ADDENDUM NO. 1 TO
REQUEST FOR PROPOSALS
FOR UNDERWRITING/PRIVATE PLACEMENT SERVICES

JULY 18, 2018

This addendum provides supplemental information noted in the Request for Proposals for Underwriting/Private Placement Services issued by the City of Detroit Downtown Development Authority (“DDA”) on July 9, 2018.

Such supplemental information includes the following documents:

1. DDA’s Series 2017 Bonds Authorizing Resolution
2. Form of the DDA’s Series 2017 Bonds
3. Order Approving Sale of DDA’s Series 2017 Bonds

Please review the documents provided for by this addendum prior to submitting a final bid to the DDA.
Attachment 1

DDA’s Series 2017 Bonds Authorizing Resolution
CITY OF DETROIT DOWNTOWN DEVELOPMENT AUTHORITY

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

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

Present: Austin Black, David Blaszkiewicz, Ehrlich Crain, Melvin Hollowell, Richard Hosey, James Jenkins, Thomas Lewand (Mayor’s Representative), David Massaron, John Naglick, and Steve Ogden.

Absent: Marvin Beatty, Charles Beckham, and Sonya Delley.

The following preamble and resolution were offered by Melvin Hollowell and seconded by David Blaszkiewicz:

Recitals

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

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

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

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

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

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

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

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

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

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

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

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

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

WHEREAS, substantially final forms of the Series 2017 DDA Indenture, the Continuing Disclosure Agreement and the Bond Purchase Agreement (collectively, with the form of the Series 2017 DDA Bonds attached to the Series 2017 DDA Indenture, the “Series 2017 DDA Bond Financing Documents”) have been presented to the Board for approval; and,
WHEREAS, it is necessary and appropriate for the Board to approve the financing arrangements for the Additional Catalyst Development Project Improvements represented by the Series 2017 DDA Bond Financing Documents, and to authorize the execution of the Series 2017 DDA Bond Financing Documents by the appropriate officers of the Authority; and,

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

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

ARTICLE I
DEFINITIONS

Section 1.01 Definitions.

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

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

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

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

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

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

(f) “Development Plan” means the Authority’s Restated Tax Increment Financing Plan and Development Plan, as amended from time to time.

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

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

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


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

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

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

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


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

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

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

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

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


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

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

Section 2.01 Approval of the Borrowing. The Authority hereby authorizes the borrowing pursuant to the Series 2017 DDA Indenture, for the purposes of financing or reimbursing $34,500,000 of the Additional Catalyst Development Project Improvements, together with bond issuance costs and the Authority’s expenses and costs, direct or indirect, related to the Events Center Project and the Additional Catalyst Development Project Improvements and allocable to capital account, in an amount not to exceed $36,000,000. The Authority hereby approves the Series 2017 DDA Indenture, the Bond Purchase Agreement, the Continuing Disclosure Agreement and the form of the Series 2017 DDA Bonds, in substantially the forms thereof presented to the Board, with such changes as the Authorized Officers executing each such agreement determine to be necessary and appropriate, not inconsistent with the terms of this Resolution, and not materially adverse to the interests of the Authority.
Section 2.02 Authorization and Designation of Series 2017 DDA Bonds. The Authority hereby authorizes the issuance of its subordinate tax increment revenue bonds, being hereby designated “City of Detroit Downtown Development Authority Subordinate Tax Increment Revenue Bonds, Series 2017 (Development Area No. 1 Projects).” The Series 2017 DDA Bonds shall be issued in a principal amount not exceeding $36,000,000, for the purposes set forth herein and in the Series 2017 DDA Indenture, and shall bear interest from their date of issuance until the Initial Mandatory Tender Date, as defined in the Series 2017 DDA Indenture, at a fixed rate not exceeding 4.50% per annum for the period through December 31, 2017 and at a fixed rate not exceeding 6.00% per annum from January 1, 2018 through December 31, 2018 (without taking into account any default rate during such periods), and shall be subject to mandatory tender on such Initial Mandatory Tender Date for purchase by the Authority. Upon the Initial Mandatory Tender Date, the Series 2017 DDA Bonds shall be remarketed by a remarketing agent to be designated by the Authority pursuant to the terms of the Series 2017 DDA Indenture (the “Remarketing Agent”), pursuant to a Remarketing Agreement to be entered into at such time between the Authority and the Remarketing Agent, and the Authority may further elect at such time, to convert the interest rate, interest rate period and interest payment date schedule for the Series 2017 DDA Bonds to an alternate interest rate, interest rate period and interest payment date schedule to the extent provided in the Series 2017 DDA Indenture. The Series 2017 DDA Bonds shall be subject to payment at the times and in the amounts set forth in the Series 2017 DDA Indenture.

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

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

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

It is the intention of the Authority that by operation of the provisions of Act 197, and to the fullest extent permitted by law, the pledge of the Series 2017 Pledged Tax Increment Revenues shall create a valid and binding statutory lien on the Series 2017 Pledged Tax Increment Revenues, and that the Series 2017 Pledged Tax Increment Revenues so pledged shall constitute "special revenues" within the meaning of Chapter 9 of Title 11 of the United States Code, as amended from time to time, or any successor statute thereto.

The Authority shall irrevocably direct or cause the Series 2014A MSF Trustee to transfer the Series 2017 General Tax Increment Revenues and the Series 2017 Catalyst Project Revenues to the Series 2017 DDA Bond Trustee for so long as any of the indebtedness represented by the Series 2017 DDA Bonds is outstanding, for deposit into the Series 2017 General Tax Increment Revenue Account and the Series 2017 Catalyst Project Revenue Account established under the Series 2017 DDA Indenture, and shall obtain the Series 2014A MSF Trustee's written acceptance of such direction. In the event of the release and discharge of the liens of the Master Resolution and the Series 2014A MSF Indenture during such time period, the Authority shall direct or cause the Treasurer of the City, the Treasurer of the Charter County of Wayne, and other appropriate officers of the governmental units responsible for the collection of General Tax Increment Revenues and Catalyst Project Revenues to remit the General Tax Increment Revenues and Catalyst Project Revenues directly to the Series 2017 DDA Bond Trustee immediately after collection for deposit in the same manner.

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

For so long as the Senior Authority Obligations remain outstanding, they are secured by a first and senior lien on the General Tax Increment Revenues pursuant to the Master Resolution, and for so long as the Series 2014A MSF Bonds remain outstanding, they are secured by a first and senior lien on the Net General Tax Increment Revenues and Catalyst Project Revenues pursuant to the Series 2014A MSF Indenture and the related authorizing resolution of the Authority, and the liens created hereunder are limited to the Series 2017 General Tax Increment Revenues and the Series 2017 Catalyst Project Revenues.
The Authority hereby covenants that, so long as any of the indebtedness represented by the Series 2017 DDA Bonds is outstanding it will not issue any additional indebtedness under the Master Resolution, nor enter into any Swaps (as defined in the Master Resolution) pursuant to the Master Resolution, except to the extent expressly permitted under the terms of the Master Resolution and Section 614 of the Series 2017 DDA Indenture.

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

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

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

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

Section 2.05 Date, Maturity, Redemption and other Terms of the Series 2017 DDA Bonds. The Series 2017 DDA Bonds shall be dated the date of their original issuance and delivery, or such other date as the Authorized Officers shall determine, and shall have such other terms and conform in all respects to the requirements set forth in the Series 2017 DDA Indenture, subject to the requirements of Act 197.
The Series 2017 DDA Bonds shall have a final maturity date not exceeding 30 years, or such longer period as may be permitted by applicable law. The Authority hereby determines that the estimated useful life of the Additional Catalyst Development Project Improvements is longer than 30 years.

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

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

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

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

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

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

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

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

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

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

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

ARTICLE IV
ADDITIONAL PROVISIONS

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

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

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

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

A roll call vote on the foregoing resolution was taken, the result of which is as follows:
YES: Austin Black, David Blaszkiewicz, Ehrlich Crain, Melvin Hollowell, Richard Hosey, James Jenkins, Thomas Lewand (Mayor’s Representative), David Massaron, John Naglick, and Steve Ogden.
NO: None.
ABSTAIN: None.

THE RESOLUTION WAS THEREUPON DECLARED ADOPTED.

June 28, 2017
I, Sonya Delley, Secretary of the City of Detroit Downtown Development Authority, hereby certify that the foregoing Resolution is a true and accurate copy of a Resolution adopted by the Board of Directors of the City of Detroit Downtown Development Authority at its Special meeting on June 28, 2017.

Sonya Delley
Secretary

Subscribed and sworn to before me this 26th day of July, 2017 a Notary Public in and for Wayne County, Michigan.

Jay E. Hilger
Notary Public

My commission expires on: 06/22/20
TRUST INDENTURE

Between

CITY OF DETROIT DOWNTOWN DEVELOPMENT AUTHORITY
as Issuer

And

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

Dated as of __________, 2017

Relating to the issuance of

$[__________]

City of Detroit Downtown Development Authority
Subordinate Tax Increment Revenue Bonds, Series 2017
(Development Area No. 1 Projects)
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>ARTICLE I. DEFINITIONS</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 101. Definitions</td>
<td>6#</td>
</tr>
<tr>
<td>Section 102. Rules of Construction</td>
<td>6</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ARTICLE II. THE BONDS</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section 201. Issuance of Bonds</td>
<td>31#</td>
</tr>
<tr>
<td>Section 202. Maturity; Interest Rates and Calculation; Conversions of Rate Periods</td>
<td>31</td>
</tr>
<tr>
<td>Section 203. Payment of Principal of and Interest on the Bonds</td>
<td>34</td>
</tr>
<tr>
<td>Section 204. Initial Rate Period and Interest Rate; Subsequent Rate Periods</td>
<td>35</td>
</tr>
<tr>
<td>Section 205. Variable Rates; Conversions to Variable Rate Periods</td>
<td>36</td>
</tr>
<tr>
<td>Section 206. Certain Changes in Term Rate Period not a Conversion</td>
<td>37</td>
</tr>
<tr>
<td>Section 207. Flexible Rates and Interest Periods; Conversions to Flexible Rate Periods</td>
<td>41</td>
</tr>
<tr>
<td>Section 208. [Reserved]</td>
<td>41</td>
</tr>
<tr>
<td>Section 209. Index Floating Rate; Conversions to Index Floating Rate Periods; Conversions between Index Floating Rate Periods</td>
<td>43</td>
</tr>
<tr>
<td>Section 210. Fixed Rate Conversion</td>
<td>43</td>
</tr>
<tr>
<td>Section 211. Defaulted Interest</td>
<td>48</td>
</tr>
<tr>
<td>Section 212. Execution; Special, Limited Obligation; No Liability of City or State</td>
<td>49</td>
</tr>
<tr>
<td>Section 213. Authentication</td>
<td>50</td>
</tr>
<tr>
<td>Section 214. Form of Bonds and Temporary Bonds</td>
<td>50</td>
</tr>
<tr>
<td>Section 215. Delivery of Bonds</td>
<td>51</td>
</tr>
<tr>
<td>Section 216. Mutilated, Lost, Stolen or Destroyed Bonds</td>
<td>52</td>
</tr>
<tr>
<td>Section 217. Transfer and Exchange of Bonds; Persons Treated as Owners</td>
<td>52</td>
</tr>
<tr>
<td>Section 218. Book-Entry Only System</td>
<td>53</td>
</tr>
<tr>
<td>Section 219. Successor Securities Depository; Transfers Outside Book-Entry Only System</td>
<td>54</td>
</tr>
<tr>
<td>Section 220. Payments and Notices to Cede &amp; Co</td>
<td>55</td>
</tr>
</tbody>
</table>

| ARTICLE III. APPLICATION OF BOND PROCEEDS AND REQUIRED FUND DEPOSITS | 55# |
Attachment 2

Form of the DDA’s Series 2017 Bonds
Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Issuer or its agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA
STATE OF MICHIGAN
CITY OF DETROIT
DOWNTOWN DEVELOPMENT AUTHORITY
SUBORDINATE TAX INCREMENT REVENUE BONDS, SERIES 2017
(DEVELOPMENT AREA NO. 1 PROJECTS)

R-1

$36,000,000.00

MATUREY DATE
July 1, 2047

DATED DATE
August 10, 2017

CUSIP 251135 FW4

REGISTERED OWNER:  CEDE & CO.

PRINCIPAL AMOUNT:  THIRTY-SIX MILLION DOLLARS AND NO CENTS ($36,000,000.00),

RATE PERIOD:  Initial Term Rate Period

As hereinafter described, under certain circumstances on certain dates this Bond is permitted to be or is required to be tendered for purchase to the Trustee at a price equal to 100% of the principal amount hereof plus, if such date is not an Interest Payment Date, interest accrued and unpaid hereon to but not including the date of such tender. The Owner hereof who is permitted to tender this Bond or is required to tender this Bond for purchase shall be entitled solely to the payment of such purchase price and shall not be entitled to the payment of any principal hereof or any interest accrued hereon on or after such date.

THIS BOND AND THE OBLIGATION TO PAY PRINCIPAL OR PREMIUM, IF ANY, WITH RESPECT HERETO, AND INTEREST HEREON ARE SPECIAL, LIMITED OBLIGATIONS OF THE CITY OF DETROIT DOWNTOWN
DEVELOPMENT AUTHORITY, SECURED AND PAYABLE SOLELY OUT OF THE REVENUES AND INCOME DERIVED FROM THE SERIES 2017 PLEDGED TAX INCREMENT REVENUES AND ANY ADDITIONAL OBLIGATIONS PLEDGED UNDER THE INDENTURE AND AS OTHERWISE PROVIDED IN THE INDENTURE. THIS BOND AND THE OBLIGATION TO PAY PRINCIPAL OR PREMIUM, IF ANY, WITH RESPECT HERETO, AND INTEREST HEREON SHALL NOT BE DEEMED TO OTHERWISE CONSTITUTE AN INDEBTEDNESS OR AN OBLIGATION OF THE ISSUER, THE CITY OF DETROIT, MICHIGAN, THE STATE OF MICHIGAN OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE PURVIEW OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OR PROVISION OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS, IF ANY, OF ANY OF THEM. NO OWNER OF THIS BOND SHALL HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER, IF ANY, OF THE ISSUER, THE CITY OF DETROIT, MICHIGAN, THE STATE OF MICHIGAN OR ANY POLITICAL SUBDIVISION THEREOF TO PAY ANY PRINCIPAL INSTALLMENT OF, PREMIUM, IF ANY, OR INTEREST ON THIS BOND.

The City of Detroit Downtown Development Authority (the “Issuer”), a public body corporate created and existing pursuant to Act 197, for value received, hereby promises to pay in lawful money of the United States of America to the registered owner set forth above, or registered assigns, on the Maturity Date (as hereinafter defined), unless this Bond shall be redeemable and shall have previously been called for redemption and payment of the redemption price made or provided for, but solely from amounts available under the Indenture (hereinafter referred to), which amounts and payments are pledged and assigned for the benefit and payment hereof pursuant to the Indenture and not otherwise, upon surrender hereof, the principal amount set forth above and to pay interest (computed as described herein and in the Indenture) on such principal amount in like manner, but solely from said amounts available under the Indenture, payable on each Interest Payment Date (as hereinafter defined) until payment of such principal amount, or provision therefor, shall have been made upon redemption or at maturity.

Capitalized terms not defined herein shall have the meanings assigned such terms in the Indenture.

Interest payments on a Series 2017 DDA Bond (other than with respect to Defaulted Interest) shall be made to the registered owner thereof appearing on the Bond Register as of the close of business of the Bond Registrar on the Record Date. If a Securities Depository is not available, interest on the Series 2017 DDA Bonds shall, except as hereinafter provided, be paid: (i) by check or draft of the Trustee mailed on the Interest Payment Date to such registered owner at the address of such owner as it appears on the Bond Register or at such other address furnished in writing by such registered owner to the Trustee; (ii) by wire transfer sent on the Interest Payment Date to the registered owner upon written notice to the Trustee from the registered owner containing the wire transfer address (which shall be in the continental United States) to which the registered owner wishes to have such wire directed which written notice is received not later than the Business Day prior to the Interest Payment Date, it being understood that such notice may refer to multiple interest payments, or (iii) in such other fashion as is agreed upon.
between the registered owner and the Trustee. The foregoing notwithstanding, Defaulted Interest shall be payable as provided in the Indenture.

This Bond is one of an authorized series of Bonds (the “Series 2017 DDA Bonds” or the “Bonds”) issued under the hereinafter described Indenture in the aggregate original principal amount of $36,000,000, for the purpose of funding the Financing Purposes.

Pursuant to the Series 2017 DDA Resolution, the Series 2017 DDA Bonds will be secured by a pledge of (i) the Issuer’s Series 2017 General Tax Increment Revenues (as defined herein) pursuant to which a statutory lien will be created thereon under the Act 197, subordinate to the pledge of Net General Tax Increment Revenues securing certain outstanding Senior DDA Obligations, and (ii) the Issuer’s Series 2017 Catalyst Project Revenues (as defined herein), pursuant to which a statutory lien will be created thereon under the Act 197 (the pledged Series 2017 General Tax Increment Revenues and Series 2017 Catalyst Project Revenues are collectively the “Series 2017 Pledged Tax Increment Revenues”).

The Series 2017 DDA Bonds are all issued under and equally and ratably secured by and entitled to the security of a Trust Indenture dated as of August 1, 2017 (the “Indenture”) duly executed and delivered by the Issuer to U.S. Bank National Association, as Trustee (the “Trustee”).

Reference is made to the Indenture, to all indentures supplemental thereto, to the Series 2017 DDA Resolution, to all resolutions supplemental thereto, for the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the Issuer and the Trustee and the rights of the owners of the Series 2017 DDA Bonds, and to all the provisions of which the owner hereof by the acceptance of this Bond assents.

This Bond is registered on the Bond Register and may be transferred by the registered owner hereof at the written request of such registered owner or by his duly authorized attorney, but only in the manner, subject to the limitations and upon the payment of the charges provided in the Indenture and upon surrender and cancellation of this Bond. Upon such transfer, a new fully registered Series 2017 DDA Bond or Bonds of the same maturity and Authorized Denominations for the same aggregate principal amount shall be issued to the transferee in exchange therefor. The Person in whose name this Bond is registered shall be deemed and regarded as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal thereof, premium, if any, and interest due hereon and for all other purposes, and neither the Issuer nor the Trustee shall be affected by any notice to the contrary.

The Series 2017 DDA Bonds are issuable only as registered bonds in Authorized Denominations.

DEFINITIONS

To the extent not defined herein, the terms used in this Bond shall have the meanings as set forth in the Indenture:
“Authorized Denomination” means $250,000 and $5,000 multiples in excess thereof.

“Bond Register” means the registration books of the Issuer kept by the Trustee to evidence the registration and transfer of the Series 2017 DDA Bonds.

“Business Day” means a day which is not (a) a Saturday, Sunday or legal holiday on which banking institutions in the State of Michigan, the State of New York, the state in which the principal office of the Purchaser is located or the states in which the designated offices of the Calculation Agent, Remarketing Agent or Trustee are located are authorized by law to close or (b) a day on which the New York Stock Exchange is closed or Federal Reserve Banks are closed, or banks are otherwise unable to make Federal Reserve wire transfers.

“Closing Date” means August 10, 2017, the date of initial issuance and delivery of the Series 2017 DDA Bonds.

“Conversion Date” means each Fixed Rate Conversion Date, Flexible Rate Conversion Date, Variable Rate Conversion Date and Index Floating Rate Conversion Date.

“Default Rate” means, during the Initial Term Rate Period (including any Extension Term Rate Period thereof), with respect to the Series 2017 DDA Bonds for any day, a rate of interest per annum equal to the greater of (i) the Wall Street Journal Prime Rate plus six percent (6.0%) or (ii) ten percent (10.0%); and with respect to any other Rate Period, with respect to the Bonds for any day, the sum of the interest rate then in effect on such day (without regard to the occurrence of an Event of Default) plus two percent (2.0%) per annum; provided, however, the Default Rate shall not exceed twelve percent (12.0%) per annum.

“Defaulted Interest” means interest on any Series 2017 DDA Bond which is payable but not duly paid on the date due.

“Electronic Means” means facsimile transmission, email transmission or other similar electronic means of communication providing evidence of transmission, including a telephonic communication confirmed by any other method set forth above; provided, however, that if any person required to give a notice by Electronic Means shall not have been provided with the necessary information as to telephone or facsimile number or email address of an addressee, Electronic Means shall mean written notice by first class mail postage prepaid.

“Initial Mandatory Tender Date” means January 1, 2019.

“Initial Term Rate Period” means the period from the Closing Date to (but not including) the earliest to occur of (i) the Initial Mandatory Tender Date, (ii) a Conversion Date, and (iii) the date on which all of the Bonds are remarshaled or redeemed following an Extension Term Rate Period.
"Interest Payment Date" means, during the Initial Term Rate Period, the Initial Mandatory Tender Date or earlier optional redemption date or Conversion Date and during any Extension Term Rate Period means each January 1 and July 1 following the Initial Mandatory Tender Date or earlier Conversion Date or date on which all Bonds are remarketed or redeemed.

"Mandatory Tender Date" means any date on which a Series 2017 DDA Bondholder is required to tender any Series 2017 DDA Bond for purchase in accordance with the Indenture.

"Maturity Date" means July 1, 2047; provided, however, with respect to each Series 2017 DDA Bond bearing interest at a Fixed Rate which has been assigned a specific serial or different term maturity date pursuant to the Indenture, such date.

"Maximum Rate" means the lesser of (a) 25% per annum or (b) the maximum interest rate permitted by law.

"Record Date" means the fifteenth day (whether or not a Business Day) next preceding an Interest Payment Date therefor.

"Tender Agent" means any tender agent appointed in accordance with the provisions of the Indenture. Initially, the Trustee will act as Tender Agent.

"Tender Price" means 100% of the principal amount of any Series 2017 DDA Bond plus, if an Optional Tender Date or a Mandatory Tender Date, as applicable, is not an Interest Payment Date, interest accrued and unpaid thereon to, but not including, the Optional Tender Date or Mandatory Tender Date, as applicable, with respect to such Series 2017 DDA Bond.

"Term Rate" means the per annum interest rate on any Series 2017 DDA Bond in a Term Rate Period determined pursuant to the Indenture.

"Term Rate Period" means (i) the Initial Term Rate Period, and (ii) thereafter any period designated by the Issuer as a Term Rate Period, from and commencing on the Variable Rate Conversion Date to but not including the Business Day designated by the Issuer as the Mandatory Tender Date immediately following such Term Rate Period; provided, however, that a Term Rate Period which immediately succeeds a Term Rate Period of the same length shall commence on the first Business Day immediately succeeding such prior Term Rate Period designated by the Issuer and shall end as described above. Each Term Rate Period must be at least 180 days in length.

"United States Government Obligations" means noncallable direct obligations of, or noncallable obligations (which shall not include shares or investments in unit investment trusts or mutual funds) the timely payment of the principal of and interest on which is fully guaranteed by the United States of America.
INITIAL RATE PERIOD; SUBSEQUENT RATES

The Series 2017 DDA Bonds shall bear interest in the Initial Term Rate Period. During the Initial Term Rate Period, the Series 2017 DDA Bonds shall bear interest at 3.5% per annum to and including December 31, 2017, and at the rate of 4.5% thereafter; provided, however, that (i) during the continuance of an Event of Default, including during an Extension Term Rate Period, the Series 2017 DDA Bonds shall bear interest at the Default Rate and (ii) from and after any Taxable Date, the interest rate on the Series 2017 DDA Bonds shall be equal to the Default Rate. At no time shall the Series 2017 DDA Bonds bear interest at a rate higher than the Maximum Rate.

Interest during a Term Rate Period shall be calculated on the basis of a 360-day year composed of twelve 30-day months. The determination of the Term Rate in the manner described in the Indenture shall be conclusive and binding upon the holder hereof.

MANDATORY PURCHASE ON CONVERSION DATE

The Series 2017 DDA Bonds, if they are to be converted to a different Rate Period, shall be subject to mandatory tender for purchase on the Conversion Date at a price equal to the Tender Price.

MANDATORY PURCHASE AT END OF TERM RATE PERIOD

Series 2017 DDA Bonds bearing interest at Term Rates shall be subject to mandatory tender for purchase on the Business Day following each Term Rate Period at the Tender Price. Such Series 2017 DDA Bonds bearing interest at Term Rates shall be tendered, remarketed and purchased in accordance with the provisions of Section 508 of the Indenture. If the Issuer fails to cause the Tender Price to be paid for all of the Series 2017 DDA Bonds on the applicable Mandatory Tender Date following a Term Rate Period, the Term Rate Period shall not terminate but be extended (such extension period being referred to as an “Extension Term Rate Period”) and all of the Series 2017 DDA Bonds shall bear interest at the Default Rate until they are all successfully remarketed or redeemed. During any Extension Term Rate Period, the Series 2017 DDA Bonds shall be subject to mandatory tender for purchase on any Business Day upon at least five (5) Business Days’ prior written notice to the Trustee, and the Remarketing Agent from the Issuer to the effect that it has arranged for remarketing or refinancing of the Series 2017 DDA Bonds and such Bonds shall be subject to mandatory tender on the Business Day designated in such notice.

OPTIONAL REDEMPTION

Optional Redemption of Bonds in the Term Rate Period. The Series 2017 DDA Bonds while in the Initial Term Rate Period are subject to redemption prior to the Maturity Date by the Issuer, only in whole and not in part on any date at a Redemption Price of 100% of the principal amount of the Series 2017 DDA Bonds to be redeemed together with accrued interest, if any, to the Redemption Date. After the Initial Term Rate Period, Bonds in a Term Rate Period or Fixed
Rate Period are subject to redemption prior to the Maturity Date by the Issuer, in whole or in part on any date (and if in part, in such order of maturity as the Issuer shall specify and within a maturity by lot using such method as may be designated by the Trustee) after the No-Call Period described below at the Redemption Prices set forth below, together with accrued interest, if any, to the Redemption Date:

<table>
<thead>
<tr>
<th>Length of Rate Period</th>
<th>No Call Period</th>
<th>Redemption Prices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater than or equal to 15 years</td>
<td>10 years</td>
<td>100%</td>
</tr>
<tr>
<td>Less than 15 years and greater than or equal to 10 years</td>
<td>8 years</td>
<td>100%</td>
</tr>
<tr>
<td>Less than 10 years and greater than or equal to 5 years</td>
<td>5 years</td>
<td>100%</td>
</tr>
<tr>
<td>Less than 5 years but more than 4 years</td>
<td>Length of term less six months</td>
<td>100%</td>
</tr>
<tr>
<td>Less than 4 years</td>
<td>Length of Term</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>

The Issuer, in connection with a conversion to a subsequent Term Rate Period, may waive or otherwise alter its rights to direct the redemption of the Bonds at any time without premium; provided that notice describing the waiver or alteration shall be submitted to the Trustee and the Remarketing Agent (if any), together with a Favorable Opinion of Bond Counsel, addressed to them.

Bonds in a Term Rate Period (other than the Initial Term Rate Period) are also subject to redemption prior to their maturity, as a whole or in part, by the Issuer on the earliest practicable date after (i) the Governing Body of the Issuer determines in good faith that continued operation of the Bond Financed Property (or portions thereof) is not financially feasible or is otherwise disadvantageous to the Issuer; (ii) as a result thereof, the Issuer sells, leases or otherwise disposes of all or a portion of the Bond Financed Property to a person or entity unrelated to the Issuer; and (iii) there is delivered to the Issuer and the Trustee a written statement of Bond Counsel to the effect that, unless the Bonds in a Term Rate Period or a Fixed Rate Period are redeemed or retired in the amount specified either prior to or concurrently with such sale, lease or other disposition, or on a subsequent date prior to the first date on which the Bonds in a Term Rate Period or a Fixed Rate Period are subject to redemption, at the option of the Issuer, such Bond Counsel will be unable, absent payment by the Issuer to the Internal Revenue Service, to render an unqualified opinion that such sale, lease or other disposition of all or a portion of the Bond Financed Property will not adversely affect the validity of any Series 2017 DDA Bonds or any exemption from federal income taxation to which the interest on the Series 2017 DDA Bonds would otherwise be entitled. Any such redemption shall be at a redemption price equal to 103% of the principal amount thereof (plus accrued interest to the Redemption Date).
Under certain circumstances as provided in the Indenture, after the Initial Term Rate Period the Series 2017 DDA Bonds are also redeemable out of proceeds received from insurance, condemnation and sale under threat of condemnation under certain conditions, by the Issuer at any time, in whole or in part, and if in part, by maturities and portions of the Series 2017 DDA Bonds designated by the Issuer or, if not so designated, in inverse order of maturity (less than all of a single maturity to be selected by lot using such method as may be designated by the Trustee), at the principal amount thereof plus accrued interest to the Redemption Date and without premium; provided, however, that in no event shall the principal amount of Series 2017 DDA Bonds so redeemed exceed the amount of such net proceeds.

MANDATORY SINKING FUND REDEMPTION

The Series 2017 DDA Bonds are subject to mandatory redemption on each July 1, commencing July 1, 2022, as provided in the Indenture. Moneys on deposit in the Bond Sinking Fund on each July 1 shall be applied to redeem Series 2017 DDA Bonds by lot upon the notice and in the manner provided in the Indenture. Moneys on deposit in the Bond Sinking Fund on July 1, 2047 shall be applied to the payment of the Series 2017 DDA Bonds maturing on such date.

MINIMUM REDEMPTION AMOUNT

No redemption of less than all of the Series 2017 DDA Bonds at the time outstanding shall be made pursuant to the provisions of the Indenture unless (i) the aggregate principal amount of such Series 2017 DDA Bonds to be redeemed is equal to or greater than $100,000 and (ii) the Series 2017 DDA Bonds are redeemed in Authorized Denominations, and (iii) the outstanding principal amount of Series 2017 DDA Bonds following such redemption is an Authorized Denomination.

NOTICE OF REDEMPTION

Except as hereinafter provided, a copy of the notice of the call for any such redemption identifying the Series 2017 DDA Bonds to be redeemed shall be given by first class mail, postage prepaid, to the registered owners of Series 2017 DDA Bonds to be redeemed at their addresses as shown on the Bond Register not less than 15 days prior to the redemption date. Except for mandatory Bond Sinking Fund redemptions, prior to the date that the redemption notice is first given as aforesaid, funds shall be placed with the Trustee to pay the principal of such Series 2017 DDA Bonds, the accrued and unpaid interest thereon to the Redemption Date and the premium, if any, thereon, or such notice of redemption shall state that any redemption is conditional on such funds being deposited with the Trustee on the Redemption Date and that failure to make such a deposit shall not constitute an Event of Default under the Indenture.

Failure to give notice in the manner prescribed under the Indenture with respect to any Series 2017 DDA Bond, or any defect in such notice, shall not affect the validity of the proceedings for redemption for any Series 2017 DDA Bond with respect to which notice was
properly given. Upon the happening of the above conditions and if sufficient funds are placed with the Trustee by or on the Redemption Date to pay the principal of such Series 2017 DDA Bonds, the accrued interest thereon to the Redemption Date and the premium, if any, thereon, the Series 2017 DDA Bonds, or portions thereof, thus called shall not bear interest after the applicable Redemption Date, shall no longer be protected by the Indenture and shall not be deemed to be outstanding under the provisions of the Indenture. The Trustee shall redeem, in the manner provided in the Indenture, such an aggregate principal amount of such Series 2017 DDA Bonds at the principal amount thereof plus accrued interest to the Redemption Date and premium, if any, as will exhaust as nearly as practicable such funds. At the direction of the Issuer, such funds may be invested in United States Government Obligations until needed for redemption payout.

If such conditions are not satisfied or such funds are not so deposited by such date, such Bonds shall not be subject to redemption and the holders thereof shall have the same rights as if no such notice had been given. In such event, the Trustee shall promptly give notice thereof to the owners of such Series 2017 DDA Bonds by first class mail, postage prepaid.

The Issuer, the Trustee and any Paying Agent shall not be required to register the transfer or exchange of any Series 2017 DDA Bond after notice calling such Series 2017 DDA Bond or portion thereof for redemption has been mailed or during the 15-day period next preceding the mailing of a notice of redemption of the Series 2017 DDA Bonds of the same maturity.

DEFEASANCE

The Issuer may pay or provide for the payment of the entire indebtedness on all Series 2017 DDA Bonds, or any portion thereof, by depositing with the Trustee, in trust, at or before maturity, moneys, in an amount sufficient to pay or redeem (when redeemable) such Series 2017 DDA Bonds (including the payment of premium, if any, and interest payable on such portion of the Series 2017 DDA Bonds to the maturity or redemption date thereof), provided that such moneys, if invested, shall be invested in United States Government Obligations which are not prepayable or callable prior to, but mature on a date on or prior to, the date the moneys therefrom are anticipated to be required in an amount, without consideration of any income or increment to accrue thereon, sufficient to pay or redeem (when redeemable) and discharge the indebtedness on such portion of the Series 2017 DDA Bonds at or before their respective maturity dates; it being understood that the investment income on such United States Government Obligations may be used for any other purpose under Act 197. The Issuer may also pay or provide for the payment of the entire indebtedness or any portion of the Series 2017 DDA Bonds by depositing with the Trustee, in trust, United States Government Obligations which are not prepayable or callable prior to, but mature on a date on or prior to, the date the moneys therefrom are anticipated to be required in such amount determined by the Trustee, together with the income or increment to accrue thereon without consideration of any reinvestment thereof and uninvested cash, will be fully sufficient to pay or redeem (when redeemable) and discharge the indebtedness on all of such portion of the Series 2017 DDA Bonds at or before their maturity dates; provided that the Trustee shall be permitted to rely upon an accountant's verification report as conclusive evidence of the sufficiency of the amount of such deposit. Upon such deposit in accordance with the
provisions of the Indenture, such Series 2017 DDA Bonds shall cease to be entitled to any lien, benefit or security under the Indenture. The liability of the Issuer in respect of the Series 2017 DDA Bonds or such portion thereof shall continue but the holders thereof shall thereafter be entitled to payment only out of the moneys or United States Government Obligations deposited with the Trustee.

GENERAL PROVISIONS

The owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture. Modifications or alterations of the Indenture, or of any supplements thereto, may be made only to the extent and in the circumstances permitted by the Indenture.

No recourse shall be had for the payment of the principal of, premium, if any, or interest on any of the Series 2017 DDA Bonds or for any claim based thereon or upon any obligation, covenant or agreement in the Indenture or any agreement supplemental thereto, against any past, present or future officer, director, member, employee or agent of the Issuer, or any incorporator, officer, director, member, trustee, employee or agent of any successor corporation or body politic, as such, either directly or through the Issuer or any successor corporation or body politic, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporator, officer, director, trustee, member, employee or agent, as such, is hereby expressly waived and released as a condition of and consideration for the execution of the Indenture and the issuance of any of the Series 2017 DDA Bonds.

It is hereby certified that all conditions, acts and things required to exist, happen and be performed under the Act and under the Indenture precedent to and in the issuance of this Series 2017 DDA Bond, exist, have happened and have been performed, and that the issuance, authentication and delivery of this Series 2017 DDA Bond have been duly authorized by a resolution of the Issuer duly adopted.

This Series 2017 DDA Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been duly executed by the Trustee.
IN WITNESS WHEREOF, as provided by Act 197, the City of Detroit Downtown Development Authority has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of its Treasurer and by the manual or facsimile signature of its Authorized Agent and its seal (or a facsimile thereof) to be hereunto affixed, all as of the dated date specified above.

CITY OF DETROIT DOWNTOWN DEVELOPMENT AUTHORITY

By: [Signature]
Name: John T. Kick
Its: Treasurer

By: [Signature]
Name: Malinda Jensen
Its: Authorized Agent

(SEAL)

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Indenture.


U.S. Bank National Association, as Trustee

By: [Signature]
Authorizing Officer
ASSIGNMENT

For Value Received, the undersigned sells, assigns and transfers unto

________________________________________

(Please Print or typewrite Name, Address and Telephone or Telecopier Number of Assignee)

The within Bond and does hereby irrevocably constitute and appoint _______________________, Attorney, to transfer the said Bond on the Bond Register thereof with full power of substitution in the premises.

Dated: ________________________________

________________________________________

Signature guaranteed: ________________________________

Notice: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.
Attachment 3

Order Approving Sale of DDA’s Series 2017 Bonds
ORDER APPROVING SALE OF
SUBORDINATE TAX INCREMENT REVENUE BONDS, SERIES 2017
(DEVELOPMENT AREA NO. 1 PROJECTS) OF THE CITY OF DETROIT
DOWNTOWN DEVELOPMENT AUTHORITY

WHEREAS, the Board of the City of Detroit Downtown Development Authority (the “Authority”) adopted a resolution on June 28, 2017 (the “Resolution”) authorizing the issuance and sale of its Subordinate Tax Increment Revenue Bonds, Series 2017 (Development Area No. 1 Projects) in the maximum aggregate principal amount of $36,000,000 (the "Bonds"), for the purpose of financing the costs of the Additional Catalyst Development Project Improvements (as defined in the Resolution) and costs incidental to issuance of the Bonds; and

WHEREAS, the Resolution further authorized the sale and delivery of the Bonds to Bank of America, N.A. (the “Purchaser”), as purchaser of the Bonds for its own account or for the account of an affiliate, and authorized the officers and Authorized Agents of the Authority to negotiate the final terms of the Bonds, including the applicable fixed interest rate or rates payable on the Bonds, the schedule of principal payments thereunder, and terms with respect to the redemption and/or tender of the Bonds, and the final terms of the Bond Purchase Agreement (as defined in the Resolution), and to take all other actions necessary to effectuate the sale, issuance and delivery of the Bonds, all within the parameters established under the Resolution; and

WHEREAS, the Authority’s officers and Authorized Agents, in consultation with the Authority’s municipal finance advisors, have negotiated and determined the final terms of the Bonds and the Bond Purchase Agreement.

NOW, THEREFORE, BE IT ORDERED by the Treasurer of the Authority, as follows:

1. The offer by the Purchaser to purchase the Bonds as set forth in the Bond Purchase Agreement presented to the Authority by the Purchaser herewith at the purchase price and interest rates set forth in Exhibit A hereto is hereby accepted and the form of Bond Purchase Agreement is hereby approved.

2. The Bonds shall be issued in the aggregate principal amount of $36,000,000.00. The Bonds shall be issued as a term bond maturing as shown on Exhibit A hereto, shall be dated the date of their delivery, and interest on the Bonds shall be first payable on January 1, 2019, and semi-annually thereafter on July 1 and January 1 of each year. The Bonds shall be subject to redemption and to mandatory tender prior to maturity as set forth on Exhibit A. All of such terms are within the parameters contained in the Resolution.

3. Proceeds of the Bonds shall be deposited into the Project Fund and Expense Fund created by the provisions of the Trust Indenture, dated as of August 1, 2017 (the “Indenture”), between the Authority and U.S. Bank National Association, as Trustee, in the respective amounts shown on Exhibit A attached hereto and made a part hereof.

4. All words and terms not defined herein shall have the meanings given to them in the Indenture unless the context or usage clearly indicates that another meaning is intended.
5. This Order shall be effective immediately upon adoption. All orders and parts of orders insofar as they conflict with the provisions of this Order be and the same hereby are rescinded.

SO ORDERED on this 10th day of August, 2017.

[Signature]
John Naglick, Measurer

[Signature]
Malinda Jensen, Authorized Agent

Approved as to form only:

[Signature]
Rébecca A. Navin, Esq.
Counsel to DDA
EXHIBIT A

Principal Amount, Interest Rate and Price

<table>
<thead>
<tr>
<th>Maturity Date</th>
<th>Principal Amount ($)</th>
<th>Initial Interest Rate</th>
<th>Price</th>
<th>Mandatory Tender Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 1, 2047</td>
<td>$36,000,000</td>
<td>3.50% through 12/31/17; 4.50% through 12/31/18</td>
<td>100%</td>
<td>January 1, 2019</td>
</tr>
</tbody>
</table>

Mandatory Annual Redemption: The Bonds shall be subject to mandatory redemption on July 1 of each of the following years in the following principal amounts:

<table>
<thead>
<tr>
<th>July 1 of the Year</th>
<th>Principal Amount</th>
<th>July 1 of the Year</th>
<th>Principal Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>$1,100,000</td>
<td>2037</td>
<td>$1,100,000</td>
</tr>
<tr>
<td>2023</td>
<td>$1,100,000</td>
<td>2038</td>
<td>$1,100,000</td>
</tr>
<tr>
<td>2024</td>
<td>$1,100,000</td>
<td>2039</td>
<td>$1,100,000</td>
</tr>
<tr>
<td>2025</td>
<td>$1,100,000</td>
<td>2040</td>
<td>$1,100,000</td>
</tr>
<tr>
<td>2026</td>
<td>$1,100,000</td>
<td>2041</td>
<td>$1,100,000</td>
</tr>
<tr>
<td>2027</td>
<td>$1,100,000</td>
<td>2042</td>
<td>$1,100,000</td>
</tr>
<tr>
<td>2028</td>
<td>$1,100,000</td>
<td>2043</td>
<td>$1,100,000</td>
</tr>
<tr>
<td>2029</td>
<td>$1,100,000</td>
<td>2044</td>
<td>$1,100,000</td>
</tr>
<tr>
<td>2030</td>
<td>$1,100,000</td>
<td>2045</td>
<td>$1,100,000</td>
</tr>
<tr>
<td>2031</td>
<td>$1,100,000</td>
<td>2046</td>
<td>$4,800,000</td>
</tr>
<tr>
<td>2032</td>
<td>$1,100,000</td>
<td>2047</td>
<td>$4,800,000</td>
</tr>
<tr>
<td>2033</td>
<td>$1,100,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Maturity

Optional Redemption Provisions: The Bonds (while in the Initial Term Rate Period, including any Extension Term Rate Period) are subject to redemption prior to the Maturity Date, only in whole and not in part on any date at a Redemption Price of 100% of the principal amount of the Bonds to be redeemed together with accrued interest, if any, to the Redemption Date.

Use of Proceeds

The proceeds of the Bonds shall be used as follows:

1. $34,500,000.00 of the proceeds of the Bonds shall be deposited into the Project Fund.

2. The balance of the proceeds of the Bonds in the amount of $1,500,000.00 shall be deposited into the Expense Fund.

* Subject to adjustment as provided in the Indenture.