



Detroit Brownfield Redevelopment Authority
500 Griswold Street • Suite 2200
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**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
REGULAR BOARD OF DIRECTORS MEETING
WEDNESDAY, AUGUST 10, 2016
4:00 PM**

BOARD MEMBERS PRESENT: Evette Griffie
Mia Grillier
Pamela McClain
Derrick Sanders
Raymond Scott
Matt Walters
Donele Wilkins

BOARD MEMBERS ABSENT: Maggie DeSantis
Stephanie Washington

OTHERS PRESENT: Malinda Jensen (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Elizabeth Brinson (DEGC/DBRA)
Ngozi Nwaesei (Lewis & Munday)
Richard Barr (Hongiman)
Steve Ogden (Bedrock)
Michael Hammon (The Platform)
Clarke Lewis (The Platform)
Joe Kopietz (Clark Hill)

DBRA

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MINUTES OF THE DETROIT BROWNFIELD
REDEVELOPMENT AUTHORITY SPECIAL MEETING
WEDNESDAY, AUGUST 20, 2016
DETROIT ECONOMIC GROWTH CORPORATION
500 GRISWOLD SUITE 2200 DETROIT, MI - 4:00PM

CALL TO ORDER

Chairperson, Matthew Walters, called the meeting to order at 4:09 PM.

GENERAL

Approval of Minutes

Mr. Walters called for a motion approving the minutes of July 13, 2016 as presented. The Board took the following action:

On a motion by Mr. Sanders, seconded by Mr. Scott, DBRA Resolution Code 16-08-02-205 was unanimously approved.

Acceptance of the Treasurer's Report

Ms. Brinson presented the Treasurer's report for June 2016. Ms. McClain thanked Ms. Brinson for the additional information provided on the report. Mr. Walters called for a motion accepting the Treasurer's report for June 2016. The Board took the following action:

On a motion by Ms. Wilkins, seconded by Ms. Griffie, DBRA Resolution Code 16-086-03-153 was unanimously approved.

PROJECTS

Brush Park Parcels A&B Brownfield Redevelopment Plan: Reimbursement Agreement

Mr. Vosburg provided a brief review of the Brush Park Parcels A&B Brownfield Plan and stated that the Developer is seeking approval of the Reimbursement Agreement for the project. The Developer responded to a Board member question regarding the City of Detroit Executive Orders.

On April 27, 2016, the Detroit Brownfield Redevelopment Authority (the "DBRA") Board of Directors recommended approval to City Council of the Brownfield Plan for the Brush Park Parcels A&B Redevelopment Project (the "Plan") which was subsequently approved

by Detroit City Council on May 31, 2016. A requirement for Tax Increment Financing reimbursement pursuant to the Plan is that a Reimbursement Agreement (the "Agreement") be entered into between the DBRA and Brush Park Development Company Phase I LLC (the "Developer"). The Agreement was prepared between the DBRA and the Developer and was presented to the DBRA for review and approval.

Mr. Walters called for called for a motion approving the Brush Park Parcels A&B Brownfield Redevelopment Plan Reimbursement Agreement. The Board took the following action:

On a motion by Mr. Scott, seconded by Ms. Wilkins, DBRA resolution code 16-08-239-03 was unanimously approved.

Third and Grand Brownfield Redevelopment Plan: Reimbursement Agreement

Mr. Vosburg provided a brief review of the Third and Grand Brownfield Plan and stated that the Developer is seeking approval of the Reimbursement Agreement for the project.

On June 22, 2016, the Detroit Brownfield Redevelopment Authority (the "DBRA") Board of Directors recommended approval to City Council of the Brownfield Plan for the Third and Grand Redevelopment Project (the "Plan") which was subsequently approved by Detroit City Council on July 19, 2016. A requirement for Tax Increment Financing reimbursement pursuant to the Plan is that a Reimbursement Agreement (the "Agreement") be entered into between the DBRA and Third and Grand, LLC (the "Developer"). The Agreement has been prepared between the DBRA and the Developer and is presented to the DBRA for review and approval.

Mr. Walters called for called for a motion approving the Third and Grand Brownfield Redevelopment Plan Reimbursement Agreement. The Board took the following action:

On a motion by Ms. Wilkins, seconded by Ms. McClain, DBRA resolution code 16-08-240-03 was unanimously approved.

Wurlitzer Hotel Brownfield Redevelopment Plan: Reimbursement Agreement Assignments

Mr. Vosburg presented the Reimbursement Agreement Assignments for the Wurlitzer Hotel. The DBRA Counsel and Developer's Counsel responded to a board member question regarding how the agreement would work as well as information regarding who the financial institutions are named in the agreement.

On April 8, 2015, the City of Detroit Brownfield Redevelopment Authority (the "DBRA") Board of Directors recommended approval of the Brownfield Plan for the Wurlitzer Hotel Brownfield Redevelopment Project (the "Plan") to the Detroit City Council. The Plan was approved by the Detroit City Council on May 5, 2015. The Reimbursement Agreement (the "Agreement") between the DBRA and HM Ventures Group 6 LLC (the "Developer"), was entered into on June 10, 2015.

The property subject to the Plan is located at 1501 and 1509 Broadway and entails the extensive rehabilitation of the Wurlitzer Building into a 100 room hotel complete with a street-level café and bar, second-floor restaurant and meeting space, and a roof-level lounge with direct access from the street. Total investment is estimated to be \$21,699,101.00. The Developer is requesting Tax Increment Financing (“TIF”) reimbursement of \$1,887,242.00

Since then, two (2) Assignments of the Reimbursement Agreement (the “Assignments”) have been drafted between the Developer 1) Chemical Bank and 2) ID CDE 11, LLC/CNMC SUB-CDE 109 LLC (the “Lenders”) in order to secure construction loans for the Plan. Per the Assignments, the Lenders are granting the Developer “license to enjoy the benefits of and enforce the provisions of the Reimbursement Agreement” as long as there exists no “event of default.” An Intercreditor Agreement between the Lenders, which is referenced in the Assignments, addresses the priority of payment and subsequently, the DBRA is only responsible for distributing funds to the Lenders in the event of default, based upon the first notice received.

A copy of the Assignments and a resolution approving were attached for Board review and approval.

Mr. Walters called for called for a motion approving the Wurlitzer Hotel Brownfield Redevelopment Plan Reimbursement Agreement Assignments. The Board took the following action:

On a motion by Ms. Wilkins, seconded by Ms. McClain, DBRA resolution code 16-08-235-04 was unanimously approved.

ADMINISTRATIVE

Mr. Vosburg provided an update to the Board regarding the formation of the Finance Committee.

OTHER

Mr. Scott informed the board that the EPA Revolving Loan Funds from the City were transferred to the DBRA and that DBRA and City of Detroit staff were talking to Developers to get the funds obligated expeditiously.

PUBLIC COMMENT

None

ADJOURNMENT

There being no further business, Mr. Walters called for a motion approving the adjournment of the meeting. On a motion by Ms. Wilkins, seconded by Ms. McClain, the board agreed unanimously to adjourn the meeting at 4:29



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CODE DBRA 16-08-02-205

APPROVAL OF MINUTES JULY 13, 2016

RESOLVED, that the minutes of the regular meeting of July 13, 2016 are hereby approved and all actions taken by the Directors present at such meeting, as set forth in such minutes, are hereby in all respects ratified and approved as actions of the Detroit Brownfield Redevelopment Authority.

August 10, 2016



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DBRA 16-08-03-153

ACCEPTANCE OF TREASURER'S REPORT FOR JUNE 2016

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period June 1 through June 30, 2016, as presented at this meeting is hereby in all respects accepted as actions of the Detroit Brownfield Redevelopment Authority.

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CODE DBRA 16-08-239-03

BRUSH PARK PARCELS A&B BROWNFIELD REDEVELOPMENT PLAN: REIMBURSEMENT AGREEMENT

WHEREAS, on April 27, 2016, the Detroit Brownfield Redevelopment Authority (the "DBRA") Board of Directors adopted a resolution recommending approval by the Detroit City Council of the Brownfield Plan (the "Plan") for a project captioned the Brush Park Parcels A&B (the "Project"); and

WHEREAS, on May 31, 2016, the Detroit City Council approved the Plan; and

WHEREAS, a condition to reimbursing the developer for eligible activities under the Plan is that a Reimbursement Agreement (the "Agreement") be entered into between the DBRA and Brush Park Development Company Phase I LLC as developer of the Project; and

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

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

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

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

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

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CODE DBRA 16-08-240-03

THIRD AND GRAND BROWNFIELD REDEVELOPMENT PLAN: REIMBURSEMENT AGREEMENT

WHEREAS, on June 22, 2016, the Detroit Brownfield Redevelopment Authority (the "DBRA") Board of Directors adopted a resolution recommending approval by the Detroit City Council of the Brownfield Plan (the "Plan") for a project captioned Third and Grand (the "Project"); and

WHEREAS, on July 19, 2016, the Detroit City Council approved the Plan; and

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

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

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

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

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

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

August 10, 2016



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CODE DBRA 16-08-235-04

WURLITZER HOTEL: ASSIGNMENTS OF THE REIMBURSEMENT AGREEMENT

WHEREAS, on April 8, 2015, the City of Detroit Brownfield Redevelopment Authority (the "DBRA") Board of Directors adopted a resolution recommending approval of the Brownfield Plan (the "Plan") for the Wurlitzer Hotel Brownfield Project (the "Project") by the Detroit City Council; and

WHEREAS, on May 5, 2015, the Detroit City Council approved the Plan; and

WHEREAS, on June 10, 2015 the Reimbursement Agreement was made and entered into by and between HM Ventures Group 6 LLC and the DBRA; and

WHEREAS, a two (2) Assignments of the Reimbursement Agreement (the "Assignments") have been drafted between HM Ventures Group 6 LLC and 1) Chemical Bank and 2) ID CDE 11, LLC/CNMC SUB-CDE 109 LLC (the "Lenders") and approved as to form by DBRA legal counsel, Lewis & Munday, a Professional Corporation; and

WHEREAS, per the Assignments, the Lenders are granting HM Ventures Group 6 LLC license to enjoy the benefits of and enforce the provisions of the Reimbursement Agreement as long as there exists no event of default; and

WHEREAS, an Intercreditor Agreement between the Lenders addresses the priority of payment and subsequently, the DBRA is only responsible for distributing funds to the Lenders in the event of default, based upon the first notice received; and

WHEREAS, the Assignments need to be executed by HM Ventures Group 6 LLC and the Lenders with acknowledgement and approval by DBRA; and

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

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

1. The Assignments of the Reimbursement Agreement (the "Assignments"), in substantially the form attached to this Resolution as Exhibit A, are hereby approved, with such necessary or desirable modifications, additions, deletions or revisions as are approved by DBRA legal counsel and the Officers or Designated Agents of the DBRA executing the Assignments.
2. Any two (2) Officers or Designated Authorized Agents or any one (1) Officer and one (1) Designated Authorized Agent of the DBRA is hereby authorized and directed to execute and deliver the Assignments.

3. All resolutions or parts of resolutions or other proceedings in conflict herewith shall be repealed insofar as such conflict arises.
4. This Resolution shall take effect immediately upon its adoption.

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

August 10, 2016