel project did not materialize and the DDA maintained interim use as surface parking.

BLUE CROSS/BLUE SHIELD DEVELOPMENT
Sources and Uses of Funds

Estimated Project Costs

Acquisition/Land

Private Financing \$ 1,400,000

Public Financing 2,000,000

(Public financing consists of tax increment revenue. The sale of the Authority's parcel will result in the reimbursement of the expenditure for the acquisition of the parcel.)

Construction

Private Financing 33,400,000

Total Cost \$36,800,000

407.4.3 Atheneum Hotel¹

Project Description

The project involves the renovation of the 180,000 square foot National Wholesale Drug Warehouse to a nine-story, luxury hotel. The proposed hotel is a much needed addition to help meet the increasing demand for quality hotel accommodations in Downtown Detroit. The choice location within Greektown's entertainment district and close access to the People Mover system is ideal.

Developer

The International (Atheneum) Hotel Project was initiated privately by the developers, Jim Papas and Ted Gatzaros.

Location, Extent and Character of the Proposed Improvements

The proposed hotel, located at 445 East Lafayette, will contain 176 luxury rooms from the second through the ninth floors. The first floor is reserved for an entrance lobby, support services, hotel pub and offices. Guests will arrive at the hotel by driving up through the main lobby driveway and have their cars valet parked. Guests may alternatively use other parking facilities available in the general vicinity. A skywalk bridge will connect the Hotel to the International Center Building, a magnificent mixed-use building which houses retail shops, first-class dining establishments, and office tenants. The Center Building's banquet/conference facility, with a seating capacity of over 600, can accommodate a wide range of functions and will perfectly compliment the needs of many business guests.

The project has been awarded a \$4.8 million Urban Development Action Grant to be administered by the Authority, which constitutes the extent of the Authority's participation in the project. The Atheneum Hotel project is, therefore, made a part of the Development Plan only and not the Tax Increment Financing Plan.

Estimated Cost	\$28,654,120
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Source of Funds

Private:	\$23,854,120
Public:	\$4.8 million UDAG

Completion Date	July, 1992. ²
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¹ Made a part of the Development Plan with the December 9, 1987 amendment.

² Actual completion.

407.5 GRAND CIRCUS NORTH DEVELOPMENT AREA

407.5.1 Theater District Project¹

Project Description

The focus of the Theatre District development project is the restoration and rehabilitation for operation and occupancy of three landmark theaters, the Fox, State and Gem, and the restoration of the Fox Office building. The development plan additionally calls for the rehabilitation of the Century Club, the Elwood Bar and the Palms Office building. The plan will require the acquisition and demolition of properties in order to consolidate the project area and to configure the surface parking areas to be constructed pursuant to the conceptual plan and as essential to the operation of the LCE world headquarters in the Fox Office building and theater operations. An integral component of the revitalization of the area is the construction of public site improvements to better define the District and strengthen the development opportunities therein.

The activities of the Authority include acquisition and demolition of property, participation in the financing of the Fox Office/Theater building rehabilitation and, through the means of a revolving loan fund, participation in the rehabilitation of other buildings, with emphasis on the State and Gem Theaters, the Century Club and Palms Office building. The revolving loan fund would be structured such as to leverage private capital at a minimum private/public ratio of 2.5/1 and limited to projects within the Theater District project area.

Developer

The Theater District project is a joint development undertaking by Charles Forbes Management Company and Little Caesar Enterprises, Inc. ("LCE"). The Authority will undertake the public site improvements.

Location, Extent and Character of Proposed Improvements

The six-block area comprising the site of the proposed Theater District project lies within the bounds of the Fisher Freeway, Witherell, Elizabeth and Park. LCE will undertake the development of the area bounded by the Fisher Freeway, Woodward Avenue, Park and, on the south, the alley north of Elizabeth Street. Forbes Management Company will develop the area bounded by Montcalm, Witherell, Elizabeth and Woodward and the State Theater/Palms Office building as well as the two buildings immediately west of the Palms. In the first phase of the Forbes development, the two blocks bounded by Woodward, Montcalm, Witherell and Elizabeth will be consolidated and excavated for construction of surface parking to include new asphalt, lighting and landscaping. Additionally, the initial stage of the State Theater restoration will be undertaken, including complete lobby restoration, newly insulated roof, auditorium and door replacement, and certain mechanical systems overhauled.

LCE will undertake, in the initial stage, the restoration of the Fox Theater, inclusive of, but not limited to, extensive cleaning, painting, recarpeting, reupholstered seating, necessary sound stage and architectural lighting accommodations, new HVAC and a new roof. The renovation of the 130,000 square foot Fox Office building will include new HVAC, electrical and plumbing systems, exterior restoration and interior tenant finishes, including tenant finishes, furniture and equipment to fully outfit first floor retail space.

Site improvements include construction of surface parking on the vacant parcels surrounding the Fox building and the vacant area in the block immediately north, and the construction of a 40 foot wide patio area on the south side of the Fox to service LCE employees and retail customers.

¹ Adopted as a DDA project with the November 10, 1986 Plan amendment, providing for property acquisition and funding of public infrastructure improvements.

Public improvements would include, but not be limited to, demolition and replacement of sidewalks and curbs, street repaving; removal and replacement of fire hydrants and parking meters; decorative fencing, historical and security lighting; area identification signage and markers; landscaping and possible construction of Woodward Avenue median between the Fisher Freeway and Adams. The public infrastructure improvements and private site work would begin in April, 1988, with substantial completion by Fall, 1988. The restoration of the Fox Theater is expected to be completed in twelve (12) months, as is the first stage improvements to the State Theater; the renovation of the Fox office building will require eighteen (18) months to complete.

Source of Funds

Completion of the project may require some adjustment/reallocation among separate line item amounts, but within the total project cost as currently estimated. In particular, no more than \$300,000 may be used for professional/legal expenses.

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THEATRE DISTRICT
Sources and Uses of Funds

Estimated Project Costs

Acquisition of real property located within the boundaries of the Fisher Freeway, Witherell, Elizabeth and Park Streets	
Public Financing (tax increment funds)	\$ 6,300,000
Construction/Rehabilitation	
Rehabilitation and restoration of the Fox Theater/Office building and State Theater	
Private Financing	4,200,000
Public Financing (tax increment funds)	6,850,000
Additional construction/Rehabilitation	
Loan program to facilitate rehabilitation of and improvements to various properties located within the Theater District project area, with emphasis on the State and Gem Theaters, Century Club and Palms Office building	
Private Financing	7,500,000
Public Financing (tax increment funds)	3,550,000
Demolition/Relocation	
Demolition of certain structures on acquired property at an estimated cost of \$550,000, and provision of relocation benefits, as necessary, to occupants of approximately four properties.	
Public Financing (tax increment funds)	1,300,000
Tenant Improvements, FF&E	
Finish of Fox building 1st floor commercials pace, furniture, fixtures and equipment to fully accommodate tenant and retail space.	
Private Financing	1,500,000
Public Improvements	
Streets, pavings, curb, sidewalks, lighting, utilities, fencing, landscaping, street furniture, area identification signage and markers.	
Public Financing (tax increment funds)	3,810,000
Financing Costs	
Public Financing (tax increment funds)	838,000
Total Cost	\$ 35,848,000

407.5.2 Tiger/Lions Stadia Complex¹

Project Description

Proposed is a sports/entertainment complex project that is part of the unique initiative conceived to redevelop the north end of the downtown Detroit to its former status as a world class entertainment district. Its co-developers, the Detroit Tigers, Inc. and the Detroit Lions, Inc., assisted by the City of Detroit Downtown Development Authority, Wayne County and the Detroit/Wayne County Stadium Authority, intend to expand the successful concept of the Theater District to create a year-round entertainment district drawing patronage from the entire southeast Michigan region and from out-of-state locations, providing a wide variety of entertainment attractions such as sports facilities, movie theaters, as well as complementary retail facilities. It is anticipated that expanding the boundaries of the Development Area No. 1 to encompass the primary site of new dual stadiums and supporting parking facilities would accomplish the DDA's entertainment objectives of making this area a primary location for entertainment seekers. Such development will, in turn, give impetus to other mixed-use development such as offices and housing.

The stadia will be owned by the Detroit/Wayne County Stadium Authority; the Stadium Authority will lease them to Wayne County and Wayne County, in turn, will sublease the stadia to the DDA. The DDA will enter into separate concession management agreements with the Detroit Tigers, Inc., and the Detroit Lions, Inc., respectively, for the management and operation of their respective stadiums.

The City will convey to the DDA and the DDA will convey to the Stadium Authority all City-owned properties in the Tiger/Lions Stadia Project area east of Woodward for a nominal cash amount and other valuable considerations for the purposes of project implementation.

Developer

The Detroit/Wayne County Stadium Authority will own the new Tiger/Lions Stadia and co-develop the complex with the Detroit Tigers, Inc., and the Detroit Lions, Inc. Construction will be coordinated between the Stadium Authority, the Tigers and Lions organizations, the City of Detroit Downtown Development Authority, the City of Detroit and Wayne County.

Location, Extent and Character of Proposed Improvements

The Tiger/Lions Stadia Complex Area (the "Project Area") generally extends from Woodward on the west, to Chrysler Freeway on the east, and from Fisher Freeway on the north to Adams and Gratiot on the south as shown in the map attached hereto as Exhibit to Section 407.5.2, covering 40-50 acres of generally vacant and underutilized land. The legal description of the Project Area is set forth in Attachment 4 of the Appendix. Excluded properties include St. Joseph's Episcopal Church located at the southeast corner of Woodward and Fisher highway; and Central Methodist Church located at the northeast corner of Woodward and East Adams.

The Project Area may be amended from time to time by means of a resolution adopted by each of the following entities: (a) the Board of Directors the City of Detroit Downtown Development Authority; (b) the City Council of the City of Detroit; and (c) the Board of Directors of the Detroit/Wayne County Stadium Authority.

The new Tiger Stadium will feature a natural grass playing field and all fixtures, equipment and amenities customarily found in a first class professional sports and entertainment complex. The new stadium is planned generally as a one million square foot major league baseball stadium with approximately 47,000 seats, including some 5,500 club seats and seating in approximately 65 suites. Plans include construction of a 1,500 car parking deck.

¹ First adopted as the "Tiger Stadium Project" with the December, 1995 Plan amendment; the project description was modified to reflect the dual stadium project pursuant to the November 13, 1996 amendment.

The new Lions Stadium will have a natural grass or artificial turf playing field and dome, together with all fixtures, equipment and amenities and appurtenant facilities customarily found in a first-class professional sports/entertainment facility. The stadium will provide some 65,000-75,000 seats, including approximately 8,500 club seats and seating in approximately 100 to 120 suites.

Surface and/or deck parking for approximately 5,500 cars (including the 1,500 car parking structure mentioned above) will be available to accommodate the immediate parking needs of the Complex.

Project implementation requires the demolition of approximately 50-60 structures to accommodate construction of the two new stadiums. The existing street grid and block layout of the project area will be altered in order to facilitate access to the new uses and to facilitate vehicular and pedestrian circulation throughout the area. It is anticipated that major streets leading into the area will receive streetscape, curb and sidewalk improvements.

Approximately twenty-four (24) months will be required to complete the new Tiger Stadium; construction of the Lions Stadium will likewise require twenty-four (24) months to complete.

Estimated Cost Tiger Stadium - \$260 million; Lions Stadium - \$225 million

Source of Funds

Private: Tiger Stadium - \$125 million
Lions Stadium - \$120 million

Public: Tiger Stadium - \$135 million
Lions Stadium - \$105 million

The Plan allocates a total of \$40 million in tax increment funding in support of the Tiger Stadium project, \$5 million of which comprises contingency funds to be used to the extent that property acquisition, building demolition and site remediation costs exceed the budgeted amount of \$34,500,000. Unused contingency funds will be deposited into a fund dedicated to major repairs and replacements to the Stadium complex.

It is anticipated that the Detroit Tigers, Inc., will be primarily responsible for paying the operating and maintenance costs of the Stadium. However, certain property taxes paid by the Detroit Tigers, Inc., with respect to the Stadium project, which taxes are considered tax increment revenues under the law, will be allocated to pay a portion of such operation and maintenance costs.¹ In addition, beginning in 2001, \$250,000 annually (adjusted for inflation) will be deposited in the above-mentioned major repair and replacement fund, for an estimated total of \$23.56 million for the duration of the Plan.

Total cost of the Lions Stadium is estimated to be \$225 million. Sources include: a DDA allocation of \$70 million (\$40 million raised through the sale by the DDA of its ownership rights in the new Tiger Stadium to the Detroit/Wayne County Stadium Authority); \$15 million made available by the City of Detroit through the issuance of bonds to be reimbursed by the DDA; \$20 million made available from the Detroit Tigers, Inc.; \$20 million funded through Wayne County; \$50 million in corporate contributions, and the balance (estimated to be \$50 million) paid by the Detroit Lions, Inc. The Detroit Lions, Inc., will pay to the DDA and Wayne County \$250,000 annually to be shared on a 50/50 basis for the duration of the concession/management agreement.

¹ Details of such allocation of taxes are reflected in a Memorandum of Understanding between the Detroit Tigers, Inc., and the Authority executed on October 30, 1995.

It is anticipated that the Detroit Lions, Inc., will be primarily responsible for paying the operating and maintenance costs of the Stadium. However, certain property taxes paid by the Detroit Lions, Inc., with respect to the Stadium project, which taxes are considered tax increment revenues under the law, will be allocated to pay a portion of such operation and maintenance costs.¹

Estimated Completion Date

Construction of the new Tiger Stadium, formally named Comerica Park was opened to the public on April 11, 2001. The Lions played their first game at Ford Field on September 22, 2002.

¹ Details of such allocation of taxes are reflected in a Memorandum of Understanding between the Detroit Lions, Inc., and the Authority executed on August 20, 1996.

TIGERS STADIUM
Sources and Uses of Funds

Estimated Project Costs

Acquisition/Infrastructure/Remediation Land Acquisition and Site Development subject to a certain Grant Agreement between the Michigan Strategic Fund and the DDA. Public Financing (Michigan Strategic Fund)	\$ 55,000,000
Acquisition/Demolition/Remediation/Utility Relocation/ Construction DDA Tax Increment bond proceeds will be used for additional land acquisition, demolition, environmental remediation, and rehabilitation Public Financing (tax increment funds)	35,000,000
Acquisition/Infrastructure/Construction/Parking Construction Public Financing (Wayne County tourist tax bond proceeds)	40,000,000
Stadium construction, tenant improvements and building rehabilitation and conversion for Tiger organization Private Financing (Detroit Tigers, Inc.)	125,000,000
Contingency Public Financing (DDA) (Supplemental proceeds for acquisition of real property, demolition, and site remediation.)	\$ 5,000,000
Total Estimated Construction Cost	\$ 260,000,000
Estimated Repair and Maintenance Fund	23,560,000
Total Estimated Project Cost	\$ 283,560,000

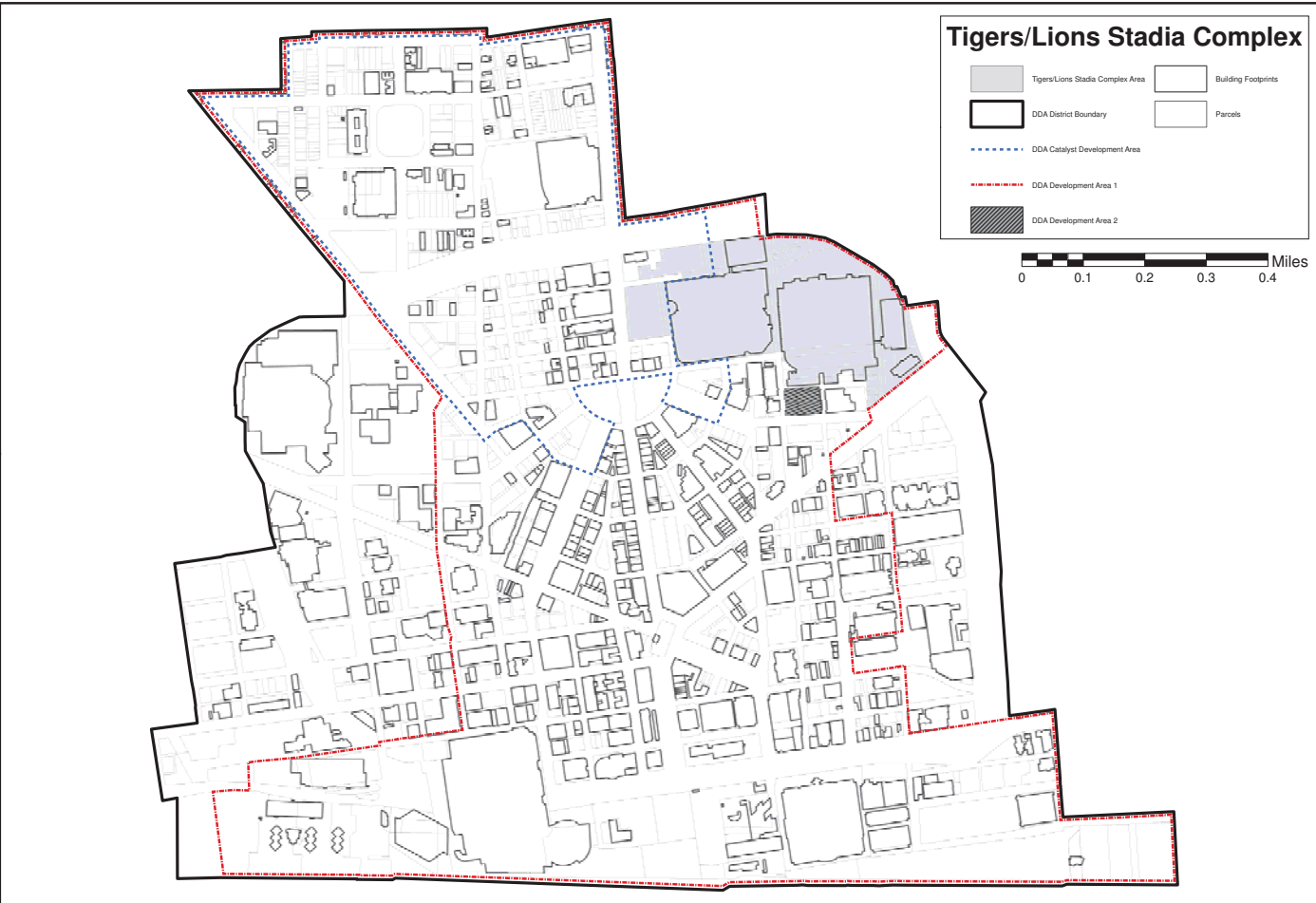
**Total Tigers contribution amounts to \$145,000,000, of which \$20,000,000 will be paid to the Detroit/Wayne County Stadium Authority for the project area parking rights.

LIONS STADIUM
Sources and Uses of Funds

Estimated Project Costs

Acquisition/Infrastructure/Remediation	
City of Detroit Contribution/DDA	
Public Financing	\$ 15,000,000
(Public financing consists of City of Detroit bonds to be repaid from tax increment revenues)	
Construction of a 65-75,000-seat domed football stadium together with all fixtures, equipment and amenities and appurtenant facilities.	
Downtown Development Authority	
Public Financing	70,000,000
(Public financing consists of \$30,000,000 tax increment revenues and \$40,000,000 proceeds of the sale of DDA's ownership rights in Tiger Stadium to the Detroit/Wayne County Stadium Authority)	
Wayne County	
Public Financing	20,000,000
(Public financing consists of Wayne County revenue from the sale of surplus properties)	
Corporate Contributions	
Private Financing	50,000,000
(Public financing consists of corporate donations)	
Detroit/Wayne County Stadium Authority (DWCSA)	
Private Financing	20,000,000
(Public financing consists of Detroit Tigers, Inc. contribution for the Tigers' right to operate and manage the project area parking)	
Detroit Lions, Inc.	
Private Financing	50,000,000
(Public financing consists of Lions' contribution to be applied toward the cost of the facility)	
Total Revenue	\$ 225,000,000

City of Detroit Downtown Development Authority Exhibit to Section 407.5.2



City of Detroit
Downtown Development Authority
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DDA

Date: 04.18.2017
Scale: 1 inch = 370 feet
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(NOW PARADISE VALLEY)

407.6.1 Harmonie Park Acquisition/Rehabilitation (currently Paradise Valley Cultural and Entertainment District)¹**Project Description**

A study of development opportunities offered by the Harmonie Park/Madison Avenue Area undertaken by Detroit Renaissance, Inc., proposed that development efforts be concentrated in the Harmonie Park area where there is a rich mixture of existing buildings, vacant land, public open space, scale and artistic character. The plan additionally identified the need for proper entry images, streetscape and other links that will help define the Harmonie Park area, give it identity and strengthen development opportunities in the area. In 2006, the Authority exercised its ability to acquire Randolph Centre Building, the Powell and Skupien Buildings, and a surface parking lot from foreclosure, and purchased the Harmonie Club Building as part of the plans to create the Paradise Valley Cultural and Entertainment District (the "District") project in the Harmonie Park area. In 2007, the Authority commissioned an urban design plan with respect to the District concept, to validate the initial recommendations for economic development in the Harmonie Park area, and to identify and recommend additional development opportunities as part of the Authority's effort to implement the District concept.

First phase development of the Harmonie Park Acquisition/Rehabilitation project calls for the refurbishing of the Randolph Centre and Tobin Buildings; facade improvements to the Leopold/Skupien Building; and the extension of Centre Street and realignment of Randolph and associated construction of a public pedestrian plaza and other landscape improvements at Gratiot, Madison and Broadway Street. Phase II plans propose the rehabilitation and renovation of the Skupien interior, and the complete renovation of the Harmonie Club and Powell Building. These proposed uses and treatments are compatible with prior uses and do not constitute major alterations to any of the space. The Authority proposes to seek a private developer to renovate the abandoned Madison-Lenox Hotel. Should that renovation fail to materialize, the DDA or the City will pursue demolition of the building. Phase III plans include the continued façade renovation of the Skupien, Powell Building, and the Randolph Centre Building, the continued interior and exterior renovation of the Harmonie Club, and continued streetscape and landscape improvements to Harmonie Park proper, the pedestrian plaza, Centre Street, Randolph Street, and Grand River.

In an effort to recreate the once thriving economic and cultural neighborhoods known as "Paradise Valley", on September 28, 2015, DDA released a Request for Proposals from qualified developers to acquire and redevelop five DDA properties within the District. In June 2016, five development teams were selected to redevelop the properties for an estimated total investment of \$52 million dollars. Each of the development teams has agreed to form, participate, and support the operation of a non-profit 501(c)(3) called the Paradise Valley Conservancy (the "Conservancy") for at least ten years following the completion of construction. The mission of the Conservancy will include programming the Paradise Valley Cultural and Entertainment District's public spaces in a manner that preserves and celebrates the original Paradise Valley at its prime.

Developer

Developer SVM Development Corporation formulated a comprehensive development plan for the area consistent with the Detroit Renaissance study. The Centre Street expansion and Randolph realignment is a public improvement project. The Authority's involvement, through its acquisition of the buildings and vacant lots, and becoming the subsequent Developer, may include additional building rehabilitation and public site improvements in the Harmonie Park/Madison Avenue Area.

¹ Made a part of the Plan pursuant to the November 10, 1986 amendment: June 23, 1993 Plan amendment provided additional funds in support of Phase II development. In 2009 Harmonie Park name was changed to Paradise Valley Cultural and Entertainment District to reflect the area's history and original use.

Location, Extent and Character of Proposed Improvements

The Plan calls for the extension of Centre Street while the present Randolph, roughly from Harmonie Park south to Gratiot, would be closed. The extended Centre Street south to Gratiot would become the realigned Randolph. The acquisition and demolition of the property commonly known as the Boston Bar is necessary in order to accommodate this public improvement. The acquired site and closed and vacated Randolph Street will permit construction of a public pedestrian plaza and other landscape improvements at Gratiot, thus creating an improved entrance image and more panoramic view of the area.

Subsequent to SVM Development Corporation's minor renovations, the Authority intends to complete the renovation of the historic Harmonie Club as an entertainment center, with a restaurant and a 400-seat auditorium; the Randolph Centre would be converted to six (6) loft apartments; and the Powell and Skupien will contain loft, gallery, commercial and office space, as would the Tobin. At this time it is not economically feasible to renovate the Madison-Lenox, therefore it will be demolished. It is anticipated that the Madison-Lenox Hotel would be renovated/rebuilt and readapted to hotel and/or residential/commercial use. Should such prove infeasible or otherwise not materialize, the structure would be demolished.¹ Future new residential development for the east side of Randolph between Centre and Madison is also envisioned by the SVM plans.

The public activities (acquisition, demolition, public site improvements) can be completed within eighteen (18) months; each phase of the private development will require approximately thirty-six (36) months to complete.

Estimated Cost	\$ 43,784,418
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Source of Funds

Private:	\$ 10,436,000
Public:	\$ 33,348,418

A \$6.075 million UDAG is dedicated to rehabilitation and improvements to various Harmonie Park buildings; the Plan dedicates up to \$7.385 million in tax increment revenues (inclusive of \$685,000 of SBLT funds) to be used for real property, demolition and public improvements for the Centre Street expansion and Randolph realignment; and for demolition, rehabilitation and construction activities.

Estimated Completion Date²	To be determined.
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¹ Authorized pursuant to the April, 1997 Plan amendment.

² Phase I was substantially completed in August, 1993; Phase II is expected to be completed by the end of calendar year 1998; Phase III was completed by the end of the calendar year 2011. In June of 2016 the DDA Board of Directors approved a resolution selecting five development teams to redevelop DDA properties within the District.

**HARMONIE PARK ACQUISITION/REHABILITATION (currently Paradise Valley Cultural and
Entertainment District)
Sources and Uses of Funds**

Estimated Project Costs

Acquisition of nine buildings within the project area and the property necessary for creation of the Gratiot entry plaza, realignment of Randolph at Gratiot, and other public site improvements as funding may allow

Public Financing	\$ 11,407,000
Private Financing	1,637,000
(Public financing consists of \$500,000 in tax increment funds and, \$10,800,000 in City of Detroit funds, and a City of Detroit land contract of \$107,000)	

Construction/Rehabilitation of eight buildings within the project area

Public Financing	14,073,918
Private Financing	1,241,000
(Public financing consists of \$5,475,000 UDAG funds, \$2,200,000 in tax increment funds and \$6,398,918 in other anticipated public funds)	

Rehabilitation of Authority-owned existing buildings

and new construction on vacant land, and/or Public Improvements in the Harmonie Park/MOT area, or any combination thereof

Public Financing (tax increment funds)	1,040,000
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Public Improvements

Demolition of Boston Bar to provide for creation of Gratiot entry plaza and realignment of Randolph at Gratiot

Public Financing (tax increment funds)	1,460,000
Private Financing	160,000

Harmonie/MOT Public Improvements

Public Financing (tax increment funds and other anticipated public funds)	4,321,500
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Tenant Improvements/F.F.&E. for Harmonie Club and Madison Hotel

Private Financing	720,000
Public Financing (tax increment funds)	300,000

Professional Fees and Marketing

Private Financing	4,631,000
Public Financing (other public funds)	61,000

Interest/Financing Fees

Private Financing	522,000
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Predevelopment Overhead and Relocation

Private Financing	1,150,000
Public Financing	600,000
(Public financing consists of \$600,000 UDAG funds to be used for relocation payments)	

Working Capital and Contingency	
Private Financing	375,000
Public Financing (tax increment funds)	85,000
Total Costs	\$ 43,784,418

407.6.2 Music Hall Center Restoration¹

Project Description

Built in 1928 by Matilda Dodge Wilson, the Wilson Theater, as it was originally named, has remained open for 63 years, serving as home to the Detroit Symphony, Cinerama and Michigan Opera Theater. The Wilson Theater became the Music Hall in 1945. Today the non-profit Music Hall Center for the Performing Arts continues its tradition of variety arts programming by offering theatrical productions, dance, children's programming and music events. Over 200,000 people annually attend its events.

The future direction of the Music Hall was defined in a Comprehensive Strategic Plan funded by the Hudson Webber Foundation in 1989. The plan encompassed operations, facilities, programming, fund raising, image and audience development. Pursuant to that plan, the facility is to be restored to preserve its significant historical qualities and functionally modernized to reduce operating costs and increase revenues.

Developer

The Music Hall Trust has been established to fully restore and renovate the Music Hall theater and to protect it in perpetuity by means of a major capital campaign.

Location, Extent and Character of Proposed Improvements

Music Hall stands on Madison Avenue and Brush Street at a primary entry from I-375 to downtown Detroit's Theater District and Paradise Valley Cultural and Entertainment District (formerly Harmonie Park). The Music Hall Trust intends to undertake the full restoration of this grand and unique theater, which is listed on the National Register of Historic Places. Funds will be used for exterior repairs, restoration of the interior and its appointments to their original grandeur, and renovation of backstage and public service areas.

Work scheduled first will secure the building envelope: cleaning, terra cotta repairs and roof repairs and window replacement. Interior work includes theater restoration, office renovation, stage modernization, HVAC and electrical upgrading, much of which will improve operating efficiencies and costs. It is assumed that the theater would be closed for one (1) year while much of the work is completed. The remaining work would be done after the theater reopens on non-public areas and between performances.

Estimated Cost \$5 million

Sources of Funds

Private:	The Music Hall Trust has raised and/or secured commitments for most of the \$5 million project cost.
Public:	\$350,000 in tax increment funds

Completion Date June, 1996.²

¹ This project was made a part of the Plan with the August 5, 1992 Plan amendment.

² The project was substantially completed as of this date.

MUSIC HALL CENTER FOR THE PERFORMING ARTS
Sources and Uses of Funds

Estimated Project Costs

Rehabilitation/Improvements to secure building
envelope and interior theater and office restoration

Private Financing	\$ 3,650,000
Public Financing (tax increment funds)	350,000

Endowment

Private Financing	1,000,000
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Total Cost	\$5,000,000
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Project Description

The Michigan Opera Theater (MOT) purchased the former Grand Circus Theater in 1989 with the intention of making the former movie house its permanent home. Built by C. Howard Crane, the theater opened its doors in 1922 and in 1978 closed as a movie house. The theater was revived as a rock concert venue from 1981 to 1985, closed again and since has suffered substantial deterioration. MOT intends to restore and adapt the former movie theater to live performing arts use, specifically for the presentation of opera and grand ballet. The theater will ultimately seat 2,700.

Developer

The developer, the Michigan Opera Theater, Inc., initiated the Detroit Opera House project and approached the Authority for assistance.

Location, Extent and Character of Proposed Improvements

The theater is located at 1526-1548 Broadway, situated between two other buildings connected to the theater. Plans call for demolition of the existing 600 square foot stage and the back stage wall of the former Grand Circus Theater in order to construct a new 12,500 square foot stagehouse with dressing rooms, rehearsal and orchestra rooms and other ancillary space; 110-112 Madison will be demolished to accommodate construction of the new stagehouse. The property at 231 John R will be demolished to accommodate the construction of a new lobby and elevator tower.

First floor storefronts and floors 2, 3 and 4 will be adapted as public areas serving the theater. The fifth floor will be the MOT Education and Community Programs Center, and MOT administrative offices will occupy the sixth floor. Parcels adjacent to the building were resurfaced for parking and exterior lighting and landscaping will be put in place.

The project will require thirty-six (36) months to complete, with the major construction - new lobby and elevator tower, stagehouse envelope, rehearsal hall, restoration of the exterior - occurring during the second half of this period.

Estimated Cost \$27.2 million.

Source of Funds

Private: \$23.2 million will be raised from private sources.
Public: \$4 million will be provided by public sources, \$1.5 million of which will be provided by the Authority.

Completion Date August, 1997.²

¹ Adopted as part of the Plan with the June 23, 1993 amendment.

² The project was substantially completed as of this date.

DETROIT OPERA HOUSE
Sources and Uses of Funds

Estimated Project Costs

Acquisition of six (6) parcels that comprise the project site, inclusive of adjacent parking area.

Private Financing \$ 3,300,000

Demolition/Rehabilitation

Private Financing 18,000,000

Public TIFA (tax increment funds) 1,500,000

Other Public 2,500,000

Soft Costs

Legal, architectural, project carrying costs and fund raising expenses

Private Financing 1,900,000

Total Cost \$ 27,200,000

407.7.1 Skywalk Bridges Maintenance and Improvements ¹**Project Description**

The construction of the skywalk bridges connecting the Renaissance City Apartments (formerly the Robert L. Millender Center) with the Renaissance Center and the City-County Building are represented in the Plan as a component of the Millender Center project. These bridges are publicly owned, with operations and maintenance costs shared by Millender Center Associates and the City. In addition to its cost-sharing obligations, the City has the primary responsibility for any significant repairs and improvements, particularly as might be deemed structural.

Extent and Character of Maintenance, Repairs and Operations

Since the completion of the bridges, the Authority has participated directly, in conjunction with and sometimes on behalf of the City, in the ongoing monitoring of the operation and maintenance of the bridges and, as necessary, assumed the primary responsibility for effecting structural repairs and improvements.

Estimated Cost \$550,000²

Source of Funds

Public: \$550,000 in tax increment funds³

The Plan allocates \$550,000 to fund operations costs, maintenance expenses, and needed structural improvements/repairs to these two skywalk bridges. The funding schedule provides for payment of some \$100,000 in outstanding operating expenses and \$50,000 per year over a five (5) year period for operations, with the balance available for structural improvements and maintenance uses.

Completion Date Summer, 1998.

¹ Established as a DDA project separate from the Millender Center project pursuant to the September 14, 1988 Plan amendment, with an initial allocation of \$280,000 to fund operations, maintenance and needed structural repairs and improvements.

² Pursuant to the July 21, 1999 Plan amendment, the total project cost was reduced to \$550,000 with the reallocation of the \$30,000 remaining on completion of the project.

³ General Motors Corporation assumed responsibility for the maintenance, repair and improvement of the skywalk Bridges in 1998 as a part of the its acquisition of the Authority's rights and interests in the Millender Center hotel, garage and retail components. This transaction effectively relieved the Authority of any further expenditure with respect to the bridges, thus allowing the DDA to reduce by \$400,000 the dollars allocated to maintaining the bridges.

407.7.2 People Mover Art¹

Project Description

It is the goal of the Detroit Transportation Corporation (DTC) and the Detroit People Mover Art Commission to raise approximately \$2 million in the private sector to commission art works to be installed in and at the various People Mover System stations as an added inducement of ridership. Particular emphasis would be placed on soliciting the participation of local artist.

Developer

Detroit Transportation Corporation (DTC) and the Detroit People Mover Art Commission.

Location, Extent and Character of Proposed Improvements

Artwork will be installed/executed in the stations within the tax increment district, the service station and the offices of the People Mover System.

It is contemplated that the artwork will start in April of 1987 and be completed by August, 1987, at which time the People Mover system will become operational.

Estimated Cost \$910,000

Source of Funds

Public: \$910,000

The Authority intends to advance \$910,000 in tax increment funds to be used for station art. This advance is necessary in order to ensure that the artwork is completed before the grand opening of the system. To the extent that DTC and the Commission reach their fund raising goal, the DDA will be reimbursed.

Completion Date August, 1987.

¹ Incorporated as part of the Plan with the April 15, 1987 amendment.

407.7.3 People Mover Route Enhancement¹

Project Description

The Detroit People Mover ("DPM") System began operation in August, 1987. The primary function of the system is to assist office workers, conventioners and tourist and CBD residents in getting to and from work, parking areas, shopping and entertainment spots. Economic development is also one of the hoped for consequences of putting this system in place, however, such development does not necessarily occur unaided; rather, public intervention is usually necessary to ensure that the development opportunities offered by such a system are captured.

Location, Extent and Character of Proposed Improvements

In the Summer of 1988, the City began to look at the DPM right-of-way "viewing district" as presented on riding the system. The primary areas of interest included street surfaces as well as building facades from ground level to four stories high. In a number of cases, the view was one of blighting influences, improperly maintained roof surfaces and evidence of the lack of interest in maintaining a reasonable standard of appearance. Additionally, some parking facilities were found to be in disrepair, poorly identified and/or lighted.

As a consequence, and particularly in view of the City's commitment to a number of substantial and important conventions which had expressed concern about these blighted conditions, the Authority agreed to fund a People Mover Route Enhancements program for facade improvements to some buildings along the DPM right-of-way and to provide decorative, lighted identification markers for certain parking facilities. This program is viewed as a small preliminary effort in creating a climate for marketing the development opportunities represented by the DPM right-of-way and its stations.

The People Mover Route Enhancements program was implemented in December, 1988, with anticipated completion in the Spring of 1989.

Upon completion of plans for further People Mover Route right-of-way enhancements, such plans will come before City Council for a public hearing, City Council review, City Council approval and subsequent incorporation into the City's Master Plan.

Estimated Cost \$300,000

Source of Funds

Public: \$300,000 in tax increment financing

Completion Date Route enhancements: Spring, 1989.

The project includes other maintenance and funding components that are on-going.

¹ Made a part of the Plan with the September 14, 1988 amendment.

407.7.4 People Mover Support

Project Description

The City and the Authority consider the DPM an integral part of downtown Detroit's revitalization. The DDA adopted its completion as necessary to meet its objectives in the DDA Downtown District, with a view to the economic development impetus and opportunities to be derived from its operation. While the system's primary purpose is to improve and facilitate pedestrian and vehicular traffic movement within the CBD, its deployment was expected to spur development as well. Its uninterrupted operation is crucial to the continued economic health and growth of the downtown area.

Location, Extent and Character of Assistance

Thirteen of the DPM stations are within Development Area No. 1. The Authority will assist the City in ensuring the uninterrupted operation of the system by providing funding in support of the system's capital expenditures.

Estimated Cost	\$ 24,400,000
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Source of Funds

Public	\$ 24,400,000 ¹	Tax increment funds
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Completion Date	Fall, 1997.
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¹ The Authority provided a loan of \$9.4 million in non-bond funds in support of 1990-1991 and 1991-1992 operating expenses with respect to that portion of the system that lies within Development Area No. 1. An additional \$4 million was provided to fund 1993-1994 operating shortfalls to help ensure the continued operation of the system; \$6 million more was provided in support of 1995-1996 and 1996-1997 operations. The June, 2003 Plan amendment provides for an additional \$5,000,000 to support system maintenance and general capital improvements. The Authority was an unsecured creditor in the City's Chapter 9 Bankruptcy Case filed in July, 2013 on account of these loans and was entitled to receive "New B Notes" under the City's Plan of Adjustment. However, in November, 2014, at the City's request, the Authority's Board approved the assignment of the Authority's New B Notes to one of the City's largest remaining creditors, Financial Insurance Guaranty Company (FGIC) in order to assist the City with its settlement of its Chapter 9 Bankruptcy Case.

PEOPLE MOVER ENHANCEMENTS AND PEDESTRIAN SKYWAY SYSTEM
Sources and Uses of Funds

Estimated Project Costs

Skywalk Bridges Maintenance/Improvements	
Ongoing, monitoring, maintenance, repair and operation of bridges	
Public Financing (tax increment funds)	\$ 550,000
Commission and installation of art works in and at DPM	
station locations.	
Public Financing (tax increment funds)	910,000
Route Enhancement	
Building facade improvements; identification markers for parking	
facilities along DPM right-of-way; and maintenance and repair	
of facade improvements.	
Public Financing (tax increment funds)	300,000
People Mover Support	
\$19.4 million loan and \$5 million grant to the City to support	
general capital improvements of the People Mover	
System in fiscal years 1991 through 1996 and 2002-2003.	
Public Financing (tax increment funds)	24,400,000
Total Cost	\$ 26,160,000

407.8 LOWER WOODWARD IMPROVEMENT AGENDA¹

Project Description

The goal of this project is to provide support to major investments made in downtown Detroit, including the relocation of General Motors Global Headquarters to the Renaissance Center, the development of Campus Martius, the new Compuware headquarters (currently One Campus Martius), the completion of Comerica Park and Ford Field, and the emergence of residential lofts and neighborhood commercial establishments in downtown Detroit. The City has been awarded the privilege of hosting the National Football League's Super Bowl scheduled for February, 2006. In preparation for this event, the City has identified a collection of projects to improve a section of the downtown area. This project is to be designated as the Lower Woodward Improvement Agenda ("LWIA"). Its purpose is to provide support to these major investments, create linkages between the downtown developments, and assist with downtown Detroit's revitalization. It is important to focus public/private partnership investment in the Lower Woodward Neighborhood, which is comprised primarily of nine blocks between Campus Martius and Grand Circus Park, and the Cobo Convention Center frontage. In order to accommodate this project the 2003 Plan amendment expanded the boundaries of Development Area No.1.

The objective of the project is to improve the visual appearance of the buildings located in the Lower Woodward Neighborhood, support efforts to rejuvenate and rebuild the downtown area for the purpose of attracting and retaining both commercial and residential occupants. The DDA will facilitate the support and cooperation with outside entities in order to fully coordinate certain programs that comprise the project. The DDA will provide overall administration for the project and assist the City with enforcement policies directed towards keeping the project area safe, clean and inviting.

Developer

It is anticipated that developers and owners of private property within the project area will participate in the Gap Financing Program and/or the Façade Improvement Program upon commencement of the LWIA. The DDA will conduct the Streetscape and Public Space Improvement projects in the project area.

Location, Extent and Character of Proposed Project

The LWIA will be implemented primarily in the nine-block area between Campus Martius and Grand Circus Park – downtown's Lower Woodward Neighborhood. The four areas primarily impacted by LWIA are Woodward Avenue, Washington Boulevard, Broadway, and Cobo Convention Center frontage. These four areas, and other connecting streets of Clifford, Grand River, State, Farmer, Library, Griswold and Shelby will benefit from LWIA initiatives including streetscape improvements, façade improvements, parking lot edge improvements, business attraction, financing, and loft conversions.

Estimated Cost	\$ 106,730,000
Leveraged investment	257,000,000
	360,500,000

Source of Funds	
Public financing (tax increment)	42,280,000
Public other	48,450,000
Private financing	16,000,000
Leverage investment	257,000,000
	363,730,000

Funding sources are expected to include the City, county, state and federal governments in partnership with corporate and private foundations. It is anticipated that public contributions over a 4-year period would stimulate at least \$257 million in direct private investment.

¹ Made part of the Plan with the June, 2003 amendment.

Completion Date

To Be Determined

LOWER WOODWARD IMPROVEMENT AGENDA
Sources and Uses of Funds

Estimated Project Costs

Lower Woodward Gap Financing Program	
Fund to induce developers, and building owners to undertake loft conversions and other building renovations	
Public financing (tax increment funds)	\$ 3,000,000
Public other	32,000,000
Leveraged investment (private financing)	245,000,000
	\$280,000,000
Lower Woodward Façade Improvement Program	
Match funding program to induce building façade reconstruction and renovation	
Public financing (tax increment funds)	\$ 11,500,000
Leveraged investment (private financing)	12,000,000
	\$ 23,500,000
Lower Woodward Streetscape Improvement Program	
Administration, design, and construction of upgraded streetscapes	
Public financing (tax increment funds)	\$ 27,780,000
Public other	6,450,000
Private Financing	6,000,000
	\$ 40,230,000
Lower Woodward Improvement Agenda provides for the demolition and/or rehabilitation of major downtown buildings which are presently vacant	
Public other	\$ 10,000,000
Private financing	10,000,000
	\$ 20,000,000
Total Cost	\$ 363,730,000¹

¹ Project cost less leveraged investments equals \$96,500,000.

407.8.1 Lower Woodward GAP Financing Program

Project Description

This program is designed to encourage market-rate residential development. Downtown loft conversion projects currently present a higher degree of risk to a developer than comparable "green field" real estate investments. Accordingly, the amount of equity investment needed from the developer to bring a project to completion is generally greater than the amount of equity required for comparable "green field" projects. This fund is designed to provide funds to close the "gap" between the amount of equity needed to induce qualified developers to undertake loft conversions in the project area and the amount they can borrow from conventional loan sources.

Developer

It is anticipated that developers and owners of private property within the project area will participate in the Gap Financing Program upon commencement of the LWIA.

Location, Extent and Character of the Proposed Project

The gap financing program will be available primarily for projects in the nine-block area between Campus Martius and Grand Circus Park – downtown's Lower Woodward Neighborhood. The four areas primarily impacted by LWIA are Woodward Avenue, Washington Boulevard, Broadway and Cobo Convention Center frontage. The Detroit Investment Fund will manage the program funds. Financing will be made available for building renovation/rehabilitation, new construction and/or working capital (provided it accomplishes the purposes of the program). Financing terms and rates will be negotiated on a case-by-case basis.

Estimated Cost	\$280,000,000 ¹
Project cost	35,000,000
Leveraged investment	245,000,000

Source of Funds

Public (tax increment):	\$ 3,000,000
Public other:	32,000,000
Leveraged investment:	245,000,000 private financing
	280,000,000

Completion Date	January, 2006
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¹ In addition, \$130,610,000 will be allocated for gap financing through the Authority's Housing/Office/Retail Development and Absorption Fund.

407.8.2 Lower Woodward Façade Improvement Program

Program Description

This program is designed to induce property owners to improve the buildings, parking lots, and other structures within the defined Lower Woodward project area. The property improvements will support the LWIA by enhancing the visual appearance of the targeted buildings, as well as creating a safe and inviting atmosphere.

Through façade reconstruction/renovation and parking lot renovation the program objectives are to increase the sense of security, community, and continuity for existing and future developments, and to increase revenue at existing downtown business locations. The program will provide funding to eligible applicants to undertake eligible work in the form of a grant. The DDA will provide a \$1.00 match for each \$1.00 provided by the property owner up to a maximum match amount of \$150,000 per building. The DDA Board will determine a smaller loan amount for parking lot renovation.

Façade reconstruction/renovation includes power and/or chemical washing, and any permanent physical improvement(s) to the visible façade or storefront including, but not limited to: exterior lighting, awning, signage, doors, windows, masonry, tuck-pointing, brick and/or stone work. DDA financing will be made available for eligible building renovation/rehabilitation provided it is as consistent with the purposes set forth in Act 197. Financing terms and rates will be negotiated on a case-by-case basis.

Developer

It is anticipated that developers and owners of private property within the project area will participate in the Façade Improvement Program upon commencement of the Lower Woodward Improvement Agenda.

Location, Extent and Character of Proposed Project

The Façade Improvement program will be available primarily for projects in the nine-block area between Campus Martius and Grand Circus Park – downtown's Lower Woodward Neighborhood. The four areas primarily impacted by LWIA are Woodward Avenue, Washington Boulevard, Broadway and Cobo Convention Center frontage. Its goal is to improve the condition and appearance of a building's permanent exterior features and façade elements such as lighting. Building exteriors will be power washed and painted as needed. In some instances awnings may also be installed. Up to \$500,000 from the Façade Improvement Program may be allocated to improve the appearance of publicly owned property and other new initiatives stated in Section 407.8.3.

Estimated Cost	\$23,500,000
Project cost	23,000,000
Administrative cost	500,000

Source of Funds

Public (tax increment):	\$11,500,000 ¹
Private:	\$12,000,000

Completion Date	January, 2006.
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¹ Includes \$500,000 in administrative costs.

407.8.3 Lower Woodward Streetscape Improvement Project

Project Description

The DDA will be responsible for the administration, design and construction of upgraded streetscapes on several primary thoroughfares in downtown. The DDA will work with the Department of Public Works, the Department of Water and Sewerage, and the Public Lighting Department to coordinate improvements planned by these agencies, which include street resurfacing.

Developer

This project is an undertaking of the DDA.

Location, Extent and Character of Proposed Improvements

The streetscape improvement program will be implemented throughout the DDA Project Area. The four areas primarily impacted by LWIA are Woodward Avenue, Washington Boulevard, Broadway, and the entrance to Cobo Hall. The streets identified for improvements will be implemented in phases. Phase I work, which included Broadway Avenue from Grand Circus Park to Gratiot Avenue, Woodward Avenue from Grand Circus Park to Campus Martius Park, and Washington Boulevard from Grand Circus Park to Jefferson Avenue, including the frontage of the Cobo Convention Center was substantially completed in 2006.

Phase II, if initiated, will include Park Avenue from the I-75 service drive to Grand Circus Park, the Capitol Park area streetscapes, Woodward Avenue from Campus Martius Park south to Jefferson Avenue, and gateway enhancements to the entry points at Grand River and I-75, and Gratiot Avenue near I-375. Subsequent Phase III and additional phases will be subject to approval by the DDA Board of Directors.

Phase III includes, but is not limited to, Clifford and John R from Bagley to Broadway, Grand River from Bagley to Broadway, State from Washington Blvd. to Griswold, Farmer from John R to Gratiot, Library from Grand River to Gratiot, Griswold from Clifford to Michigan, and Shelby from State to Michigan.

Phase IV includes, but is not limited to, Capitol Park, Monroe from Randolph to I-375, Brush Street from Jefferson to Madison Avenue, Randolph from Jefferson to Gratiot Avenue, Beaubien from Lafayette to Gratiot Avenue, St. Antoine from Lafayette to Gratiot Avenue including portions of the Beaubien and St. Antoine segments are outside of the DDA Development Area No. 1.

Phase V includes, but is not limited to, Madison Avenue from Witherall to St. Antoine, Woodward Avenue from Fort Street to Jefferson Avenue, Woodward Avenue from Adams to I-75, and Cadillac Square from Bates to Randolph.

The streetscape improvements are envisioned to include new sidewalks, curbs, and new landscape amenities (such as trees, lighting and street furniture). The DDA may also undertake additional initiatives to induce private investment and increase property values such as the installation of security measures and enhancing the appearance of publicly owned property. These additional initiatives will be financed with up to \$500,000 in tax increment revenues transferred from the Façade Improvement Program described in Section 407.8.2.

Estimated Cost	\$40,230,000
Project cost	39,230,000
Administrative cost	1,000,000

Source of Funds

Public (tax increment):	\$27,780,000 ¹
	6,450,000 other public funds
Private:	6,000,000

Completion Date	January, 2011.
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¹ Includes \$1,000,000 in administrative costs.

407.9.1 Development Financing Small Business Loan Transactions¹

In order to achieve the full impact of the major commercial development projects described in the Development Plan, the Authority has designated a Development Financing Small Business Loan Transactions Program to stimulate small additional commercial activities in the Downtown District. It is expected that the Program will benefit the public in the areas of job creation, the slowing of property deterioration, and improvement in the downtown business climate, thereby increasing the tax base and assisting in the achievement of the overall objectives of the Authority.

Objectives

The objectives of the program are as follows:

1. To stimulate additional retail and commercial activities within the DDA district.
2. To assist existing property owners or tenants in the renovation and improvement of properties within the DDA district.
3. To assist businesses with working capital or business operation loans which will have the effect of reducing the amount of vacant commercial space and/or promoting economic growth in the DDA district.

Program Description

DDA participation in building renovation/rehabilitation, new construction and/or working capital financing which accomplishes the purposes of the Act, will be made available with negotiable rates, terms and collateral, and cash flow distribution. The requirements would be structured in such a way as to make economically feasible those projects that would not otherwise be done. DDA participation will be structured to induce commercial lenders, owners and investors to provide a portion of the capital necessary to build, renovate and/or operate retail and commercial space for ventures that are basically sound but for which DDA participation is deemed critical for realization of such ventures.

Program Criteria

To qualify for consideration under the Program, each financing proposal must meet the following basic criteria:

- a. Project must be in the Development Area.
- b. Proceeds may be used for redevelopment improvements in existing or new construction of real property, and for working capital, the proceeds of which can be reasonably shown to accomplish any legislative purpose of the Act.
- c. Program funds will be made available to both property owners and/or tenant business owners).

¹ Made a part of the Plan with the August 3, 1983 amendment and funded at \$150,000; the project allocation increased to \$1.65 million with the July 26, 1989 amendment, to \$4 million with the December 4, 1995 amendment, and to \$5 million with the June 2008 amendment.

- d. Loans under the program shall be limited to a maximum amount of \$200,000 per borrower. In the instance of a change in ownership or tenancy of a property previously assisted by the DDA, the new owner may apply for assistance under these same guidelines.
- e. Participation provided by the Authority must leverage private capital (both equity and borrowed funds) at a minimum ratio of \$1.00 of private funds to every \$1.00 of public funds, on a negotiated basis which is directly related to the capacity of the project to produce a reasonable return on DDA capital within a reasonable period of time and for which a major public development purpose is served in the DDA tax increment area. In addition, each request shall be subject to credit review by the DDA Board of Directors and/or its duly authorized Development Finance Review Committee.
- f. Requirements under Items d. and e. may be waived or modified at the discretion of the DDA Board, as individual circumstances warrant.

Program

Guidelines for application and additional loan qualifications shall be developed by the DDA Board of Directors and its Development Finance Review Committee. The development and financial proposals will be prepared and presented to the Development Finance Review Committee or the DDA Board for action prior to each regularly scheduled DDA Board of Directors meeting.

Estimated Cost \$5,000,000

Source of Funds

Public: \$5,000,000 in tax increment funds

All funds generated by the Program (repayment of principal and interest, cash flow contributions, residual values from the sale or resale of property by owner, etc.) will be returned to the Program for reuse.

407.9.2

Housing/Office/Retail Development and Absorption Fund¹

The Authority is designating a Housing/Office/Retail Development and Absorption Fund to stimulate additional residential and commercial activities in the Downtown District. It is expected that the Program will benefit the public in the areas of job creation, the slowing of property deterioration, and improvement in the downtown business climate, thereby increasing the tax base and assisting in the achievement of the overall objectives of the Authority.

Objectives

The objectives of the program are to stimulate additional housing, office, and retail activities within the DDA district by:

1. Providing housing construction and renovation loans, which will have the effect of increasing the amount of available housing and promoting economic growth in the DDA district.
2. Assisting, primarily, existing Class "B" and "C" office building owners with building renovation and tenant improvement loans and/or space absorption subsidies which will have the effect of reducing the amount of vacant commercial office space and promoting economic growth in the DDA district.
3. Inducing commercial/retail tenants and owners to construct and/or renovate commercial/retail buildings via loans, which will have the effect of reducing the amount of vacant commercial retail space and/or promoting retail economic growth in the DDA district.

Program Description

DDA participation in building construction/renovation financing and office space absorption subsidies will be made available with negotiable terms and conditions. The requirements would be structured in such a way as to make economically feasible those projects that would not otherwise be done. DDA participation will be structured to induce commercial lenders, owners and investors to provide a portion of the capital necessary to construct and/or renovate leasable housing, office, and retail space for ventures that are basically sound but for which DDA participation is deemed critical for the realization of such ventures.

Program Criteria

To qualify for consideration under the Program, each financing proposal must meet the following basic criteria:

- a. Project must be in the Development Area No. 1.
- b. Proceeds may be used for redevelopment improvements in existing real property and/or leasehold improvements, the proceeds of which can be reasonably shown to accomplish any legislative purpose of the Act.
- c. Program funds will be made available to both property owners and may be available to tenant business owners, depending upon the specific component of the program under which application is made.
- d. Requirements and guidelines may be waived or modified at the discretion of the DDA Board, as individual circumstances warrant.

¹ Adopted as a DDA project pursuant to the December 4, 1995 Plan amendment.

In addition, the following specific criterion applies to the housing, office, or retail components of the program.

Housing

1. Loans under the program shall be limited to \$25.00 per square foot and or a maximum amount of \$2,000,000 per borrower. This maximum amount of Dollars equates to an approximate number of renovated or built housing units of 106 (assuming 750 square feet per unit) or as low as forty units (assuming 2,000 square feet per unit) or any reasonable combination thereof. In the instance of a change in ownership of a property previously assisted by the DDA, the new owner may apply for assistance under these same guidelines.
2. Loan participation provided by the Authority must leverage private capital (both equity and borrowed funds) at a minimum ratio of \$2.00 of private funds to every \$1.00 of public funds, on a negotiated basis which is directly related to the capacity of the project to return the DDA's capital within a reasonable period of time and for which a public development purpose is served in the DDA tax increment area.
3. Use of proceeds will be limited to the purchase of real property for redevelopment of housing units or the construction of new housing units.
4. Each request shall be subject to a credit review by the DDA Board of Directors and/or its duly authorized Development Finance Review Committee.

Office

Loan Fund

1. Loans under the program shall be limited to a maximum amount of \$18.00 per square foot not to exceed \$1,800,000 per borrower for 100,000 square foot leases.
2. Loan participation provided by the Authority must leverage private capital (both equity and borrowed funds) at a minimum ratio of \$2.00 of private funds to every \$1.00 of public funds, on a negotiated basis which is directly related to the capacity of the project to return the DDA's capital within a reasonable period of time and for which a public development purpose is served in the DDA tax increment area.
3. Use of loan proceeds will be limited primarily to the redevelopment/improvements in existing Class "B" and "C" buildings, subject to recipient entering into a new lease which does not exceed 100,000 square feet.
4. In the instance of a change in ownership or tenancy of a property previously assisted by the DDA, the new owner or tenant may apply for assistance under these same guidelines.
5. Availability of proceeds from this program will be on a first priority basis to firms locating to the City of Detroit. The purpose of this program is to increase both the quality and the absorption of available office space. The DDA does not wish to contribute to the process of "musical buildings".
6. Each request shall be subject to credit review by the DDA Board of Directors and/or its duly authorized Development Finance Review Committee.

Absorption Fund

1. Subsidies will be limited to \$1.50 per square foot per lease year up to a maximum of 100,000 square feet, for a maximum five year lease term. In the event of lease default, the recipient will be personally liable for the full repayment of any rent subsidy received.
2. Leasehold Improvement subsidy recipients must demonstrate that the cost of "re-usable" tenant improvements equals or exceeds 300% of the face value of the total rent subsidy.
3. Use of rent subsidies are for new leases of 100,000 square feet or less and have a lease term equal to or greater than five years.
4. In the instance of a change in ownership or tenancy of a property previously assisted by the DDA, the new owner or tenant may apply for assistance under these same guidelines.
5. Availability of proceeds from this program will be on a first priority basis to firms locating to the City of Detroit. The purpose of this program is to increase both the quality and the absorption of available office space. The DDA does not wish to contribute to the process of "musical buildings".
6. Each request shall be subject to credit review carried out by the DDA Board of Directors and/or its duly authorized Development Finance Review Committee.

Retail

1. Loans under the program shall be limited to a maximum amount of \$1,500,000 per borrower. In the instance of a change in ownership or tenancy of a property previously assisted by the DDA, the new owner or tenant may apply for assistance under these same guidelines.
2. Loan participation provided by the Authority must leverage private capital (both equity and borrowed funds) at a minimum ratio of \$2.00 of private funds to every \$1.00 of public funds, on a negotiated basis which is directly related to the capacity of the project to return the DDA's capital within a reasonable period of time and for which a public development purpose is served in the DDA tax increment area.
3. Use of proceeds will be limited to the purchase of real property for redevelopment into retail facilities or the construction of retail facilities.
4. In addition, each request shall be subject to credit review by the DDA Board of Directors and/or its duly authorized Development Finance Review Committee.

Guidelines for applying and additional loan qualifications shall be developed by the DDA Board of Directors and its Development Finance Review Committee. All development and financial proposals will be prepared and presented to the Development Finance Review Committee or the DDA Board for review prior to each regularly scheduled DDA Board of Directors meeting.

Estimated Cost \$704,430,000

Source of Funds	\$265,680,000 in tax increment financing ¹ \$438,750,000 in private funding
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These funds will be spread over with the duration of the Plan, commencing in fiscal year 2000-2001. The Authority, in its sole discretion, shall make yearly allocations to the housing/office/retail components necessary to reflect market demand. The Authority shall also adjust the procedures and parameters of the Program to be consistent with market demand. All funds generated by the Program (repayment of principal and interest, cash flow contributions, residual values from the sale or resale of property by owner, etc.) will be returned to the Program for reuse.

¹As provided by the June, 1998 Plan amendment, the DDA dedicated an additional \$32.06 million over the life of the Plan. As provided by the June, 2003 Plan amendment, the DDA provides an additional \$3.64 million over the life of the Plan. As provided by the June, 2005 Plan amendment, the DDA provides an additional \$63,030,000 million over the life of the Plan. As provided by the June 2008 Plan amendment, the DDA provides an additional \$6,550,000 million over the life of the Plan. As provided by the 2013 Plan amendment, the DDA provides an additional \$67,340,000 over the life of the Plan. As provided by the 2017 Plan amendment, the DDA provides an additional \$119,430,000 over the life of the Plan.

407.10 Downtown General Development

407.10.1 Downtown Video Patrol System¹

Project Description

Working closely with Detroit Renaissance, Inc., the Greater Detroit Chamber of Commerce and New Detroit, Inc., the Detroit Board of Police Commissioners proposes to implement a Downtown Video Patrol System as a cost-effective way to increase citizen safety, enhance police coverage of downtown for crime prevention, and provide for more efficient crowd and traffic control. The project would increase the number and upgrade the quality of video cameras currently used for downtown crime prevention.

Developer

Detroit Board of Police Commissioners

Location, Extent and Character of Proposed Improvements

Plans call for installation of 18 new low-light police video cameras and the upgrading of six existing cameras that were installed for the 1980 Republican Convention. The existing cameras are located atop the City-County Building, Veterans Memorial Building, Fire Headquarters, National Bank of Detroit headquarters and two at Joe Louis Arena. Of the system's 24 cameras, nine will be rooftop strategic cameras, providing full coverage of the downtown area. The remaining 15 will be mounted at street level and concentrated in the area bounded by Woodward Avenue, Gratiot, I-375 and the Detroit River.

The entire project is anticipated to be completed within 16 weeks, beginning with the upgrade of existing cameras in Spring, 1988.

Estimated Cost \$642,000

Sources of Funds

Private: \$442,000

Public: \$200,000 in tax increment financing to the Greater Detroit Chamber Foundation, as project fiduciary.

Completion Date Summer, 1989

¹ Adopted as part of the Plan with the May 6, 1988 amendment.

DOWNTOWN VIDEO PATROL SYSTEM
Sources and Uses of Funds

Estimated Project Costs

Equipment purchase, installation and maintenance
contract

Private Financing	\$ 250,000
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(Private financing consists of a \$250,000 grant from Detroit
Renaissance, Inc.)

Public Financing	392,000
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(Public funding consists of a \$192,000 grant from the State
Auto Theft Prevention Authority and a grant of up to \$200,000
in tax increment revenues.)

Total Cost	\$ 642,000
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407.10.2 Downtown Development Planning and Marketing¹

Project Description

With the impetus given to downtown activity by new public and private projects already committed, and reflecting that anticipated growth must be properly managed, the Authority proposes to allocate funds for a Downtown Development Planning and Marketing program.

Developer

These are DDA-initiated activities.

Location, Extent and Character of Proposed Treatment

The targeted area is Development Area No. 1. As appropriate, activities will consist of the evaluation of existing structures, sites, and infrastructure as they relate to development in the Downtown District. Furthermore, marketing activities would be undertaken to implement a strong business and residential attraction program for the downtown area.

The above-mentioned activities will be undertaken as appropriate and necessary on a case by case basis commencing in FY 1995-96.

Estimated Cost	\$ 378,000 Planning 252,000 Marketing
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Source of Funds

Public:	\$ 630,000 in tax increment funds.
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Estimated Completion Date	January, 2007
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¹ Adopted as a DDA project pursuant to the December 4, 1995 Plan amendment. The June, 2003 Plan amendment provides for an additional \$1 million to support planning and marketing activities.

Project Description

Like other aging core city areas, the City's Downtown District is experiencing an ever increasing number of vacant buildings and underutilized parcels of land, contributing to conditions of blight and hindering investor interest in downtown. Some buildings have been left vacant and neglected by their owners for long periods of time; some buildings are marginally profitable or unprofitable; some are unsightly, unsafe and unsalvageable. In an effort to address the conditions of blight created by many such buildings and vacant land parcels, the Authority will put in place a strategy to acquire properties which constitute or which contribute to the blighted conditions which exist in certain areas of the Downtown District. These properties (buildings or vacant buildable sites), when identified and acquired, will be assembled into attractive parcels of developable size, which will meet the development needs (i.e., size, zoning, parking, location, etc.) of investors. The proposed Land Assemblage program is one that the Authority intends to use to increase investor demand in the DDA Downtown District.

Location, Extent and Character of Proposed Treatment

The targeted area is Development Area No. 1. As appropriate, activities will consist of acquisition, demolition/clearance and public infrastructure improvements of vacant parcel, non-occupied or underutilized structures in the downtown. No tax increment funds will be used for rehabilitation or redevelopment of the land acquired without further amendment to this Plan detailing the particulars of said proposed rehabilitation or redevelopment. Prior to expending any portion of the \$26.78 million for demolition/clearance activities, the Authority shall present to the Detroit City Council for their review and approval the Land Assemblage Plan that identifies the real property to be demolished. Further, no portion of said \$26.78 million shall be used for land acquisition or demolition costs with respect to the new Tiger Stadium.

Location, Extent and Character of Proposed Improvements

To be determined as appropriate and necessary on a case by case basis commencing in fiscal year 1995.

Estimated Cost	\$ 286,750,000
Leveraged investment	\$ 335,480,000
Source of Funds	\$ 622,230,000
Public:	\$ 286,750,000 in tax increment funds
Private:	\$ 335,480,000
Estimated Completion Date	For the life of the Plan.

¹ Adopted as part of the Plan pursuant to the December 4, 1995 amendment. The 2017 Plan amendment provides for an additional \$119,010,000 in tax increment funding.

407.10.4 Blue Cross Blue Shield of Michigan Employee Relocation

Project Description:

In 2010 Blue Cross Blue Shield of Michigan (BCBSM) proposed the relocation of approximately 3,000 employees from suburban locations to vacant office space in the Renaissance Center Phase II. In connection with the relocation BCBSM incurred approximately \$68 million in renovation and related costs. In order provide an incentive to BCBSM to relocate the employees and prevent a major office building in the Downtown District from becoming substantially vacant, in September, 2010 the Board of Directors of the Authority authorized the reimbursement of \$30,000,000 of the relocation costs to BCBSM by authorizing payments of \$3,000,000 per year from the Housing/Office/Retail Fund for a period of 10 years. The annual payments are conditioned upon BCBSM certifying annually for a period of 15 years that the 3,000 relocated employees remain employed in the Downtown District and that their total payroll for the relocated employees equals at least \$180,000,000 per year. If these standards are not maintained in any given year, the payment may be reduced, eliminated, or returned to the Authority. It has been determined that, because of the size of the project, it is appropriate to remove the payment from the H/O/R/D Fund and provide an individual line item in the Plan for this payment.

Developer:

Blue Cross Blue Shield of Michigan
Riverfront Holdings Phase II, Inc.

Estimated Cost: \$68 Million

Sources of Funds:

Private: \$38,000,000
Public: \$30,000,000

Completion Date: January, 2011

407.10.5 Special Areas Planning, Engineering, Operations and Maintenance¹

Project Description

With the impetus given to downtown activity by new public and private projects already committed, and reflecting that one enhancement for continuing this growth is prompt and proper downtown maintenance schedules, the Authority proposes to allocate \$650,000 for a Downtown Special Areas Planning, Engineering, Operations and Maintenance program. In an effort to address the conditions of many vacant, deteriorated and underutilized buildings and public spaces, the Authority intends to put in place a Special Areas Program to provide for prompt and proper maintenance and planning in the Downtown District.

Developer

This program is an Authority initiative.

Location, Extent and Character of Proposed Treatment

The targeted area is Development Area No. 1. As appropriate, activities will consist of general planning, engineering, and operational costs such as landscaping, mechanical, and electrical maintenance programs. General maintenance will consist of, but not be limited to, such activities as: planning and programming activities associated with the redevelopment of Hart Plaza, programming and maintenance of Paradise Valley including the Authority-owned and operated buildings in this area, snow clearing and removal; landscaping maintenance will consist of annual flower plantings, sidewalk and alley repairs as needed, lot maintenance; mechanical maintenance will consist of maintenance and repairs; and electrical maintenance may consist of routine inspection, cleaning and re-lamping of lighting fixtures for streets, parks and pedestrian areas.

These treatments would be undertaken and completed as appropriate and necessary on a case-by-case basis commencing in fiscal year 1995.

Estimated Cost	\$ 650,000
Source of Funds	\$650,000 tax increment funds
Completion Date	Ongoing TBD

¹ Adopted as a DDA project pursuant to the December 4, 1995 Plan amendment.

407.10.6 Demolition Project

Project Description

Public Act 13 of 2005 amended Act 197 to allow the DDA to capture \$8 million of school taxes to implement a demolition program directed towards dangerous and blighted buildings located in the Downtown District. As permitted by the Plan, the Board of Directors of the Authority may re-allocate tax increment revenues from other project to provide additional funds for this project. The criteria for the use of the funds will be for the following:

1. To demolish buildings that have been determined to be dangerous by the appropriate municipal authorities.
2. Buildings required to be demolished pursuant to court order
3. Buildings which are subject to a Development Agreement between the DDA and a third party
4. Buildings with respect to which the DDA has negotiated an agreement with the owner permitting to the demolition of the building. The funds may be granted for use by the City, DDA, or private owner.

Developer

This program is a DDA initiative and the disbursement of the funds will be at the direction of the DDA Board of directors.

Location, Extent and Character of Proposed Demolition

The targeted area is Development Area No. 1. As appropriate, activities will consist of all actions and activities necessary to demolish the buildings in a manner consistent with the applicable local, state, and federal ordinances, statutes, regulations, and requirements.

The demolitions will be undertaken and completed as appropriate and necessary on a case-by-case basis commencing in year 2005.

Estimated Cost \$8,000,000

Source of Funds \$8,000,000 tax increment funds

Completion Date Upon complete expenditure of the funds

407.11 Catalyst Development Project

The Events Center Project and the EC Ancillary Development Project, described below in Sections 407.11.1 and 407.11.2, constitute the “Catalyst Development Project” under the Plan and as authorized pursuant to the Act. The Catalyst Development Project is located in the area depicted in Exhibit A to Section 407.11 (the “Catalyst Development Area”), the legal description for which is as follows:

Beginning at the north right of way line of the Fisher Freeway North Service Drive and the east right-of-way line of Woodward Avenue; then north along Woodward Avenue to a point on the north right-of-way line of Charlotte Street and its extension thereof; then west along Charlotte to the west right-of-way line of Fourth; then south along Fourth to the north right-of-way line of Temple; then west along Temple to the west right-of-way line of Grand River; then southeast along the west right-of-way line of Grand River to the south right-of-way line of Middle; then easterly along Middle to the west right-of-way line of Clifford; then easterly to the east right-of-way line of Washington Boulevard; then north along Washington Boulevard to the north right-of-way line of Park; then northwesterly along Park to the south right-of-way line of Adams; then east along Adams to the west right-of-way line of Witherell; then southwesterly to the west right-of-way of Madison extended; then southeasterly along Madison to the east right-of-way of John R; then north along John R to the north right-of-way of Adams; then west along Adams to the east right-of-way line of Witherell; then north along Witherell to the south right-of-way line of Montcalm; then east along Montcalm to the east right-of-way line of John R; then north along John R extended to the north line of the Fisher Freeway North Service Drive; then west along the Fisher Freeway North Service Drive to the point of beginning.

407.11.1 Events Center Project

Project Description

The proposed “Events Center Project” is a sports/entertainment complex that is part of an initiative conceived to expand the traditional downtown business district into the area north of the Fisher Freeway and west of Woodward Avenue and to effectively connect downtown Detroit to Detroit’s Midtown area. Its objective is to transform the 2013 Expansion Area from its currently largely blighted state into a vibrant year-round business, residential and entertainment district that will enhance the viability of the Authority’s past and present economic development efforts throughout the Development Area, and in particular in the adjacent Grand Circus North Development Area. The initiative will also stimulate private and public development efforts in Detroit’s Midtown area.

A primary component of the project will be the development of a multi-purpose sports and entertainment center, including an attached parking deck (collectively, the “Events Center”) that will include a state of the art professional hockey arena which will become the new home of the Detroit Red Wings organization. In addition to serving as a venue for National Hockey League (“NHL”) events, the Events Center will be able to host a wide variety of entertainment events, including but not limited to concerts, other sports and entertainment events and similar events. In November, 2016, the Detroit Pistons organization announced plans to relocate to the Events Center as its National Basketball Association (“NBA”) home arena starting in the Fall 2017 NBA season.

The Authority owns the Events Center and has entered into a concession management agreement (the “EC CMA”) with Olympia Entertainment Events Center, LLC (“OEEC”), pursuant to the terms of which OEEC is responsible for the management and operation of Events Center.

The City and the EDC conveyed to the Authority their respective properties located within the EC Project Area and described in Section 406.2.2 of the Plan for a nominal cash amount and other valuable consideration for the purposes of project implementation. Likewise, OEEC (or its affiliates) conveyed to

the Authority those properties owned by it within the EC Project Area and described in Section 405.1.1 for a nominal cash amount and other valuable consideration for the purposes of project implementation.

Developer

The Authority will own the Events Center and co-develop the Events Center with OEEC or an affiliate thereof. Construction will be coordinated between the Authority, OEEC and/or its affiliates, including but not limited to the Detroit Red Wings organization, and, if and as necessary, the City.

Location, Extent and Character of Proposed Improvements

The Events Center will generally be located west of Woodward Avenue and east of Cass Avenue, commencing at vacated Henry Street and continuing north to vacated Sproat Street, as shown in the map attached hereto as Exhibit B to Section 407.11 (the "EC Project Area"), covering approximately 12.87 acres of generally vacant and underutilized land.

The EC Project Area may be amended from time to time by means of a resolution adopted by the Board of Directors of the Authority.

The Events Center will feature a NHL regulation ice rink and practice rink, NBA regulation basketball court, and all fixtures, equipment and amenities customarily found in a first class professional sports and entertainment complex. The Events Center is planned generally as an approximately 650,000 square foot NHL and NBA caliber arena with approximately 20,000 seats. The Events Center will include an attached car parking deck located within the EC Project Area, estimated to accommodate 1,100 parking spaces. The ground floors of the buildings located within the EC Project Area, including of the attached parking garage, will feature approximately 40,000 square feet of retail space featuring a team store, restaurants and other retail. Such retail will be open to the public during appropriate days and hours, including when the Events Center is not being used for events. It is estimated that modifications to the Events Center in order to meet NBA requirements and otherwise accommodate the Detroit Pistons will cost at least \$34,500,000.00.

Project implementation will impact a majority of structures within the EC Project Area and may require demolition of certain structures to accommodate construction of the Events Center. The existing street grid and block layout of the EC Project Area may be altered in order to facilitate access to the new uses and to facilitate vehicular and pedestrian circulation throughout the area. It is anticipated that major streets leading into the area will receive streetscape, curb and sidewalk improvements. Further detail on possible changes to the current streets and rights of way to accommodate the Events Center is set forth in Section 404.1.1.

Events Center Estimated Cost \$862,900,000¹

Source of Funds

Private:	\$538,800,000
Public:	\$324,100,000 ²

The costs of constructing the Events Center will be paid from the following sources, which funds are controlled by a bond trustee and disbursed as construction progresses in accordance with the EC CMA: (i) proceeds of the 2014A Bonds; (ii) proceeds of the 2014B Bonds; (iii) proceeds of the Series 2017 DDA

¹ The Events Center includes the arena, a parking garage and adjacent buildings and improvements with restaurant, retail and concessionaire office space.

² Amount includes \$250,000,000 par value of Series 2014A DDA Bond, proceeds of \$34,500,000 from Series 2017 DDA Bonds, \$34,750,000 in Existing Catalyst Revenues, and \$4,850,000 in estimated net closing costs and debt services reserves for Series 2017 DDA Bonds and refunding of Series 2014A DDA Bond and Series 2017 DDA Bonds anticipated prior to January 1, 2019.

Bonds, if any; and (iv) funds in the amount of \$34,750,000 that the Authority obtained as a result of property tax capture, held as of December, 2014, and was authorized by MCL 125.1651 or by the State of Michigan to contribute to the Events Center Project (“Existing Catalyst Revenues”).¹ In addition, any costs of the Events Center in excess of the above-referenced sources will be paid by OEEC or its affiliate pursuant to the terms of the EC CMA.

The EC Tax Increment Revenue Bonds will be secured by a pledge by the Authority of those tax increment revenues described in MCL 125.1651(cc)(vi) (the “Catalyst Project Revenues”) and its local tax increment revenues and will be repaid from the following sources:

1. An irrevocable pledge by the Authority of the Catalyst Project Revenues as authorized by MCL 125.1664(6).
2. A contribution of \$64.5 million by the Authority from its local tax increment revenues, payable pursuant to a schedule described in the EC CMA, as may be amended by the Authority from time to time. This amount will include all tax increment revenues attributable to Wayne County taxes in the 2013 Expansion Area for the duration of the 2014A Bonds, currently estimated at approximately \$4,740,000.

The Series 2014B DDA Bond is secured by and will be repaid from certain concession fees payable to the Authority by OEEC under the EC CMA, which, over the term of the 2014B Bonds average approximately \$11.5 million annually.

OEEC, or its affiliate, shall be solely responsible for any construction cost overruns relating to the construction of the Events Center. The obligations of the governmental parties with respect to debt service on the EC Tax Increment Revenue Bonds shall not exceed the amounts specified above.

OEEC (or its affiliate) will be primarily responsible for paying the operating and maintenance costs of the Events Center. However, beginning in 2018, a reserve for repairs to the Events Center will be established from the above described sources and the sum of \$500,000 per year, to be shared equally by the Authority and OEEC, escalating at the rate of 4% per year, will be placed in this reserve.

Estimated Completion Date

Construction of the Events Center is anticipated to be completed by September 2017.

¹ Such funds are comprised of Catalyst Project Revenues held by the Authority prior to the date of the issuance of the 2014A Bonds and attributable to periods from and after July 1, 2010, deemed to be attributable to such periods, or otherwise authorized by the Michigan Department of Treasury.

407.11.2 EC Ancillary Development Project

Project Description

As part of the Catalyst Development Project, other projects involving the development, redevelopment, rehabilitation and repurposing of existing buildings and vacant lands located in portions of the Catalyst Development Area outside of the boundaries of the Events Center are proposed (the “EC Ancillary Development Project”). The construction and development of the Events Center will give impetus to other mixed-use development in the Catalyst Development Area.

The City and the EDC conveyed to the Authority their respective properties located within the Catalyst Development Area and described in Section 406.2.2 of the Plan for a nominal cash amount and other valuable considerations for the purposes of project implementation. Such properties will be held by the Authority for development and transferred to Olympia Development of Michigan, LLC (“ODM”) or its affiliate pursuant to a Master Development and Reimbursement Agreement (“MDA”) between the Authority and ODM. In addition, any properties transferred to the Authority for the Events Center Project which ultimately are not included in the final configuration of the Events Center Project, including air rights, will be transferred to ODM under the MDA. Properties transferred to ODM by the Authority under the MDA must be subject to development proposals approved by the Authority within five (5) years following the completion of the Events Center, except that certain properties along Woodward Avenue must be subject to a development proposal approved by the Authority prior to December, 11, 2017.

Developer

It is anticipated that independent developers and/or owners of private property, including but not limited to ODM or its affiliates, will participate in the EC Ancillary Development Project. In the event that ODM (or its affiliates) submits, and the Authority approves, development proposals with an aggregate investment of at least \$200 Million within five (5) years following the completion of the Events Center, and actually completes such projects, the Authority will reimburse eligible development costs of up to \$74 million from available Catalyst Project Revenues, after the payment of all obligations payable with respect to the EC Tax Increment Revenue Bonds. With respect to any properties owned by the Authority or for which ODM seeks the above-described reimbursement, the Authority would enter into development agreements with private developers, which may include ODM or its affiliates, with respect to the development of such properties.

Location, Extent and Character of Proposed Improvements

Development projects could be located anywhere within the Catalyst Development Area outside of the Events Center. Such projects may include retail, office, business, business innovation, housing, and education projects.

Certain projects currently under consideration include the following:

- New construction at Woodward near Sproat consisting of approximately 105,000 square feet of office and 35,000 square feet retail;
- Approximately 25,000 square feet of Office/Retail on Woodward;
- Detroit Life Building Renovation consisting of approximately 3,645 square feet of retail and 35 residential units;
- Blenheim Building Renovation consisting of approximately 1,833 square feet retail and 16 residential units;
- 1922 Cass Renovation consisting of approximately 70,000 square feet of office;
- New parking deck to accommodate approximately 700 cars, with approximately 15,000 square feet ground floor retail; and
- Approximately 20,000 square feet footprint for new hotel and retail.

However, after the feasibility of these and other projects are assessed by the Authority and potential developers, different projects acceptable to the Authority may be substituted for these projects.

Since the 2013 amendment the Authority approved the following projects pursuant to the MDA:

- In September of 2016 the DDA Board of Directors approved the proposed development plans for a new building to expand the Little Caesars headquarters. The proposed 234,000 square foot mixed use development is located at Columbia and Woodward and will have eight floors of office space and 24,000 square feet of ground retail floor space. In addition, the proposed plans include a sky walk connecting the new development to the Fox Theatre. Columbia street will be vacated to develop a pedestrian friendly “Festival Street.” Total investment is estimated at \$150 million. This investment is expected to be attributed to ODM’s \$200 million commitment set forth in the MDA.
- In September of 2016 the DDA Board of Directors approved the proposed development plan related to the property located at Henry and Cass for the development of a new seven story above-grade parking structure with approximately 530 spaces and 7,000 square feet of ground floor retail on Henry Street. The investment is estimated at \$24.4 million. This investment is expected to be attributed to ODM’s \$200 million commitment set forth in the MDA.
- In July of 2016 the DDA Board of Directors approved the proposed development plan relating to the property located at 2771 and 2743 Woodward for the development of a new 120,000 square foot school of business for Wayne State University to be known as the Michael Ilitch School of Business. Total Investment is estimated at \$59 million. This investment will not be attributed to ODM’s \$200 million commitment set forth in the MDA.

It is also anticipated that a new DTE substation described in Section 404.5.3.1(a) of the Plan will constitute a component of the EC Ancillary Development Project. Infrastructure projects, to the extent such projects support new developments projects in the Catalyst Development Area, are also contemplated as part of the EC Ancillary Development Project. By way of example only, infrastructure projects may include the construction of an elevated pedestrian bridge over the Fisher Freeway, located at Park Avenue or Clifford Avenue, the widening of the Woodward Avenue bridge over the Fisher Freeway, and/or other similar streetscape projects, including those described in Section 404.1.1 of the Plan.

Estimated Cost

The exact investment to be made in the EC Ancillary Development Project is not currently known, but is estimated at least \$259 million¹.

Source of Funds

Private: \$185.0 million pursuant to a commitment by ODM or its affiliates to invest, or cause other private parties to invest, such amount in the EC Ancillary Development Project.

¹ This number represents the \$200.0 million commitment set forth in the MDA (of which an aggregate of \$174.4 million has been committed as of the date of the drafting of the 2017 Plan amendments for the expansion of the Little Caesars headquarters and Henry Street garage) as well as the expected \$59.0 investment in the Michael Ilitch School of Business, which project is part of the EC Ancillary Development Project but is not attributable towards the \$200.0 million commitment.

Public: Approximately \$74.0 million¹ in Catalyst Project Revenues, estimated to be the amount of Catalyst Project Revenues over the term of the Plan in excess of those pledged for purposes of debt service on the EC Tax Increment Revenue Bonds.

Additional public funds yet to be determined for specific projects².

Estimated Completion Date: To be determined

¹ This amount has increased from \$62 million since the 2013 Plan amendments pursuant to an agreement reached by the DDA, ODM, MSF, and the City prior to the approval by Detroit City Council of the 2013 Plan amendments but after the 2013 Plan amendments were formally submitted to the Detroit City Council for approval.

² Such public funds may include tax increment revenues reallocated from other projects, upon approval of the Board of Directors of the Authority, as permitted by the Plan.

CATALYST DEVELOPMENT PROJECT
Sources and Uses of Funds

Events Center¹:

Land acquisition costs, preliminary site work and construction of Event Center

Private Financing (ODM) \$538,800,000

Public Financing \$324,100,000

Existing Catalyst Project Revenues \$34,750,000

Series 2014A DDA Bond \$250,000,000

Proceeds from Series 2017 DDA Bonds \$34,500,000

Estimated net closing costs and debt service for 2017 and 2018 bond issuances \$4,850,000

Events Center Subtotal \$862,900,000

EC Ancillary Development Project:

Land acquisition, demolition, construction, rehabilitation, infrastructure for EC Ancillary Development Project

Private Financing \$185,000,000

Public Financing \$74,000,000

EC Ancillary Development Project Subtotal \$259,000,000

Overall Catalyst Development Project

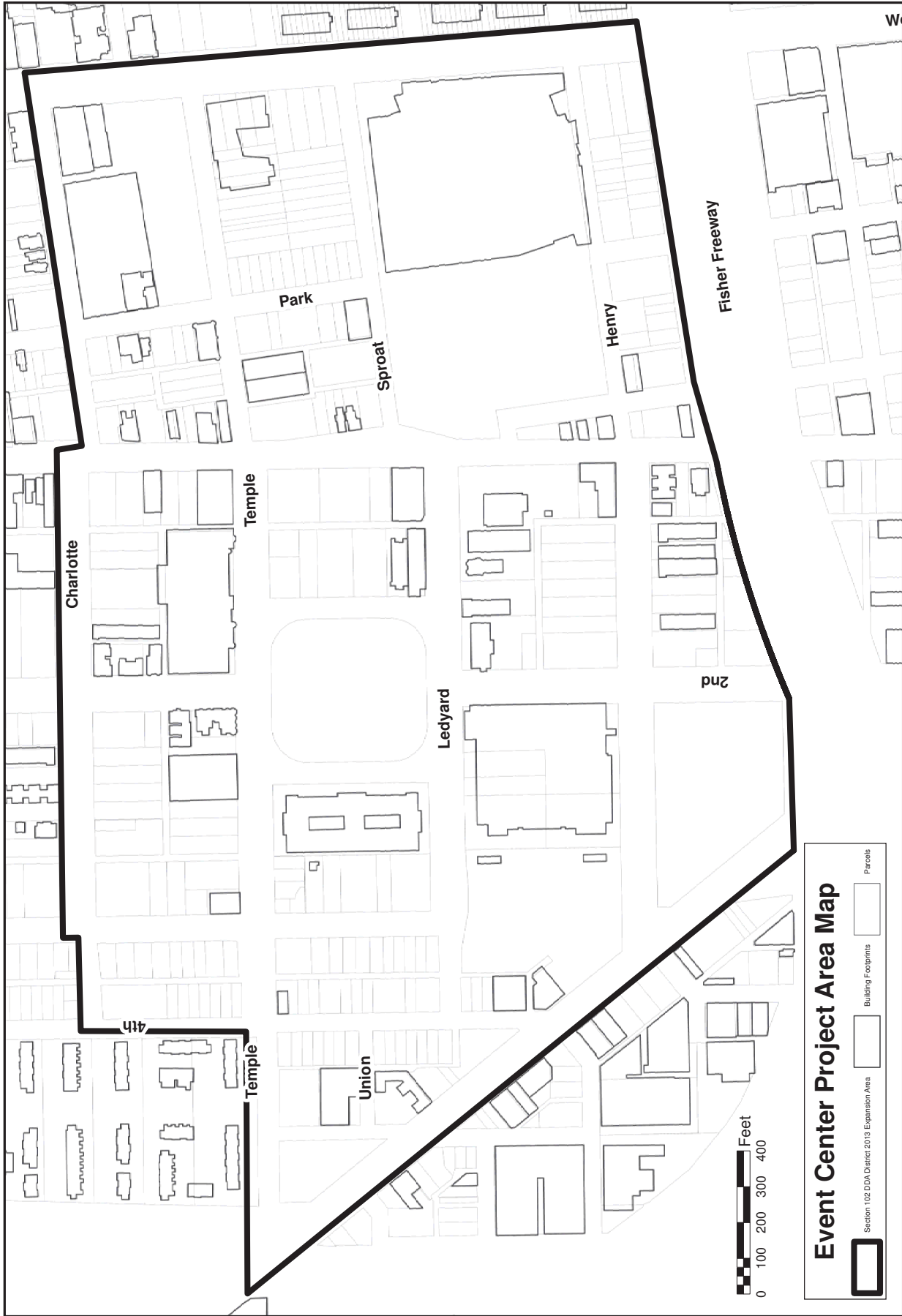
Private Financing \$723,800,000

Public Financing \$398,100,000

Catalyst Development Project Total \$1,121,900,000

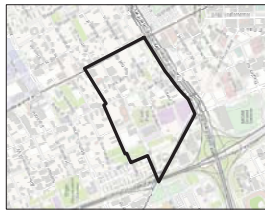
¹ The Events Center includes the arena, a parking garage and adjacent buildings and improvements with restaurant, retail and concessionaire office space.

City of Detroit Downtown Development Authority Exhibit B to Section 407.11



City of Detroit

Downtown Development Authority
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 Scale: 1 inch = 120 feet
 Printing Scale: 24x36

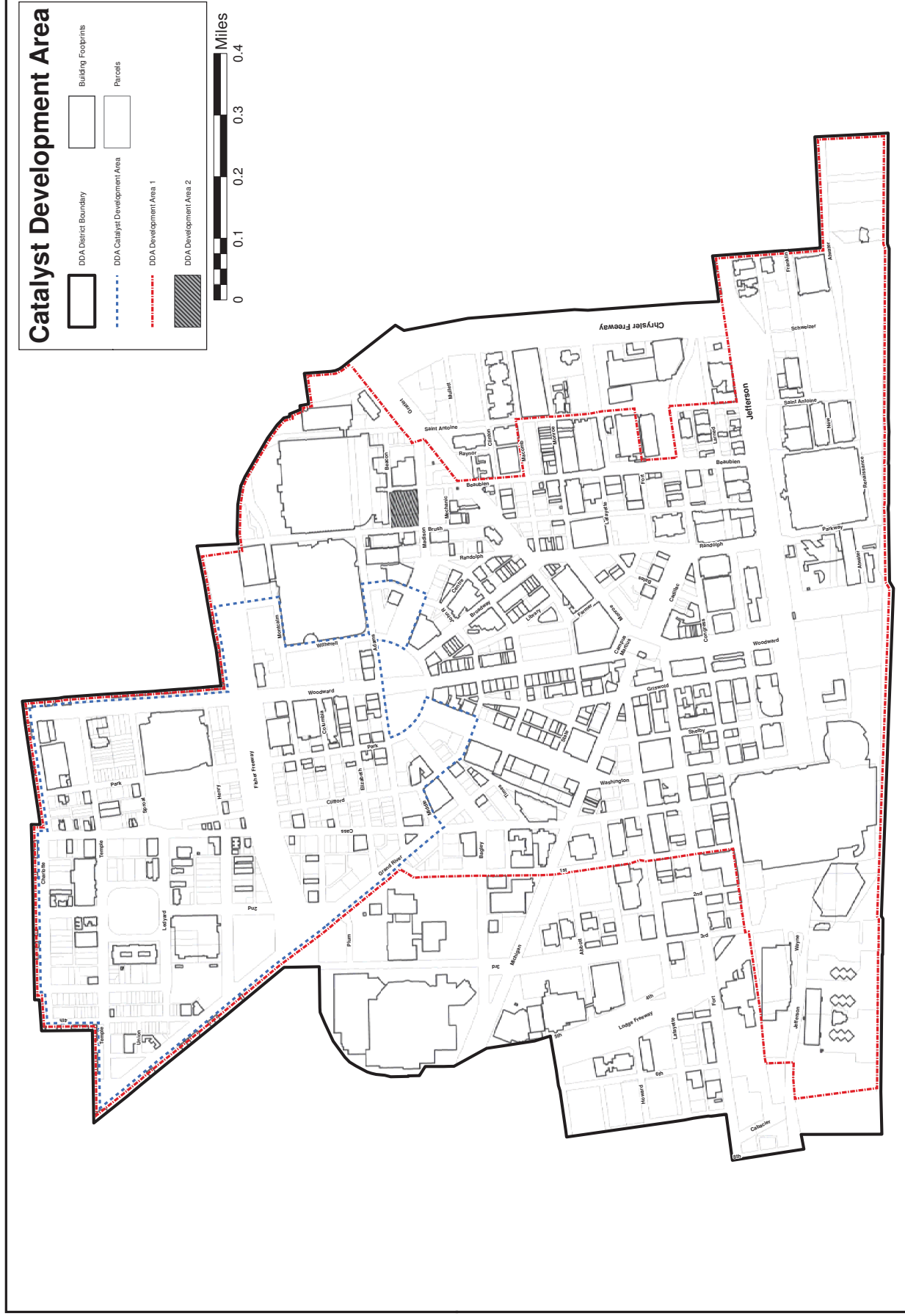
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City of Detroit Downtown Development Authority Exhibit A to Section 407.11



407.12 Description of Desired Changes in Streets, Street Levels, Intersections and Utilities

It is anticipated that some changes in streets and utilities may occur, primarily in the retail-commercial core area, to permit consolidation of ownership parcels for redevelopment purposes. Alley vacations were accomplished in the Robert L. Millender (currently the Renaissance City Apartments) and Trolley Plaza (currently the Detroit City Apartments) project sites, and removal or relocation of minor utility lines in these alleys was necessary. Street alley vacations or conversion to easements and some utility relocations occurred in the Greektown Area, the Cobo Hall/Convention Facilities Area, and the 500 Woodward development. Street alley vacations or conversion to easements and some utility relocations are expected to occur in the development site of the Tiger/Lions Stadium. Street and alley vacations, relocations or conversion to easements and some utility relocations are expected in connection with the EC Project Area.

The Kennedy Square Garage will be demolished for redevelopment purposes, along with certain appurtenant roads and other public improvements within the Campus Martius Redevelopment Project.

Street changes are described in detail in Section 404.1.1 - Location Extent and Character of Proposed Streets.

408 PUBLIC COST AND PUBLIC FINANCING OF THE DEVELOPMENT PROGRAM

408.1 Estimate of the Public Cost of the Development Plan

A Project Cost for implementation of the Development Plan has been projected and is shown in Table 1, excluding financing costs incurred by the Authority for loans or bonded indebtedness. Table 1 shows the expected total project costs, including a breakdown of costs anticipated to be funded by the Authority, other public sources and private sources.

A detailed explanation of project costs for each project contemplated by the Plan is provided in Section 407. Individual project costs are delineated on a line-item basis, with the allocated use of public funds specified on that basis. However, the Authority may from time to time deem it necessary to alter the line-item allocations of tax increment funds within various project budgets to fulfill the requirements of the Plan, and may effect same with approval of its Board of Directors, provided such does not increase the Authority's overall funding obligation to the Plan. In addition, all revenues and expenditures included in the individual project budgets, as well as in Tables 3A and 3B, represent best estimates of the Authority's staff at the time of preparation of the Plan and its subsequent amendments. An annual breakdown of tax increment revenues and expenditures for the duration of the Plan is included in Tables 3A and B.

408.2 Statement of the Proposed Method of Financing the Development Plan

The Authority is authorized to finance the implementation of this Development Plan with funds from a variety of sources. A description of public funding sources, together with project costs associated with each source, is presented in Table 2.

The sources of the public funds, which are expected to be available for the financing of project costs associated with the Development Plan listed in Table 2, are described briefly below.

Tax Increment Financing

The tax increment revenues available to the Authority under the Downtown Development Authority Act first became available after the adoption of this Development Plan by the Detroit City Council in 1978. Since the adoption of the initial Plan of 1978, taxes levied for all taxing jurisdictions encompassing the Development Area shall continue to be paid over the years to the respective taxing agencies on the basis of

the assessed value of all property within the Development Area as shown on the last equalized assessment roll at the time of adoption of the Plan. Subject to the DDA Act, the taxes on any increase in total assessed value are to be paid to the Authority and will be used to pay development costs and to pay the principal and interest on any indebtedness incurred by the Authority during the implementation of the Development Plan.

EDA - Title I

The Economic Development Act ("EDA") Title I was enacted by Congress to enable localities to establish and maintain a high level of economic activity. The program, administered by the Economic Development Administration, provides funds in the form of loans and grants to be used for the acquisition and development of land. To be eligible, the project must have the potential of creating long-term employment opportunities, particularly to unemployed and low-income families.

EDA - Title IX

Title IX of the Economic Development Act is intended to provide special economic development assistance to cities that have experienced a dislocation in the local economy due to action of the Federal government or arising out of long-term economic deterioration. One of the eligible uses of funds under this program is for business development by providing incentives in the form of loan guarantees, payments to reduce interest on loans, etc.

UDAG

The Urban Development Action Grant ("UDAG"), part of the CDBG, is intended mainly to encourage private sector investment in economically distressed urban areas. Grant assistance to commercial and industrial projects that are designed to strengthen or expand the economic base of a city that falls in the category of "economically distressed" are therefore eligible uses.

FAUS

The Federal Aid to Urban Systems Program ("FAUS"), administered by the Federal Highway Administration of the Department of Transportation, provides funds for construction projects that serve to improve surface transportation in urban areas. Activities eligible for funding under this program include widening lanes, resurfacing, separation of intersections, etc.

UMTA

The Urban Mass Transit Administration ("UMTA") administers the Urban Initiative Program that was established to provide funding for mass transportation projects that enhance economic development. One of the specific goals of the program is to stimulate new employment using the long-term unemployed and disadvantaged by increasing the level of economic activity in urban areas.

CDBG

Community Development Block Grants ("CDBG") are to be used primarily for community development that includes economic development. Funds allocated under this program can be used to implement projects that have the potential of expanding economic opportunities to low and moderate-income families.

Alternative Funding Sources

In the event that project costs of the Development Plan increase or otherwise change from those presented in Table 2, or in the event that sources of financing similarly identified are subsequently determined to be unavailable, inappropriate or inadequate in the opinion of the Authority, the DDA is authorized to modify the allocation and timing of disbursement of its development funds and to finance the Development Plan with funds from a variety of other sources including:

Additional tax increment revenues that may be generated annually within the Development Area can provide two kinds of income:

Revenues generated annually that can be used as cash and/or for debt service;

Sale of tax increment bonds to be redeemed by tax increments generated over the life of the issue.

Sale of the revenue bonds to be redeemed by revenues from Authority properties which may be leased or which may produce income in some other manner.

Other Community Development Block Grants and HUD Section 108 Loan Guarantees designated by the City for Downtown Development Authority land acquisition and related economic development activities.

Other federal grants which may be sought when activities of the Authority appear to be eligible for such grants.

Other local or state grants and assistance.

Other means authorized in the State Act.

In addition, from time to time available tax increment funds may be advanced temporarily by the Authority to pay for certain project costs for which other public funds identified in Table 2 have been designated. The use of tax increment funds in this manner may be required because certain public funds may not be available at the time that project costs to be paid for from these sources are incurred. When tax increment funds are temporarily advanced to any project, they will be repaid from other public funds when such funds become available.

Public costs identified in the financing program of this Development Plan are expected to be funded in part from tax increment revenues. It was anticipated that most development costs would occur during the first thirty-five (35) years of the program and that revenues generated during this time will not meet expenditures on a year-by-year basis. Therefore, revenues to meet these costs were supplemented primarily from approximately \$32.0 million (\$16.0 million for Millender Center, \$16.0 million for One Detroit Center) made available as a result of a Section 108 loan guarantee obtained by the City from the Department of Housing and Urban Development and bonded indebtedness in the maximum amount of \$250.0 million. That bonded indebtedness shall be utilized by the Authority to: (1) refund tax increment bonds issued by the City or the DDA; (2) make the necessary deposit to the debt service reserve fund for said bonds; (3) pay the costs for issuance of the bonds; and (4) make the following project allocations: (a) \$40.0 million for the Tiger Stadium Project; (b) \$26.8 million to the Land Assemblage Program; (c) \$15.0 million to the East Riverfront Improvements Project; (d) \$2.0 million to the Riverfront Promenade Project; (e) \$1.8 million to the Harmonie Park Development for public site improvements; and (f) the balance of approximately \$34.3 million will be used to partially fund the DDA's contribution to the Campus Martius Redevelopment Project. The City of Detroit has issued \$15.0 million in limited tax general obligations bonds to partially finance the Tiger/Lions Stadium Complex. It is further anticipated that all bond funds will be available to the Authority for the financing of the Development Plan and that all principal and interest costs will be repaid by the Authority from tax increment revenues over a 65 year period.

In December, 2014, the Authority issued its bonds to the MSF to secure the 2014A Bonds in the amount of \$250,000,000 and 2014B Bonds in the amount of \$200,000,000 in connection with the Events Center Project. It is anticipated that the Authority will issue its Series 2017 DDA Bonds in 2017 to generate an additional \$34.5 Million in proceeds to support additional costs of the construction of the Events Center in connection with the commitment of the Detroit Pistons to relocate the Pistons home arena from the Palace of Auburn Hills to the Events Center. It is further anticipated that the Authority will issue additional tax exempt tax increment bonds prior to January 1, 2019 to refund the indebtedness represented by the Series 2014A DDA Bond and the Series 2017 DDA Bonds. Following such bond issuances, the maximum bonded

indebtedness of the Authority represented by EC Tax Increment Revenue Bonds will be no higher than \$310 million.¹ In the event that financial market conditions permit the sale of an increased amount of Tax Increment Bonds to replace the Section 108 loan for One Detroit Center, the Authority is permitted to make the appropriate adjustments to tax increment disbursements to accommodate the increased debt service requirements. In October of 1987, the DDA Board requested, and the City Council approved, an advance of \$7 million in tax increment funds from the City of Detroit. The advance represents the City-only portion of tax increment revenues, and will be re-paid from DDA tax increment receipts over the next several years. Interest accrues at six (6%) percent simple interest annually. The funds were used for the Theater District Project as provided under the Plan.

In the event that funds are not obtainable for the acquisition of the Monroe-Randolph-Brush-Fort parcels as herein proposed, the \$2 million Greektown commitment as provided for in the amended Plan approved by the Detroit City Council on December 7, 1984, shall remain intact.

Tables 3A and 3B compare the estimated Authority funded costs of financing the Development Plan with projected general tax increment revenues available to the Authority with respect to Table 3A and with projected Catalyst Project Revenues available to the Authority with respect to Table 3B through the duration of the financing program (estimated to be 1978-1979 to 2050-2051). This is the period during which most of the Authority's financing costs associated with the Development Plan are expected to occur. In addition, the Authority is obligated to a \$250,000 (in 1999 base year dollars) continuing allocation for the Tigers Stadium project up to fiscal year 2034-2035, or through fiscal year 2050 – 2051, assuming the Tigers exercise all available renewal terms under the Authority's Concession and Management Agreement with the Tigers. Funding by the Authority of private developments to the extent allowable by the DDA Act 197 as amended, is subject to the availability of funds, and the negotiation and execution of development agreements between the Authority and the private developers. Table 2 shows that, using tax increment financing, it is possible to cover all projected costs. Tables 3A and 3B illustrates that on a year-by-year basis, the estimated flow of revenues from tax increment will be sufficient to make all required payment for the use of Section 108 funds and the tax increment bonds.

Finally, costs for survey and planning, issuance of bonds, notes or other obligations, and other aspects of administration of the Authority and its project activities have and will continue to come from proceeds of the ad valorem tax on real and personal property within the Downtown Development Authority District.

It is the purpose of this Plan to provide developers with incentives for investment in the key projects needed to revitalize the downtown. Therefore, values for property rights and agreements for development will be established after the City and the Authority have considered development proposals made by developers, the uses and densities proposed, the benefits to be derived by the City through implementation of the proposals, and the extent to which it is necessary to provide developers with financial incentives.

After identification of developers, and after negotiations with them and with public agencies being served by various proposed facilities, it may prove desirable to enter into revenue generating leases and agreements which will provide additional funds that can be employed in existing and future projects or programs of the Authority.

¹ The maximum EC Tax Increment Revenue Bond indebtedness of \$310 million is comprised of amounts anticipated to be necessary prior to January 1, 2019 to (1) refund the Series 2014A DDA Bond and the Series 2017 DDA Bonds; (2) make any necessary deposits to the debt service reserve and capitalized interest funds for said bonds; (3) pay the costs for issuance of the bonds; and (4) fund other lawful purposes under the Act and the Plan; provided, however, that such maximum does not include original issuance premiums.

408.3 Statement of the Ability of the Authority to Arrange the Public Financing of the Development Plan

As shown by the tables in Section 408.1 and 408.2, adequate funds are expected to be available from various grants and from tax increment revenues to fund the public costs of the Development Plan. The tax increment revenues are derived from properties already existing with the tax increment area. Projection of tax revenues on such existing properties can be quite reliable. Projected revenues are enhanced with additional tax revenues to be generated from new projects financed through this Tax Increment Financing Plan.

Other revenues, from FAUS, EDA, HUD, UMTA, and the State, appear at this time to be readily available. Furthermore, certain probable revenues from payment of certain construction costs by developers and from sale or lease of Authority properties have not been included in the projections, although they could to some extent be used to reduce the need to depend upon tax increment financing.

It therefore appears certain that the Authority has the ability to arrange the public financing of the development program contingent upon approval of the various federal and state grants being sought.

TABLE 1
DETROIT DOWNTOWN DEVELOPMENT AUTHORITY
ESTIMATE OF CAPITAL COSTS OF IMPROVEMENTS
(000'S)

Development actions regarding expenditures will be limited to action area:
Estimated costs in thousands of dollars are:

	Costs Funded by the Authority	Costs Funded by Other Public Agencies	Costs Funded Privately	Total Costs
WASHINGTON BOULEVARD AREA				
Wash. Blvd./Trolley Plaza	6,843	5,060	18,966	30,869
Book Cadillac - Phase I	5,000	500	16,000	21,500
Book Cadillac Hotel - Phase II	2,675		9,200	11,875
Book Cadillac Hotel - Phase III	8,000	93,000	82,500	183,500
150 Michigan Ave. Garage	23,430			23,430
Tuller Hotel/Grand Circus Park Improvements	2,470			2,470
Madison-Madison International	719		3,379	4,098
Ramada Downtown Hotel	980		13,766	14,746
RETAIL COMMERCIAL CORE AREA				
Monroe Cadillac Mixed-Use Dvlpmnt	10,704	1,434	8,000	20,138
One Kennedy Square Garage	1,800		4,737	6,537
Monroe/Cadillac Historic-Retail	1,040			1,040
Annis Fur Building	950		2,205	3,155
Woodward/Kennedy Square Improvements	9,050	35,000	92,000	136,050
Quicken Loans Headquarters	39,000		310,000	349,000
Campus Martius Redevelopment Project	44,400	29,000	661,600	735,000
CONVENTION FACILITIES AREA				
Millender Center	23,096	16,945	52,383	92,424
Congress/1st St Hotel/Cobo Exp	26,207	8,000	37,500	71,707
Riverfront West Residential I & II		26,201	57,642	83,843
Riverfront West Residential II	9,250		30,600	39,850
Convention Facilities Area Public Improvements	5,560			5,560
150 Jefferson Ave. Development - Phase I	9,531		83,103	92,634
One Detroit Center - Sec 108	22,715	7,000	206,040	235,755
Lansdowne Restaurant	500		2,303	2,803
Rosetti Building	300		600	900
Ford Auditorium	10			10
East Riverfront District	15,000		85,000	100,000
Riverfront Promenade	1,000	8,000		9,000
EDS Relocation	9,000		20,000	29,000
GREEK TOWN AREA				
Trapper's Alley	2,490	6,546	11,937	20,973
BC./BS Development	2,000		34,800	36,800
Atheneum Hotel	-	4,800	23,854	28,654
GRAND CIRCUS NORTH DEVELOPMENT AREA				
Theatre District Acq/Improvements	22,648		13,200	35,848
Tiger Stadium	63,560	95,000	140,000	298,560
Lions Stadium	85,000	20,000	120,000	225,000
HARMONIE PARK AREA				
Harmonie Park Development	6,700	26,648	10,436	43,784
Music Hall Restoration	350		4,650	5,000
Detroit Opera House	1,500	2,500	23,200	27,200
PEOPLE MOVER SYSTEM				

TABLE 1
DETROIT DOWNTOWN DEVELOPMENT AUTHORITY
ESTIMATE OF CAPITAL COSTS OF IMPROVEMENTS
(000'S)

Development actions regarding expenditures will be limited to action area:
Estimated costs in thousands of dollars are:

	Costs Funded by the Authority	Costs Funded by Other Public Agencies	Costs Funded Privately	Total Costs
Skywalk Bridges Maintenance and Imp	550			550
People Mover Art	910			910
People Mover Route Enhancement	300			300
People Mover Support	24,400			24,400
LOWER WOODWARD IMPROVEMENT AGENDA				
Gap Financing Program	3,000	32,000	245,000	280,000
Façade Improvement Program	11,500		12,000	23,500
Streetscape Improvement Project	27,780	6,450	6,000	40,230
Demolition & Redevelopment		10,000	10,000	20,000
LOAN & ABSORPTION PROGRAMS				
Development Financing SBLT	5,000		5,000	10,000
Housing/Office/retail Dev./Absorp. Program	265,680		438,750	704,430
VIDEO PATROL SYSTEM				
Downtown Video Patrol System	200	192	250	642
DOWNTOWN GENERAL DEVELOPMENT				
Downtown Development Planning & Marketing	630			630
Land Assemblage	286,750		335,480	622,230
Blue Cross Blue Shield Relocation	30,000		38,000	68,000
Special Areas Maintenance	650			650
Building Demolition	8,000			8,000
Ally	11,630		38,370	50,000
CATALYST DEVELOPMENT AREA				
Events Center Project General Rev	64,500			64,500
EC Ancillary Development Project	74,000		185,000	259,000
EC Repair Fund	14,590		14,590	29,180
Closing Costs/Service Fees	18,460			18,460
Debt Service Reserve				-
Event Center Project	305,730		538,800	844,530
OTHER				
DDA Operating Fund	39,450			39,450
Closing Costs/Service Fees	7,460			7,460
Bond debt service reserve	300			300
City of Detroit TIFA #2	2,890			2,890
City of Detroit TIFA #2-Interest payment	420			420
OBLIGATIONS:				
Millender Center - Sec 108	22,490			22,490
One Detroit Center - Sec 108	22,576			22,576
One Detroit Center - Sec 108 Closing Fee	110			110
Advance repayment	14,400			14,400
Monroe Garage - Pension Fund	1,430			1,430
150 Michigan Ave. Garage Debt Service	15,420			15,420
Total Capital Cost	1,744,684	434,276	4,046,841	6,225,801

TABLE 2

DETROIT DOWNTOWN DEVELOPMENT AUTHORITY AREA NO. 1
PROPOSED SOURCES OF FINANCING OF THE DEVELOPMENT PLAN

(000's)														
	DDA FUNDS				OTHER PUBLIC FUNDS							TOTALS		
	TAX INCR/MNT	FINANC- ING	LEASE OR PUR MON MTGE		DDA TOTAL	UDAG	FAUS	UMTA	CDBG	EDA	STATE			OTHER PUBLIC TOTAL
			OF	MICH							ICF	PUBLIC TOTAL		
WASHINGTON BOULEVARD AREA														
Wash. Blvd./Trolley Plaza	6,843			6,843	5,060					500			5,060	11,903
Book Cadillac - Phase I	5,000			5,000									500	5,500
Book Cadillac Hotel - Phase II	2,675			2,675							93,000		-	2,675
Book Cadillac Hotel - Phase III	8,000			8,000									93,000	101,000
150 Michigan Ave Garage	23,430			23,430									-	23,430
Tuller Hotel/Grand Circus Park Improvements	2,470			2,470									-	2,470
Madison-Madison International	671		48	719									-	719
Ramada Downtown Hotel	980			980									-	980
RETAIL COMMERCIAL CORE AREA														
Monroe Cadillac Mixed-Use Dvlpmnt	10,704			10,704	1,054				380				1,434	12,138
One Kennedy Square Garage	1,800			1,800									-	1,800
Monroe/Cadillac Historic-Retail	1,040			1,040									-	1,040
Annis Fur Building	950			950									-	950
Woodward/Kennedy Square Improvements	9,050			9,050							25,000		35,000	44,050
Quicken Loans Headquarters	39,000			39,000										39,000
Campus Martius Redevelopment Project	44,400			44,400							29,000		29,000	73,400
CONVENTION FACILITIES AREA														
Millender Center	23,096			23,096	13,150		3,795						16,945	40,041
Congress/1st St Hotel/Cobo Exp	25,215		992	26,207	8,000								8,000	34,207
Riverfront West Residential I & II					18,607			3,889	3,705				26,201	26,201
Riverfront West Residential II	9,250			9,250									-	9,250
Convention Facilities Area Public Improvements	5,560			5,560									-	5,560
150 Jefferson Ave. Development - Phase I	9,500			9,500									-	9,531
One Detroit Center - Sec 108	16,000		31	16,031	7,000								7,000	29,715
Lansdowne Restaurant	500			500									-	500
Rosetti Building	300			300									-	300
Ford Auditorium	10			10									-	10
East Riverfront District	15,000			15,000							8,000		-	15,000
Riverfront Promenade	1,000			1,000									-	9,000
EDS Relocation	9,000			9,000									8,000	9,000
GREEK TOWN AREA														
Trappers Alley	1,982		508	2,490	2,800							200	6,546	9,036
BC./BS Development	2,000			2,000					1,500	2,046			-	2,000
Atheneum Hotel				-	4,800								4,800	4,800
GRAND CIRCUS NORTH DEVELOPMENT AREA														
Theatre District Acq/Improvements	21,810		838	22,648									-	22,648
Tiger Stadium	63,560			63,560							55,000		40,000	158,560
Lions Stadium	85,000			85,000									20,000	105,000
HARMONIE PARK AREA														
Harmonie Park Development	6,700			6,700	6,075								26,648	33,348
Music Hall Restoration	350			350									-	350
Detroit Opera House	1,500			1,500							2,500		2,500	4,000
PEOPLE MOVER SYSTEM														
Skywalk Bridges Maintenance and Imp	550			550									-	550
People Mover Art	910			910									-	910
People Mover Route Enhancement	300			300									-	300
People Mover Support	24,400			24,400									-	24,400
LOWER WOODWARD IMPROVEMENT AGENDA														
Gap Financing Program	3,000			3,000							32,000		32,000	35,000
Facade Improvement Program	11,500			11,500									-	11,500
Streetscape Improvement Project	27,780			27,780	5,000							1,450	6,450	34,230
Demolition & Redevelopment											10,000		10,000	10,000

TABLE 2
DETROIT DOWNTOWN DEVELOPMENT AUTHORITY AREA NO. 1
PROPOSED SOURCES OF FINANCING OF THE DEVELOPMENT PLAN
(000's)

	DDA FUNDS				OTHER PUBLIC FUNDS							TOTALS	
	TAX INCR/MNT	FINANC-ING	LEASE OR PUR MON MTGE	DDA TOTAL	UDAG	FAUS	UMTA	CDBG	EDA	STATE OF MICH	ICF	OTHER PUBLIC TOTAL	PUBLIC GRAND TOTAL
LOAN & ABSORPTION PROGRAMS													
Development Financing SBLT	5,000			5,000								-	5,000
Housing/Office/retail Dev./Absorp. Program	265,680			265,680									265,680
VIDEO PATROL SYSTEM													
Downtown Video Patrol System	200			200						192		192	392
DOWNTOWN GENERAL DEVELOPMENT													
Downtown Development Planning & Marketing	630			630								-	630
Land Assemblage	286,750			286,750								-	286,750
Blue Cross Blue Shield Relocation	30,000			30,000								-	30,000
Special Areas Maintenance	650			650								-	650
Building Demolition	8,000			8,000								-	8,000
Aly Financial	11,630			11,630								-	11,630
CATALYST DEVELOPMENT AREA													
Events Center Pmt General Rev to Catalyst Fund	64,500			64,500								-	64,500
EC Ancillary Development Project	74,000			74,000								-	74,000
EC Repair Fund	14,590			14,590								-	14,590
Closing Costs/Service Fees	18,460			18,460								-	18,460
Debt Service Reserve												-	-
Event Center Project	305,730			305,730								-	305,730
OTHER													
DDA Operating Fund	39,450			39,450								-	39,450
Closing Costs/Service Fees	7,460			7,460								-	7,460
Bond debt service reserve	300			300								-	300
City of Detroit TIFA #2	2,890			2,890								-	2,890
City of Detroit TIFA #2-Interest payment	420			420								-	420
SUBTOTAL - AUTHORITY	1,659,126	2,369	6,763	1,668,258	71,546	3,795	3,889	5,585	2,546	66,642	200	280,073	2,102,534
PROJECT COSTS													
OBLIGATIONS:													
Millender Center - Sec 108	16,000	6,490		22,490								-	22,490
One Detroit Center - Sec 108	16,000	6,576		22,576								-	22,576
One Detroit Center - Sec 108 Closing Fee	110	110		110								-	110
Advance repayment	14,400			14,400								-	14,400
Monroe Garage - Pension Fund	1,430			1,430								-	1,430
150 Michigan Ave. Garage	15,420			15,420								-	15,420
SUBTOTAL - OBLIGATIONS	63,250	13,176	-	76,426	-	-	-	-	-	-	-	-	76,426
GRAND TOTAL	1,722,376	15,545	6,763	1,744,684	71,546	3,795	3,889	5,585	2,546	66,642	200	280,073	2,178,960

TABLE 3A
DOWNTOWN DEVELOPMENT AUTHORITY
FOR FY 1978-1979 THROUGH 2050-2051 (IN MILLIONS OF DOLLARS)
GENERAL TIF REVENUES

[illegible]

	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303	304	305	306	307	308	309	310	311	312	313	314	315	316	317	318	319	320	321	322	323	324	325	326	327	328	329	330	331	332	333	334	335	336	337	338	339	340	341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360	361	362	363	364	365	366	367	368	369	370	371	372	373	374	375	376	377	378	379	380	381	382	383	384	385	386	387	388	389	390	391	392	393	394	395	396	397	398	399	400	401	402	403	404	405	406	407	408	409	410	411	412	413	414	415	416	417	418	419	420	421	422	423	424	425	426	427	428	429	430	431	432	433	434	435	436	437	438	439	440	441	442	443	444	445	446	447	448	449	450	451	452	453	454	455	456	457	458	459	460	461	462	463	464	465	466	467	468	469	470	471	472	473	474	475	476	477	478	479	480	481	482	483	484	485	486	487	488	489	490	491	492	493	494	495	496	497	498	499	500	501	502	503	504	505	506	507	508	509	510	511	512	513	514	515	516	517	518	519	520	521	522	523	524	525	526	527	528	529	530	531	532	533	534	535	536	537	538	539	540	541	542	543	544	545	546	547	548	549	550	551	552	553	554	555	556	557	558	559	560	561	562	563	564	565	566	567	568	569	570	571	572	573	574	575	576	577	578	579	580	581	582	583	584	585	586	587	588	589	590	591	592	593	594	595	596	597	598	599	600	601	602	603	604	605	606	607	608	609	610	611	612	613	614	615	616	617	618	619	620	621	622	623	624	625	626	627	628	629	630	631	632	633	634	635	636	637	638	639	640	641	642	643	644	645	646	647	648	649	650	651	652	653	654	655	656	657	658	659	660	661	662	663	664	665	666	667	668	669	670	671	672	673	674	675	676	677	678	679	680	681	682	683	684	685	686	687	688	689	690	691	692	693	694	695	696	697	698	699	700	701	702	703	704	705	706	707	708	709	710	711	712	713	714	715	716	717	718	719	720	721	722	723	724	725	726	727	728	729	730	731	732	733	734	735	736	737	738	739	740	741	742	743	744	745	746	747	748	749	750	751	752	753	754	755	756	757	758	759	760	761	762	763	764	765	766	767	768	769	770	771	772	773	774	775	776	777	778	779	780	781	782	783	784	785	786	787	788	789	790	791	792	793	794	795	796	797	798	799	800	801	802	803	804	805	806	807	808	809	810	811	812	813	814	815	816	817	818	819	820	821	822	823	824	825	826	827	828	829	830	831	832	833	834	835	836	837	838	839	840	841	842	843	844	845	846	847	848	849	850	851	852	853	854	855	856	857	858	859	860	861	862	863	864	865	866	867	868	869	870	871	872	873	874	875	876	877	878	879	880	881	882	883	884	885	886	887	888	889	890	891	892	893	894	895	896	897	898	899	900	901	902	903	904	905	906	907	908	909	910	911	912	913	914	915	916	917	918	919	920	921	922	923	924	925	926	927	928	929	930	931	932	933	934	935	936	937	938	939	940	941	942	943	944	945	946	947	948	949	950	951	952	953	954	955	956	957	958	959	960	961	962	963	964	965	966	967	968	969	970	971	972	973	974	975	976	977	978	979	980	981	982	983	984	985	986	987	988	989	990	991	992	993	994	995	996	997	998	999	1000
TOTAL	22.86	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65	22.65																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											

ASSUMPTIONS:

USED GROWTH RATES FROM SCENARIO C FROM MUNICIPAL REPORT ON 2014A BONDS APPLIED TO ACTUAL 2016 REVENUES THROUGH 2026-27. USED SMALLER RATE OF 1.15% AFTER THAT

TABLE 3B
COUNTY DEBT SERVICE PAYMENT AUTHORITY
FOR FY 1978-1979 THROUGH 2056-2057 (IN MILLIONS OF DOLLARS)
CATALYST TIF REVENUES

Completions, deletions, or additions		Reductions, but not deletions, of additions										Extensions										Additions										Redistributions																			
		5.16										100.45										59.11 2.34										53.45 12.00 34.50 10.10																			
Total Deductions		-										-										-										-										-									
Total Deductions		5.16										100.45										110.05										-																			
0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35																
ACTUAL 15-16	2016 2017	2017 2018	2018 2019	2019 2020	2020 2021	2021 2022	2022 2023	2023 2024	2024 2025	2025 2026	2026 2027	2027 2028	2028 2029	2029 2030	2030 2031	2031 2032	2032 2033	2033 2034	2034 2035	2035 2036	2036 2037	2037 2038	2038 2039	2039 2040	2040 2041	2041 2042	2042 2043	2043 2044	2044 2045	2045 2046	2046 2047	2047 2048	2048 2049	2049 2050	2050 2051																
TOTAL RECEIVED																																																			
REVENUES																																																			
Catalyst Project Tax Revenue	13.73	14.81	15.11	15.95	16.03	16.31	17.03	17.91	18.04	18.35	18.35	18.76	19.37	19.23	19.45	19.37	19.95	20.33	20.35	20.36	20.37	20.38	20.39	20.40	20.41	20.42	20.43	20.44	20.45	20.46	20.47	20.48	20.49	20.50	20.51																
Catalyst Project Tax Revenue Referred to the State																																																			
General Revenue Transferred from Table 3A for 2014 Bond Debt Service	59.61								2.00	2.00	2.00	2.50	2.75	2.75	2.75	2.75	2.75	2.75	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00																
Net Bond Proceeds 2017	250.00																																																		
Net Bond Proceeds 2019																																																			
TOTAL CASH INCOME	285.19	13.73	14.81	15.53	17.41	18.50	19.01	20.04	20.58	20.58	21.08	21.26	21.76	21.81	22.20	22.42	22.65	22.88	23.36	23.59	23.63	24.07	24.11	24.56	24.61	25.06	25.11	25.57	25.63	25.69	25.76	25.82	25.89	25.94	25.99																
PROJECT EXPENDITURES BY AREA																																																			
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ASSUMPTIONS

USED GROWTH RATES FROM SCENARIO C FROM MANICAP REPORT ON 2014A BONDS APPLIED TO ACTUAL 2016 REVENUES THROUGH 2026-27. USED SMALLER RATE OF 1.15% AFTER THAT
ASSUMES NET ANNUAL CASH FLOW OF 2014-2017 BONDS BY MANICAP THROUGH DATE OF 9/1/19 AT 1.05%

409 RELOCATION OF OCCUPANTS OF THE DEVELOPMENT AREA

The Federal Uniform Relocation Law is consistent with the City Relocation Policy, which is on exhibit at the Planning and Development Department, which is located at 65 Cadillac Square.

409.1 Estimate of the Number of Persons Residing in the Development Area

A preliminary information survey was conducted within the Development Area to assist in determining the demographic make-up of the community. It is estimated that 3,000 persons reside in the Development Area, excluding the 2013 Expansion Area. It is estimated that there are 90 – 115 occupied residential units and 15 businesses and non-profit organizations located within the 2013 Expansion Area. It appears that most of the residents are individuals rather than families.

Preliminary estimates are that 90-100 residential units and 25-30 business and non-profit organizations are located within the Tiger/Lions Stadium Complex Project Area. The Stadium Authority is expected to be responsible for implementing site acquisition and relocation of all residents and businesses. The Stadium Authority would provide relocation assistance pursuant to either the Federal or the State Uniform Relocation Assistance and Real Property Acquisitions Act. When parcels occupied by residential structures are designated for acquisition, a relocation survey will be conducted to determine family composition, income, racial composition, housing needs and desires and problems that might impede relocation activities.

Preliminary estimates are that 7 residential units, 2 businesses and 1 non-profit organization are located within the EC Project Area. It is anticipated that there may be 7 residential relocation cases in connection with the Events Center Project comprised of 0 families and 7 individuals. Of the 7 relocation cases, it is estimated that 0 are owner occupants and 7 are tenants, the average income is approximately \$ 750 per month and the racial composition is approximately 43% African-American and 57% Caucasian. Upon approval of the Plan a final relocation survey will be conducted to positively identify all residents to be relocated and determine their benefit eligibility. If applicable, the Authority will cause relocation assistance to be provided consistent with the Federal Uniform Relocation Assistance and Real Property Acquisitions Act of 1970, being Public Law 91-646, 42 U.S.C. sections 4601 et seq (the “URA”), the Michigan Relocation Assistance Act, being Act 227 of 1972 (the “RAA”), and Section 16-1-6 of the Detroit Code (the “Code”). Although at this time there are no projects anticipated in connection with the EC Ancillary Development Project that would require the acquisition of property by the Authority or the vacation of real property by its occupants, if occupied residential structures are designated for acquisition or vacation by the Authority, a relocation survey will be conducted and the Authority will cause relocation assistance to be provided in compliance with the guidelines established under the URA, which are also consistent with the RAA and the Code.

409.2 Displacement of Residences in the Development Area

The Planning & Development Department of the City of Detroit can provide a statistical description of the housing supply in Detroit. Of particular importance is the Housing Assistance Plan submitted with the current Block Grant application to Department of Housing and Urban Development.

Based on the results of the 2010 Census, in 2010, the City of Detroit had a total of approximately 349,170 housing units, of which 269,445 were occupied and 79,725 were vacant. Of the 269,455 occupied housing units, approximately 137,730 were owner-occupied and 131,715 were renter-occupied. Of the 79,725 vacant housing units, approximately 29,248 were available for rent and 5,593 were for sale. The homeowner vacancy rate was 3.8% and the rental vacancy rate was 19%. Additional information and future updates can be found at: <http://factfinder2.census.gov/faces/na/jsf/pages/index.xhtml>.

Information regarding the condition of the housing units in the City of Detroit can be found at: <http://www.detroitparcelsurvey.org/>; and information regarding fair market rental rates in Wayne County can be found at: <http://www.huduser.org/portal/datasets/fmr.html>.

The Planning & Development Department (P&DD) Relocation Division continually updates information regarding decent, safe and sanitary housing available in Detroit. Apartment rentals, sales housing, cooperative sales or rental units are available to persons displaced by governmental action. These units are inspected by P&DD Relocation Division staff prior to referrals being made to relocatees.

Qualified persons who may eventually be displaced as a result of property acquisition by the Authority will be eligible to receive a Certificate of Eligibility under Section 221 of the National Housing Act. This Certificate will qualify the displaced for priority in buying a house or renting a unit built or rehabilitated using Section 221 mortgage insurance.

The P&DD Relocation Division will attempt to establish a priority in new housing in the area not financed under Section 221 for persons who may eventually be displaced by the Authority.

The Stadium Authority is expected to assist homeowners and tenants residing in the Stadia Complex Project Area in identifying available replacement locations, which will meet their needs. In addition, the Stadium Authority may provide additional cash compensation to homeowners and tenants in accordance with the provisions of either the URA or RAA.

In the event that any occupied residential units are identified in the EC Project Area or that occupied residential structures are designated for acquisition or vacation by the Authority in connection with the EC Ancillary Development Project, the Authority will assist homeowners and tenants residing in such areas who are displaced as a direct result of the Authority's activities in identifying available replacement housing in the manner provided in the URA guidelines. In addition, such displaced homeowners and tenants may qualify for financial assistance for certain relocation expenses as required under the URA, the RAA or the Code.

Furthermore, under the EC CMA and development agreements in furtherance of the EC Ancillary Development Project, ODM shall be obligated to provide all relocation assistance and benefits contemplated by this Section 409 and consistent with the URA, RAA and the Code.

409.3 Displacement of Businesses in the Development Area

The cost of relocating businesses from the properties to be demolished in the Washington Boulevard and Cadillac Center sites is to be funded from tax increment financing, UDAG, UMTA, FAUS, and CDBG. There are no relocation costs involved with Washington Boulevard so the total amount of \$700,000 is being applied to Cadillac Square. The amounts allocated from each are, UMTA \$300,000, FAUS \$2,000,000, Tax Increment Financing \$150,000, CDBG \$50,000.

The cost of relocating businesses from properties to be acquired from owners other than Forbes and to be demolished within the Theater District Project area is to be funded from tax increment financing. The costs of relocating any persons eventually displaced by the Authority will be paid from tax increments or any other available funds in accordance with the standards and provisions of Public Law 91-646, 42 U.S.C. Sections 4601, etc.

The Stadium Authority may assist owners of the affected businesses in the Tiger/Lions Stadia Complex Project Area in identifying available replacement locations, which will meet their needs. Business caused to relocate from properties acquired for benefit of this project will receive payment for the actual reasonable

moving expenses including the cost of transportation, packing, storage, licenses and permits, reletting of signs and replacement of printed material and any other move-related costs plus certain re-establishing expenses or a fixed payment in lieu of the payment for the actual moving expenses.

The Authority will assist owners of the businesses in the EC Project Area that are displaced by the Authority and other businesses in the Catalyst Development Area outside of the EC Project Area that are displaced as a direct result of actions by the Authority in connection with a project that is part of the EC Ancillary Development Project. Such assistance will include assistance in identifying suitable available replacement locations and, if such businesses qualify, may include financial assistance for certain relocation expenses as required under the URA, the RAA or the Code. More specifically, under the EC CMA and development agreements in furtherance of the EC Ancillary Development Project, ODM shall be obligated to provide all relocation assistance and benefits contemplated by this Section 409 and consistent with the URA, RAA, and the Code.

409.4 Provision for the Costs of Relocating Persons Displaced by the Development and Financial Assistance and Reimbursement Expenses, Including Litigation Expenses and Expenses Incidental to the Transfer of Title, in Accordance with the Standards and Provisions of the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Being Public Law 91-646, 42 USC Sections 4601, et. seq.

The costs of relocating any persons eventually displaced by the Authority will be paid from tax increments or any other available funds in accordance with the standards and provisions of Public Law 91-646, 42 U.S.C. Section 4601, etc. More specifically, under the EC CMA and development agreements in furtherance of the EC Ancillary Development Project, ODM shall be obligated to provide all relocation assistance and benefits contemplated by this Section 409 and consistent with the URA, RAA, and the Code.

409.5 Plan for Compliance with Act No. 227 of the Public Acts of 1972, Being Sections 213.321 to 213.332 of Michigan Compiled Laws Relating to Persons Displaced from Realty by State Agencies, Financial Assistance, Advisory Services, and Expense Reimbursement

The City of Detroit is in compliance with Act No. 227 of the Public Acts of 1972 (Sections 213.321 to 213.332 of the Michigan Compiled Laws). Relocation payments and assistance will be provided consistent with Act No. 227 to anyone who may eventually be displaced by action of the Authority.

410 HISTORICAL SITES, FACILITIES, BUILDINGS, AND STRUCTURES

410.1 National Register of Historic Places

The Development Area contains a number of buildings and monuments, which are listed on the National Register of Historic Places.

In carrying out this Development Plan, the law will be followed regarding historical sites, facilities, buildings and structures. These are shown on the Historical Sites, Facilities, Buildings and Structures Map attached hereto as Exhibit to Section 410.1, 410.2 and 410.3.

The following appear on the National Register of Historic Places:

1. Bagley Memorial Fountain
Woodward and Monroe

2. Breitmeyer-Tobin Building
1308 Broadway
3. Cary Building
229 Gratiot
4. Central United Methodist Church
Woodward at East Adams
5. Century Building and Little Theater
58-62 East Columbia
6. Chapoton, Alexander House
511 Beaubien
7. Christ Church Detroit
960 East Jefferson
8. Detroit Cornice and Slate Building
733 St. Antoine
9. Elwood Bar
2100 Woodward
10. Farwell Building
1249 Griswold Avenue
11. Fox Theater and Building
2111 Woodward
12. Globe Tobacco Company Building
407 East Fort Street
13. Grand Army of the Republic Building
1942 Grand River
14. Grand Circus Park Historic District
Roughly bounded by Clifford on the south and west, John R on the south and east, rear lot lines of the properties on the north side of Adams.
15. Greektown Historic District
Both sides Monroe from Brush to St. Antoine, and St. Mary's R.C. Parish buildings; includes structures on Lafayette of the Traugott Schmidt and Ferry Seed complexes.
16. Griswold Building
1214 Griswold
17. Harmonie Club
267 East Grand River

18. Lawyers Building
137 Cadillac Square
19. L.B. King & Company Building
1274 Library
20. Mariner's Church
170 East Jefferson
21. Merchant's Building
206 East Grand River
22. Michigan Soldiers & Sailors Monument
Woodward at Campus Martius
23. Palms Building and State Theater
2111 Woodward
24. Parker, Thomas A. House
975 East Jefferson
25. Randolph Street Commercial Buildings
East Side Randolph between Monroe and Macomb
26. St. John's Episcopal Church
50 East Fisher Freeway
27. Second Baptist Church of Detroit
441 Monroe
28. State Savings Bank
151 West Fort
29. Trombley, Charles House
553 East Jefferson
30. Vinton Building
600 Woodward
31. Washington Boulevard Historic District
SE side of Washington Boulevard from Clifford to Michigan, and 1201-23 Washington Boulevard; Book Building, 1249 Washington Boulevard; and Book Tower, 1265 Washington Boulevard
32. Wayne County Building
600 Randolph
33. Wilson Theater (Music Hall)
350 Madison

34. Women's City Club
2110 Park Avenue
35. J. H. Remick & Company Building
1250 Library
36. National Theater
118 Monroe
37. Park Avenue Hotel (formerly known as Royal Palm Hotel)
2305 Park Avenue
38. Lower Woodward Avenue Historic District¹
Includes property at 1281, 1424, 1426 and 1448 Woodward Avenue.
39. Detroit Financial District
Area bounded by Woodward and Jefferson Avenues and Lafayette and Washington Boulevards
40. Guardian Building
500 Griswold Avenue
41. Monroe Avenue Commercial Buildings (partially demolished)
16 – 118 Monroe Avenue
42. Park Avenue Historic District
Located on Park Avenue between Adams Street and Fisher Freeway
43. Cass Park Historic District
Comprising streets of Temple, Ledyard and Second Avenue surrounding Cass Park
44. Masonic Temple
500 Temple Street
45. Eddystone Hotel
100-118 Spout
46. S.S. Kresge World Headquarters Building
2727 Second
47. The GAR Building
1942 West Grand River
48. Detroit Leland Hotel
400 Bagley
50. Fort Shelby Hotel
525 West Lafayette
(Located outside of Development Area but within Downtown District)

¹ Listed on National Register of Historic Places in March 1999.

410.2 State Register of Historic Places

The following appear on the State Register of Historic Places:

1. Bagley Memorial Fountain
Woodward at Monroe Avenue
2. Beaubien House
553 East Jefferson
3. Chapoton, Alexander
511 Beaubien
4. Chipman Ammex
113 West Fisher Freeway
5. Chipman Apartments
2373 Park Avenue
6. Christ Church
960 East Jefferson
7. Detroit Cornice & Slate Co. Building
733 St. Antoine
8. Detroit Trust Company
201 West Fort Street
9. Farwell Building
1249 Griswold
10. Ford Motor Company
Foot of Griswold and Jefferson
11. Forth, Elizabeth Denison Home
328 Macomb
12. Harmonie Club
267 East Grand River
13. Hensel Apartments
2333 Park Avenue
14. Hotel Charlevoix
2033 Park Avenue
15. Landing of Cadillac Information Marker
Jefferson at foot of Woodward
16. Mariner's Church
170 E. Jefferson Avenue

17. Michigan's First Capitol
Capitol Park
18. The National Theater
118 Monroe Avenue
19. Property on
2209 Park Avenue
20. St. Andrew's Benevolent Society
431 E. Congress
21. St. John's Episcopal Church
50 East Fisher Freeway at Woodward
23. St Mary's R.C. Church (the complex at Monroe and St. Antoine Streets is also on the 646
Monroe State Register but is adjacent to rather than within the Tax
Increment District)
23. Sts. Peter and Paul Church
629 E. Jefferson
24. Schwankowsky Building
1500 Woodward
25. Second Baptist Church
441 Monroe Street
26. Sibley House
976 E. Jefferson Avenue
27. State Savings Bank
151 W. Fort Street
28. Wayne County Building
Cadillac Square and Randolph Street
29. Property on
119 West Fisher
30. Wilson Theater (Music Hall)
350 Madison Avenue
31. Women's City Club Building
2110 Park Avenue
32. Wormer & Moore Building
2233 Park Avenue
33. L. B. King Building/Annis Fur Building
1274 Library

34. St. Matthew's Episcopal Church
2019 St. Antoine
35. Michigan Soldiers & Sailors Monument
Woodward at Campus Martius
36. Fox Theater
2211 Woodward
37. Monroe Avenue Commercial Buildings (partially demolished)
16 – 118 Monroe Avenue
38. Masonic Temple
500 Temple Street
39. S.S. Kresge World Headquarters Building
2727 Second
40. Fort Shelby Hotel
525 West Lafayette
(Located outside of Development Area but within Downtown District)

410.3 City Register of Historic Places

The City of Detroit, under Ordinances Number 161-H, Chapter 28-A, Article 1, Establishment of Historic Districts, has declared that historic preservation is a public purpose and it (Detroit) may regulate the construction, reconstruction, alteration, repair, moving and demolition of historic and architecturally significant structures within the limits of the City of Detroit.

The following sites are listed on the City Register of Historic Landmarks:

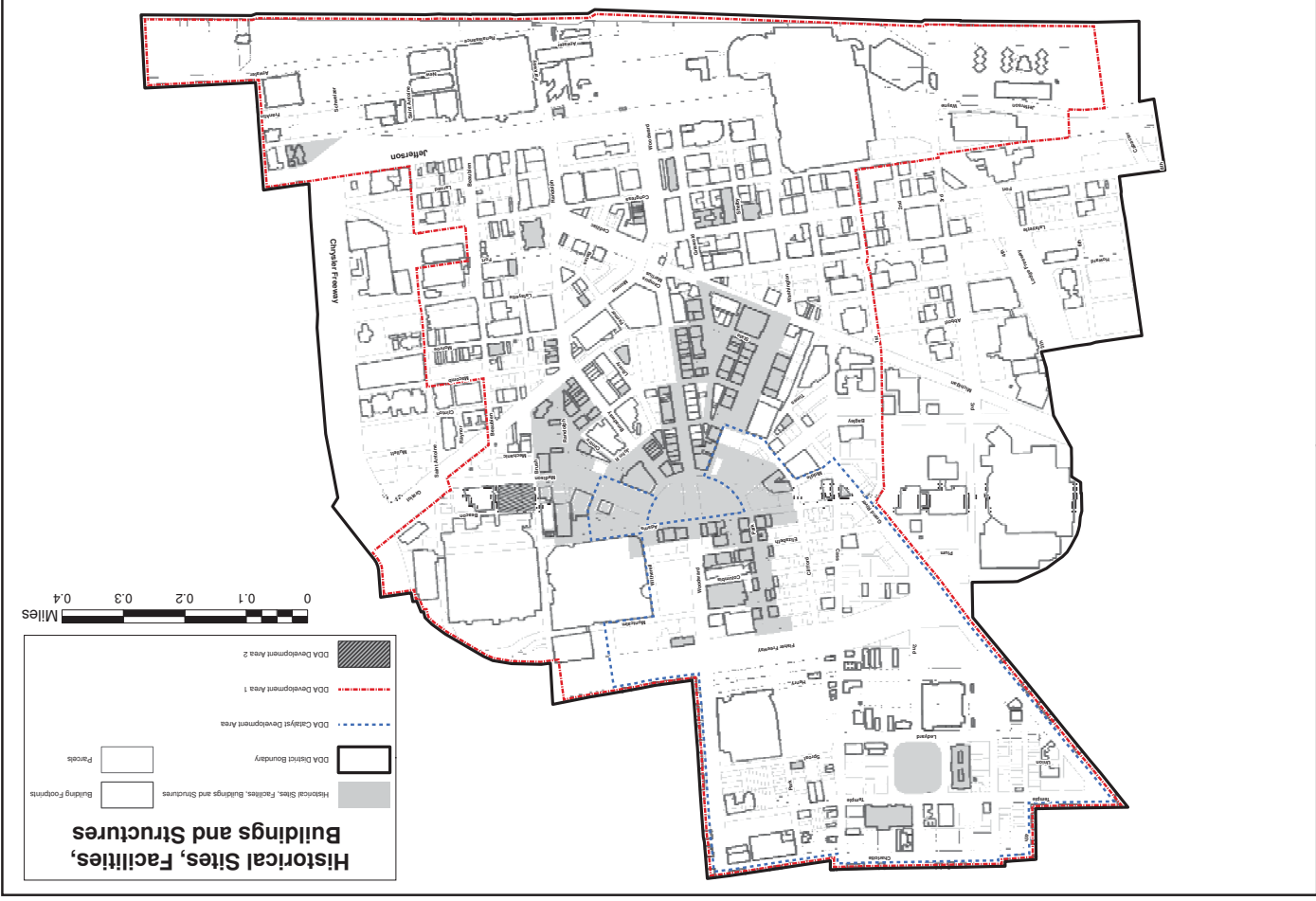
1. Bagley Memorial Fountain
Woodward at Monroe in Campus Martius
2. Breitmeyer-Tobin Building
1308 Broadway
3. Chapoton, Alexander House
511 Beaubien
4. Detroit Cornice & Slate Building
733 St. Antoine
5. Globe Tobacco Building
407 E. Fort Street
6. Madison-Harmonie Historic District
163 Madison, 219 Madison, 246 Madison, 350 Madison, 1720 Randolph, 267 E. Grand
River, 1526-38 Center, 1465-73 Center, 1433-35 Randolph, 1437-39 Randolph, 1427-29
Randolph, 1407-19 Randolph, 1452-58 Randolph, 1502-1508 Randolph

7. Soldiers and Sailors Monument
Cadillac Square at Woodward
8. State Savings Bank Building
151 W. Fort Street
9. Women's Exchange Building
47 E. Adams
10. Broadway Avenue Historic District
Composed of fifteen buildings (fourteen contributing, one non-contributing) located on parts of two noncontiguous blocks in downtown Detroit between Grand Circus Park (Witherell) and Gratiot Avenue)
11. David Whitney Building
1553 Woodward Avenue
12. Detroit Leland Hotel
400 Bagley
13. The Eddystone Hotel
110 Sproat
14. The GAR Building
1942 West Grand River
15. Grand Circus Park Historic District
Roughly bounded by Clifford on the south and west, John R on the south and east, rear lot lines of the properties on the north side of Adams
16. Lower Woodward Historic District
West side of Woodward from State Street to 1551 Woodward Avenue, east side of Woodward Avenue from Grand River W. to Witherell St.
17. Park Avenue Hotel (formerly known as Royal Palm Hotel)
2305 Park Ave.
18. The Vinton Building
600 Woodward
19. Washington Boulevard Historic District
SE side of Washington Boulevard from Clifford to Michigan, and 1201-23 Washington Boulevard; Book Building, 1249 Washington Boulevard; and Book Tower, 1265 Washington Boulevard
20. Water Board Building
863 Bates Street
21. Detroit Financial District
Area bounded by Woodward and Jefferson Avenues and Lafayette and Washington Boulevards

- 22. Park Avenue Historic District
Located on Park Avenue between Adams Street and Fisher Freeway
- 23. Capitol Park Historic District
Intersection of Griswold, State and Shelby
- 24. Fort Shelby Hotel
525 West Lafayette
(Located outside of Development Area but within Downtown District)
- 49. Cass Park Historic District
Comprising streets of Temple, Ledyard and Second Avenue surrounding Cass Park and including property surrounding the Masonic Temple.

[Remainder of page intentionally left blank.]

[Insert Exhibit to Section 410.1, 410.2, 410.3]



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410.4 Other Sites of Potential Historic Significance

In conjunction with and in addition to these sites, potential historic resources that are in the vicinity of the proposed retail center have been identified during the Cadillac Center Environmental Impact Statement (EIS) process. Exhibit 410.4 identifies such sites of potential historic significance.

The EIS scenarios have determined that there will be no major impact on the following identified sites of potential historic significance:

1. Meyers Jewelry Building--originally the R.B. Rayl Building; 1915; architects, O'Dell and Halpin.
2. Annis Fur Company Building--originally the King Company Building; 1920.
3. Tobin Building--originally the Breitmeyer Building; 1905; architects, Raseman and Fisher.
4. Water Board Building--1928; architect, Louis Kamper.
5. Cadillac Tower Building--1928.
65 Cadillac Square
6. First National Building--originally the First National Bank Building; 1922; architect, Albert Kahn.

Additional potential historic resources that are within the Development Area No. 1, and which have been determined eligible for the National Register, include:

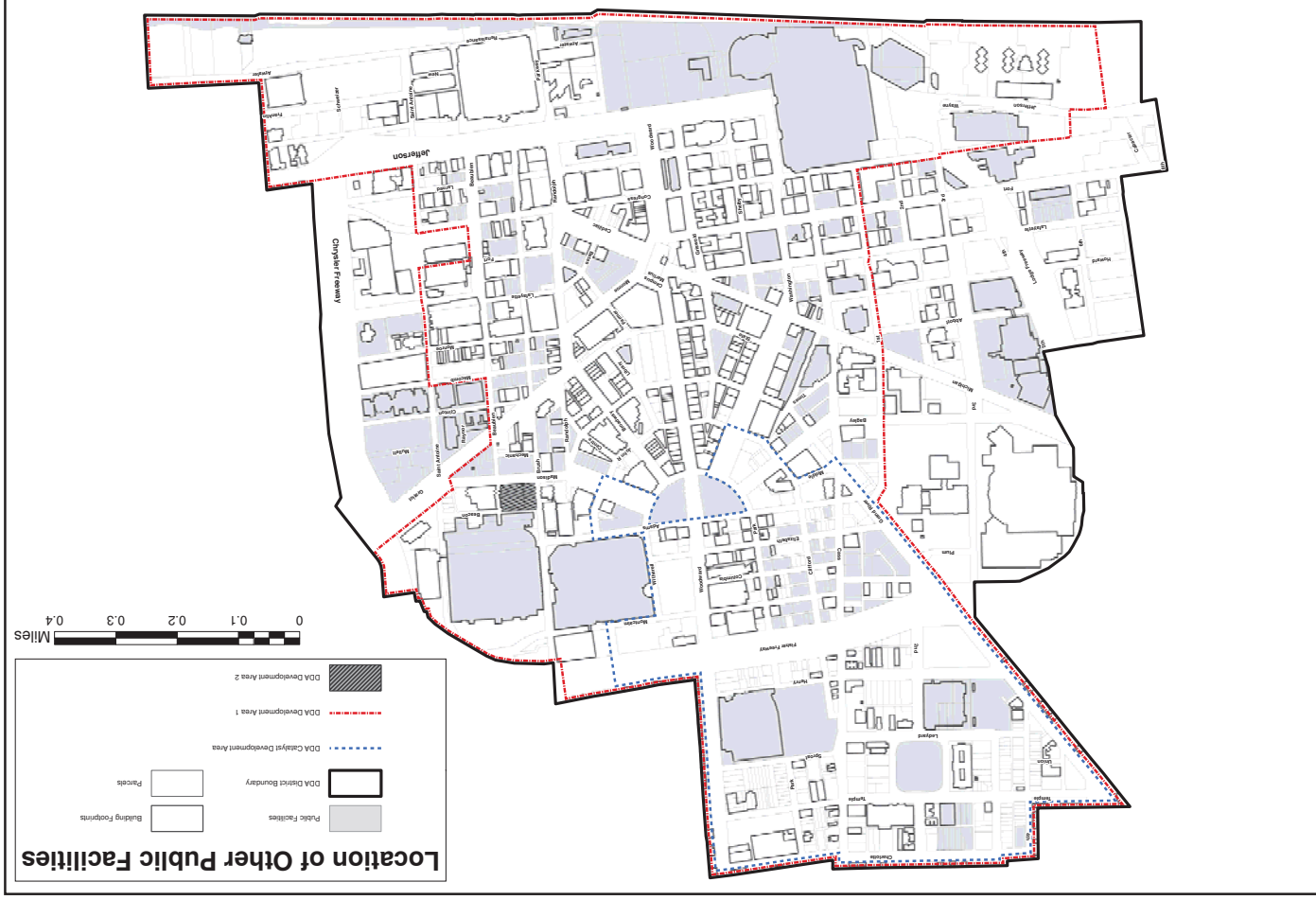
7. Parker-Webb Building, 400 W. Grand River
8. Detroit Public Library - Downtown, 121 Gratiot
9. Detroit Street Plan - Woodward Plan Downtown

Activities of the Authority have been determined to have no significant impact on most of these resources. Although the Southeastern Michigan Transportation Authority's People Mover has been found to have an impact on some of these resources, the Authority is not directly participating in People Mover activities that cause such impacts.

[Remainder of page intentionally left blank.]

[Insert Exhibit to Section 410.4]

City of Detroit Downtown Development Authority Exhibit to Section 410.4



City of Detroit
Downtown Development Authority

DDA Form 400-0000
Rev. 12/08/13
File: 12/08/13/0000

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410.5 Sites Impacted by Authority's Activities

The term "major impact", as used here, refers to any adverse or beneficial impact once the proposed development has been completed or any construction-related impacts affecting a structure's or site's inherent historic significance. The Cadillac Center EIS affecting a structure's or site's inherent historic significance that would be impacted by the development. Ambient changes in the levels of dust or noise may be experienced area-wide. These and the associated mitigation measures are discussed in the air and noise pollution sections, respectively, in the Cadillac Center EIS. Cobo Hall Expansion EIS also indicated several areas of impact.

Wherever an identified site of historic significance has been assessed as potentially subject to a major impact, a case study is prepared for review and comment by the National Advisory Council on Historic Preservation, pursuant to Title 36, Part 800, as amended, of the Code of Federal Regulations, "Protection of Historic and Cultural Properties." The reader is referred to the full case studies for more detailed descriptions. Because of the early state in the planning process, the nature and significance of some potential effects remain largely unknown. For this reason, the City of Detroit has entered into a Memorandum of Understanding with the Advisory Council and the Michigan History Division. The Memorandum, dated January 16, 1980, established acceptable procedures for monitoring and mitigating any adverse impacts that may arise or become more clearly defined as the project progresses.

Preliminary case reports in conformance with the above mentioned federal regulations were submitted or will be submitted where needed to the Advisory Council (see Exhibit to Section 410.5):

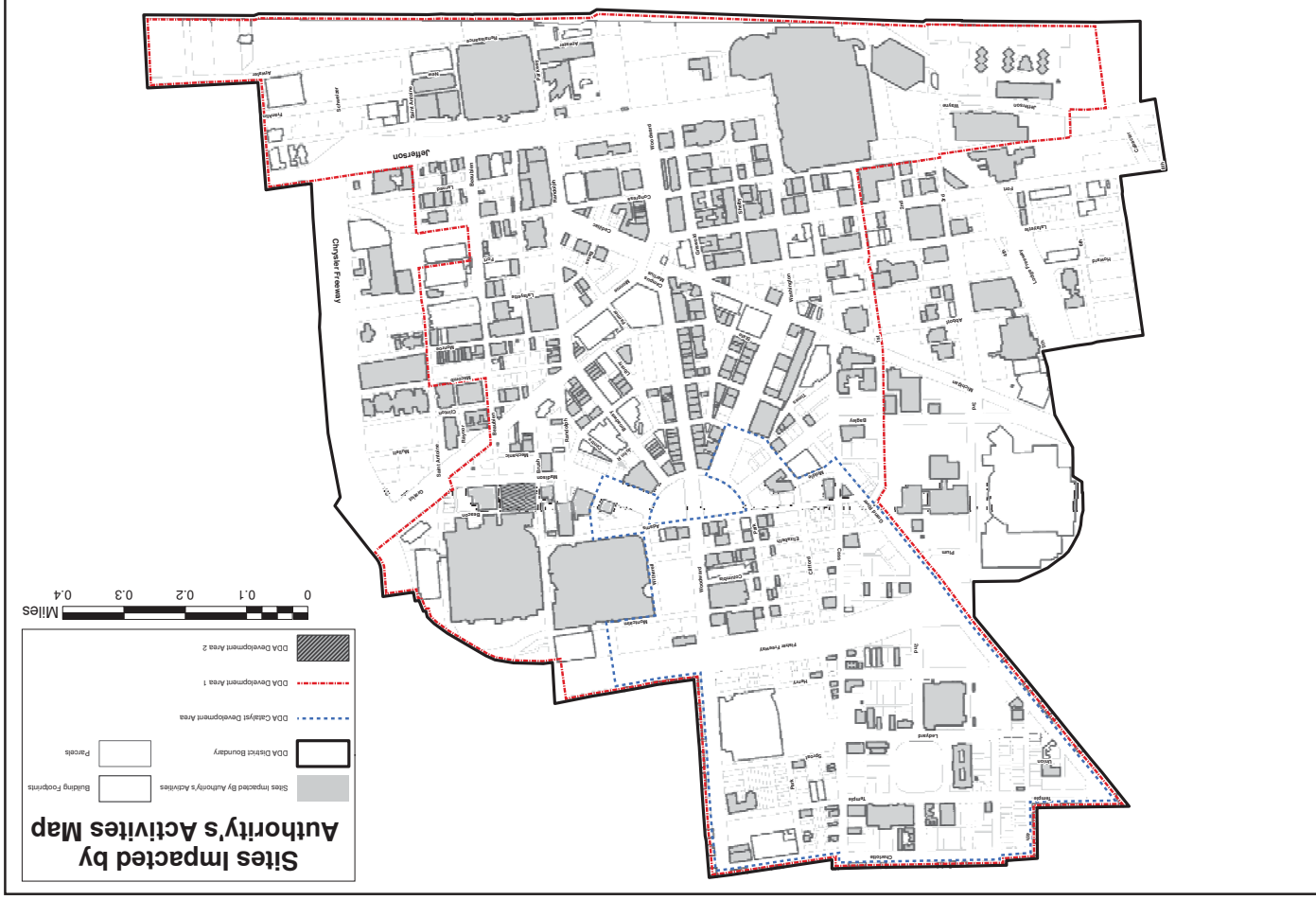
1. J. L. Hudson Building
2. Downtown Branch, Detroit Public Library
3. Randolph Street Commercial Buildings
4. Bagley Memorial Fountain
5. Detroit Street Plan
6. Harmony Club, Tobin, Music Hall
7. Fox, Palms, Grand Circus Park District, Elwood Bar, Century Building, Little Theater
8. Book Cadillac Hotel
9. Mariner's Church

The Advisory Council on Historic Preservation was requested to comment on the Cadillac Center project. The Advisory Council visited the project site, conducted public hearings on December 18 and 19, 1979, received testimony from numerous persons and issued its comments. Its recommendations are incorporated in the Memorandum.

The Washington Boulevard – Detroit City Apartments (formerly Trolley Plaza), Renaissance City Apartments (formerly the Millender Center), 500 Woodward, and Riverfront West Residential developments do not have a significant effect on historic places or those that have potential historic significance.

[Insert Exhibit to Section 410.5]

City of Detroit Downtown Development Authority Exhibit to Section 410.5



City of Detroit
Downtown Development Authority

DDA District Boundary
DDA Catalyst Development Area
DDA Development Area 1
DDA Development Area 2

Building Footprints
Parcels

Scale: 0 0.1 0.2 0.3 0.4 Miles

Inset Map: Shows the location of the DDA District Boundary within the City of Detroit.

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410.6 Archaeological Resources

The Michigan History Division has found that three areas, the Riverfront West area, the Renaissance City Apartments (formerly the Millender Center) area, and the retail center area (Cadillac Center), may have archaeological resources, which could be effected by developments in those areas. These areas have been analyzed by archaeological land use historians to determine the likelihood for finding resources. The Michigan History Division has been informed of the findings of such study. The measures recommended by the Michigan History Division have been employed during development of these projects to protect and preserve any resources.

411 CONSULTATION WITH, FINDINGS OF AND RECOMMENDATIONS OF DEVELOPMENT AREA CITIZENS' COUNCIL AND CITIZENS' DISTRICT COUNCIL

411.1 Establishment

411.1.1 By Governing Body Appointment

The Development Area Citizens' Council for Development Area No. 1 was designated rather than appointed as is permitted by the Act. See Section 411.1.2 below.

411.1.2 By Governing Body Designation

At the request of the Authority, the Detroit City Council by Resolution dated November 16, 1977, designated the existing Downtown Citizens District Council as the Development Area Citizens' Council, pursuant to Section 25 of the Downtown Development Authority Statute. A certified copy of this Resolution is exhibited in Section 606. The Citizens' District Council was originally established by the Code of the City of Detroit Sections 2-10-7 and 1- 9-1, pursuant to Michigan's Urban Renewal Law, Act No. 344 of the Public Acts of 1945, as amended, being Sections 125.71 to 125.84 of the Michigan Compiled Laws.

The Downtown Citizens' District Council, when acting as the Development Area Citizens' Council, shall represent the interests of citizens residing in the Development Area, and shall advise the Authority and the Council concerning the development and implementation of this proposed Plan. The Authority recommended to the City Council that such a designation be made to assure continuity of efforts to upgrade property values in the Development Area. It was the consensus of the Authority and the City Council that the creation of a new and independent Development Area Citizens' Council would create an unnecessary duplication of efforts and fail to capitalize on the continuity, which the members of the Downtown Citizens' District Council can bring to the deliberation process.

As a matter of policy, the Director of the Authority shall periodically consult with and advise the Development Area Citizens' Council regarding this proposed Plan, including the development of new housing for relocation purposes located either inside or outside of this Development Area. Also, as a matter of policy, this consultation shall precede any final decisions by the Authority or by the City Council concerning this Plan. The Development Area Council may request and receive from the Authority information and technical assistance relevant to the preparation of the Development Plan for the Development Area.

Meetings of the Development Area Citizens' Council shall be open to the public and persons present shall have a reasonable opportunity to be heard. Notice of the time and place of these meetings shall be published in the Detroit Free Press not less than five (5) days before the date set for the meeting. A record of the meetings shall be kept, including information and data presented.

411.2 History of Consultations

The Development Area Citizens' Council shall act as an advisory body to the Authority and the Council in the adoption of this Development and Tax Increment Financing Plan. Periodically, a representative of the Authority shall consult with and advise the Development Area Citizens' Council regarding this proposed Plan. Should residential relocation eventually be found necessary, such consultations shall include the development of new housing for relocation purposes located either inside or outside of the Development Area. The consultation shall begin before any final decisions by the Authority and the Council approving this Plan. The consultation shall continue throughout the preparation and implementation of the Plan.

Within twenty (20) days after the public hearing on this Plan, the Development Area Citizens' Council shall notify the Council of its recommendations and findings in writing.

Consultation with the Development Area Council began on December 14, 1977, at which time the Acting Director of the Authority outlined the goals of the Authority and presented a progress report on the first draft of the Tax Increment financing Plan including the Development Plan. Issues raised by Development Area Citizens' Council members were recorded in the minutes of the meeting.

Subsequent meetings were held and future meetings are scheduled.

The minutes of all meetings of the Development Area Council are available in its files.

411.3 Consideration Given to Citizens' Council Recommendations and Responds Thereto

Within twenty (20) days of the public hearing on this Plan, the Development Area Council shall send written notice to the City Council of its recommendations and findings with respect to this Plan. At least four (4) days before the meeting at which the Council considers the enactment of an ordinance approving this Plan, each member of the City Council shall be mailed a copy of these recommendations and findings. During the City Council's deliberations on the merits of this Plan, and prior to any approval hereof, it shall carefully review these recommendations and findings, and such consideration shall be reflected in the minutes of the meetings.

412 REPORTS

1. Authority Tax Increment Financing Account Report

The Authority shall submit annually to the Council a report giving the status of the tax increment financing account. The report shall include:

1. The amount and source of revenue in the account;
2. The amount and purpose of expense disbursed from the account;
3. The amount of principal and interest on any outstanding bonded indebtedness;
4. The initial assessed value of the project area;
5. The captured assessed value retained by the Authority;
6. The tax increments received;
7. And additional information the governing body may deem necessary.

In addition, the report shall be published in a newspaper of general circulation in the municipality.

2. Authority Budget

The Director of the Authority shall annually submit to the Board for their approval a budget for the operation of the Authority for the following fiscal year. The budget shall be prepared in accordance with the information required of municipal departments. The budget shall receive approval first from the governing body and then from the Board of the Authority.

Funds of the municipality shall not be included in the budget except where the municipality has so authorized in accordance with the DDA Act.

3. Other Reports

The Authority may:

- a. Prepare an analysis of economic changes taking place in the Downtown District.
- b. Study and analyze the impact of metropolitan growth upon the Downtown District.
- c. Plan and propose construction and other activities which may be necessary or appropriate to the execution of a plan.
- d. Develop long-range plans designed to halt the deterioration of property values and promote economic growth and take such steps as may be necessary to persuade property owners to implement the plans.

The Authority has authorized preparation of several reports, studies and analyses related to and to aid in preparation of the Development Plan. A bibliography of these items is available in the DDA offices.

413 PUBLIC HEARING ON THE TAX INCREMENT FINANCING PLAN INCLUDING DEVELOPMENT PLAN

413.1 Proposed Timetable for Hearing on the Plan

It shall be the policy of the Authority to make all reasonable efforts to maximize the public participation in the planning of this Development Plan and Tax Increment financing Plan. Consistent with this policy, the Council, prior to the adoption of an ordinance approving this Plan, shall conduct a public hearing for the purpose of encouraging interested persons to advise the Council of their concerns with regard thereto. The procedure for serving notice upon the public, and the content of the notice provided as described below, are intended to ensure that such interested persons are aware of avenues available for their participation, are advised of the possible impact of this plan, and are provided with information sufficient for them to determine whether they wish to attend the hearing.

413.1.1 Dates of Publication

Notice of the public hearing shall be published in the Detroit Free Press on two separate occasions and the first publication of such notice shall appear not less than twenty (20) days before the date set for the hearing.

413.1.2 Dates of Mailing

Further, notice will be mailed to all property taxpayers of record in the proposed Development Area not less than twenty (20) days before the date set for the hearing. On the day that notice is mailed to property taxpayers pursuant to this section, notice will also be posted in the following twenty-seven (27) places in the Downtown District.

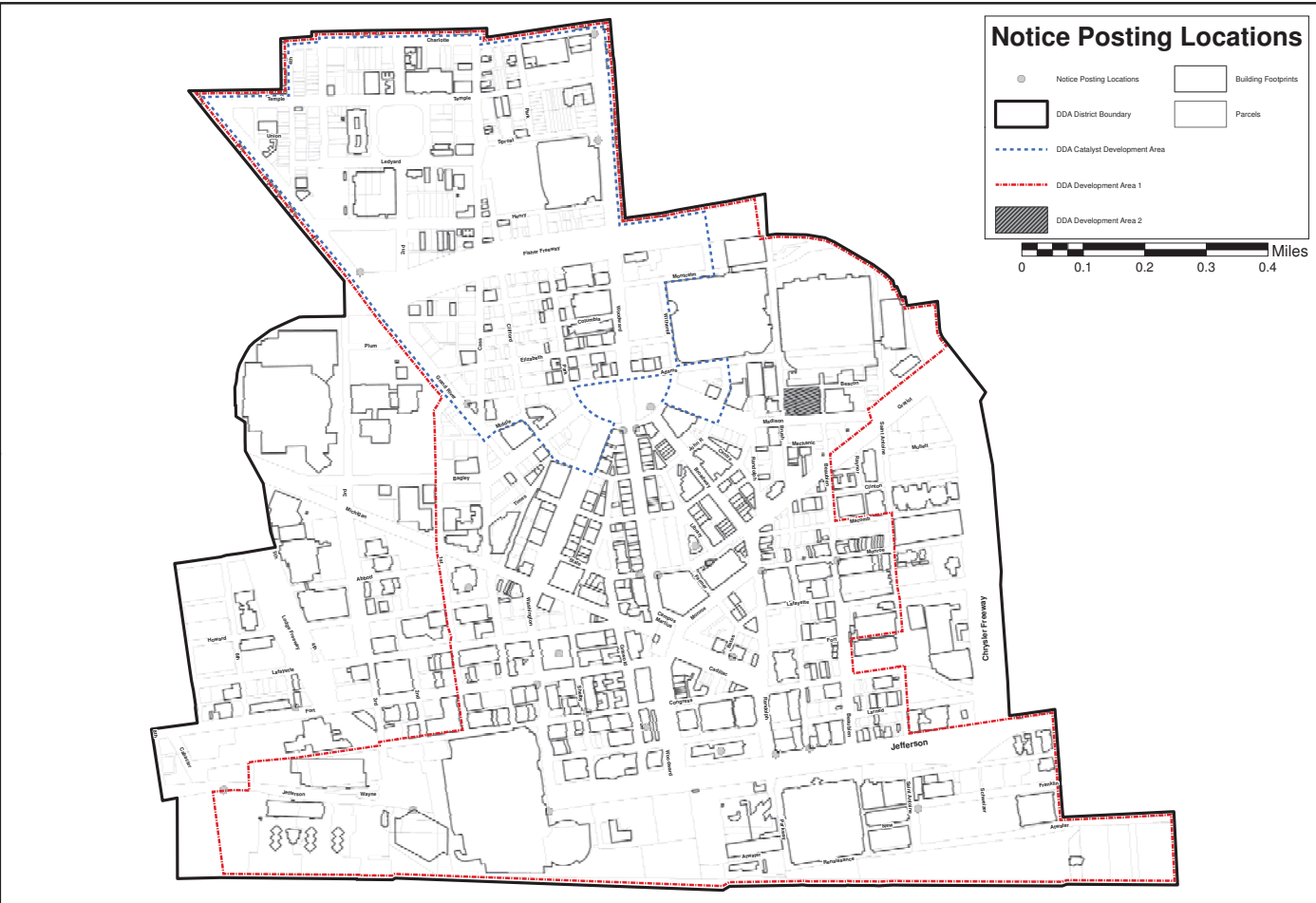
1. The Lobby of the Coleman A. Young Municipal Center
2. The Lobby of the Theodore Levin U.S. Courthouse
3. The Lobby of the McNamara Federal Building
4. The Lobby of the Guardian Building
5. The Lobby of the Public Library
6. The Entrances to Cobo Hall
7. The Entrances to Public Parking Facilities at Grand Circus Park
8. The People Mover Station at Library and Gratiot
9. Near the intersection of St. Antoine and Franklin
10. Near the Intersection of Jefferson and Randolph
11. Near the Intersection of Jefferson and Brush
12. Near the Intersection of Cadillac Square and Bates
13. Near the Intersection of Monroe and Beaubien
14. Near the Intersection of Monroe and Randolph
15. Near the Intersection of Gratiot and Woodward
16. Near the Intersection of State and Woodward
17. Near the Intersection of Park Avenue and Woodward
18. Near the Intersection of Witherell and Woodward
19. Near the Intersection of Congress and Shelby
20. Near the Intersection of Fort and Washington Boulevard
21. Near the Intersection of Adams and Grand River
22. Near the Intersection of Fort and Fifth Street
23. Near the intersection of Jefferson and vacated Brooklyn Street
24. Near the North Entrance of the Joe Louis Arena
25. Southwest Corner of Woodward and Charlotte (on a wall)
26. Northeast Corner of Fisher Freeway Service Drive and Grand River (light post)
27. Woodward near vacated Sproat (on Events Center construction fencing)

A map of the twenty-seven (27) locations is included as Exhibit to Section 413.1.2.

In addition, the notice will be posted in the lobby of the Authority's offices and on the DDA page of the Detroit Economic Growth Corporation's website.

[Remainder of page intentionally left blank.]

City of Detroit Downtown Development Authority Exhibit to Section 413.1.2



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413.1.3 Date of Public Hearing

The date of the public hearing to be held by the City Council will be established by that body upon request by the Authority. This hearing will be held before the Council adopts an ordinance approving the Plan.

413.1.4 Proposed Form of Notice with Specified Contents

Notices of the hearing on the Development Plan and the Tax Increment Financing Plan shall contain the following:

- (1) time of the meeting;
- (2) place of the meeting;
- (3) description of the proposed development area in relation to highways streets, streams or otherwise;
- (4) a statement that: maps, plats, and a description of the development plan, including the method of relocating families and individuals who may be displaced from the area, are available for public inspection at a place designated in the notice, and that all aspects of the Development Plan will be open for discussion at the public hearing;
- (5) other information that the Council deems appropriate.

413.2 Proposed Procedure for Consideration of Arguments Made at the Public Hearing on the Merits

At the time set for the public hearing, the Council shall provide an opportunity for interested persons to be heard and shall receive and consider communications in writing with reference thereto. The hearing shall be conducted in a manner that will provide the fullest opportunity for expression of opinion, for argument on the merits and for introduction of documentary evidence pertinent to the Development Plan. The Council shall make and preserve a record of the public hearing, including all data presented thereat.

[Remainder of page intentionally left blank.]

SECTION 500

**AMENDMENT OF THIS TAX INCREMENT FINANCING PLAN INCLUDING THE
DEVELOPMENT PLAN**

**501 AMENDMENT OF THIS TAX INCREMENT FINANCING
PLAN INCLUDING THE DEVELOPMENT PLAN**

This Plan may be amended if such amendment is approved by the governing body of the City (City Council) upon notice and after public hearings as are required for approval of this Plan. An amendment to an approved Plan shall become effective upon the affirmative vote of a majority of the members of Council at a meeting at which a quorum of the Council is present.

[Remainder of page intentionally left blank.]

SECTION 600
GENERAL PROVISIONS

601**CONSTRUCTION**

This Plan, being necessary for and to secure the public safety, convenience and welfare of the citizens of the City of Detroit, shall be liberally construed, in accordance with Act 197, Public Acts of Michigan, 1975, to effect the public purposes hereof.

602 SEVERABILITY

If any provision or section of this Plan or the application thereof to any person or circumstance is held invalid by any court of competent jurisdiction, the invalidity or unenforceability of such provision or section shall not affect any of the remaining provisions or sections of this Plan or the application thereof to any person or circumstance.

603 IMMUNITY

No Board member, officer or employee of the City of Detroit Downtown Development Authority shall be personally liable on any contract executed pursuant to this Plan or any bond or coupon issued hereunder.

604 EFFECTIVE DATE

This Plan shall become immediately effective upon approval of the City of Detroit City Council in accordance with the provisions of Act 197, Public Acts of Michigan, 1975, as amended.

605 CAPTIONS

The captions or headings in this Plan are for convenience only and in no way define, limit or describe the scope or intent of any provision or section of this Plan.

606 ABOLISHMENT

This Plan, or any amendment hereof, may be abolished by the City Council of the City of Detroit whenever it finds that the purposes for which this Plan is established are accomplished.

607 APPLICABLE LAW

This Plan shall be governed in all respects, whether as to validity of construction, performance or otherwise, by laws of the State of Michigan.

608 EQUAL EMPLOYMENT AND AFFIRMATIVE ACTION POLICY

In accordance with Acts 251, Public Acts of Michigan 1955, as amended, and City of Detroit Ordinance No. 206-G, and the rules and regulations prescribed thereunder, the City of Detroit Downtown Development Authority will not discriminate against any employee or applicant for employment to be employed in the performance of this Plan with respect to hiring, tenure, conditions or privileges of employment because of age, except when based on a bona fide occupational qualification, or because of race, color, sex, religion, national origin, creed, or ancestry.

In addition, the City of Detroit Downtown Development Authority will comply with the provisions of the Civil Rights Act of 1964, as amended, Federal procurement laws, and the rules and regulations promulgated thereunder.

SECTION 700

APPENDIX

ORDINANCE NO. 119-H
CHAPTER 2
ARTICLE 7
ESTABLISH A CITY OF DETROIT
DOWNTOWN DEVELOPMENT
AUTHORITY

AN ORDINANCE to amend Chapter 2, Article 7 of the Code of the City of Detroit by adding Division 14, to be entitled Downtown Development Authority, which shall be Sections 2-7-122 to 2-7-127, inclusive to establish a City of Detroit Downtown Development Authority pursuant to the provisions of Act No. 197 of the Public Acts of 1975, to prescribe its powers and duties, to designate the boundaries of the downtown district within which the authority shall exercise its powers, and to provide for the bonding of a director.

IT IS HEREBY ORDAINED BY THE PEOPLE OF THE CITY OF DETROIT: Section 1. That Chapter 2, Article 7 of the Code of the City of Detroit be amended by adding Sections 2-7-122 to 2-7-127 inclusive to read as follows:

Division 14. Downtown Development Authority

Sec. 2-7-122. Establishment.

In recognition of the fact that it is in the best interest of the public to halt property value deterioration in the downtown business district, to eliminate the causes of such deterioration, and to promote economic growth in the downtown business district, a Downtown Development Authority is hereby established pursuant to Act No. 197 of the Public Acts of 1975, to be known as the City of Detroit Downtown Development Authority.

Sec. 2-7-123. Powers; Duties; Procedure.

The City of Detroit Downtown Development Authority shall have all the powers and duties prescribed by Act No. 197 of the Public Acts of 1975. It shall provide the City of Detroit Executive Planning Council and City Planning Commission all reports and studies regarding the formulation and implementation of project development plans. It shall also consult with and advise the Area Development Citizen's Council regarding all preparation and implementation of development plans whenever such Council exists. The Authority shall also secure the approval of development plans from the Community and Economic Development Department, the Planning Department and the City Council of the City of Detroit prior to the implementation of any plans thereof.

Sec. 2-7-124. Boundaries.

The Authority shall exercise its powers within the following described area.

LEGAL DESCRIPTION

Beginning at the intersection of the U.S. Harbor Line as established in 1892, and the east line of Rivard Street, 70 feet wide, extended south-erly; thence N. 26d 06m W. along the east line of Rivard Street to the north line of Jefferson Avenue, 120 feet wide; thence westerly along said line to the easterly limited access line of the Walter P. Chrysler Freeway; thence northwesterly along the east limited access line to the center line of Antietam Street, thence northwesterly along said center line to its intersection with the north line of Gratiot Avenue, 120 feet wide, and the east line of the limited access line of the Walter P. Chrysler Freeway; thence northwesterly along said line to the center line of vacated Elizabeth Street, 60 feet wide; thence westerly along the last mentioned center line to the west limited access line of the Walter P. Chrysler—Charles T. Fisher Freeways interchange; thence northwesterly along said limited access line, which is a curve concave to the southwest, to the east line of Brush Street, 60 feet wide, thence northerly along said east line to the north line of the Fisher Freeway; thence along said line to the west line of Third Street; thence southwesterly along the last mentioned line to the south line of the Fisher and John C. Lodge interchange; thence southerly along a curve concave to the southeast to the east line of the Lodge Freeway to the north line of Michigan Avenue, 120 feet wide; thence westerly along said street line to the west line of 6th Street, 50 feet wide extended northerly; thence southerly along said extended line to the north line of Porter Street, 60 feet wide; thence westerly along the last stated line to the east line of vacated Brooklyn Avenue, 50 feet wide; thence southerly along said street line to the north line of Fort Street, 100 feet wide; thence westerly along the mentioned street line to the west line of 8th Street, 50 feet wide; thence south 30d 12m east along said line to the south line of Jefferson Avenue 70 feet wide; thence easterly along said line to the west line of the La Brosse Farm, private claim 246; thence southerly along said line to its intersection with the U.S. Harbor line; thence northeasterly along said Harbor Line to the point of beginning.

Sec. 2-7-125. Taxing Power; Exemption.

The Authority, may with the approval of the Detroit City Council, levy an ad valorem tax on the real and tangible personal property in the downtown business district according to the powers vested in it by Section 12(1) of Act 197 of the Public Acts of 1975, except no said Ad Valorem tax shall be levied on stock and inventory.

Sec. 2-7-126. Director; Bond.

Pursuant to Section 5(1) of Act No. 197 of the Public Acts of 1975, the Director of the City of Detroit Downtown Development Authority shall, before entering upon the duties of his office, post a bond in the penal sum of \$20,000.00, payable to the Authority for the use and benefit of the Authority, approved by the Board, and filed with the City Clerk. The premium on the bond shall be deemed an operating expense of the Authority, payable from funds available to the

Authority for expenses of operation.

Sec. 2-7-127. By Laws.

The By-Laws and amendments thereto shall be adopted by the Authority and shall be immediately forwarded to the City Council. These By-Laws and Amendments thereto shall be immediately effective and shall remain in effect unless otherwise disapproved by the City Council in accordance with Law within 60 days of their adoption.

Section 2. This ordinance is declared necessary for the preservation of the public peace, health, safety, and welfare of the people of the City of Detroit and is hereby given immediate effect.

(JCC P. 746-48, April 14, 1976.)

Passed May 20, 1976.

Approved May 20, 1976.

Published May 21, 1976.

Effective May 20, 1976.

JAMES H. BRADLEY
City Clerk

DOWNTOWN DEVELOPMENT AUTHORITY DISTRICT
LEGAL DESCRIPTION

Beginning at the intersection of the U.S. Harbor Line as established in 1892, and the east line of Rivard Street, extended southerly; thence northeasterly along the Harbor Line to the easterly line of Lots 1 and 7 of plat of part of the Guoin Farm, recorded in liber 11, page 596 of deeds, W.C.R.; thence northerly along said line to the north line of Atwater Street, 50 feet wide; thence westerly along Atwater Street to the easterly line of Rivard Street; thence along Rivard Street to the north line of Jefferson Avenue, 120 feet wide; thence westerly along said line to the easterly limited access line of the Walter P. Chrysler Freeway; thence northwesterly along the east limited access line to the center line of Antietam Street; thence northwesterly along said center line to its intersection with the north line of Gratiot Avenue, 120 feet wide, and the east line of the limited access line of the Walter P. Chrysler Freeway; thence northwesterly along said line to the center line of vacated Elizabeth Street, 60 feet wide; thence westerly along the last mentioned center line to the west limited access line of the Walter P. Chrysler-Charles T. Fisher Freeway interchange; thence northwesterly along said limited access line, which is a curve concave to the southwest, to the east line of Brush Street, 60 feet wide; thence northerly along said east line to the north line of the Fisher Freeway; thence westerly along said line to the east line of Woodward Avenue; thence northerly along the east line of Woodward Avenue to a point on the north line of Charlotte Street and its easterly extension thereof; thence westerly along the north line of Charlotte Street to the west line of Fourth Street; thence southerly along the west line of Fourth Street to the north line of Temple Street; thence westerly along the north line of Temple Street to the west line of Grand River Avenue, thence southeasterly along the west line of Grand River Avenue to the west line of Third Street; thence southwesterly along the last mentioned line to the south line of the Fisher and John C. Lodge interchange; thence southerly along a curve concave to the southeast to the east line of the Lodge Freeway to the north line of Porter Street, 60 feet wide; thence westerly along the last stated line to the east line of vacated Brooklyn Avenue, 50 feet wide; thence southerly along said street line to the north line of Fort Street, 100 feet wide; thence westerly along the mentioned street line to the west line of 8th Street, 50 feet wide; thence south 30d 12m east along said line to the south line of Jefferson Avenue 70 feet wide; thence easterly along said line to the west line of the LaBrosse Farm, private claim 246; thence southerly along said line to its intersection with the U.S. Harbor Line; thence northeasterly along said Harbor Line to the point of beginning.

Attachment 2(b)

Legal Description of 2013 Expansion Area

Beginning at the north right of way line of the Fisher Freeway North Service Drive and the east right-of-way line of Woodward Avenue; then north along Woodward Avenue to a point on the north right-of-way line of Charlotte Street and its extension thereof ; then west along Charlotte to the west right-of-way line of Fourth; then south along Fourth to the north right-of-way line of Temple; then west along Temple to the west right-of-way line of Grand River; then southeast along the west right-of-way line of Grand River to the north line of the Fisher Freeway Service Drive; then east along the north line of the Fisher Freeway Service Drive to the point of beginning.



Downtown Development Authority
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Detroit, Michigan 48226
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DOWNTOWN DEVELOPMENT AUTHORITY

RESOLUTION of the city of Detroit Downtown Development Authority determining the necessity of the Tax Increment Financing Plan and Development Plan for Development Area No. 1.

WHEREAS, the City of Detroit Downtown Development Authority was created pursuant to Act No. 197 of the Public Acts of 1975, the Downtown Development Authority Act, and pursuant to Detroit city Ordinance #119-H; and

WHEREAS, the City of Detroit Downtown Development Authority was created to correct and prevent property deterioration in Detroit's downtown district, and to eliminate the causes of such deterioration in order to promote economic growth; and

WHEREAS, the adoption of a Development Plan for Development Area NO. 1 is necessary to the accomplishment of the purposes for which the Downtown Development Authority was created, and is necessary to the achievement of the purposes of Act No. 197 of the Public Acts of 1975; and

WHEREAS, the adoption of a Tax Increment Financing Plan for Development Area No. 1 is necessary to the achievement of the purposes of Act No. 197 of the Public Acts of 1975; NOW THEREFORE BE IT

RESOLVED, that the Tax Increment Financing Plan and Development Plan submitted this day by Charles B. Davis, Acting Director of the City of Detroit Downtown Development Authority, be and is hereby accepted as the Tax Increment Financing Plan and Development Plan of the City of Detroit Downtown Development Authority for Development Area No. 1; and be it further

RESOLVED, that the Tax Increment Financing Plan and Development Plan so accepted be presented to the Detroit City Council with the recommendation that the City Council adopt an ordinance approving said Plan following such notice, public hearings and agreements as are required by Act 197 of the Public Acts of 1975.

Adopted as follows:

Yeas _____ Board Members

Nays _____

Adopted on February 6, 1978

City of Detroit

CODE DDA-96-09-17-67

Downtown Development Authority
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**TAX INCREMENT FINANCING PLAN AND DEVELOPMENT PLAN FOR
DEVELOPMENT AREA NO. 1**

WHEREAS, the City of Detroit Downtown Development Authority (the "DDA") was created pursuant to Act No. 197 of the Public Acts of 1975, as amended, the Downtown Development Authority Act ("DDA Act"), and pursuant to Detroit city Ordinance #119-H; and

WHEREAS, the DDA was created to correct and prevent property value deterioration in the City of Detroit's downtown district, and to eliminate the causes of such deterioration in order to promote economic growth; and

WHEREAS, the Detroit City Council ("City Council") has determined that the Tax Increment Financing Plan and Development Plan for Development Area No. 1, as amended (the "Plan"), is necessary to accomplish the purposes for which the DDA was created and to achieve the purposes of the DDA Act; and

WHEREAS, the Board of Directors of the DDA has determined that it is necessary to further modify and amend said Plan; and

WHEREAS, the DDA staff has drafted proposed modifications and amendments to the Plan, attached hereto as Exhibit A and made a part hereof; and

WHEREAS, among the proposed modifications and amendments to the Plan are amendments which describe and authorize the development and construction of the new Detroit Tiger Baseball Stadium and Detroit Lions Football Stadium (the "Stadia") and which extend the boundaries of Development Area No. 1 to include the land the Detroit Tigers, Inc. and Detroit Lions, Inc. have selected for the location of the new Stadia; and

WHEREAS, the DDA has determined that the development and construction of the Stadia to be located within the expanded portion of Development Area No. 1, on land which is currently one of the most blighted areas in the City of Detroit, is one of the most significant developments to be undertaken by the DDA; and

WHEREAS, the DDA recognizes that there exists in the City of Detroit severe conditions of unemployment and under employment which produces not only a deterioration of property values but a deterioration of community spirit and investor confidence which are detrimental to the City of Detroit's and the State of Michigan's economy and economic growth; and

WHEREAS, the DDA understands that its statutory purpose of promoting economic development and preventing the deterioration of property values in the City of Detroit's downtown

business district cannot be accomplished if it fails to maximize and implement major development opportunities presented to it by proven and experienced developers; and

WHEREAS, the DDA has here determined that the Stadia project will provide jobs for the jobless, help stabilize and increase property values in the DDA District and encourage and increase business activity and investment in the City of Detroit's downtown area; and

WHEREAS, the DDA Board of Directors has determined that the promotion of jobs, the prevention of property value deterioration and the promotion of economic activity are all essential public purposes under the DDA Act that will be accomplished by the Stadia project, the concomitant expansion of Development Area No. 1 and the other amendments and modifications to the Plan included in Exhibit A; and

WHEREAS, the DDA Board of Directors has reviewed all said modifications and amendments and accepts and approves the substance thereof.

NOW, THEREFORE, BE IT RESOLVED, that the proposed modifications and amendments to the Tax Increment Financing Plan and Development Plan for Development Area No. 1 be and are hereby accepted and approved by the DDA, subject to minor revisions of form to be completed by the DDA staff and Counsel, which minor revisions are hereby authorized.

BE IT FINALLY RESOLVED, that, upon completion of final revisions only as provided for herein, the DDA staff is hereby authorized to present the DDA modifications and amendments to the Plan to City Council with the recommendation that City Council adopt an ordinance approving same, following such notice, public hearing and other requirements mandated by the DDA Act.

September 10, 1996

City of Detroit



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CODE DDA 13-06-17-83
(Amended at Table)

**TAX INCREMENT FINANCING PLAN : EXPANSION OF DDA DOWNTOWN DISTRICT AND
MODIFICATIONS TO TAX INCREMENT FINANCING PLAN AND DEVELOPMENT PLAN FOR
DEVELOPMENT AREA NO. 1**

WHEREAS, the City of Detroit Downtown Development Authority (the "DDA") was created pursuant to Act No. 197 of the Public Acts of 1975 (the "DDA Act") and pursuant to Detroit City Ordinance #119-H; and

WHEREAS, the DDA was created to correct and prevent property value deterioration in the City of Detroit's downtown district (the "Downtown District") and to eliminate the causes of such deterioration in order to promote economic growth; and

WHEREAS, the DDA Board of Directors (the "Board") has determined that the Restated Tax Increment Financing Plan and Development Plan for Development Area No. 1 (as amended from time to time, the "Plan") is necessary to accomplish the purposes for which the DDA was created and to achieve the purposes of the DDA Act; and

WHEREAS, on June 19, 2013, pursuant to Resolution 13-06-123-01, the Board approved the execution of a Memorandum of Understanding between the DDA, Olympia Development of Michigan, LLC and Wayne County relating to the establishment of a "Catalyst Development Project" as defined in the DDA Act; and

WHEREAS, the Catalyst Development Project will require the expansion of the current DDA Downtown District to include the area depicted in Exhibit A attached hereto (the "2013 Expansion Area"); and

WHEREAS, the incorporation of certain contemplated developments within Development Area No. 1, including but not limited to the Catalyst Development Project, requires the further amendment of the Plan; and

WHEREAS, DDA Staff has prepared, and the Board has reviewed, amendments (the "Amendments") to the Plan, a summary of which is attached hereto in Exhibit B and redlined pages of the Plan reflecting such amendments are attached hereto as Exhibit C; and

WHEREAS, the Amendments contemplate certain land transfers to the DDA in connection with the Catalyst Development Project; and

WHEREAS, the DDA recognizes that there exists in the City of Detroit severe conditions of unemployment and under-employment which produce not only deterioration of property values but a deterioration of community spirit and investor confidence which are detrimental to the City of Detroit's and the State of Michigan's economy and economic growth; and

WHEREAS, the DDA understands that its statutory purpose of promoting economic development and preventing the deterioration of property values in the Downtown District cannot be accomplished if it fails to maximize and implement major development opportunities presented to it by proven and experienced developers; and

WHEREAS, the DDA has determined that the Catalyst Development Project and the other developments described in the Amendments will provide jobs for the jobless, help stabilize and increase property values in the DDA Downtown District, **as** expanded to accommodate the

2013 Expansion Area, and encourage and increase business activity and investment in the Downtown District and surrounding areas; and

WHEREAS, the Board has determined that the DDA's statutory purposes of the prevention property value deterioration in the City of Detroit's downtown district, the elimination of the causes of such deterioration, and the promotion of economic growth will be advanced through (i) the expansion of the DDA Downtown District to include the 2013 Expansion Area, and (ii) the Amendments to the Plan, including but not limited to those summarized and reflected in Exhibits B and C, respectively.

NOW, THEREFORE, BE IT RESOLVED, that an amendment to the boundaries of the DDA Downtown District to include the 2013 Expansion Area as depicted on Exhibit A is hereby approved.

BE IT FURTHER RESOLVED, that the proposed amendments to the Plan be and are hereby accepted and approved by the DDA Board, subject to minor revisions of form to be completed by the DDA staff and counsel, including but not limited to any revisions to proposed legal descriptions of the Downtown District or Development Area No. 1 resulting from review and verification by the appropriate City of Detroit departments, which minor revisions are hereby authorized.

BE IT FURTHER RESOLVED, that DDA staff is hereby authorized to present to the City Council and/or the City's Emergency Manager, as applicable, (i) the amendment to the DDA Downtown District and (ii) the Amendments to the Plan, in each case with the recommendation that City Council and/or the Emergency Manager, as applicable, adopt an ordinance approving same, following such notice, public hearings, agreements and other requirements as are required by the DDA Act.

BE IT FURTHER RESOLVED, that the DDA Board hereby authorizes any two of its Officers, any two of its Authorized Agents, or any one Officer and any one Authorized Agent to execute any and all documents and take any and all actions necessary or appropriate to implement the provisions and intent of this resolution on behalf of the DDA, including but not limited to the execution of one or more land transfer agreements to effectuate the land transfers to the DDA in connection with the Catalyst Development Project contemplated by the Amendments.

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 26, 2013

Tiger/Lions Stadia Complex Area

Land in the City of Detroit, Wayne County, Michigan, more particularly described as follows:

Beginning at the intersection of the south limited access line of the Fisher Freeway and the east right-of-way of Brush Street, then west along the limited access line of the Fisher Freeway to the west right-of-way line of Woodward Avenue; then, south along the west right-of-way line of Woodward Avenue to the south right-of-way line of E. Adams; then, east along the south right-of-way line of E. Adams to the west right-of-way line of St. Antoine Avenue; then, south along the west right-of-way line of St. Antoine Avenue to the north property line of the parcel identified as Ward 3, Item 3391-6 (Parcel 119); then, west along this north property line as extended to the west right-of-way line of the alley parallel to and first west of St. Antoine; then, south along the west right-of-way line of the alley parallel to and first west of St. Antoine to the north right-of-way line of Madison Avenue; then, east along the north right-of-way line of Madison Avenue to its intersection with the extended northwest right-of-way line of Madison Avenue exit ramp for the Chrysler Freeway; then, northeast along the northwest right-of-way line of the Madison Avenue exit ramp for the Chrysler Freeway to its intersection with the west limited access line of the Chrysler Freeway; then north and west along the curving west limited access line of the Chrysler Freeway to it joining with the south limited access line of the Fisher Freeway; then, west along the south limited access line of the Fisher Freeway to its intersection with the east right-of-way line of Brush Street and the point of beginning; but excluding the parcels identified as: Ward I, Item 522-56, St. John's Episcopal Church; Ward 1, Items 336-8 and 4140 (Parcels 229 & 228), Central United Methodist Church Parking Lots; Ward I, Items 291 and 292 Central United Methodist Church.

SECTION 800

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