

TRUE COPY CERTIFICATE

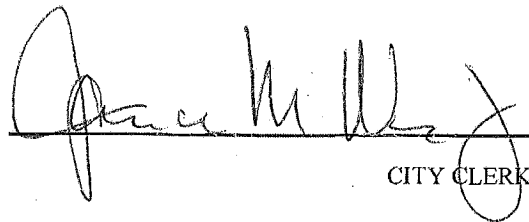
STATE OF MICHIGAN }
City of Detroit } SS

CITY CLERK'S OFFICE, DETROIT

I, Janice M. Winfrey, City Clerk of the City of Detroit, in said State, do hereby certify that the annexed paper is a TRUE COPY OF RESOLUTION adopted (passed) by the City Council at session of September 29, 2015 and approved by Mayor October 5, 2015 as appears from the Journal of said City Council in the office of the City Clerk of Detroit, aforesaid; that I have compared the same with the original, and the same is a correct transcript therefrom, and of the whole of such original.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City, at

Detroit, this 10th day of December A.D. 20 15


CITY CLERK



CITY OF DETROIT
 PLANNING AND DEVELOPMENT DEPARTMENT



COLEMAN A. YOUNG MUNICIPAL CENTER
 2 WOODWARD AVENUE SUITE 808
 DETROIT, MICHIGAN 48226
 (313) 224-1339 • TTY:711
 (313) 224-1310
 WWW.DETROITMI.GOV

September 28, 2015

Honorable City Council

Re: Real Property at 1151 Taylor, 8700 Byron, 1501 Hazelwood, and 9027 John C Lodge, Detroit, MI

The City of Detroit Planning and Development Department ("P&DD") has received an offer from Herman Kiefer Development LLC, a Michigan Limited Liability Company ("Offeror") requesting the conveyance by the City of Detroit (the "City") of the real property, having a street address of 1151 Taylor, 8700 Byron, 1501 Hazelwood, and 9027 John C Lodge, Detroit, MI (the "Property"). The Detroit Land Bank Authority ("DLBA") also requests the approval of the City to convey over 10 parcels to the Offeror.

The Offeror responded to an RFP dated March 13, 2014 through April 11, 2014. Under the proposed terms stemming from the Offeror's response to the RFP, the Property would be conveyed to the Offeror by Quit Claim Deed (the "Deed") for Nine-Hundred Twenty-Five Thousand and 00/100 Dollars (\$925,000.00) (the "Purchase Price"). In accordance with the terms of the Property Management Agreement dated October 31, 2014, by and between the City and the City of Detroit Building Authority, a "Transaction Fee" in the amount of Fifty-Five Thousand Five Hundred dollars (\$55,500.00), and "Property Transaction Costs" comprised of a real estate brokerage commission in the amount of Forty-Six Thousand Two-Hundred Fifty dollars (\$46,250.00) and customary closing costs up to one hundred ten dollars (\$110.00) may be deducted from the Purchase Price and paid from the sale proceeds, whereupon the City will receive Eight-Hundred Twenty-Three Thousand One-Hundred Forty dollars (\$823,140.00).

The Offeror proposes to save, rehabilitate and adaptively reuse the Herman Kiefer Hospital complex and three surrounding former Detroit Public Schools buildings. After receiving City Council approval for the land transfer, necessary rezoning and a master plan amendment, and closing the transaction, the development team will secure, maintain, and weatherproof the buildings, clean and maintain the open space on the site, and restore the ball fields and courts. The Offeror will also program an initial slate of events to begin activating the site. Between years 1 through 5, the development team will invest a minimum of \$1 million per year to secure and rehabilitate the buildings and develop the site and between years 6-8, a minimum of \$2 million per year will be invested. By year 5, the Offeror will have activated at least 35% of the site or invested a total of at least \$20 million. By year 8, the Offeror will have activated at least 80% of the site or invested a total of at least \$75 million. A development agreement will address all previously stated terms. Offeror's proposed use is permitted as a matter of right in an SD2 (Special Development District, Mixed-Use) zone, to which the Property is currently being rezoned. Council need not approve the sale without advertisement as the proposal was in response to an RFP. In addition, the Offeror proposes to address concerns about blight in the surrounding area by boarding and securing vacant structures as well as landscaping and maintaining open spaces. The Offeror will receive an option to purchase the properties it boards, secures and maintains.

We request that your Honorable Body adopt the attached resolution to authorize the Director of P&DD to execute a deed and such other documents as may be necessary or convenient to effect the transfer of the Property by the City to the Offeror.

Respectfully submitted,

Maurice D. Cox
 Director, Planning and Development Department



WHEREAS, the City of Detroit Planning and Development Department ("P&DD") has received an offer from Herman Kiefer Development LLC, a Michigan Limited Liability Company ("Offeror") requesting the conveyance by the City of Detroit (the "City") of the real property, having a street address of 1151 Taylor, 8700 Byron, 1501 Hazelwood, and 9027 John C Lodge, Detroit, MI 48202 (the "Property") described in Exhibit A; and

WHEREAS, the City requests authority to enter into a development agreement with the Offeror in furtherance of the development of the Property.

NOW, THEREFORE, BE IT RESOLVED, that the sale of Property to Herman Kiefer Development LLC, a Michigan Limited Liability Company, more particularly described in the attached Exhibit A, in furtherance of the redevelopment of the City is hereby approved; and be it further

RESOLVED, that Property may be transferred and conveyed to Herman Kiefer Development LLC, a Michigan Limited Liability Company, in consideration for its payment of Nine-Hundred Twenty-Five Thousand and 00/100 Dollars (\$925,000.00); and be it further

RESOLVED, that a "Transaction Fee" of Fifty-Five Thousand Five Hundred dollars (\$55,500.00), and "Property Transaction Costs" comprised of a real estate brokerage commission in the amount of Forty-Six Thousand Two-Hundred Fifty dollars (\$46,250.00) and customary closing costs up to one hundred ten dollars (\$110.00) may be deducted from the Purchase Price and paid from the sale proceeds in accordance with the terms of the Property Management Agreement dated October 31, 2014, by and between the City and the City of Detroit Building Authority, whereupon the City will receive Eight-Hundred Twenty-Three Thousand One-Hundred Forty dollars (\$823,140.00); and be it further

RESOLVED, that the Director of the Planning and Development Department, or his or her designee, is authorized to execute deeds and other documents necessary or convenient for the consummation of the transaction; and be it further

RESOLVED, that the Director of the Planning and Development Department, or his or her designee is authorized to execute any required instruments to make and incorporate technical amendments or changes to the Quit Claim Deed (including but not limited to corrections to or confirmations of legal descriptions, or timing of tender of possession of particular parcels) in the event that changes are required to correct minor inaccuracies or are required due to unforeseen circumstances or technical matters that may arise prior to the conveyance of the Property, provided that the changes do not materially alter the substance or terms of the transfer and sale; and be it finally

RESOLVED, that the Quit Claim Deed will be considered confirmed when executed by the Director of the Planning and Development Department, or his or her designee, and approved by the Corporation Counsel as to form. The conveyance shall be pursuant to a development agreement.

EXHIBIT A

W JOHN LODGE W 396.90 FT 50 E 397.40 FT 49 BLACKS ADD L14 P78 PLATS, W C R 6/118 THAT PT OF 8 THRU 5 LYG BETW HAMILTON 100 FT WD & BYRON 66 FT WD EXC S 35.30 FT OF E 415.42 FT & EXC S 118.12 FT OF W 379.43 FT THEREOF PLAT OF 1/4 SEC 46, TTAT L6 P353 PLATS

A/K/A 1151 Taylor
Ward 06 Items 004348.001
Description: Apprx. 525,937sf on 17.9 Acres

S HAZELWOOD 29 THRU 69 BESSENGER & MOORES SUB L22 P85 PLATS, W C R 6/4 1 THRU 27 BESSENGER & MOORES BLAINE AVE SUB L24 P65 PLATS, W C R 6/2 39 THRU 1 & VAC GLADSTONE AVE & VAC ALLEYS ADJ MIMMAUGH SUB L21 P24 PLATS, W C R 6/3 821.56 IRREG

A/K/A 1501 Hazelwood
Ward 06 Items 002154.
Description: Apprx. 7.5 Acres

N TAYLOR E 22 FT 15 14 THRU 12 HAWLEYS COLUMBIAN SUB L18 P86 PLATS, W C R 6/119 26 THRU 36 & VAC ALLEY BETW SD LOTS BLACKS ADDN L14 P78 PLATS, W C R 6/118 361.40 IRREG

A/K/A 9027 John C Lodge
Ward 06 Items 002229.
Description: Apprx. 43,996sf on 2 Acres

W JOHN LODGE THAT PT OF 4&5 DESC AS BEG AT A PTE IN W LINE HAMILTON 100 FT WD 22.87 FT NLY OF S LINE OF LOT 4 TH N 26D 34M 47S W 272.47 FT TH S 63D 37M 11S W 415.42 FT TH N 26D 35M 54S W 88.71 FT TH S 63D 08M 02S W 379.43 FT TH S 26D 27M 51S E 355.29 FT T

A/K/A 8700 Byron
Ward 06 Items 004348.002L
Description: Apprx. 5.7 Acres

**ADOPTED AS FOLLOWS
COUNCIL MEMBERS**

NB
#18

A

		YEAS	NAYS
Janee	AYERS		✓
Scott	BENSON	✓	
Raquel	CASTANEDA-LOPEZ	✓	
*George	CUSHINGBERRY, JR.	✓	
Gabe	LELAND	✓	
Mary	SHEFFIELD	✓	
Andre	SPIVEY	✓	
James	TATE	✓	
Brenda	PRESIDENT JONES	✓	
*PRESIDENT PRO TEM			
		8	1

MASTER AGREEMENT TO PURCHASE AND DEVELOP LAND

by and between

The City of Detroit

and

Herman Kiefer Development, LLC

(Herman Kiefer Redevelopment Project)

Date: May 25, 2016

ADG
RL

TABLE OF CONTENTS

ARTICLE 1. DEFINITIONS 1

ARTICLE 2. SALE AND CONSIDERATION 8

 2.01 Engagement. 8

 2.02 Purchase Price..... 8

 2.03 Advance..... 8

 2.04 Master Developer Pre-Closing Obligations..... 8

 2.05 Master Developer Investment Commitment..... 9

 2.06 Master Developer Activation Commitment. 9

 2.07 Master Developer’s Election. 9

 2.08 Master Development Plan. 9

 2.09 Additional Financial Commitments Deadline I..... 10

 2.10 Additional Financial Commitments Deadline II. 11

 2.11 Certificate of Completion. 11

 2.12 Annual Investment Certificate..... 12

 2.13 Activation Certificate. 13

 2.14 Termination. 13

ARTICLE 3. TITLE INSURANCE/DEED..... 13

 3.01 Title Insurance. 13

 3.02 Title/Deed. 14

ARTICLE 4. TAXES AND ASSESSMENTS 14

 4.01 Property on Tax Rolls at Closing. 14

 4.02 Property Not on Tax Rolls at Closing. 14

ARTICLE 5. REPRESENTATION AND WARRANTIES..... 15

 5.01 Inducement. 15

 5.02 Survival..... 16

ARTICLE 6. TESTS AND SURVEYS; CONDITION OF PROPERTY 16

 6.01 Inspection Period. 16

 6.02 Condition of Property. 17

 6.03 Release of City from Liability; Indemnification. 17

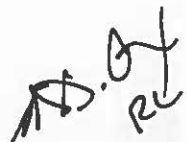
ARTICLE 7. CLOSING 18

 7.01 Time and Place of Closing..... 18

 7.02 Conditions to Closing. 18

 7.03 Delivery of Deed and Assignment of Leases and Possession. 21

 7.04 Payment of Expenses..... 21



7.05	Failure of Initial Conditions.	21
ARTICLE 8. AFFIRMATIVE COVENANTS OF MASTER DEVELOPER AND THE CITY		
8.01	Maintenance of Business and Existence.....	21
8.02	Maintenance of Insurance.....	21
8.03	Books and Records.	22
8.04	Notification of Defaults.....	22
8.05	Access to Records and Premises.	22
8.06	Further Information.	22
8.07	Further Assurance.....	22
8.08	Neighborhood Advisory Committee.	22
8.09	Affirmative Covenants of the City:	23
ARTICLE 9. PROJECT DEVELOPER REQUIREMENTS		
9.01	Project Developer.	25
9.02	Project Specific Development Agreement.	25
9.03	Project Specific Development Plan.	26
9.04	Non-Completed Project.	26
ARTICLE 10. DEFAULT		
10.01	Default by Master Developer.	27
10.02	Opportunity to Cure Default.....	28
10.03	Default by the City.	28
ARTICLE 11. REMEDIES		
11.01	Remedies Cumulative.....	28
11.02	Waiver of Defense.....	29
11.03	Reimbursement of Costs.....	29
11.04	Reconveyance.....	29
11.05	Other Remedies.	29
11.06	City's Failure to Convey.	29
11.07	Project Specific Development Agreement.	29
11.08	Intentionally Omitted.....	29
11.09	Reconveyance, Default.....	30
11.10	Project Developer Reconveyance.....	30
11.11	Failure of Security.	30
11.12	Power of Attorney.	31
ARTICLE 12. INDEMNITY		
12.01	Master Developer Indemnifications.	31
12.02	Defense of Claims.	31
12.03	Safeguarding and Securing the Property.	31

*AD. of
rc*

12.04	Non-Liability of the City.....	32
12.05	Hazardous Materials.....	32
ARTICLE 13. ADMINISTRATION.....		35
13.01	Developer Personnel.....	35
13.02	Inspection by City.....	35
13.03	Independent Contractor Relationship.....	35
13.04	Waiver.....	35
ARTICLE 14. COMPLIANCE WITH LAWS AND REGULATIONS.....		36
14.01	Compliance.....	36
14.02	Intellectual Property.....	36
14.03	Right To Examine Books.....	36
ARTICLE 15. AMENDMENTS.....		36
15.01	Form.....	36
15.02	Binding Effect.....	36
ARTICLE 16. FAIR EMPLOYMENT PRACTICES.....		36
16.01	Compliance with Laws.....	36
16.02	Executive Orders.....	37
16.03	Non-Discrimination.....	37
16.04	Associate Notification.....	37
16.05	Breach.....	37
16.06	Remedies upon Breach.....	37
ARTICLE 17. NOTICES.....		38
17.01	Addresses.....	38
17.02	Date of Notice.....	38
ARTICLE 18. MISCELLANEOUS.....		38
18.01	Standard of Performance.....	38
18.02	Conferences.....	39
18.03	Severability.....	39
18.04	Entire Agreement.....	39
18.05	Terminology.....	39
18.06	Covenants and Conditions.....	39
18.07	Captions.....	39
18.08	Cumulative Remedies; Jurisdiction; Venue.....	39
18.09	Affiliates.....	40
18.10	Force Majeure.....	40
18.11	Provisions Not Merged With Deed.....	40

*ADG
pk*

18.12 Residential Construction.....	40
18.13 Counterparts.....	41
18.14 Singular and Plural, etc.....	41
18.15 Time of the Essence.....	41
18.16 Authority of City.	41

ADG
RU

LIST OF EXHIBITS AND SCHEDULES

Exhibit A	Description of Property
Exhibit 2.04	Security, Maintenance and Utility Costs
Exhibit B-1	Master Development Plan Summary
Exhibit B-2	Initial Activation Plans
Exhibit B-3	Site Map Activation Square Footage
Exhibit B-4	Site Map Minimum Investment Overview
Exhibit C	Quit Claim Deed
Exhibit D	Covenant Deed Re-vesting Title in City
Exhibit E	Irrevocable Power of Attorney
Exhibit F	Certificate of Completion
Exhibit G	Activation Certificate
Exhibit H	Certificate of Authority for Partnership, Corporation or Limited Liability Company
Exhibit I	Site Map City Parcels Reserved
Exhibit J	Permitted Encumbrances
Exhibit K	Dispute Resolution



MASTER AGREEMENT TO PURCHASE AND DEVELOP LAND

BY AND BETWEEN

CITY OF DETROIT

and

Herman Kiefer Development, LLC

(Herman Kiefer Redevelopment Project)

THIS MASTER AGREEMENT TO PURCHASE AND DEVELOP LAND (“Development Agreement” or “Agreement”) is entered into as of May 25, 2016 by and between the **CITY OF DETROIT**, a Michigan public body corporate, acting by and through the Planning and Development Department (“P&DD”), whose address is Two Woodward Ave., Coleman A. Young Municipal Center, Detroit, Michigan 48226, referred to herein as the “City”, and **HERMAN KIEFER DEVELOPMENT, LLC**, a Michigan limited liability company, whose address is P. O. Box 2822, Detroit, Michigan 48202, “Master Developer” (as hereinafter defined).

RECITALS:

A. Master Developer has offered to purchase and secure, maintain and develop land and buildings located in the City of Detroit, the legal descriptions of which is set forth on Exhibit A attached hereto and incorporated by reference, in accordance with the terms, covenants, and conditions of this Agreement.

B. Master Developer has represented to the City that it has the qualifications and financial ability to purchase and secure, maintain and develop the land and buildings in accordance with this Agreement.

C. The City believes that the development of the Property pursuant to this Development Agreement and the fulfillment generally of this Development Agreement are in the best interests of the City and the health, safety and welfare of its residents.

In consideration of the foregoing recitals and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE 1. DEFINITIONS

The following words and expressions shall, wherever they appear in this Development Agreement, be construed as follows:



1.01 “**Activation**” or “**Activate**” shall mean establishing, installing or forming programming, on a temporary or permanent basis, in the structures or on the site, which includes but is not limited to the following:

- Temporary and long term art galleries
- Studios
- Art installations
- Temporary programming (fairs, green markets, charrettes)
- Movie screenings
- Food truck rallies
- Recruiting and retaining tenants
- White boxing buildings for future use
- Placemaking activities
- Renovating playgrounds
- Maintenance of sports courts
- Repair, maintenance and use of buildings (such as installing new windows in the school properties)
- Creation of recreational spaces
- Covered parking
- Exterior maintenance and beautification of buildings (light installations, murals, etc.)

- Landscaping

- Installing infrastructure improvements

A structure or area will be considered activated when there is an expectation that the specific expected use will continue in that structure or area and that investment (including but not limited to design and implementation work but necessarily including either physical improvements directly related to the use and/or continued physical maintenance of the structure or area, as needed) will continue to be made as necessary to support that use. The specific use may change and spaces may have multiple uses. Activation normally will be considered to first occur upon the earlier of (i) when the intended use commences or (ii) when, if applicable, a substantially complete application for a required building permit is filed with the City by the Master Developer, provided that upon issuance of the requested or required building permit the Master Developer promptly commences construction of the work and diligently pursues and completes construction of the described improvements and requests issuance of a certificate of occupancy.

1.02 “**Activation Certificate**” shall have the meaning set forth in Section 2.13.

1.03 “**Activation Commitment**” shall have the meaning set forth in Section 2.06.

1.04 “**Activation Commitment Satisfaction**” shall have the meaning defined in Section 2.06.

1.05 “**Additional Conditions**” shall have the meaning set forth in Section 7.02(b)(v).



1.06 “Advance” shall mean those funds deposited with the City by Master Developer prior to the execution of this Agreement as set forth in Section 2.03.

1.07 “Advisory Committee” shall have the meaning defined in Section 8.08.

1.08 “Affiliate” shall mean any Person that directly or indirectly, through one or more intermediaries, is controlled by, controls, or is under common control with, (a) Master Developer (or its successors and/or assigns), including, without limitation, if applicable, any parent or subsidiary of Master Developer (or of its successors and/or assigns) or (b) any Person that directly or indirectly, through one or more intermediaries, is a holder of an ownership interest in Master Developer (or in its successors and/or assigns), including, without limitation, if applicable, any parent or subsidiary of such holder. As used in this definition, the term “control” of a Person means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person.

1.09 “Agreement” shall mean this Agreement and the following Exhibits and Schedules attached hereto and expressly made a part hereof:

- Exhibit A Description of Property
- Exhibit 2.04 Listing Actual Security and Utility Costs 2015
- Exhibit B-1 Master Development Plan Summary
- Exhibit B-2 Initial Activation Plans
- Exhibit B-3 Site Map Activation Square Footage
- Exhibit B-4 Site Map Minimum Investment Overview
- Exhibit C Quit Claim Deed
- Exhibit D Covenant Deed Re-vesting Title in City
- Exhibit E Irrevocable Power of Attorney
- Exhibit F Certificate of Completion
- Exhibit G Activation Certificate
- Exhibit H Certificate of Authority for Partnership, Corporation or Limited Liability Company
- Exhibit I Site Map City Parcels Reserved
- Exhibit J Permitted Encumbrances



Exhibit K Dispute Resolution

1.10 “**Agreement Term**” shall mean the period of time from the Effective Date through the termination of the Agreement.

1.11 “**Annual Investment I**” and “**Annual Investment II**” shall have the meaning set for in Section 2.09(c) and Section 2.10(a) respectively.

1.12 “**Annual Investment Certificate**” shall have the meaning set forth in Section 2.12.

1.13 “**Asbestos**” shall have the meaning set forth in Section 12.05(b)(ii).

1.14 “**Associate**” shall mean any consultant, contractor, subcontractor, or any other party engaged by Master Developer and the agents and employees of said parties engaged by Master Developer to undertake any of the activities associated with the performance of this Agreement.

1.15 “**Certificate of Completion**” shall mean the document described in Section 2.11 and attached hereto as Exhibit F which evidences the satisfactory completion of a Project by Master Developer.

1.16 “**City**” shall mean the City of Detroit, a Michigan public body corporate and the P&DD shall be designated as the lead agency acting for and on behalf of the City for matters under this Agreement.

1.17 “**City Council**” shall mean the City Council of the City of Detroit, Michigan.

1.18 “**City Charter**” shall mean the charter of the City of Detroit, Michigan.

1.19 “**City Liaison**” shall have the meaning provided in Section 8.09(c).

1.20 “**City Reconveyance Right**” shall have the meaning set forth in Section 11.04.

1.21 “**Closing**” shall mean a date agreed upon by the parties hereto for the transfer of title to the Property, but in no event shall said date be more than seven (7) months following the Effective Date.

1.22 “**Costs Certification**” shall have the meaning defined in Section 2.11.

1.23 “**County**” shall mean Wayne County, Michigan.

1.24 “**Deadline I**” shall mean the date that is the sixth anniversary of the Closing and “**Deadline II**” shall mean the date that is the ninth anniversary of the Closing (for instance and by way of example only, if the Closing occurs April 1, 2016 then the sixth anniversary is April 1, 2022 and the ninth anniversary is April 1, 2025).

Handwritten signature or initials in the bottom right corner of the page.

1.25 “**Deed**” shall mean the Quit Claim Deed conveying the Property to Master Developer by the City in substantially the form as attached hereto as Exhibit C.

1.26 “**Direct Costs**” shall have the meaning set forth in Section 1.28(a).

1.27 “**Effective Date**” shall mean the date this Development Agreement is signed by all parties.

1.28 “**Eligible Costs**” shall include, without limitation, the following to the extent paid or incurred after July 1, 2014:

(a) The costs for the acquisition of Property (or interests in Property) and of the construction of the Improvements or Activation at the Property (the “**Direct Costs**”). Direct Costs include, but are not limited to: acquisition costs for the Property, costs of necessary materials, furnishings, fixtures, equipment, hardware, labor and costs for consultants, contractors, builders and materialmen in connection with site development and/or the design and construction of the Improvements; payments made by Master Developer to contractors in accordance with the requirements of the contracts; costs of necessary licenses and permit fees; reasonable rental costs for the use of any necessary temporary facilities or special machinery, equipment, and tools used in the work on the required Improvements; losses, expenses, and cost of reconstructing any work destroyed or damaged, not compensated by insurance or otherwise, sustained by Master Developer in connection with the work, provided they have resulted from causes other than the fault or negligence of Master Developer; costs of removal of debris on the required Improvements; costs of Master Developer’s staff, insurance, taxes, development fees, security and maintenance of the Property; purchase of, repairs to, rehabilitations to and construction of walking paths and other improvements at other property within 150 feet of the Property boundary for the purpose of neighborhood enhancement; and necessary costs incurred on the required Improvements in taking action to prevent threatened damage, injury, loss in case of an emergency affecting the safety of persons and property.

(b) The cost and expense of any engineering and consulting services, including surveys, estimates, environmental assessments, architectural plans and specifications, necessary for the required Improvements.

(c) The cost and expense of accounting and clerical labor in connection with the required Improvements.

(d) The cost for legal, financial, and appraisal services and any other expenses incurred in connection with such construction or Improvement and in the financing thereof.

(e) Any costs and expenses associated with the development of park or other green space.

(f) All costs in the acquisition, rights of way, easements, or other facilities or rights, including, without limitation, rights to use property, facilities, or other improvements appurtenant, related to, and/or useful in connection with the required improvement, whether by purchase, gift, payment of connection charges, capacity charges, or other similar charges or in any other manner.



(g) Any costs and expenses paid by Master Developer on account of the relocation of any residents or businesses in connection with a Project.

1.29 **“Encumbrance”** shall mean any covenant, license, right of way, easement, limitation, condition, reservation, restriction, right or option, mortgage, pledge, lien, construction lien, mechanic's lien, charge, conditional sale or other title retention agreement or arrangement, encumbrance, lease, sublease, security interest, or trust interest.

1.30 **“Event of Default”** and **“Default”** shall have the meanings as set forth in Article 12 of this Agreement.

1.31 **“Hazardous Materials”** shall have the meaning set forth in Section 12.05(b)(iii).

1.32 **“Improvements”** shall mean any building, parking or other improvements, including infrastructure improvements, to be constructed or renovated by Master Developer as described in the Master Development Plan.

1.33 **“Initial Conditions”** shall have the meaning set forth in Section 7.02(b)(iv).

1.34 **“Investment Commitment”** shall have the meaning set forth in Section 2.05.

1.35 **“Inspection Period”** shall have the meaning set forth in Section 6.01.

1.36 **“Inspection Termination Notice”** shall have the meaning set forth in Section 6.01.

1.37 **“Land Bank Agreement”** shall mean the First Option to Purchase Property and Agreement for Maintenance of Property entered into by and between the Detroit Land Bank Authority and the Master Developer as of _____, 2016 providing a right of first option to Master Developer to purchase and thereafter maintain properties in the geographic area adjacent to the Property.

1.38 **“Master Developer”** shall mean Herman Kiefer Development, LLC, a Michigan limited liability company, its Affiliates or a third party developer engaged in connection with the Master Development Plan.

1.39 **“Master Development Plan”** shall mean the development plan submitted pursuant to Section 2.08 of this Development Agreement.

1.40 **“Non-Completed Project”** shall have the meaning set forth in Section 9.04.

1.41 **“Notices”** shall have the meaning set forth in Section 17.01.

1.42 **“P&DD”** shall mean the City of Detroit Planning and Development Department.

1.43 **“Permitted Encumbrances”** shall have the meaning ascribed to it in Exhibit J.



1.44 **“Project”** shall mean the development of a particular portion of the Property and the construction of the Improvements thereon in accordance with this Agreement and the Master Development Plan.

1.45 **“Project Developer”** shall have the meaning set forth in Section 9.01.

1.46 **“Project Specific Development Agreement”** shall have the meaning ascribed to it in Section 9.02.

1.47 **“Project Specific Development Plan”** shall have the meaning set forth in Section 9.03.

1.48 **“Property”** shall mean that land located in the City of Detroit, as more particularly described in Exhibit A attached hereto and made a part hereof, and all improvements, fixtures and personal property located thereon and therein, together with all cell tower leases and other leases with respect to the Property; provided that the legal description of the Property may be amended by a survey of the Property prepared by a registered land surveyor licensed in the State of Michigan and completed in conformance with all current American Land Title Association minimum standards.

1.49 **“Purchase Price”** shall mean that sum specified in Section 2.02 hereunder to be paid to the City by Master Developer in consideration for the City conveying the Property to Master Developer for development in accordance with the terms of this Agreement.

1.50 **“Reconveyance Period”** shall have the meaning set forth in Section 11.09.

1.51 **“Relevant Environmental Laws”** shall have the meaning set forth in Section 12.05(b)(i).

1.52 **“Resolution”** shall have the meaning set forth in Section 7.02(a)(viii).

1.53 **“Right-of-Entry”** shall mean an agreement between the City and Master Developer allowing Master Developer to have reasonable access to the Property prior to Closing.

1.54 **“Security Plan”** shall have the meaning defined in Section 2.04.

1.55 **“Title Commitment”** shall have the meaning ascribed to it in Section 3.01(a).

1.56 **“Title Company”** shall have the meaning ascribed to it in Section 3.01(a).

1.57 **“Year”** shall mean for purposes of the provisions in Article 2 the time period commencing with Closing and ending twelve months thereafter and each succeeding year thereafter (by way of example only, if the Closing occurs April 1, 2016, then Year one commences April 1, 2016 and ends March 31, 2017).



ARTICLE 2. SALE AND CONSIDERATION

2.01 Engagement. The City hereby agrees to convey the Property in consideration of Master Developer's agreement contained herein to purchase, secure, maintain and develop the Property in accordance with the terms, conditions and covenants of this Agreement. Master Developer agrees to purchase, secure, maintain and develop the Property in accordance with the terms, conditions and covenants of this Agreement. Prior to Closing and the delivery of the Deed, Master Developer shall have no authority to commence construction activities on the Property without prior written approval by the City through the City Liaison. In no event shall Master Developer commence construction activities prior to the recording of this Agreement with the Office of the Wayne County Register of Deeds. Master Developer will pay the cost of recording this Agreement.

2.02 Purchase Price. Subject to the terms, covenants, and conditions of this Agreement, Master Developer agrees to purchase and develop, and the City agrees to convey, the Property for the price of Nine Hundred Twenty-Five Thousand and 00/00 Dollars (\$925,000.00), subject to Section 2.04(a), to be paid by wire transfer or certified check simultaneously with the delivery of the Deed ("**Purchase Price**").

2.03 Advance. At Closing, Master Developer shall deposit in an escrow account held by the Title Company funds in the amount of Two Hundred Thousand and 00/00 Dollars (\$200,000.00) ("**Advance**"). Upon the issuance of notice from the City of the satisfaction of the Investment Commitment or the Activation Commitment with respect to Deadline I (irrespective of whether Deadline I is satisfied after the sixth anniversary of the Closing), the Advance will be returned in full to Master Developer without interest, within thirty (30) calendar days of the City's notice. If Master Developer does not satisfy such requirement by Deadline I in accordance with the terms of this Agreement and Master Developer fails to meet the Annual Investment I and II requirement for two consecutive years, the City is entitled to retain the Advance in whole or in part, in the City's discretion, without rebate to Master Developer, in partial settlement of any claims it may have against Master Developer for breach of this Agreement. The parties agree the Advance may be used by the City to cure a default by Master Developer in providing security for the Property and any such draw on the Advance shall be handled under the provisions of Section 11.11 hereof.

2.04 Master Developer Pre-Closing Obligations. One month following the Effective Date of this Agreement:

(a) Master Developer shall assume responsibility for providing security and maintenance of the Property. Master Developer shall submit its plan for security and maintenance to the City Liaison for approval prior to implementation. The plan for security as approved by the City Liaison, and as may be revised by Master Developer with approval of the City Liaison, shall be the "**Security Plan.**" Costs incurred by Master Developer in providing such security and maintenance prior to Closing shall be credited under Section 2.09(c) and Section 2.05 or 2.06 against satisfaction of the Investment Commitment or the Activation Commitment, as applicable. The parties expressly agree that Master Developer shall be responsible for payment of the cost of security, maintenance and utilities services as set forth in Exhibit 2.04 that is attached hereto.

Handwritten signature and initials, possibly "AD" or "AD.04", with a checkmark and the number "24" below it.

(b) Master Developer may commence the Activation of the Property, subject to the requirements of Section 2.01, and the cost of such Activation shall be credited under Section 2.09(c) and Section 2.05 or 2.06 against satisfaction of the Investment Commitment or the Activation Commitment, as applicable.

2.05 Master Developer Investment Commitment. Master Developer shall make, or cause other parties to make, financial investments in Projects located on the Property in an amount not less than Twenty Million and 00/100 Dollars (\$20,000,000.00) by Deadline I or Seventy-Five Million and 00/100 Dollars (\$75,000,000.00) by Deadline II (the “**Investment Commitment**”). The Investment Commitment shall be satisfied if the Master Developer submits to the City evidence that Master Developer or third party developers engaged by Master Developer, have paid or incurred aggregated Eligible Costs of at least \$20,000,000 by Deadline I and at least \$75,000,000 by Deadline II.

2.06 Master Developer Activation Commitment. Master Developer shall create or establish, or cause other parties to create or establish, the Activation of thirty-five percent (35%) of the building floor area and the designated portion of the land area of the Property by Deadline I or eighty percent (80%) of the building floor area and the designated portion of the land area of the Property by Deadline II (the “**Activation Commitment**”). The total square footage of the building floor area and the designated portion of the land area to be used as the denominator in determining the 35% or the 80% is provided in Exhibit B-3 attached to this Agreement; provided, however, the location of the Activation may occur anywhere within the boundaries of the Property. As provided in Exhibit B-3, in the event a building shown in Exhibit B-3 shall suffer a casualty loss that was the result of unforeseeable causes beyond Master Developer’s control and without Master Developer’s fault or negligence and said casualty loss results in damage to 50% or more of the total square footage of the building area during the term of this Agreement, the total square footage of the building area shall be reduced for such building to the square footage of the first floor only. The Activation Commitment with respect to Deadline I shall be satisfied if on or before Deadline I, the Master Developer or third party developers engaged by Master Developer, shall have submitted, and the City shall have approved by issuance of one or more Activation Certificates, evidence of Activation of 35% of the building floor area and the designated portion of the land area of the Property; and the Activation Commitment with respect to Deadline II shall be satisfied if on or before Deadline II, the Master Developer or third party developers engaged by Master Developer, shall have submitted, and the City shall have approved by issuance of one or more Activation Certificates, evidence of Activation of 80% of the building floor area and the designated portion of the land area of the Property (for each of Deadline I and Deadline II “**Activation Commitment Satisfaction**”).

2.07 Master Developer’s Election. The Master Developer may elect in the alternative, in its sole discretion, to satisfy the Investment Commitment or the Activation Commitment, and for avoidance of doubt may choose to satisfy the Activation Commitment for Deadline I and the Investment Commitment for Deadline II or the Investment Commitment for Deadline I and the Activation Commitment for Deadline II.

2.08 Master Development Plan. Within eighteen months after Closing, the Master Developer shall be required to submit to the City a development plan which includes for purposes of this Agreement the following (“**Master Development Plan**”):



- (a) Description of the various proposed Projects;
- (b) Site plan for the various proposed Projects;
- (c) Conceptual drawings and elevations for the proposed Projects;
- (d) Proposed sources and uses of funds and structure of financing for the various proposed Projects;
- (e) Proposed mortgage financing plans and property security interests to be granted to lenders; and
- (f) Project schedule setting forth the estimated commencement and completion date for the various proposed Projects.

2.09 Additional Financial Commitments Deadline I. The Master Developer agrees to the following additional financial commitments in furtherance of its Investment Commitment and Activation Commitment to be satisfied by Deadline I.

(a) Following Closing, the Master Developer shall provide security and maintenance for the Property consistent with maintaining the Property in its then current condition and preventing further deterioration. Costs incurred in providing such security and maintenance shall be credited toward the annual investment required of Master Developer under Section 2.09(c), 2.10(a) and Section 2.05 or 2.06.

(b) Within six months after Closing, the Master Developer shall:

(i) Secure, maintain and weatherproof the buildings located on the Property in their then current condition and preventing further deterioration.

(ii) Clean and maintain open space at the Property by at a minimum mowing lawns and restoring ball fields and ball courts;

(iii) Initiate programing providing for an initial Activation of the Property as provided in Exhibit B-2 attached to this Agreement.

(c) During Years one through five following Closing, the Master Developer shall invest at least One Million Dollars (\$1,000,000) per Year in Eligible Costs related to the Investment Commitment or the Activation Commitment (“**Annual Investment I**”).

(i) A minimum of thirty percent (30%) of the Annual Investment I shall be allocated each Year specifically to activation and programing, maintenance and other Eligible Costs (which will include the introduction of activities to the Property or physical changes to the Property).

(ii) Included in the 30% minimum expenditure under Subsection (i), a minimum of ten percent (10%) of the Annual Investment I shall be related directly to hosting live events, programs and activities on the Property, provided that if Master



Developer determines after the second anniversary of the Closing that this 10% annual investment is not achieving reasonably anticipated positive results, it may notify the City of its conclusion and Master Developer shall not be obligated thereafter under this Section 2.09(c)(ii) to directly host live events, programs or activities; provided that the obligation for the minimum 30% expenditure under 2.09(c)(i) shall continue.

(iii) Developer shall provide the City Liaison with quarterly reports on the investments under Section 2.09 and the results therefrom.

(d) Master Developer shall establish an outreach plan to maximize the hiring and engagement of Detroit-based contractors and Detroit residents.

2.10 Additional Financial Commitments Deadline II. In addition to the obligations under Section 2.09 hereof, the Master Developer agrees to the following financial commitments in furtherance of its Investment Commitment and Activation Commitment to be satisfied by Deadline II:

(a) During Years six through eight following Closing, the Master Developer shall invest at least Two Million Dollars (\$2,000,000) per Year in Eligible Costs related to the Investment Commitment or the Activation Commitment (“**Annual Investment II**”).

(b) A minimum of thirty percent (30%) of the Annual Investment II shall be allocated specifically each Year to activation and programming, maintenance and other Eligible Costs (which will include the introduction of activities to the Property or physical changes to the Property).

(c) The Master Developer agrees that the following minimum investments will be made in the listed locations (as depicted on the site map shown in Exhibit B-4 attached hereto) in furtherance of the satisfaction of the Investment Commitment by Deadline II (in the event Master Developer elects to satisfy the Investment Commitment and not the Activation Commitment for Deadline II):

Crosman School: \$2,000,000
Main Kiefer Building: \$10,000,000
Kiefer Land and Pavilions: \$6,000,000
Power Plant: \$2,000,000
Sanders Land and JTPA School: \$2,000,000
Hutchins School: \$2,000,000
Hutchins Land: \$1,000,000

2.11 Certificate of Completion. Master Developer may request a certificate of completion (“**Certificate of Completion**”) in connection with any Project it undertakes or if Master Developer achieves Deadline II. The Certificate of Completion shall be issued in the form of Exhibit F attached. The Master Developer shall furnish the following information to the City Liaison in support of the request for issuance of the Certificate of Completion: (i) description of the Project; (ii) site plan for the Project; (iii) drawings and elevations for the Project; (iv) a certificate executed by the Project’s architect, general contractor or engineer

certifying the completion of the Project; (v) a certificate executed by Master Developer certifying the amount of Eligible Costs incurred by the Master Developer in completing the Project (the “Costs Certification”), along with any substantiating documentation that is reasonably requested by the City Liaison, including but not limited to copies of all invoices from contractors, subcontractors and material suppliers with respect to Eligible Costs; (vi) documentation of completed building permit application for the Project; (vii) executed mechanics lien waivers and applicable releases, if any, for the Improvements; and (viii) a temporary or permanent certificate of occupancy for the Project. Within thirty (30) days following receipt of a written request from Master Developer supported by the required information, the City Liaison shall furnish Master Developer with a Certificate of Completion for a Project completed in conformity with this Agreement or the applicable Project Specific Development Agreement. The City Liaison shall not unreasonably withhold, condition or delay such Certificate of Completion. If the City Liaison denies approval of the Certificate of Completion for the Project after written request from Master Developer, the City Liaison shall, within thirty (30) days of receiving such written request, provide the Master Developer with a written statement setting forth the reasons the City Liaison has refused to furnish the Certificate of Completion for the Project. The statement shall also contain a list of the actions the Master Developer must take to obtain a Certificate of Completion. In the event the City Liaison does not respond within the requisite 30 days, the Master Developer may send a notice of non-response to the City Liaison and the City as required in Article 17 hereof, and if ten (10) days thereafter Master Developer has not received a written statement from the City or the City Liaison setting forth the reason(s) the Certificate of Completion was not issued, the Certificate of Completion shall be deemed approved by the City Liaison. Notwithstanding the foregoing, a particular Project shall be granted a Certificate of Completion if a temporary or a permanent certificate of occupancy has been issued for the Project. Such Certificate of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of Master Developer to any mortgage lender, or any insurer of a mortgage securing money loaned to finance the Improvements, or any part thereof.

2.12 Annual Investment Certificate. Master Developer may request that a certificate be issued confirming the amount of Eligible Costs it has expended each year in connection with the Annual Investment I and Annual Investment II (“**Annual Investment Certificate**”) in accordance with the terms of Sections 2.09 and 2.10 hereof. The Master Developer shall furnish the following information to the City Liaison in support of the request for issuance of the Annual Investment Certificate: (i) a Costs Certification executed by Master Developer certifying the amount of Eligible Costs incurred by the Master Developer for the particular year and (ii) substantiating documentation that is reasonably requested by the City Liaison, including but not limited to copies of all invoices from vendors, suppliers, contractors and subcontractors with respect to Eligible Costs. Within thirty (30) days following receipt of a written request from Master Developer supported by the required information, the City Liaison shall furnish Master Developer with the Annual Investment Certificate. The City Liaison shall not unreasonably withhold, condition or delay such Annual Investment Certificate. If the City Liaison refuses to furnish the Annual Investment Certificate after written request from Master Developer, the City Liaison shall, within thirty (30) days of receiving such written request, provide the Master Developer with a written statement setting forth the reasons the City Liaison has refused to furnish the Annual Investment Certificate. The statement shall also contain a list of the actions



the Master Developer must take to obtain an Annual Investment Certificate. In the event the City Liaison does not respond within the requisite 30 days, the Master Developer may send a notice of non-response to the City Liaison and the City as required in Article 17 hereof, and if ten (10) days thereafter Master Developer has not received a written statement from the City or the City Liaison setting forth the reason(s) the Annual Investment Certificate was not issued, the Annual Investment Certificate shall be deemed approved by the City Liaison.

2.13 Activation Certificate. Master Developer may request that a certificate be issued in connection with any Project or activity that it undertakes related to the Activation Commitment, which certificate shall provide confirmation that the Activation Commitment has been satisfied with respect to certain square footage of building floor area and/or a designated portion of the land area of the Property (“**Activation Certificate**”). The Activation Certificate shall be issued in the form of Exhibit G attached. Master Developer shall submit a report to the City Liaison requesting certification for the specified area with supporting documentation of the design, implementation and payment made in connection with the Project or activity. The report may include information regarding the frequency and duration of the Project or activity that is included in the definition of “Activation” and the estimated number of attendees or occupants affected by the “Activation.” To be eligible for consideration as supporting “Activation,” the duration of the activity is required to be a minimum of one year from planning through implementation; provided, however, if the request for the Activation Certificate is submitted in the year prior to Deadline I or Deadline II, the duration may be a minimum of six months. In addition, Master Developer shall submit supporting documentation that the frequency of events or activities for the Project was a minimum of six occurrences in that twelve (12) month period. Within thirty (30) days following receipt of a written request from Master Developer supported by the required information, the City Liaison shall furnish Master Developer with an Activation Certificate. The City Liaison shall not unreasonably withhold, condition or delay such Activation Certificate. If the City Liaison refuses to furnish the Activation Certificate after written request from Master Developer, the City Liaison shall, within thirty (30) days of receiving such written request, provide the Master Developer with a written statement setting forth the reasons the City Liaison has refused to furnish the Activation Certificate. The statement shall also contain a list of the actions the Master Developer must take to obtain the Activation Certificate. In the event the City Liaison does not respond within the requisite 30 days, the Master Developer may send a notice of non-response to the City Liaison and the City as required in Article 17 hereof, and if ten (10) days thereafter Master Developer has not received a written statement from the City or the City Liaison setting forth the reason(s) the Activation Certificate was not issued, the Activation Certificate shall be deemed approved by the City Liaison.

2.14 Termination. The City and Master Developer agree that this Agreement shall terminate and be of no further force and effect upon Master Developer satisfying the obligations under Sections 2.05 or 2.06 with respect to Deadline II, except with respect to provisions that specifically survive termination of this Agreement.

ARTICLE 3. TITLE INSURANCE/DEED

3.01 Title Insurance.

Handwritten signature and initials, possibly 'ATD' and '24', in the bottom right corner.

(a) Commitment. Within ten (10) days after the execution of this Agreement, Master Developer will obtain a commitment for an owner's title insurance policy for the Property setting forth the status of the title of the Property and all encumbrances, easements, rights-of-way, encroachments, reservations, restrictions, and all other matters of record affecting the Property subject to the terms, covenants, and conditions of this Agreement and standard exceptions (the "**Title Commitment**"). The Master Developer shall provide a copy of the Title Commitment to the City Liaison. The Title Commitment will be in the amount of the Purchase Price and will be issued by a responsible title insurance company, located within the City of Detroit and licensed to do business in the State of Michigan, and/or otherwise acceptable to the City (the "**Title Company**"). Master Developer shall have the right, promptly upon receipt of a copy of said commitment, to identify in writing those exceptions and/or title encumbrances identified therein that are unacceptable to it, in which event the City shall have reasonable opportunity (but not the obligation) to cure or remove such exceptions (if any) and to satisfy any other requirements set forth therein. The City's failure or inability to do so, or conscious decision not to do so, communicated in writing to Master Developer, shall give Master Developer the right to terminate this Agreement and be relieved of all further obligation to perform hereunder, in which event the City shall promptly return any and all funds deposited by Master Developer with the City as an Advance as defined in Section 2.03 herein.

(b) Policy. The City **WILL NOT** order or pay the premium for an owner's policy of title insurance, nor will the City provide any estoppel or seller's certificate to the Master Developer or the title insurance company. Any title insurance policy insuring Master Developer's title to the Property, whether an owner's or mortgage policy, with or without standard exceptions, will be at Master Developer's expense.

3.02 Title/Deed.

(a) Conveyance. At the Closing, if Master Developer has complied with all of those terms and conditions precedent to Closing as specified hereunder, the City will deliver the Deed to the Property to Master Developer.

(b) Title conveyed. Such conveyance and title shall be subject to existing easements and restrictions of record, all applicable zoning and building laws, and other encumbrances (if any) specifically referred to in Exhibit A. Master Developer acknowledges that the City has not made, and by execution of this Agreement or any Deed does not make, any representations or warranties whatsoever with respect to title to the Property.

ARTICLE 4. TAXES AND ASSESSMENTS

4.01 Property on Tax Rolls at Closing. In the event that the Property is on the tax rolls at the date of Closing, all taxes and assessments which have become a lien upon the Property at the date of Closing shall be paid by the City provided that current City and County taxes shall be prorated and adjusted to the date of Closing or transfer of possession, whichever is earlier, on a due date basis.

4.02 Property Not on Tax Rolls at Closing. In the event that the Property is not on the tax rolls at the date of Closing, current City and County taxes shall not be prorated and adjusted

as of Closing. The Property will be placed back on the tax rolls as of December 31 of the year in which the Closing or transfer of possession takes place.

ARTICLE 5. REPRESENTATION AND WARRANTIES

5.01 Inducement. In order to induce the City to enter into this Agreement, Master Developer represents and warrants to the City that:

(a) Organization and Qualification. It is a duly organized limited liability company validly existing and in good standing under the laws of the State of Michigan, and has full power and authority to carry on its business as it is now being conducted.

(b) Power to Make Agreement. It has the power to make, deliver and perform this Agreement and finance the Improvements in accordance with the terms and conditions of this Agreement and has taken all necessary action to authorize the foregoing and to authorize the execution, delivery and performance of this Agreement.

(c) Lack of Legal Impediments. The execution, delivery and performance of this Agreement will not violate any provision of any existing law, regulation, order or decree of any court or governmental entity, the violation of which would or could materially affect its ability to fulfill its obligations under this Agreement, or any provision of Master Developer's organizational documents (*e.g.*, charter, articles of incorporation, articles of organization, partnership agreement, bylaws or operating agreement) and will not violate any provision of, or constitute a default under, any agreement or contract to which it is a party, the violation of which would or could materially affect its ability to fulfill its obligations under this Agreement. Master Developer has paid all income, personal and property taxes, and inspection or license fees heretofore due, payable, and owing to the City. Master Developer is not in default to the City under any existing agreements with the City.

(d) Legal Operation. It is, to the best of its knowledge, in compliance with all existing laws and regulations applicable to it, the violation of which would or could materially adversely affect its operations or would or could materially adversely affect its ability to fulfill its obligations under this Agreement.

(e) Litigation. As of the date of this Agreement, no litigation or administrative proceeding of or before any court or administrative body is presently pending, nor, to its knowledge, is any such litigation or proceeding presently threatened, against it or any of its property, by the City, or that, if adversely determined, would or could materially affect its ability to fulfill its obligations under this Agreement, or by it against the City.

(f) Financial Statements. The financial statements previously submitted to the City in connection with this Agreement (i) are complete and correct in all material respects, (ii) accurately present its financial condition as of the dates, and the results of its operations for the periods, for which same have been furnished, and (iii) have been prepared in accordance with generally accepted accounting principles consistently followed throughout the periods covered thereby.

(g) Other Information. To the best of its knowledge, all other written information, reports, papers, and data given to the City by Master Developer with respect to it are accurate and correct in all material respects and substantially complete insofar as completeness may be necessary to give the City a true and accurate knowledge of the subject matter and all projections of future results are, in its opinion, reasonable.

(h) Other Agreements. To the best of its knowledge, it is not a party to any agreement or instrument materially and adversely affecting its present or proposed business, properties or assets, operation or condition, financial or otherwise, not disclosed to the City in writing; and it is not in default in the performance, observance, or fulfillment of any of the material obligations, covenants, or conditions set forth in any agreement or instrument to which it is a party, the violation of which would or could materially affect its ability to fulfill its obligations under this Agreement.

(i) Brokerage and Finder's Fees and Commissions. It will indemnify the City and hold it harmless with respect to any commissions, fees, judgments, or expenses of any nature and kind which it may become liable to pay by reason of any claims by or on behalf of brokers, finders or agents incident to this Agreement and the transaction contemplated hereby resulting from any acts by Master Developer or any litigation or similar proceeding arising therefrom unless the City has by separate agreement provided for such payment.

(j) Security Ownership. The listing of the record owners owning ten percent (10%) or more of the securities or membership interests issued by Master Developer as of the date of this Agreement which indicates the names of such record owners, their percentage ownership thereof, the type of security or interest owned thereby, the number of shares or units of such security or interest and the issuer thereof, is true and complete in all respects. It has no knowledge of any persons or entities other than the record owners of said securities or interests having any beneficial or other interest therein.

5.02 Survival. All of the representations and warranties contained in this Article 5 or pursuant hereto shall survive the delivery of the Deed and shall remain in full force and effect until the Investment Commitment or the Activation Commitment with respect to Deadline II have been satisfied.

ARTICLE 6. TESTS AND SURVEYS; CONDITION OF PROPERTY

6.01 Inspection Period. Master Developer shall have a time period of six months following the Effective Date (the "**Inspection Period**") to inspect or cause to be inspected all elements and aspects of the Property, including but not limited to the physical and environmental condition of the Property, the availability of all permits and approvals, the location and availability of utilities and access, existing soil conditions and the impact of governmental requirements. The City shall permit the Master Developer to enter upon the Property in order to inspect the Property and to make engineering and environmental tests and studies to determine the feasibility of Master Developer's intended use of the Property, including but not limited to soil boring and bearing tests and detailed surveying activities and such environmental due diligence as the Master Developer deems reasonably appropriate. Any and all testing on the Property shall be done at the risk and expense of the Master Developer and in accordance with

ATG
24

the terms of one or more right-of-entry agreements entered into by and between Master Developer and City. At the City's request, the Master Developer shall submit to the City a copy of each survey or report generated as a result of such activities. Under no circumstances shall the right of entry granted herein be interpreted as delivery of possession of the Property prior to Closing. The provisions of this Section shall survive the Closing or termination of this Agreement. If Master Developer shall, in its sole discretion, decide that it is not satisfied with the Property for any reason whatsoever, Developer may terminate this Agreement, by giving written notice of any such election (an "Inspection Termination Notice") prior to the expiration of the Inspection Period, in which event this Agreement shall be of no further force and effect, except with respect to provisions that specifically survive termination of this Agreement. Master Developer shall provide any Inspection Termination Notice not less than thirty (30) days prior to the termination date in order to allow a time period for the City to establish its security measures for the Property. If Master Developer fails to provide an Inspection Termination Notice on or before the end of the Inspection Period, Master Developer shall be deemed to be satisfied with its inspections of the Property and Master Developer's termination rights under this Section shall be waived. Time is of the essence with respect to this Section 6.01.

6.02 Condition of Property. Master Developer takes the Property as it finds it, "AS IS", and the City agrees to leave in place all personal property, furniture, fixtures and equipment located at the Property as of the Effective Date and the City agrees that title thereto shall be conveyed to Master Developer as of the Closing in accordance with the terms of this Agreement. The parties acknowledge that the City makes no implied or express representations or warranties as to its fitness for absolutely any purpose whatsoever, including but not limited to the proposed use(s) set forth in this Agreement in Article 13, Exhibit B-1, or otherwise, any warranty that the Property is fit for the Master Developer's purpose or regarding the presence or absence of Hazardous Materials at, on, in, under, about or from the Property and compliance of the Property with Relevant Environmental Laws, or otherwise. Master Developer acknowledges that neither the City or any agent of the City has made any warranty, representation or agreement, either express or implied, and that Master Developer has not relied on any representation, warranty or agreement of any kind made by the City or any agent or employee of the City concerning (a) the physical or environmental condition of the Property; or (b) the presence or absence of any condition, substance or material, including but not limited to any waste material, equipment or device at, in, on, about, under, or from the Property. Master Developer agrees that the disclosures of the City concerning the Property and its condition are intended to satisfy any duties the City may have under the law, including but not limited to statutes, Relevant Environmental Laws and common law. Master Developer shall rely solely on its own due diligence with respect to such inquires, investigations and assessments.

6.03 Release of City from Liability; Indemnification. From and after Closing, Master Developer hereby releases the City and its officials, employees, and agents (but not any third party) from any and all liability for any defects in or conditions of the Property, including but not limited to any surface, subsurface, latent or patent conditions whether naturally occurring or by action of any party, or conditions currently existing thereon, including but not limited to conditions described in Section 6.02, but subject to Section 12.05(e). Subject to Section 12.05(e), Master Developer hereby expressly agrees to and shall indemnify and hold the City harmless from any claims by it or any other party for any personal injury or other loss resulting

from any such Property conditions that occur or accrue after the date of possession or Closing, whichever is earlier.

ARTICLE 7. CLOSING

7.01 Time and Place of Closing. The City will notify Master Developer of the prospective closing date not less than ten (10) calendar days prior to the Closing, unless otherwise agreed between the parties. The Closing shall take place within thirty (30) days after satisfaction of the conditions to closing as specified in Section 7.02 of this Agreement, but in no event later than seven (7) months after the Effective Date. If Closing has not taken place within seven (7) months after the Effective Date, and the City has not consented to any extension, then the City may terminate this Agreement upon written notice to Master Developer. The Closing shall take place at the office of the P&DD, or such other location in downtown Detroit designated by the City.

7.02 Conditions to Closing.

(a) City's Obligations to Close. The obligation of the City to effect a Closing hereunder shall be subject to receipt of the Resolution (as defined below) by the City Council authorizing the transaction, fulfillment of all conditions contained therein and fulfillment by Master Developer of each of the following conditions precedent:

(i) Legal Opinion of Master Developer's Counsel. There shall have been a legal opinion delivered to the City by outside counsel to Master Developer dated the Closing date, and supported by a certificate from Master Developer, to the effect that:

(A) That Master Developer is a duly organized limited liability company, validly existing and in good standing under the laws of the State of Michigan, and is in good standing in each jurisdiction, where the nature of the business conducted by it or the properties owned or leased by it requires such qualifications.

(B) Master Developer has the power to make, deliver and perform this Agreement, to give the required Advance, to borrow pursuant to this Agreement and to make, deliver and perform all required loan instruments necessary for the performance of this Agreement and has taken all necessary action to authorize each of the foregoing.

(C) This Agreement has been duly executed and delivered by a duly authorized officer, partner, or member of Master Developer, and this Agreement constitutes a valid obligation of Master Developer, legally binding and enforceable upon it in accordance with its terms.

(D) So far as is known to such counsel, the execution, delivery, and performance of this Agreement will not violate any provision of any existing law or regulation, order or decree of any court or governmental entity, or any provision of Master Developer's organizational documents (e.g., charter, articles of incorporation, articles of organization, partnership agreement, bylaws, or



operating agreement) or violate any provision of or constitute a default under any agreement or contract to which Master Developer is a party.

(E) No Default known to such counsel has occurred and is continuing under this Agreement.

(F) So far as is known to such counsel, Master Developer is in compliance with all zoning requirements, and all other applicable state and federal statutes and regulations and local laws applicable to the conduct of Master Developer's business as presently being conducted, the violation of which would or could materially adversely affect its operations or would or could materially adversely affect its ability to fulfill its obligations under this Agreement.

(ii) Resolution of Master Developer's Authority. Master Developer shall furnish to the City a certified copy of a resolution satisfactory to the City in form and substance, duly adopted by the board of directors or members of Master Developer, or an authorized vote of the partners or joint venturers, authorizing the execution, delivery and performance of this Agreement and all other documents and actions contemplated hereunder. Master Developer shall also furnish to the City an incumbency certificate, executed by the corporate secretary or proper manager of Master Developer, identifying the officers or managers of Master Developer.

(iii) Documents and Legal Matters. All documents reasonably requested by the City shall have been submitted to the City and shall be satisfactory in form and content as determined by the City.

(iv) Evidence of Financing. Master Developer shall have furnished the City evidence satisfactory to the City of Master Developer's financial ability to satisfy the applicable Investment Commitment or the Activation Commitment by Deadline I.

(v) Evidence of Insurance. Master Developer shall obtain, prior to Closing and prior to entry onto the Property for the purposes set forth in Article 6, and maintain at its expense during the term of this Agreement and any extension thereof the insurance described in Section 8.02. Master Developer shall provide evidence of such insurance to the City in accordance with Section 8.02.

(vi) Payment of Purchase Price and Closing Costs. Master Developer shall have tendered payment of the Purchase Price, the Advance, and the closing costs payable by Master Developer.

(vii) No Default. There shall be no existing Default by Master Developer under this Agreement.

(viii) Resolution of the City Council. The City Council shall have by resolution duly authorized the transaction contemplated by this Agreement (the "**Resolution**"), and all conditions contained in the Resolution shall have been satisfied.

Handwritten signature and initials in the bottom right corner of the page. The signature appears to be "M. DeL" and the initials below it are "RC".

(b) Master Developer's Obligations to Close. The obligation of Master Developer to effect a Closing hereunder shall be subject to the fulfillment by the City of each of the following conditions precedent:

(i) Title. Title to the Property shall be in the form required by this Agreement.

(ii) City Council Approval. The City Council has adopted the Resolution authorizing the transaction contemplated by this Agreement.

(iii) Acceptable Condition of Property. The physical and environmental condition of the Property shall be acceptable to Master Developer, pursuant to Section 8.01.

(iv) Each of the following conditions precedent shall be completed to the satisfaction of Master Developer (collectively, the “**Initial Conditions**”).

(A) The City shall submit to the Master Developer certified proof of adoption of the following by the City Council:

(1) An amendment of the City’s Master Plan consistent with the intended uses of the Property by the Master Developer.

(2) An amendment of the City’s zoning ordinance to establish as a use by right the intended uses of the Property by the Master Developer.

(B) The City and the Master Developer shall have executed this Agreement.

(C) The Detroit Land Bank Authority and the Master Developer shall have executed and delivered the Land Bank Agreement.

(v) Each of the following conditions precedent shall also be completed to the satisfaction of Master Developer during the Inspection Period (collectively, “**Additional Conditions**”)

(A) The City Council shall have approved all applications for property tax exemptions requested by Master Developer on terms satisfactory to the applicant with respect to which a request for the establishment of a district or zone is submitted to the City Clerk by no later than three months after the Effective Date and as to which a request for an exemption certificate is submitted to the Council by no later than five months after the Effective Date.

(B) The City Council shall have adopted a brownfield plan requested by Master Developer and the Detroit Brownfield Redevelopment Authority shall have approved a work plan, both containing terms satisfactory to the applicant, provided that Master Developer submits a request for such actions

to Detroit Brownfield Redevelopment Authority within three months after the Effective Date.

(C) The Michigan Strategic Fund shall have approved the capture of school taxes with respect to the work plan described in Section 7.02(b)(v)(B), provided that Master Developer complies with the condition of Section 7.02(b)(v)(B).

(D) Master Developer shall have obtained financing and other incentives satisfactory to it in its sole discretion.

7.03 Delivery of Deed and Assignment of Leases and Possession. The City will deliver the Deed to the Property, one or more assignments of the all cell tower leases and other leases with respect to the Property or improvements thereon (except those leases which Purchaser elects not to assume) and the possession thereof to Master Developer at the Closing provided that Master Developer has complied with all conditions precedent as specified herein. Master Developer shall be responsible for recording this Agreement and the Deed and assignment(s) of leases and paying all recording costs (including the cost of the documentary stamp tax on the Deed, if any). All rent and other payments due under the leases shall be prorated as of Closing.

7.04 Payment of Expenses. Master Developer shall pay all costs, fees, and out of pocket expenses of whatsoever kind or nature related to the procurement of services of Associates and contractors, etc. which have been incurred pursuant to the making of this Agreement and shall hold the City harmless with respect to the payment of same notwithstanding anything contained herein or elsewhere to the contrary.

7.05 Failure of Initial Conditions. If the Land Bank Agreement is not executed within forty-five (45) days following the execution of this Development Agreement, Master Developer shall have the option to terminate this Agreement, to be exercised in its sole discretion.

ARTICLE 8. AFFIRMATIVE COVENANTS OF MASTER DEVELOPER AND THE CITY

Master Developer covenants and agrees that until satisfying the Investment Commitment or the Activation Commitment as required by Deadline I and Deadline II, it will:

8.01 Maintenance of Business and Existence. Continue to engage in business of the same general type as now conducted by it so that its principal business shall continue to be as stated herein, will do all things necessary to preserve, renew, and keep in full force and effect its limited liability company, existence and rights and franchises necessary to continue such business and will preserve and keep in force and effect all licenses and permits necessary for the proper conduct of its business.

8.02 Maintenance of Insurance. From and after Closing, maintain at its expense the following insurance:

ATG
12/1

(a) Workers' compensation insurance for employees that meets Michigan's statutory requirements and employers' liability insurance with minimum limits of Five Hundred Thousand Dollars (\$500,000.00) each accident.

(b) Automobile liability insurance covering all owned, hired, and non-owned vehicles with personal protection insurance to comply with the provisions of the Michigan No-Fault Insurance Act, P.A. 294 of the Public Acts of 1972, as amended, including residual liability insurance, with minimum combined single limit of One Million Dollars (\$1,000,000.00) for each occurrence of bodily injury and property damage.

(c) Comprehensive general liability insurance (Broad Form Comprehensive) written on an occurrence based coverage, with a minimum combined single limit of One Million Dollars (\$1,000,000.00) for each occurrence of bodily injury and property damage and Two Million Dollars (\$2,000,000.00) in the aggregate, with the general aggregate limit applying per location.

All of said insurance policies shall name Developer as the insured and, except for the worker's compensation insurance, shall name the City of Detroit as an additional insured and shall, to the extent obtainable, be accompanied by a commitment from the insurer that such policies shall not be canceled or reduced without at least thirty (30) days' prior notice to the City. Certificates of insurance evidencing such coverage shall be submitted to the City prior to the Closing. If the insurance is on a "claims made" basis, evidence of insurance shall be submitted for three (3) years after issuance of the Certificate of Completion.

8.03 Books and Records. Maintain, at all times, true and complete books, records and accounts in which true and correct entries shall be made of its transactions concerning this Agreement in accordance with generally accepted accounting principles consistently applied.

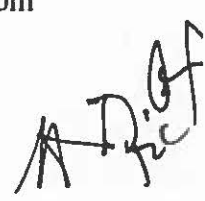
8.04 Notification of Defaults. Promptly notify the City of any Default under or pursuant to this Agreement, whether or not any requirement of notice or lapse of time, or both, or any other condition has been satisfied or has occurred.

8.05 Access to Records and Premises. Afford access by the City to the Property at all reasonable times for purposes of inspection, and permit the City to inspect and make and take away copies of any and all of its records relative to this Agreement.

8.06 Further Information. Promptly furnish the City from time to time such other information regarding its operations, business, affairs and financial condition concerning this Agreement that the City may reasonably request.

8.07 Further Assurance. Upon request, execute and deliver, or cause to be executed and delivered, such further instruments and do or cause to be done such further acts as may be reasonably necessary or proper to carry out the intent and purpose of this Agreement.

8.08 Neighborhood Advisory Committee. To encourage continued, constructive engagement with the local community, the Master Developer and the City's Department of Neighborhoods, in consultation with City Council, will create and appoint the Herman Kiefer Neighborhood Advisory Committee (the "Advisory Committee"), consisting of residents from



the area directly surrounding the Property and adjoining neighborhoods. The Master Developer will meet regularly with the Advisory Committee for the duration of the term of this Agreement, with the option to extend this period by mutual agreement of the City, the Advisory Committee and the Master Developer. The Master Developer shall solicit and consider advisory input from the Advisory Committee with respect to the development project, programming and activation activities and plans, workforce development and local hiring, design, neighborhood stabilization and revitalization strategy and the general needs of the surrounding community.

8.09 Affirmative Covenants of the City:

(a) Financial Incentives. The Executive Branch of the City shall work cooperatively with Master Developer, and undertake such actions as may be necessary or as Master Developer may otherwise reasonably request from time to time to enable Master Developer to obtain the benefit of tax credits, funding and other financial resources available for any or all of Master Developer's obligations under this Agreement including brownfield development, rehabilitation, and remediation assistance, redevelopment and incentive programs including State and local programs providing equity and bridge and mezzanine debt financing, and federal, State and local grants and other funding available including under the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant Program (including Section 108 loans thereunder) and the HOME funding program. These obligations of the City shall not require any cost to the City beyond those required in the ordinary course of business.

(b) Expedited Processes. The Executive Branch of the City shall use its best efforts to take appropriate actions which are not inconsistent with applicable statutes or provisions of the City Charter, ordinances or City Council resolutions in order to place the Property on a high-priority fast-track for the completion of the City's obligations hereunder and for an expedited review and approval process by applicable City office(s) of each request and application by Master Developer for the grant or issuance by the City of licenses, permits, consents, approvals and other authorizations relating to the Property.

(c) Appointment of City Liaison. Prior to the Effective Date, the Mayor's Office shall designate a point person (the "City Liaison") that will assist the Master Developer in applying for incentives and obtaining all necessary permits, licenses, rezonings, variances and approvals by City office(s) and other governmental agencies, departments and instrumentalities for the development of the Property. In the event of the resignation of the City Liaison, Master Developer shall be promptly notified and arrangements made to promptly replace the City Liaison within fifteen days of the resignation.

(d) Prompt Reviews of Master Developer Requests. To enable City Liaison to effectively support the Master Developer's applications and filings, the Master Developer shall provide the City Liaison with advance copies of development plans, contracts and other construction documentation as well as advance copies of submissions to made to City offices and other governmental agencies. The City shall act upon each of Master Developer's applications and requests for permits, licenses, re-zonings, variances and other City consents and/or approvals no later than the expiration of the minimum time periods specified in the applicable City ordinance. The parties acknowledge that any rezoning is a legislative function, and nothing in

Handwritten signature and initials in the bottom right corner of the page, appearing to be 'ASD' with 'ru' below it.

this Agreement shall be deemed to limit the discretion of the City Council in such matters or otherwise require the City Council to approve any request for the rezoning of any portion of the Property.

(e) Review Not Required. The City acknowledges that review by the City Liaison shall not be required for the applications submitted by the Master Developer for tax parcel splits or combinations, site condominium plans or rezoning of portions of the Property or other matters considered by the City solely in its governmental capacity as generally applicable to other property owners.

(f) City Hold. The City hereby agrees to refrain from the sale or demolition of any City-owned properties in the area depicted on Exhibit I attached hereto while negotiations between the City and Master Developer concerning those properties are ongoing, provided that such hold shall not exceed one year after the effective date of the Land Bank Agreement. The City has transferred to the Detroit Land Bank Authority all City-owned residential vacant house and lot properties within the area depicted on Exhibit I and that have been approved for such transfer by the City Council as of the Effective Date. Further, P&DD agrees that for “surplus” City-owned residential and non-residential properties within the area depicted on Exhibit I that have not been approved for transfer by City Council as of the Effective Date, P&DD will take action to request the City Council approve transfer of such properties to the Detroit Land Bank Authority or to the Master Developer. In the event that the City determines that demolition of any City-owned parcel of property in the designated area is necessary to protect the health and safety of the community, the City Liaison shall notify Master Developer of the intention to conduct the demolition and Master Developer shall have ten (10) days of receipt of that notice to notify the City Liaison of Master Developer’s offer to purchase such parcel, together with a commitment to demolish the parcel as promptly as possible. The hold shall be deemed to be relinquished with respect to that parcel if the Master Developer fails to deliver its offer to purchase within such ten day period.

(g) Land Bank Agreement. The City Liaison shall work cooperatively with the Master Developer to assist the Master Developer in fulfilling the purposes and obligations under the Land Bank Agreement including with respect to applying for and obtaining all necessary permits, licenses, rezonings, variances and approvals by City office(s) and other governmental agencies, departments and instrumentalities as necessary for the property under the Land Bank Agreement.

(h) Planning. P&DD commits to use reasonable efforts to identify resources in P&DD’s budget that can be used to support planning efforts in the neighborhood surrounding the Property. It is the intent of P&DD, once resources have been identified, to work in coordination with Master Developer and to procure a landscape architect and an urban design consultant to assist in the planning efforts. Procurement of an architect, urban design consultant will be done in accordance with the City’s standard procurement processes and must receive approval of all necessary City departments and City Council.



ARTICLE 9. PROJECT DEVELOPER REQUIREMENTS

9.01 Project Developer. The Master Developer shall have the right to approve a project developer to be engaged in Project(s) in furtherance on behalf of the Master Developer of its Investment Commitment and Activation Commitment (“**Project Developer**”). Each Project Developer shall be required to provide certification acknowledging the existence of this Agreement and the provisions herein, which certification may be included in the Project Specific Development Agreement executed in connection with such Project. After Closing, Master Developer shall be permitted to transfer or convey portions of the Property to a Project Developer upon execution of a project specific development agreement (“**Project Property**”).

9.02 Project Specific Development Agreement. The Project Developer shall be required to submit to Master Developer a development agreement for the Project Property (“**Project Specific Development Agreement**”) which shall include the following provisions:

(i) Restrictive Covenant. Project Developer shall covenant for itself and its successors and assigns and every successor in interest to the Project Property, or any part thereof, that Project Developer and its successors and assigns shall not discriminate upon the basis of race, religion, sex, creed or national origin in the sale, lease or rental or in the use or occupancy of the Project Property or any Improvements erected or to be erected thereon, or any part thereof. This covenant shall be construed to run with the Project Property in perpetuity.

(ii) Historic Designation Requirements. Project Developer shall follow all established procedures and processes relative to local, state or federally designated or eligible historic structures affecting the Project Property. This specifically includes, but is not limited to, compliance with historic designation requirements relative to demolition of historically designated buildings in the Project Property.

(iii) Notification of Defaults. Project Developer shall promptly notify the City and Master Developer of any Default or Event of Default under or pursuant to this Agreement, whether or not any requirement of notice or lapse of time, or both, or any other condition has been satisfied or has occurred.

(iv) Access to Records and Premises. Project Developer shall afford access by the City and Master Developer to the Project Property at all reasonable times for purposes of inspection, subject to the rights of tenants under leases, and permit the City and/or Master Developer to inspect and make and take away copies of any and all of its records relative to this Agreement and/or the Project.

(v) Notification Relating to Development Lender. Project Developer shall promptly notify the City and Master Developer of any refusal by its development lender to make a requested advance, any demands for escrow amounts under deficiency clauses, any declaration that default has occurred, or declaration that development stage specifications for the Project are unacceptable.

(vi) Pass Down Obligations. Project Developer shall require as part of any contracts entered into or issued pursuant to this Agreement that any contractor or



other third-parties engaged by Project Developer shall include with the provisions set forth in Sections 16.01, 16.02 and 16.03 of this Agreement.

(vii) Project Reconveyance. Project Developer shall convey back to Master Developer any portion of Property transferred to Project Developer if Project Developer fails to comply with the terms of a Project Specific Development Plan approved pursuant to Section 9.03 of this Agreement. Any Property reconveyed to Master Developer by Project Developer shall remain subject to the terms of this Agreement. Project Developer may be exempted from the City Reconveyance Right under the terms of Section 11.10.

9.03 Project Specific Development Plan. The Project Developer may be exempted from the City Reconveyance Right if it elects to have the City Liaison review and approve its Project Specific Development Plan, and the Project Developer will be entitled to retain ownership of its portion of the Property so long as it performs in accordance with its Project Specific Development Plan. Master Developer may submit to the City Liaison on behalf of Project Developer a plan for the Project which shall include the following (“**Project Specific Development Plan**”):

- (i) Description of the proposed Project;
- (ii) Site plan for the proposed Project;
- (iii) Conceptual drawings and elevations for the proposed Project;
- (iv) Proposed sources and uses of funds and structure of financing for the proposed Project; and
- (v) Project schedule setting forth the estimated commencement and completion date for the proposed Project.

Within thirty (30) days following receipt of the written request from the Master Developer and the Project Developer supported by the required information, the City Liaison shall furnish Project Developer with a determination as to the Project Specific Development Plan. The City Liaison shall not unreasonably withhold, condition or delay its determination. If the City Liaison refuses to approve the Project Specific Development Plan, the City Liaison shall, within thirty (30) days of Project Developer’s completed submission, provide the Project Developer with a written statement setting forth the reasons the City Liaison has refused to furnish the approval. The statement shall also contain a list of the actions the Project Developer must take to obtain approval of its Project Specific Development Plan. In the event the City Liaison does not respond within the requisite 30 days, the Master Developer may send a notice of non-response to the City Liaison and the City as required in Article 17 hereof, and if ten (10) days thereafter Master Developer has not received a written statement from the City or the City Liaison setting forth the reason(s) the Project Specific Development Plan was not approved, the Project Specific Development Plan shall be deemed approved by the City Liaison.

9.04 Non-Completed Project. Failure of Project Developer to complete a particular Project in accordance with the Project Specific Development Agreement therefor or to obtain a



Certificate of Completion or Activation Certificate therefor (a "Non-Completed Project") shall not constitute a breach or Default hereunder by Master Developer so long as the Investment Commitment or Activation Commitment is satisfied by virtue of other Projects.

ARTICLE 10. DEFAULT

10.01 Default by Master Developer. The occurrence of any one or more of the following events shall constitute a default of this Agreement by Master Developer:

(a) Master Developer fails to satisfy at least one of the Investment Commitment or the Activation Commitment by Deadline I as specified in Section 2.05 or 2.06, and fails to cure within 90 days of written notice from the City. The City expressly agrees to forego any right to the remedies for failure to meet Deadline I unless and until Master Developer fails to meet the Annual Investment I or Annual Investment II provided in Section 2.09(c) or 2.10(a), as applicable, for two consecutive years and fails to cure within 90 days of written notice from the City.

(b) Master Developer fails to satisfy at least one of the Investment Commitment or the Activation Commitment by Deadline II as specified in Section 2.05 or 2.06, and fails to cure within the period specified in Section 10.02.

(c) Master Developer fails to meet the Annual Investment I or Annual Investment II provided in Section 2.09(c) or 2.10(a), as applicable, and fails to cure within 90 days written notice from the City. The City expressly agrees to forego any right to the remedy provided in Section 11.04 of this Agreement unless and until Master Developer fails to meet the Annual Investment I or Annual Investment II provided in Section 2.09(c) or 2.10(a), as applicable, for two consecutive years and fails to cure within 90 days of written notice from the City.

(d) Master Developer violates any of the terms and conditions of this Agreement (other than Section 2.05, 2.06, 2.09(c) or 2.10(a)) and fails to cure same within the period specified in Section 10.02.

(e) Master Developer admits in writing its inability to pay its debts generally as they become due, or Master Developer ceases to conduct business in the normal course by reason of any of the following: (i) the making by Master Developer of any general arrangement or general assignment for the benefit of creditors; (ii) Master Developer becoming a "debtor" as defined in 11 U.S.C. Section 101 or any successor statute thereto unless, in the case of a petition filed against Master Developer the same is dismissed within ninety (90) days; (iii) the appointment of a trustee or receiver to take possession of substantially all of Master Developer's assets located at the Property owned by Master Developer, or of Master Developer's interest in this Agreement, where possession is not restored to Master Developer within ninety (90) days; (iv) the attachment, execution or other judicial seizure of substantially all of Master Developer's assets located at the Property owned by Master Developer, or of Master Developer's interest in this Agreement, where such seizure is not discharged within ninety (90) days; or (v) its voluntary or involuntary dissolution; and fails to cure same within the period specified in

Section 10.02. In the event that any provision of this subsection is contrary to any applicable law, such provision shall be of no force or effect.

(f) Master Developer abandons the Property (which shall include failing to secure the Property consistent with the Security Plan and failing to maintain the open space at the Property).

10.02 Opportunity to Cure Default. Any such default on the part of Master Developer as set forth in Section 10.01 and the failure of Master Developer to cure such default within thirty (30) days (unless a different cure period is specified in Section 10.01 or Section 11.11) after written demand by the City to correct said default shall be deemed to constitute a "Default." Provided that for defaults arising under Section 10.01(b) and (d) if the nature of Master Developer's default is such that more than the cure period provided is reasonably required for its cure, then Master Developer shall not be deemed to be in default if Master Developer commences such cure within said period and thereafter diligently pursues such cure to completion. The cure period provided in this Section shall only apply to a default under Section 10.01(b), if prior to Deadline II, the Master Developer or Project Developer has submitted a substantially completed application for a required building permit, and upon issuance of the required building permit promptly commences construction on the particular Project (e.g. If Master Developer or Project Developer for a particular Project submits the application for the required building permit for the particular Project and commences construction of the particular Project but cannot complete said construction and receive a temporary or permanent certificate of occupancy for the particular Project prior to Deadline II, then the Master Developer or Project Developer shall not be in default as long as it diligently pursues and completes construction of the particular Project resulting in the issuance of a temporary or permanent certificate of occupancy). In no instance shall any cure period provided in this Section exceed three (3) years from Deadline II. In the event Master Developer for a default under Section 10.01(d) is in good faith contesting any amount due, Master Developer may, in lieu of paying said amount, deposit said amount in an escrow account which shall be disbursed upon the resolution of the dispute, or if the amount relates to a construction lien, Master Developer may bond over the lien in the manner prescribed by law or provide title insurance over the same in a manner acceptable to the City.

10.03 Default by the City. Except as otherwise expressly provided in this Agreement, the City shall not be in default unless the City fails to perform obligations required of the City within a reasonable time, but in no event later than ninety (90) days, after written notice by Master Developer to the City, specifying wherein the City has failed to perform such obligation, provided, however, that if the nature of the City's obligation is such that more than ninety (90) days are reasonably required for performance then the City shall not be in default if the City commences performance within such ninety (90) day period and thereafter diligently pursues such performance to completion.

ARTICLE 11. REMEDIES

11.01 Remedies Cumulative. The remedies of the City are limited to those remedies expressly provided in this entire Agreement and shall be cumulative, and the exercise by the City of any one or more of such remedies shall not preclude the exercise by it, at the same or different



times, of any other such remedies for the same Default. No waiver made by the City shall apply to obligations beyond those expressly waived in writing.

11.02 Waiver of Defense. Master Developer, for itself and its successors and assigns, and all other persons who are or who shall become, whether by express or implied assumption or otherwise, liable upon or subject to any obligation or burden under this Agreement, hereby waives, to the fullest extent permitted by law and equity, all claims or defenses otherwise available on the ground of its or their being or having become a person in the position of a surety, whether real, personal, or otherwise, or whether by agreement or operation of law. Such waiver shall include, but shall not be limited to, all claims and defenses based upon extensions of time, indulgence, or modification of terms of this Agreement.

11.03 Reimbursement of Costs. In the event of a Default by Master Developer, Master Developer shall reimburse the City for its out-of-pocket expenses, including actual attorney fees (whether for inside or outside counsel), incurred by the City in connection with the enforcement of or the preservation of any rights under this Agreement including, but not limited to, any costs, damages, and expenses related to the recapture of the Property.

11.04 Reconveyance. In the event of an uncured Default by Master Developer under Sections 10.01(a), 10.01(b), 10.01(c), 10.01(e) or 11.11 hereof, the City shall have such rights to reconveyance of all or a portion of the Property as provided under Sections 11.08, 11.09 and 11.10 hereof ("**City Reconveyance Right**"). The City may seek such other relief as available by law and equity. The City expressly agrees that it shall forego any right to the remedies for failure to meet Deadline I unless and until Master Developer fails to meet the Annual Investment I or Annual Investment II provided in Section 2.09(c) or 2.10(a), as applicable, for two consecutive years and fails to cure within 90 days of written notice from the City.

11.05 Other Remedies. In the event of any uncured Default by Master Developer arising under Section 10.01(d) hereof, the City's remedies shall be to (i) pursue a claim for specific performance against Master Developer and (ii) obtain reimbursement of costs as provided in Section 11.03. The remedies of the City shall be cumulative as provided under Section 11.01.

11.06 City's Failure to Convey. In the event the City does not tender the conveyance of the Property in the manner provided in this Agreement, and any such failure shall not be cured within thirty (30) days after written demand by Master Developer, then, provided Master Developer is not in Default under this Agreement, at the option of Master Developer, this Agreement shall be canceled or, if all of the conditions set forth in Section 7.02(a) above have been satisfied, Master Developer shall be entitled to seek specific performance of this Agreement.

11.07 Project Specific Development Agreement. The occurrence of a default, Default or Event of Default under (and as such terms are defined in) any Project Specific Development Agreement or the termination of any Project Specific Development Agreement shall not by itself constitute a default or Default under this Agreement.

11.08 Intentionally Omitted.



11.09 Reconveyance, Default. In the event the City exercises the City Reconveyance Right pursuant to Section 11.04 hereof, following all notice and cure periods afforded to Master Developer hereunder, then in such case within one hundred eighty (180) days after receipt of written notice from the City (the “**Reconveyance Period**”) Master Developer shall convey, or cause the conveyance of, to the City the remainder of the Property: a) for which a Certificate of Completion shall not have been obtained or b) which is not subject to a Project Specific Development Agreement for which a waiver of the City Reconveyance Right shall have been obtained. Notwithstanding the foregoing, a particular Project shall be exempt from the City Reconveyance Right if a temporary or a permanent certificate of occupancy has been issued for the Project. Any such reconveyance shall be by covenant deed, substantially in the form attached hereto as Exhibit D, free and clear of any Encumbrances or impositions arising out of the acts or omissions of Master Developer or any other owner except for Permitted Encumbrances, and each such reconveyance is subject to the City paying to Master Developer a purchase price equal to the prorata portion of the Purchase Price originally paid by Master Developer to the City without increase for any reason or cost incurred by Master Developer. Failure to convey any of the Property in accordance with this Section 11.09 within ten (10) business days of written demand delivered by the City to Master Developer following the expiration of the Reconveyance Period shall entitle the City to exercise the City’s rights provided for in Section 11.12. To the extent that Master Developer is unable to deliver or cause to be delivered the portion of the Property in the condition required by this Section 11.09, the City shall have the right to deduct from the aforementioned purchase price any costs and expenses incurred by the City necessary to remove any Encumbrance that is not a Permitted Encumbrance and/or satisfy any unpaid impositions, including but not limited to, unpaid property taxes and assessments and water and other utility bills.

11.10 Project Developer Reconveyance. A Project Developer shall be required to reconvey to the City the portion of the Property that is subject to a Project Specific Development Agreement upon written demand by the City made pursuant to Sections 11.04 and 11.09 hereof, unless Project Developer shall have obtained approval for a Project Specific Development Plan under the terms of Section 9.03 hereof or a Certificate of Completion shall have been issued for the Project. Notwithstanding the foregoing, a particular Project shall be exempt from the City Reconveyance Right if a temporary or a permanent certificate of occupancy has been issued for the Project of the Project Developer.

11.11 Failure of Security. In the event the Master Developer fails to comply with its obligations under Sections 2.04(a) and 2.09(a) and (b) the City may take appropriate action to secure the Property (i) consistent with the Security Plan the City has approved for the Master Developer under Section 2.04(a) and following written notice to the Master Developer and fifteen days opportunity to cure the security failure. In the event Master Developer fails to cure within the 15 days, the City may draw down funds from the Advance as necessary to pay for security in accordance with the Security Plan. In the event the City utilizes the funds in full under the Advance, and if the Master Developer has not restored security as required under the Security Plan, the City may commence other emergency measures as required and Master Developer shall be required to reimburse the City for the full cost of such security measures including restoring the amount required to fund the Advance. Failure of the Master Developer to cure the failure of security following the emergency measures instituted by the City may entitle the City to exercise the City Reconveyance Right under the terms of this Agreement.

11.12 Power of Attorney. If Master Developer or other owner fails to convey any portion of the Property to the City in accordance with Section 11.09, then Master Developer hereby irrevocably appoints the City's Corporation Counsel as its attorney-in-fact with power to execute any and all documents necessary to convey such Property by quit deed from Master Developer or other owner to the City free and clear of any Encumbrances or impositions arising out of the acts or omissions of Master Developer or any other owner which acquired a portion of the Property from the Master Developer except for Permitted Encumbrances. Such power of attorney shall be in the form attached hereto as Exhibit E, which will be executed simultaneously with execution of this Agreement. Prior to any conveyance of any portion of the Property to an Affiliate or other person, Master Developer shall cause its Affiliate to irrevocably appoint the City's Corporation Counsel as its attorney-in-fact for the purposes of enforcing Section 11.09.

ARTICLE 12. INDEMNITY

12.01 Master Developer Indemnifications. From and after Closing, Master Developer agrees to and shall indemnify and save harmless the City, its agents and employees against and from any and all liabilities, obligations, damages, penalties, claims, costs, charges, losses and expenses (including without limitation, fees and expenses of attorneys, whether inside or outside counsel, expert witnesses and other consultants) that may be imposed upon, incurred by or asserted against the City by reason of any of the following occurring during the term of this Agreement:

(a) any negligent or tortious act or omission of Master Developer or its Associates resulting in personal injury, bodily injury, sickness, disease or death, or injury to or destruction of tangible property including the loss of use therefrom; or

(b) any failure by Master Developer or its Associates to perform their obligations either implied or expressed under this Agreement resulting in personal injury, bodily injury, sickness, disease or death, or injury to or destruction of tangible property including the loss of use therefrom.

From and after Closing, Master Developer also agrees to hold the City harmless from any and all injury to the person or damage to the property of, or any loss or expense incurred by, an employee of the City which arises out of clauses (a) or (b) of this Section unless such loss or injury is caused by the City's negligence or willful misconduct.

12.02 Defense of Claims. In the event any action or proceeding shall be brought against the City by reason of any claim covered hereunder, Master Developer, upon notice from the City, will at its sole cost and expense, resist and defend the same, using legal counsel reasonably acceptable to the City.

12.03 Safeguarding and Securing the Property. From and after Closing, Master Developer agrees that it is its responsibility and/or that of its Associates and not the responsibility of the City to safeguard and secure the Property as well as the materials that Master Developer or its Associates use or have in their possession while performing under this Agreement. Master Developer acknowledges under the terms of Section 2.04(a) hereof Master Developer shall be responsible for security and safeguarding of the Property including the



personal property items located thereon, such that the Property remains in substantially the same condition as exists as of the Effective Date of this Agreement.

12.04 Non-Liability of the City. From and after the date of Closing, the City shall not be responsible or liable to Master Developer, and Master Developer hereby releases the City from liability, for any loss or damage that may be occasioned by or through the acts or omissions of persons occupying any part of the Property. From or after the date of Closing or the date Master Developer takes possession of the Property, whichever is earlier, Developer shall be solely responsible for all injuries to persons and property resulting from any accident, explosion, leak or other cause arising in or about the use of the Property and its appurtenances, as hereinbefore stated. The City shall not be responsible for any loss or damage resulting to Master Developer or its property or to any other person or persons on their property which may be caused by the bursting, stopping, or leaking of water, gas, sewer or steam pipes or from overflow or backing up of any sewer or water main, unless caused by the City's gross negligence or willful misconduct.

12.05 Hazardous Materials.

(a) Representations and Warranties. Notwithstanding anything to the contrary which may be contained in this Agreement, Master Developer represents, warrants and covenants to the City as follows that as of Closing and from and after that date:

(i) Master Developer shall not directly or indirectly use the Property for the purpose of storing Hazardous Materials, nor shall Master Developer directly or indirectly use the Property in a manner which will cause or increase the likelihood of causing the release of Hazardous Materials onto the Property, other than those Hazardous Materials which are necessary and commercially reasonable for the conduct of Master Developer's business operated on the Property and which Hazardous Materials have been at all times prior to the date hereof, and at all times hereafter shall be, handled and disposed of in compliance with all Relevant Environmental Laws (as defined in Subsection 2 below) and industry standards and in a commercially reasonable manner by Master Developer.

(ii) Master Developer is not aware of any claims or litigation, and has not received any communication from any person (including any governmental authority), concerning the presence or possible presence of Hazardous Materials at the Property or concerning any violation or alleged violation of the Relevant Environmental Laws respecting the Property, other than as disclosed to Master Developer by the City or as disclosed in or as a result of the tests, surveys and investigations performed under Section 6.01 above. Master Developer shall promptly notify the City of any such claims and shall furnish City with a copy of any such communications received by Master Developer.

(iii) Master Developer shall notify the City promptly and in reasonable detail in the event that Master Developer becomes aware of or suspects the presence of Hazardous Materials or a violation of the Relevant Environmental Laws at the Property.



(iv) Master Developer shall comply in all respects with the Relevant Environmental Laws applicable to it with respect to the Property.

(v) If the Property is used or maintained so as to subject Master Developer, the City or the user(s) of the Property to a claim of violation of the Relevant Environmental Laws due to an act or omission of Master Developer after Closing (unless contested in good faith by appropriate proceedings), Master Developer shall immediately cease or cause a cessation of those aspects of the use or operations causing the violation and shall remedy and cure in compliance with the Relevant Environmental Laws any conditions arising therefrom at its own cost and expense.

(b) Definitions.

(i) **“Relevant Environmental Laws,”** as referred to herein, shall mean all applicable federal, state, and local laws, rules, regulations, orders, judicial determinations, and decisions or determinations by any judicial, legislative or executive body of any governmental or quasi-governmental entity, whether in the past, the present or the future, with respect to:

(A) the installation, existence, or removal of, or exposure to, Asbestos on the Property.

(B) the existence on, discharge from, or removal from the Property of Hazardous Materials.

(C) the effects on the environment of the Property or of any activity now, previously, or hereafter conducted on the Property.

Relevant Environmental Laws shall include, but are not limited to, the following: (i) the Comprehensive Environmental Response, Compensation, and Liability Act, 42 USC Sections 9601, *et seq.*; the Superfund Amendments and Reauthorization Act, Public Law 99-499, 100 Stat. 1613; the Resource Conservation and Recovery Act, 42 USC Sections 6901, *et seq.*; the National Environmental Policy Act, 42 USC Section 4321; the Safe Drinking Water Act, 42 USC Sections 300F, *et seq.*; the Toxic Substances Control Act, 15 USC Section 2601; the Hazardous Materials Transportation Act, 49 USC Section 1801; the Federal Water Pollution Control Act, 33 USC Sections 1251, *et seq.*; the Clean Air Act, 42 USC Sections 7401, *et seq.*; and the regulations promulgated in connection therewith; (ii) Environmental Protection Agency regulations pertaining to Asbestos (including 40 CFR Part 61, Subpart M); Occupational Safety and Health Administration Regulations pertaining to Asbestos (including 29 CFR Sections 1910.1001 and 1926.58) as each may now or hereafter be amended; and (iii) any State and local laws and regulations pertaining to Hazardous Materials and/or Asbestos.

(ii) **“Asbestos,”** as referred to herein, shall have the meanings provided under the Relevant Environmental Laws and shall include, but not be limited to,

asbestos fibers and friable asbestos as such terms are defined under the Relevant Environmental Laws.

(iii) **“Hazardous Materials,”** as referred to herein, shall mean any of the following as defined by the Relevant Environmental Laws: Asbestos; hazardous wastes; solid wastes; toxic or hazardous substances, wastes, or contaminants (including, but not limited to, polychlorinated biphenyls (PCB's), paint containing lead, and urea formaldehyde foam insulation), and discharges of sewage or effluent.

(c) Master Developer's Obligations. From and after Closing, at its sole cost and expense, Master Developer shall:

(i) Pay immediately when due the cost of compliance with the Relevant Environmental Laws resulting directly or indirectly out of Master Developer's use, possession, or development of the Property.

(ii) Keep the Property free of any lien imposed pursuant to the Relevant Environmental Laws resulting directly or indirectly out of Master Developer's use, possession, or development of the Property.

(d) City's Options. If Master Developer fails to comply with the requirements of this Section after notice to Master Developer and the earlier of the expiration of any applicable cure period hereunder, the expiration of the cure period permitted under the Relevant Environmental Laws, if any, or such earlier time if the City determines that life, person or property is in jeopardy, the City may, but shall not be obligated to, exercise its right to: (i) declare that such failure constitutes an Event of Default under Article 10 herein; and/or (ii) take any and all actions, at Master Developer's expense, that the City deems necessary or desirable to cure said failure of compliance.

(e) Release and Indemnity. The City shall give Master Developer the opportunity to inspect the Property and conduct such environmental assessments and testing as Master Developer has deemed appropriate. The City shall not be liable to Master Developer for, and Master Developer, for itself and its successors and assigns, hereby releases the City from, any and all liability for any violation or alleged violation of the Relevant Environmental Laws respecting the Property, whether such alleged violation occurred before or after Closing and the transfer of possession to Master Developer. From and after Closing, the City shall not be liable for, and Master Developer shall immediately pay to the City when incurred and shall indemnify, defend and hold the City harmless from and against, all loss, cost, liability, damage and expense (including, but not limited to, attorneys' fees and costs incurred in the investigation, defense and settlement of claims) that the City may suffer or incur as a result of or in connection in any way with any violation of the Relevant Environmental Laws occurring after the Closing or the date of transfer of possession, whichever is earlier, any environmental assessment or study from time to time undertaken or requested by Master Developer or City, or breach of any covenant or undertaking by Master Developer in this Section; provided, however, Master Developer shall have no obligation to the City with respect to: (i) indemnified liabilities arising solely from the negligence or willful misconduct of the City; or (ii) conditions or Hazardous Materials existing at the earlier of the time of Closing or the date of transfer of possession.

(f) Survival. The provisions of this Section shall survive for the period of the statute of limitations under Michigan law.

(g) Breach. Breach of any of the representations, warranties and/or covenants contained in this Article shall be a Default under this Agreement; provided, however, that no breach shall be deemed to have occurred so long as, upon becoming aware of a possible breach, Master Developer proceeds to reasonably investigate and remedy in compliance with the Relevant Environmental Laws the matter giving rise to the possible breach.

(h) Assignment of Cause of Action. The City shall, upon request of Master Developer, convey, assign and transfer to Master Developer any claim or cause of action the City may have against others in connection with any liability against which Master Developer has fully indemnified the City (including payment) under this Agreement.

ARTICLE 13. ADMINISTRATION

13.01 Developer Personnel. Master Developer represents and warrants that all Master Developer personnel and agents and the personnel and agents of its Associates are fully qualified and authorized to perform the functions and duties assigned them under federal, State and local laws and governing professional association rules, if any, where such persons are employed.

13.02 Inspection by City. The City may in its sole discretion assign City employees to go on the Property to inspect the work performed by Master Developer or on Master Developer's behalf upon reasonable notice to Master Developer. Master Developer and any Associates shall cooperate fully with any City employee designated to conduct any on-site inspection or who is assigned to review relevant documents concerning the Project or construction of the Improvements.

13.03 Independent Contractor Relationship. The relationship of Master Developer to the City is and shall continue to be that of an independent contractor relationship, and no liability or benefits, such as worker's compensation, pension rights or liabilities, insurance rights or liabilities or other provisions or liabilities, arising out of or related to a contract for hire or employer/employee relationship, shall arise or accrue to either party or either party's agent or employee with respect to the City as a result of the performance of this Agreement, unless expressly stated in this Agreement. Nothing contained herein shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto; it being understood and agreed that none of the provisions contained herein, nor any acts of the parties herein, shall be deemed to create any such relationship between the parties.

13.04 Waiver. Master Developer shall not hold the City liable for any personal injury incurred by an employee, agent or consultant of itself or its Associates which is not held in a court of competent jurisdiction to be directly attributable to the gross negligence of the City or any employee of the City acting within the scope of his or her employment. Master Developer hereby agrees to and shall hold the City harmless from any such claim by Master Developer, its employees, agents, or consultants and/or those of its Associates.



ARTICLE 14. COMPLIANCE WITH LAWS AND REGULATIONS

14.01 Compliance. Master Developer shall comply with, and shall require in all its contracts with Associates that Associates comply with, all applicable laws, ordinances or other regulations imposed by any properly constituted governmental authority. Master Developer shall require as part of any contracts issued pursuant to this Agreement that any Associate engaged by Master Developer shall comply with all such applicable laws, ordinances and regulations.

14.02 Intellectual Property. Master Developer represents and warrants that any products sold or processes used in the performance of this Agreement do not infringe upon or violate any patent, copyright, trademark, trade secret or any other proprietary rights of any third party. In the event of any claim by any third party against the City, the City shall promptly notify Master Developer and Master Developer shall defend such claims in the City's name, but at Master Developer's expense, using legal counsel reasonably acceptable to the City, and shall indemnify the City against any loss, costs, expense or liability arising out of such claim, whether or not such claim is successful.

14.03 Right To Examine Books. Nothing contained herein shall be construed or permitted to operate as any restriction upon the power granted to the City Council by the City Charter to audit all accounts chargeable against the City. Pursuant hereto the City shall have the right to examine and audit all books, records, documents, and other such supporting data of Master Developer with respect to the Project as the City may deem necessary.

ARTICLE 15. AMENDMENTS

15.01 Form. Any change, addition, deletion, extension or modification of this Agreement (including assignments) that is mutually agreed upon by and between the City and Master Developer shall be incorporated in a written amendment (herein called "**Amendment**") to this Agreement. Such Amendment shall not invalidate this Agreement nor relieve or release Master Developer of any of its obligations under this Agreement unless stated therein.

15.02 Binding Effect. No Amendment to this Agreement shall be effective and binding upon the parties unless it expressly makes reference to this Agreement, is in writing, is signed and acknowledged by duly authorized representatives of both parties. To be effective against the City, the Amendment must be authorized as set forth in Section 18.16 of this Agreement.

ARTICLE 16. FAIR EMPLOYMENT PRACTICES

16.01 Compliance with Laws. Master Developer shall comply with, and shall require in all its contracts with Associates that Associates comply with, all applicable laws, ordinances or other regulations imposed by any properly constituted governmental authority, including without limitation by virtue of this enumeration: (a) Americans with Disabilities Act ("**ADA**") and Michigan Department of Transportation ("**MDOT**") accessibility and construction requirements for sidewalks and curb cuts and ramps. Master Developer shall require, as part of any contracts issued pursuant to this Agreement, that any Associate engaged by Master Developer shall comply with all such applicable laws, ordinances and regulations.

16.02 Executive Orders. Master Developer acknowledges the requirements of the City of Detroit Executive Order No. 2014-4 and Executive Order No. 2014-5, and consistent therewith, Master Developer will in conjunction with the Executive Branch establish an outreach plan to promote the hiring, training and employability of Detroit residents, and to the extent consistent with federal and state law, make best efforts to maximize full and part-time construction and post construction job opportunities for Detroit residents in connection with the Project and maximize the use of Detroit-based contractors and Detroit-based businesses in connection with the Project.

16.03 Non-Discrimination. Master Developer covenants that it shall not discriminate against any employee or applicant for employment, training, education, or apprenticeship connected directly or indirectly with the performance of this Agreement, with respect to his or her hire, promotion, job assignment, tenure, terms, conditions or privileges of employment because of religion, race, color, creed, national origin, age, marital status, handicap, public benefit status, sex, or sexual orientation. This provision shall not apply if it is determined by the City Human Rights Department that such requirements are *bona fide* occupational qualifications reasonably necessary to performance of the duties required for employment. The burden of proof that the occupational qualifications are bona fide is upon Master Developer. Master Developer shall promptly furnish any information required by the City or its Human Rights Department pursuant to this Section 16.03.

16.04 Associate Notification. Master Developer further agrees that it shall notify any Associate of its obligations relative to non-discrimination under this Agreement when soliciting same and shall include the provisions of this Article 16 in any subcontract as well as provide the City a copy of any such subcontract upon request. Master Developer further agrees to take such action with respect to any such subcontract as the City may direct as a means of enforcing the provisions of this Article 16.

16.05 Breach. Breach of the terms and conditions of this Article shall be regarded as a material breach of this Agreement.

16.06 Remedies upon Breach. If Master Developer fails to comply with the preceding section and/or with any of the rules, regulations or orders as issued by the City's Human Rights Department, the City, at its option, may:

- (a) Cancel, terminate or suspend this Agreement in whole or in part.
- (b) Recover from Master Developer an amount of \$100.00 per day, as liquidated damages and not as a penalty, for each day that Master Developer fails to comply with the preceding section as determined by the City's Human Rights Department in accordance with its rules and regulations; said sum being fixed as negotiated and agreed upon by and between the City and Master Developer because of the impracticability and extreme difficulty of fixing and ascertaining the actual damages that the City would sustain in the event of such a breach of contract, and agreed to be the amount of damages that the City would sustain.
- (c) Utilize such other remedies as may be provided by law.

Handwritten signature and initials in the bottom right corner, appearing to be 'A.D. Af' with 'R' below it.

ARTICLE 17. NOTICES

17.01 Addresses. Except as otherwise specified herein, all notices, consents, approvals, requests and other communications (herein collectively called "Notices") required or permitted under this Agreement shall be given in writing and personally delivered with receipt obtained, or mailed by registered or certified first-class mail, return receipt requested, addressed as follows:

If to the City:	Director Planning & Development Department 2 Woodward Avenue, Ste 802 Detroit, Michigan 48226
With a copy to:	Corporation Counsel City of Detroit Law Department 2 Woodward Avenue, Ste. 500 Detroit, Michigan 48226 Attention: Bruce Goldman Supervising Assistant Corporation Counsel
If to Master Developer:	Herman Kiefer Development, LLC P.O. Box 2822 Detroit, Michigan 48202 Attention: Ron Castellano
With a copy to:	Honigman Miller Schwartz and Cohn LLP 2290 First National Building 660 Woodward Avenue Detroit, Michigan 48226 Attention: Richard A. Barr

17.02 Date of Notice. All notices shall be deemed given when hand-delivered or, if mailed, on the date of confirmed receipt. Either party to this Agreement may change its address for the receipt of Notices at any time by giving notice thereof to the other as provided in Section 17.01. Any Notice given by a party hereunder must be signed by an authorized representative of such party.

ARTICLE 18. MISCELLANEOUS

18.01 Standard of Performance. This Agreement shall be conscientiously performed by Master Developer in all particulars, and in accordance with the highest professional and legal standards, including, but not limited to, architectural and engineering standards and construction safety standards, municipal and federal fair employment practice standards, etc. Master Developer shall not perform any act directly or indirectly that would act to subvert or otherwise circumvent any of the terms and conditions contained herein. If there is any dispute between the parties with regard to the requirements of the Master Development Plan or the terms and

conditions of this Agreement, the reasonable interpretation and determination of the City shall govern.

18.02 Conferences. Master Developer hereby agrees to meet at reasonable times with duly authorized City representatives, upon the City's request to discuss any aspect of this Agreement during the term of this Agreement.

18.03 Severability. If any one or more provisions of this Agreement or in any instrument or other document delivered pursuant to this Agreement or the application thereof to any person or circumstance shall to any extent be declared or determined to be invalid or unenforceable, the validity, legality and enforceability of the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected or impaired thereby, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

18.04 Entire Agreement. This instrument, including the exhibits which are attached hereto and which are made a part of this Agreement contain the entire agreement between the parties and all prior negotiations and agreements are merged herein. Master Developer acknowledges that neither the City nor the City's agents have made any representations except those expressly set forth herein, and no rights or remedies are or shall be acquired by Master Developer by implication or otherwise unless expressly set forth herein.

18.05 Terminology. Unless the context otherwise expressly requires, the words "herein", "hereof", and "hereunder", and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section, or other subdivision.

18.06 Covenants and Conditions. All the terms and provisions of this Agreement shall be deemed and construed to be "covenants" and "conditions" as though the words specifically expressing or imparting covenants and conditions were used in each separate term and provision.

18.07 Captions. The headings of the Articles, Sections and other subdivisions in this Agreement are for convenience only and shall not be used to construe or interpret the scope or intent of this Agreement or in any way affect the same.

18.08 Cumulative Remedies; Jurisdiction; Venue. The rights and remedies of the City set forth herein are not exclusive and are in addition to any of the rights and remedies provided by law or equity; provided, however, that if the City breaches any of its obligations under this Agreement, then, after reasonable notice and opportunity to cure, Master Developer shall have the right to seek injunctive relief, specific performance or other equitable remedies for the City's breach of this Agreement, and in no event shall Developer be entitled to monetary damages, except for the return of the Advance, as a result of the City's breach of this Agreement. The rights and remedies of the City and Master Developer shall include the dispute resolution procedures and the relief described in Exhibit K hereof. All actions arising under this Agreement shall be governed by, subject to, and construed according to the laws of the State of Michigan. Master Developer agrees, consents and submits to the personal jurisdiction of any competent court in Wayne County, Michigan for any action brought against it arising out of this Agreement. Master Developer agrees that service of process at the address and in the manner specified in

Article 18 will be sufficient to put Master Developer on notice. Except as provided in the dispute resolution provisions of Exhibit K, Master Developer agrees that it will not commence any action against the City because of any matter whatsoever arising out of or relating to the validity, construction interpretation and enforcement of this Agreement, in any courts other than those in the County of Wayne, State of Michigan. Master Developer agrees to obtain a similar covenant from any Associate with respect to any contracts issued in pursuance of this Agreement.

18.09 Affiliates. If any Affiliate of Master Developer shall take any action which, if done by Master Developer would constitute a breach of this Agreement, the same shall be deemed a breach by Master Developer, subject to the notice and cure provisions of this Agreement.

18.10 Force Majeure. In the event of enforced delay in the performance by either party of obligations under this Agreement due to unforeseeable causes beyond its control and without its fault or negligence, including, but not restricted to, acts of God or of the public enemy, acts of the government, civil unrest, acts of the other party, fires, floods, epidemics, or severe weather, or economic recession for the state, Midwest region or the nation (such national recession defined as two consecutive quarters of negative growth in the Gross National Product as determined by the U.S. Bureau of Economic Analysis or other federal authority, or other definitions from the National Bureau of Economic Research for a state or regional recession) the time for performance of such obligations shall be extended for the time period of the enforced delays as formally documented; provided that the party seeking the benefit of the provisions of this Section shall within ninety (90) days after the beginning of such enforced delay, have first notified the other party in writing of the causes thereof and requested an extension for the period of the enforced delay. In the event that there is any dispute as to what constitutes such *force majeure* event, the matter shall be resolved in accordance with the provisions of Exhibit K.

18.11 Provisions Not Merged With Deed. No provision of this Agreement is intended to or shall be merged by reason of any Deed transferring title to the Property from the City to Master Developer or any successor in interest, and any such Deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

18.12 Residential Construction. If the Improvements to be constructed by Master Developer involve residential construction, the following provisions shall apply:

(a) Master Developer agrees to comply with the regulations issued by the Secretary of HUD set forth in 37 CFR Parts 22732-3 and all applicable rules and orders issued thereunder which prohibit the use of lead-based paint in residential structures undergoing federally assisted construction or rehabilitation and require the elimination of lead-based paint hazards.

(b) Master Developer agrees that if the Property is situated in an area identified by HUD as subject to special flood hazards, and in which the sale of flood insurance has been authorized under the National Flood Insurance Act of 1968 (unless the Improvements to be constructed on the Property will be covered under an adequate State policy of self-insurance satisfactory to the Secretary of HUD), Master Developer and its successors and assigns shall

keep the Improvements now existing or hereafter erected on the Property insured, during their anticipated economic or useful life, under the national flood insurance program in an amount at least equal to the development cost of the Property (less estimated land cost) or to the maximum limit of coverage made available with respect to the particular type of Property under the National Flood Insurance Act of 1968, whichever is less. Prior to conveyance of the Property to Master Developer by the City, Master Developer shall furnish the City a copy of a flood insurance policy specifying such coverage or a binding commitment to provide such a policy; provided, that if such coverage is not available to Master Developer at the time of conveyance, Master Developer shall furnish such evidence of insurance within fifteen (15) days of the date it becomes available.

18.13 Counterparts. This Agreement may be executed in counterparts each of which shall be deemed to be an original document but together shall constitute one instrument.

18.14 Singular and Plural, etc. As used herein, the singular include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

18.15 Time of the Essence. Time is of the essence of this Agreement.

18.16 Authority of City. Notwithstanding anything in this Agreement or otherwise to the contrary, the City shall not be authorized or obligated to sell the Property to Master Developer until this Agreement has been fully executed by the duly authorized representative of the City pursuant to the resolution of the City Council as approved by the Mayor of the City of Detroit, and approved by the City of Detroit Law Department. Any amendments or modifications must likewise be duly authorized by resolution of the City Council as approved by the Mayor, and be approved by the Law Department.



IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

WITNESSES:

**MASTER DEVELOPER
HERMAN KIEFER DEVELOPMENT,
LLC, a Michigan limited liability
company**

EMILY HWANG
PRINT NAME
Loren Goetz
PRINT NAME

By: [Signature]
Print: RONALD CASTELLANO
Its: Managing Member

STATE OF ~~MICHIGAN~~)
NEW YORK)
COUNTY OF ~~WAYNE~~) ss.

The foregoing instrument was acknowledged before me on MAY 23, 2016 by the MANAGING MEMBERS of Herman Kiefer Development, LLC, a Michigan limited liability company, on behalf of said company.

[Signature]
Notary Public, Wayne County, Michigan

SHINE GAUNG KYI
Notary Public, State of New York
01KY6069415
Qualified in Queens County
Commission Expires June 1, 2018

My commission expires: JUNE 1, 2018
Acting in the County of NEW YORK

[Handwritten initials]

WITNESSES:

David Williams
PRINT NAME

GIOVANNA GALFONE - COX
PRINT NAME

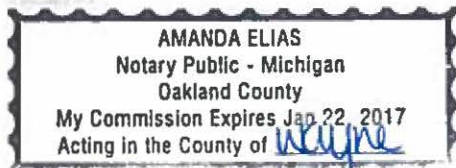
CITY OF DETROIT,
A Michigan public body corporate

By: [Signature]
Print: Maurice Cox

Its: Director of the Planning and Development Dept

STATE OF MICHIGAN)
) ss
COUNT OF WAYNE)

The foregoing instrument was acknowledged before me on May 25, 2016 by Maurice Cox, the Director Planning of the City of Detroit, a Michigan public body corporate, on behalf of the City.



[Signature]
Notary Public, Wayne County, Michigan

My commission expires: 1/22/17

Acting in the County of Wayne

[Handwritten initials/signature]

Pursuant to § 18-5-4 of the Detroit City Code, I hereby certify that proper and fair consideration has been received by the City pursuant to this instrument.

Finance Director

Approved by City Council on _____

Approved by the Mayor on _____

Approved by Corporation Counsel pursuant to §7.5-206 of the 2012 Charter of the City of Detroit.

Corporation Counsel

Drafted by and when recorded return to:

City of Detroit
Planning & Development Department
2 Woodward Avenue, Ste. 802
Detroit, Michigan 48226

Handwritten signature and initials, possibly "ADG" with a date "12/21" below it.

EXHIBIT A

LEGAL DESCRIPTION

Land situated in the City of Detroit, County of Wayne, State of Michigan, is described as follows:

PARCEL 1:

All that part of Outlot 5, of PLAT OF 1/4 SECTION 46, 10,000 ACRE TRACT, according to the plat thereof as recorded in Liber 6 of Deeds, pages 352, 353 and 354, Wayne County Records, EXCEPT that part lying within the following described parcel: Beginning at a point in the West line of Hamilton Avenue, 100 feet wide, said point being distant, North 26 degrees 34 minutes 47 seconds West, 22.87 feet from the intersection of the North line of Barbour and Rexford's Subdivision of Lots 1, 2, 3, 4, 39, 40, 41, 42, 43, 44, 45, and 46 of F.B. Hooper Subdivision of Lots 2 and 3 of 1/4 Section 46, 10,000 acre tract as recorded in Liber 24, Page 11 of Plats Wayne County Records, with the Westerly line of Hamilton Avenue, 100 feet wide; thence along the westerly line of Hamilton Avenue, 100 feet wide, North 26 degrees 34 minutes 47 seconds West, 272.47 feet to a point; thence along a line South 63 degrees 37 minutes 11 seconds West, 415.42 feet to a point; thence along a line North 26 degrees 35 minutes 54 seconds West, 88.71 feet to a point; thence along a line South 63 degrees 08 minutes 02 seconds West, 379.43 feet to a point; thence along the Easterly line of Byron Avenue, 66 feet wide, South 26 degrees 27 minutes 51 seconds East, 355.29 feet to a point; thence along a line North 03 degrees 48 minutes 43 seconds East, 795.61 feet to the place of beginning.

ALSO

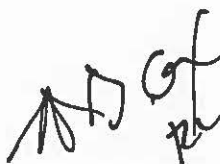
Outlot 6, of PLAT OF 1/4 SECTION 46, 10,000 ACRE TRACT, according to the plat thereof as recorded in Liber 6 of Deeds, pages 352, 353 and 354, Wayne County Records, also known as Lots 1 through 50, both inclusive and all the streets and alleys included, of HUGO H. STENDER'S SUBD'N OF OUTLOT 6, QUARTER SECTION 46, 10,000 A.T., according to the plat thereof as recorded in Liber 24 of Plats, page 26, Wayne County Records.

ALSO

Outlots 7 and 8, of PLAT OF 1/4 SECTION 46, 10,000 ACRE TRACT, according to the plat thereof as recorded in Liber 6 of Deeds, pages 352, 353 and 354, Wayne County Records, described as follows: Beginning at the Southeasterly corner of Lot seven (7) of the subdivision of quarter section forty six (46) of the Ten Thousand Acre Tract, so-called, according to the recorded plat thereof in Liber 6 of Deed on page 353 Wayne County Records; thence Northerly along the Easterly line of Lots Seven (7) and Eight (8) of the above subdivision said line being the center of Hamilton Boulevard a distance five hundred six (506) feet to a point; thence Westerly and parallel with the Southerly line of said Lot Seven (7) a distance of Eight Hundred Sixty one (861) feet to a point, thence Southerly and parallel with the Easterly line of Lot Seven (7) and Eight (8) aforesaid a distance of five hundred six (506) feet, thence along Southerly line of Lot Seven (7) eight hundred sixty one (861) feet to the place of beginning, EXCEPT those parts taken for the widening Hamilton Avenue and Byron Avenue.

ALSO

Lots 49 and 50, of BLACK'S ADDITION TO HIGHLAND PARK VILLAGE ON OUTLOTS 9 AND 10 ON 1/4 SECTION 46 OF THE 10,000 ACRE TRACT, according to the plat thereof as recorded in Liber 14 of Plats, page 78, Wayne County Records, EXCEPT those parts



taken for widening Hamilton Avenue and Byron Avenue.

PARCEL 2:

All that part of Lots 4 and 5, of PLAT OF 1/4 SECTION 10,000 ACRE TRACT, according to the plat thereof as recorded in Liber 6 of Deeds, pages 352, 353 and 354, Wayne County Records, described as follows: Beginning at a point in the West line of Hamilton Avenue, 100 feet wide, said point being distant, North 26 degrees 34 minutes 47 seconds West, 22.87 feet from the intersection of the North line of Barbour and Rexfords Subdivision of Lots 1, 2, 3, 4, 39, 40, 41, 42, 43, 44, 45 and 46 of F.B Hooper Subdivision of Lots 2 and 3 of 1/4 Section 46, 10,00 acre tract as recorded in Liber 24, Page 11 of Plats, Wayne County Records, with the Westerly line of Hamilton Avenue, 100 feet wide, thence along the Westerly line of Hamilton Avenue, 100 feet wide, North 26 degrees 34 minutes 47 seconds West, 272.47 feet to a point; thence along a line South 63 degrees 37 minutes 11 seconds West, 415.42 feet to a point; thence along a line North 26 degrees 35 minutes 54 seconds West, 88.71 feet to a point; thence along a line South 63 degrees 08 minutes 02 seconds West, 379.43 feet to a point on the Easterly line of Byron Avenue, 66 feet wide; thence along the Easterly line of Byron Avenue, 66 feet wide, South 26 degrees 27 minutes 51 seconds East, 355.29 feet to a point; thence along a line North 63 degrees 48 minutes 43 seconds East, 795.61 feet to the place of beginning.

PARCEL 3:

Lots 4 through 14, both inclusive, the East 22 feet of Lot 15, Lots 37 through 41, both inclusive, and the East 22 feet of Lot 36, including the vacated alleys adjacent thereto, of HAWLEY'S COLUMBIAN SUBDIVISION, OF PART OF OUTLOTS 9 AND 10 1/4 SECTION 46 10,000 ACRE TRACT, according to the plat thereof as recorded in Liber 18 of Plats, page 86, Wayne County Records.

PARCEL 4:

Lots 29 through 69, both inclusive, of BESSENGER AND MOORE'S SUB. OF PART OF QUARTER SECTION 10,000 ACRE TRACT, according to the plat thereof as recorded in Liber 22 of Plats, page 85, Wayne County Records.

ALSO

Lots 1 through 27, both inclusive, of BESSENGER AND MOORE'S BLAINE AVE. SUB'N OF LOT 16 1/4 SECTION 46, 10,000 ACRE TRACT, according to the plat thereof as recorded in Liber 24 of Plats, page 65, Wayne County Records.

ALSO

Lots 1 through 39, both inclusive, of THE MIMNAUGH SUBDIVISION OF THE WEST 1/2 OF LOTS 14-15, 1/4 SECTION 46, 10,000 ACRE TRACT, according to the plat thereof as recorded in Liber 21 of Plats, page 24, Wayne County Records.

Tax Parcel Number(s): 4348.001/Ward 6 and 980151.11/Ward 6 and 4348.002L/Ward 6 and 2229/Ward 6 and 2154/Ward 6 and 06004348.001

EXHIBIT 2.04

SECURITY, MAINTENANCE AND UTILITY COSTS

Master Developer shall be responsible for the costs of security, maintenance and utilities for the Property in 2016 according to the percentages below:

Month	Percentage of cost to be Paid by Master Developer	Estimated Monthly Security Costs	Estimated Monthly Electric Costs	Estimated Monthly Water, Sewage and Drainage Costs	Estimated Monthly Total to be Paid by Master Developer
April 2016	0%	\$38,800	\$18,300	\$25,026	\$0.00
May 2016	0%	\$38,800	\$18,300	\$25,026	\$0.00
June 2016	5%	\$38,800	\$18,300	\$25,026	\$4,106
July 2016	10%	\$38,800	\$18,300	\$25,026	\$8,212
August 2016	70%	\$38,800	\$18,300	\$25,026	\$57,488
September 2016 and every month thereafter until Closing	100%	\$38,800	\$18,300	\$25,026	\$82,126

The above amounts and totals to be paid each month by Master Developer starting in June, 2016 are estimates only. The Master Developer is responsible for making payments to the City equal to the above indicated percentage of actual costs for security, maintenance and utilities. The Master Developer's responsibilities shall not exceed 110% of the above indicated estimates. Monthly payments shall be made by Master Developer to the City and shall be paid 30 days after written receipt of the actual costs from the City. The City shall provide documentation of past bills or other relevant official records to verify the above indicated estimates 60 days before the initial Master Developer monthly payment is due.

Master Developer shall also begin boarding up of all structures on the Property in May, 2016 and complete the boarding up of all buildings on the Property by August 14, 2016. Master Developer shall also maintain the boarding up of all structures during the term of this Agreement.

EXHIBIT B-1

MASTER DEVELOPMENT PLAN SUMMARY

The Herman Kiefer redevelopment encompasses approximately 35 acres of vacant city owned properties with ten (10) vacant buildings.

Eight (8) of these buildings are located in the former Herman Kiefer Health Complex bounded by Taylor Street (n), Lodge Freeway (e), Blaine Street (s) and Byron Street (w).

This property is being purchased in conjunction with the following recently transferred DPS properties:

- Building Crosman - 9027 John C Lodge
- Building Hutchins - 8820 Woodrow Wilson
- Playground adjacent to Hutchins – 1501 Hazelwood
- Building JTPA Nursing 8721 John C. Lodge, sometimes listed as part of the former Herman Kiefer Complex
- Vacant Former Sanders' School Land – 8700 Bryon

The redevelopment will be a mixed-use, adaptive re-use project, developed in phases over eight (8) years. As part of the phased plan, there will be immediate activation and placemaking events in advance of construction. It is also expected that a component of the project will include neighborhood revitalization carried out through an agreement with the Land Bank to purchase publicly owned vacant parcels.

Minimum Investments indicated in the site overview that follows will be applicable in the event Master Developer elects to satisfy the Investment Commitment and not the Activation Commitment as provided under the Agreement.

INITIAL ACTIVATION PLANS



POTENTIAL ACTIVATION PROGRAMMING

Herman Kiefer Complex | Detroit

ARTICLE 19. The now dormant Herman Kiefer site will be activated with creative place making programs which could include art, music, food, sports and entertainment events. The goal of this programming is to contribute to the livability and vibrancy of the surrounding community in a manner that is sensitive to the neighborhood, local conditions and needs.

Additionally, this programming will introduce potential end-users to the site and attract new visitors to Detroit and to the neighborhood.

Following are preliminary descriptions of potential programs and a broader list of program ideas.

The site will be activated with an initial slate of events within 6 months from closing, weather permitting. Since initial events will likely be held outdoors, programming won't be possible between October-April.

Initial programming will likely be community-focused, local events. The larger scale events described in the following pages will take at least 6 months to program and implement.

The initial slate of events could include:

- t Block Party BBQ and Open House
- t Neighborhood Sports Tournament (soccer, football)

M.D.Gf
12/10

- t Music Event Organized with Community Members (there has already been interest in this concept)
- t Neighborhood Visioning Session / Charrette
- t Neighborhood Clean-Up Day with Local Construction Crews

These initial events will engage the community with the site and the redevelopment activities while facilitating a dialogue between the development team and its neighbors.



KIEFER ATHLETIC LEAGUE Increasing Access to Sports

The Kiefer Athletic League will facilitate the repair and maintenance of the Kiefer complex's sports courts and fields. In addition to improving access to sports such as basketball, tennis, baseball, football and soccer, the KAL will provide instruction and organize competitions. Athletics will be used as an instrument to mentor youth and engage the community in empowering, healthy activities.



ARTICLE 20. WHAT'S UP DETROIT: REBIRTH OF A CITY

Convenings on Detroit's Future

These convenings will be a catalyst for conversations and collaborations between Detroit and the international community of creatives, innovators and investors. We'll provide a platform for engaging world-class thinkers and entrepreneurial talent in a series of discussions to stimulate new relationships and build on the momentum underway. The goal will be to increase international awareness for the positive projects happening in Detroit.



ARTICLE 21. MOTOR CITY MOVIES

Drive-In Theater Film Series

A nod to the industry Detroit was once known for, Motor City Movies will transform an empty parking lot into a giant drive-in, providing a unique and totally unexpected experience. Underwritten by a car company, spectators will sit in sponsor provided classic and contemporary cars while viewing films curated by a panel of celebrated directors. A pop up soda fountain and the first ever concept car museum will complete the series.



ARTICLE 22. KIEFER CREATIVE PLACEMAKING

Community Public Art

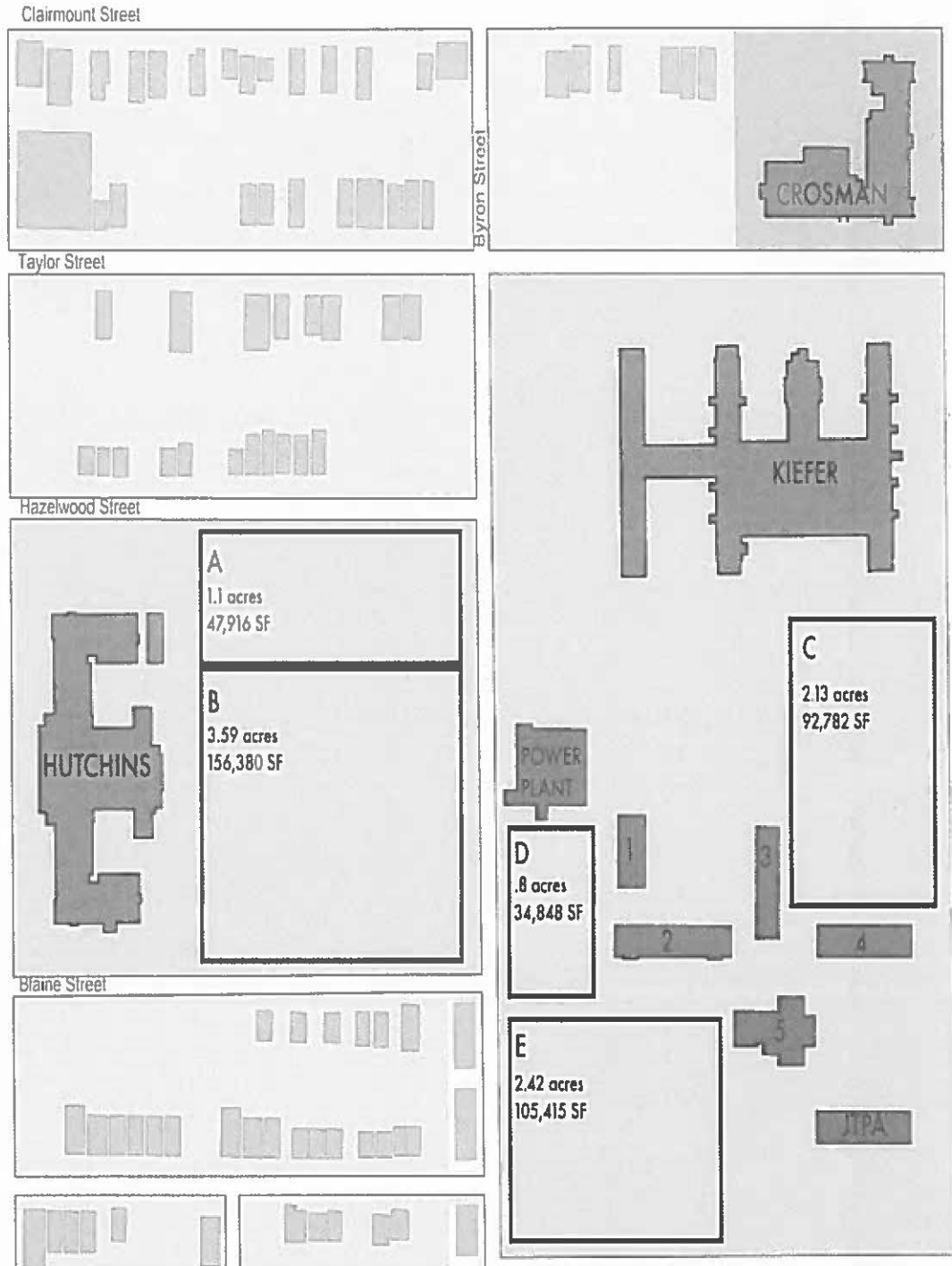
Public art sited throughout the property will be visible to the tens of thousands driving each day through the City of Detroit on the Lodge Freeway. The installations will encourage residents to reimagine the city, and reclaim vacant and underutilized buildings and lots for creative purposes. These installations will help establish the location as a cultural district and contribute to the neighborhood's vibrancy and livability.

EXHIBIT B-3

HERMAN KIEFER
SITE + STRUCTURES SQUARE FOOTAGES

STUDIO CASTELLANO
APRIL 28, 2015

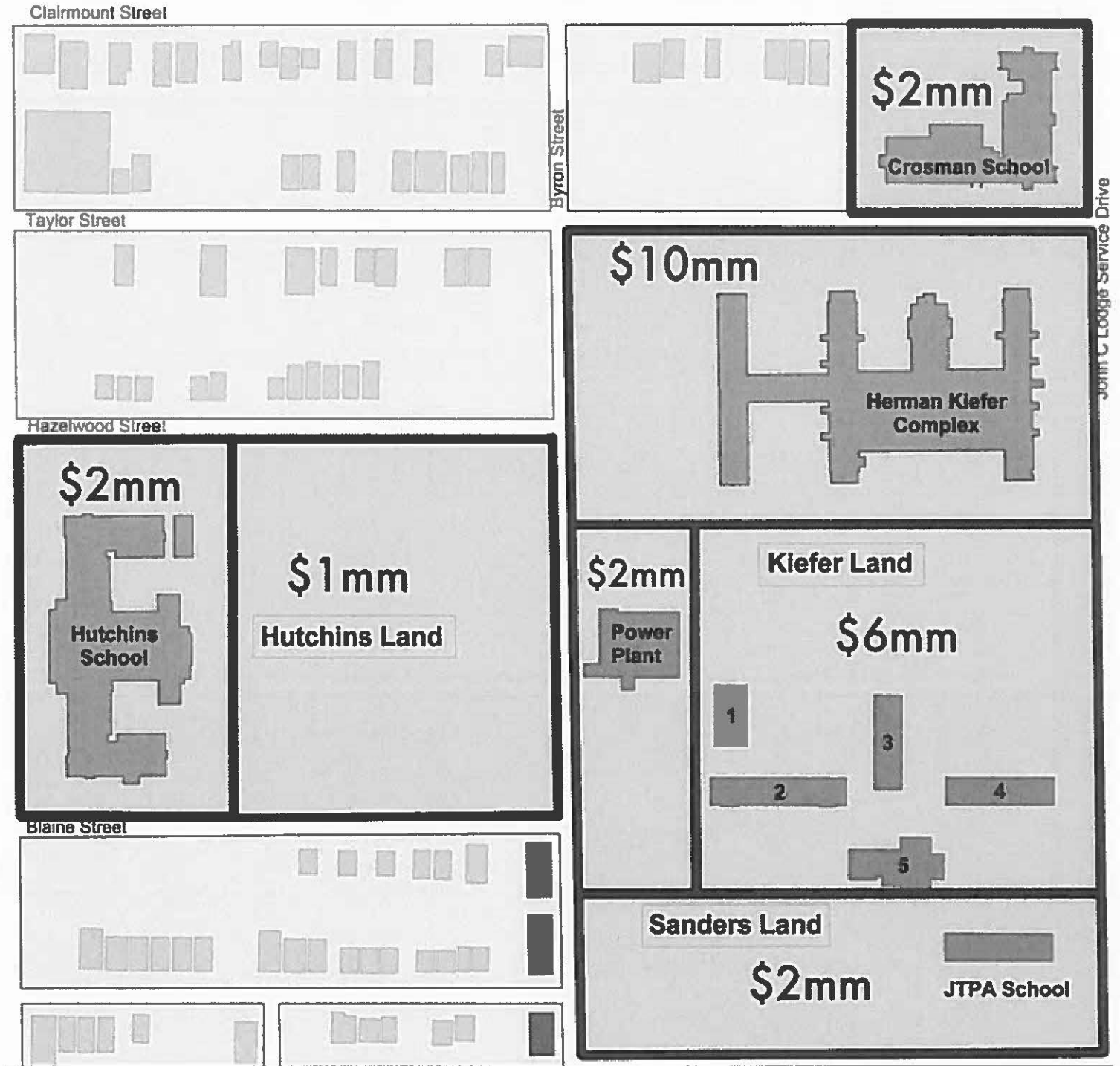
BUILDINGS	SF
Kiefer Main Bldg	462,605
Power Plant	15,090
Bldg 1	10,625
Bldg 2	18,002
Bldg 3	10,650
Bldg 4	12,525
Bldg 5	15,705
JTPA School	12,525
Hutchins School	131,350
Crosman School	66,750
LAND	SF
Hutchins A	47,916
Hutchins B	156,380
Kiefer C	92,782
Power Plant D	34,848
Sanders E	105,415
TOTAL BUILDINGS + LAND	1,193,168



1. The total square footage of the land area shown in this Exhibit is subject to confirmation by a survey of the Property.
2. The square footage of the land area is to be used as the denominator in determining satisfaction of the Activation Commitment percentages in Article 2 and shall not limit the location of Activation by Master Developer which may occur anywhere within the boundaries of the Property.
3. In the event a building shown in this Exhibit B-3 shall suffer a casualty loss of substantial damage during the term of this Agreement, the total square footage of the building area shall be reduced for such building to the square footage of the first floor only.

Adel

HERMAN KIEFER COMPLEX MINIMUM INVESTMENT SITE OVERVIEW



Handwritten signature/initials

EXHIBIT C

QUIT CLAIM DEED

Subject to the following paragraph, the City of Detroit, a Michigan public body corporate, whose address is 2 Woodward Avenue, Ste. 802 Detroit, MI 48226 (“Grantor”), quit claims to _____ (“Grantee”), whose address is _____, the premises located in the City of Detroit, Wayne County, Michigan, described as:

A/K/A _____ Ward: _____ Item(s): _____

(the “Property”), for the sum of _____ (\$ _____), subject to and reserving to the City of Detroit its rights under public easements and rights of way, easements of record, applicable zoning ordinances, development plans pursuant to Act 344 of 1945 as amended (if any), and restrictions of record.

This Deed is given subject to the terms, covenants and conditions of a Master Agreement to Purchase and Develop Land dated _____, 2016 entered into by the parties hereto and which is incorporated herein by reference and recorded on _____, 2016 in the Office of the Register of Deeds for the County of Wayne in Liber _____ on Pages _____ through _____ inclusive, none of the terms, covenants and conditions of which shall be deemed merged in this Deed. The covenants therein recited to be covenants running with the land are hereby declared to be covenants running with the land enforceable by the City as therein set forth. If the Property is rented for residential occupancy, the Property must be registered as a rental property pursuant to Ordinance 579-H (Detroit City Code § 26-5-42.5.)

The following language is included pursuant to MCL Sections 560.109(3) and 560.109(4), added by 1996 PA 591, and applies only if the Property is not platted: “The Grantor grants to the Grantee the right to make all divisions under Section 108 of the land division act, Act No. 288 of the Public Acts of 1967, as amended. This property may be located within the vicinity of farmland or a farm operation. Generally accepted agricultural and management practices which may generate noise, dust, odors, and other associated conditions may be used and are protected by the Michigan right to farm act.”

This deed is dated as of _____, 2016.

WITNESSES:

CITY OF DETROIT,
a Michigan public body corporate

PRINT NAME

By: _____

Print: _____

PRINT NAME

Its: _____

STATE OF MICHIGAN)
) ss,
COUNT OF WAYNE)

The foregoing instrument was acknowledged before me on _____, 2016 by _____, the _____ of the City of Detroit, a Michigan public body corporate, on behalf of the City.

Print:
Notary Public, Wayne County, Michigan
My commission expires: _____
Acting in the County of _____

Pursuant to § 18-5-4 of the Detroit City Code, I hereby certify that proper and fair consideration has been received by the City pursuant to this instrument. _____ Finance Director	Approved by City Council on _____ Approved by the Mayor on _____
--	---

Approved by Corporation Counsel pursuant to §7.5-206 of the 2012 Charter of the City of Detroit. _____ Corporation Counsel
--

This Instrument drafted by:

When recorded, return to:

City of Detroit Law Department
2 Woodward Avenue, Suite 500
Detroit, MI 48226

Exempt from transfer taxes pursuant to MCL § 207.505(h)(i) and MCL § 207.526(h)(i).

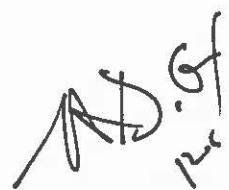


EXHIBIT D
COVENANT DEED

_____ , a _____ ("**Grantor**"), whose
address _____ is

_____ ,
hereby sells, conveys, grants and bargains to the City of Detroit ("**Grantee**"), whose address is 2
Woodward Avenue, Suite 802, Detroit, Michigan 48226, that parcel of land situated in the City
of Detroit, Wayne County, Michigan, more specifically described as:

See Exhibit A hereto,

together with all improvements, buildings, facilities, structures and real estate fixtures thereon,
and all rights, privileges and appurtenances in connection therewith,

for One and 00/100 Dollar (\$1.00) and other good and valuable consideration. A Real Estate
Transfer Valuation Affidavit is attached.

Grantor, for itself, its successors and assigns, covenants, grants, bargains, and agrees to
and with Grantee, its successors and assigns, that, subject to the exceptions set forth on Exhibit
B hereto, Grantor has not done, committed or knowingly suffered to be done or committed any
act, matter, or thing whatsoever, whereby the real property hereby granted, or any part thereof,
is, or shall or may be, charged or encumbered in title, estate or otherwise.

Grantor grants to Grantee the right to make all division(s) under Section 108 of the Land
Division Act, Act No. 288 of the Public Acts of 1967, as amended.

This property may be located within the vicinity of farmland or a farm operation.
Generally accepted agricultural and management practices which may generate noise, dust,
odors, and other associated conditions may be used and are protected by the Michigan Right to
Farm Act.

EXHIBIT E

IRREVOCABLE POWER OF ATTORNEY

_____, a Michigan _____
(herein called the "Principal"), whose address is _____
does hereby nominate, constitute and appoint the Corporation Counsel for the City of Detroit as
its true and lawful attorney-in-fact, with full power and authority hereby conferred to execute in
its name and on its behalf one or more deeds (herein called the "Deeds") conveying the Property
(as more particularly described in **Exhibit A** hereto) to the City of Detroit upon a default by the
Principal in the terms and conditions of a certain Master Agreement to Purchase and Develop
Land (herein called the "Agreement") entered into between the City of Detroit and the Principal
on or about _____, 2016.

Upon such uncured default by the Principal as specified in the Agreement, and recording
of a notice of default by the City, all rights and interest to and in the Property shall automatically
vest back in the City and the City shall have the power upon the execution of this irrevocable
Power of Attorney to execute on behalf of the Principal one or more Deeds conveying all rights,
title and interest to and in the Property to the City.

Pursuant to the terms hereof, the Corporation Counsel shall have the power to bind the
Principal thereby as fully and to the same extent as if such Deeds were signed by the duly
authorized officers of the Principal, and all the acts of said attorney, pursuant to the authority
herein given, are hereby ratified and confirmed. This Power of Attorney is coupled with an
interest and is irrevocable by Principal, or its successors or assigns.

In witness whereof, Principal has caused this document to be signed by its duly
authorized officer on _____.

WITNESSES:

"PRINCIPAL"
A Michigan public body corporate

PRINT NAME

By: _____

PRINT NAME

Print: _____

Its: _____

STATE OF MICHIGAN)
) ss,
COUNT OF WAYNE)

The foregoing instrument was acknowledged before me on _____ by _____, the _____ of _____, on behalf of said _____.

Print:
Notary Public, Wayne County, Michigan
My commission expires: _____

Drafted by and when recorded return to:

City of Detroit
Planning & Development Department
2 Woodward Avenue, Ste. 802
Detroit, Michigan 48226



Handwritten signature and date: *[Signature]*
12/20

EXHIBIT F

CERTIFICATE OF COMPLETION

WHEREAS, the **CITY OF DETROIT**, a Michigan public body corporate, acting by and through the Planning and Development Department (“City”), whose address is Two Woodward Ave., Coleman A. Young Municipal Center, Detroit, Michigan 48226, and **HERMAN KIEFER DEVELOPMENT, LLC**, a Michigan limited liability company (“Master Developer”), whose address is P. O. Box 2822, Detroit, Michigan 48202 are parties to the Master Development Agreement dated _____, 2016 (referred to as the “**Master Development Agreement**”); and

WHEREAS, the Master Developer has undertaken to develop to certain land in the City of Detroit, Wayne County, Michigan now described as:

[Insert Legal Description]

Commonly known as: _____
Tax Parcel ID: _____

referred to in this document as the “**Project**”; and

WHEREAS, Master Developer has requested the undersigned to issue a Certificate of Completion for the Project pursuant to Section 2.11 of the Master Development Agreement; and

WHEREAS, the undersigned has determined that the Improvements on the Project have been completed by the Master Developer in satisfaction of the provisions of the Master Development Agreement.

NOW, THEREFORE, the undersigned hereby certifies to Master Developer that:

1. The terms, covenants and conditions of the Master Development Agreement relating to the commencement and completion of the Project have been satisfactorily performed.
2. The amount of Eligible Costs with respect to the Project is \$_____, which Eligible Costs shall apply toward satisfaction of the Investment Commitment under the terms of the Master Development Agreement.
3. This Certificate of Completion is given pursuant to Article 2 of the Master Development Agreement and is a conclusive acknowledgment on behalf of the City of satisfaction by Master Developer of its obligations under the Master Development Agreement with respect to the Project. The City Reconveyance Right and any other reversionary rights of the City under the Master Development Agreement with respect to the Project are hereby terminated.

Handwritten signature in black ink, appearing to be 'MSOF' with a checkmark below it.

4. Capitalized terms used herein but not otherwise defined herein shall have the meanings given to such terms in the Master Development Agreement.

[Signature Page on Next Page]

Handwritten signature and initials, possibly "M.D.G." and "24", in the bottom right corner.

City of Detroit
a Michigan public body corporate

By: _____
Print Name: _____
Its: Authorized Agent

-and-

By: _____
Print Name: _____
Its: Authorized Agent

STATE OF MICHIGAN)
) ss.
COUNTY OF WAYNE)

The foregoing instrument was acknowledged before me on _____,
20___, by _____ and
_____, the Authorized Agent and
_____ of the City of Detroit, a Michigan public body corporate
on behalf of said public body corporate.

Print: _____
Notary Public, _____ County, Michigan
Acting in Wayne, County, Michigan
My commission expires: _____

**DRAFTED BY AND WHEN
RECORDED RETURN TO:**

EXHIBIT G

ACTIVATION CERTIFICATE

This Activation Certificate verifies that [DEVELOPER NAME] has met its obligation in relation to activating the building area or land area referred to as _____ as associated with the Herman Kiefer Redevelopment Project. The [BUILDING/LAND AREA] was activated [WITH/BY/AS] [NAME ACTIVITY].

1. [DEVELOPER NAME] submitted a report that meets the requirements of Article 2.13 of the Master Development Agreement, describes the [NAME ACTIVITY] and which included information on the following (check where applicable):

- Start date
- Duration
- Frequency
- Number of square feet activated
- Number of attendees/ visitors / participants / occupants
- Funds/resources invested

2. This Certificate confirms that _____ square feet have been activated by Master Developer..

3. This Activation Certificate is given pursuant to Article 2 of the Master Development Agreement.

4. Capitalized terms used herein but not otherwise defined herein shall have the meanings given to such terms in the Master Development Agreement.

[Signature Page on Next Page]

Handwritten signature and initials, possibly "MS.G" and "24".

City of Detroit
a Michigan public body corporate

By: _____

Print Name: _____

Its: Authorized Agent

-and-

By: _____

Print Name: _____

Its: Authorized Agent

STATE OF MICHIGAN)
) ss.
COUNTY OF WAYNE)

The foregoing instrument was acknowledged before me on _____,
20___, by _____ and
_____, the Authorized Agent and
_____ of the City of Detroit, a Michigan public body corporate
on behalf of said public body corporate.

Print: _____
Notary Public, _____ County, Michigan
Acting in Wayne, County, Michigan
My commission expires: _____

**DRAFTED BY AND WHEN
RECORDED RETURN TO:**

*MS. Gal
Re*

EXHIBIT H
CERTIFICATE OF AUTHORITY FOR LIMITED LIABILITY COMPANY

I, RONALD CASTELLANO, Manager of
Herman Kiefer Development LLC a Michigan limited liability company (the
"Company")

DO HEREBY CERTIFY that the following is a true and correct excerpt from [check appropriate box]

- the minutes of a meeting of the Members of the Company duly called and held on _____
- a consent in lieu of a meeting, with signed consents received from all of the Members of the Company on or before the date hereof.

and that the same is now in full force and effect:

"RESOLVED, that any Manager of the Company, is hereby authorized to execute and deliver, in the name and on behalf of the Company, any agreement or other instrument or document in connection with any matter or transaction with the City of Detroit that shall have been duly approved; the execution and delivery of any agreement, document, or other instrument by any of such Managers to be conclusive evidence of such approval."

I FURTHER CERTIFY that the following persons are Managers:

Sole member

I FURTHER CERTIFY that any of the aforementioned Managers of the Company are authorized to execute or guarantee and commit the Company to the conditions, obligations, stipulations and undertakings contained in the attached Agreement, and that all necessary approvals have been obtained in relationship thereto.

IN WITNESS THEREOF, I have set my hand this 23rd day of May,
2016.



Print: RONALD CASTELLANO
Manager

EXHIBIT I

SITE MAP CITY PARCELS RESERVED

HERMAN KIEFER STUDY AREA

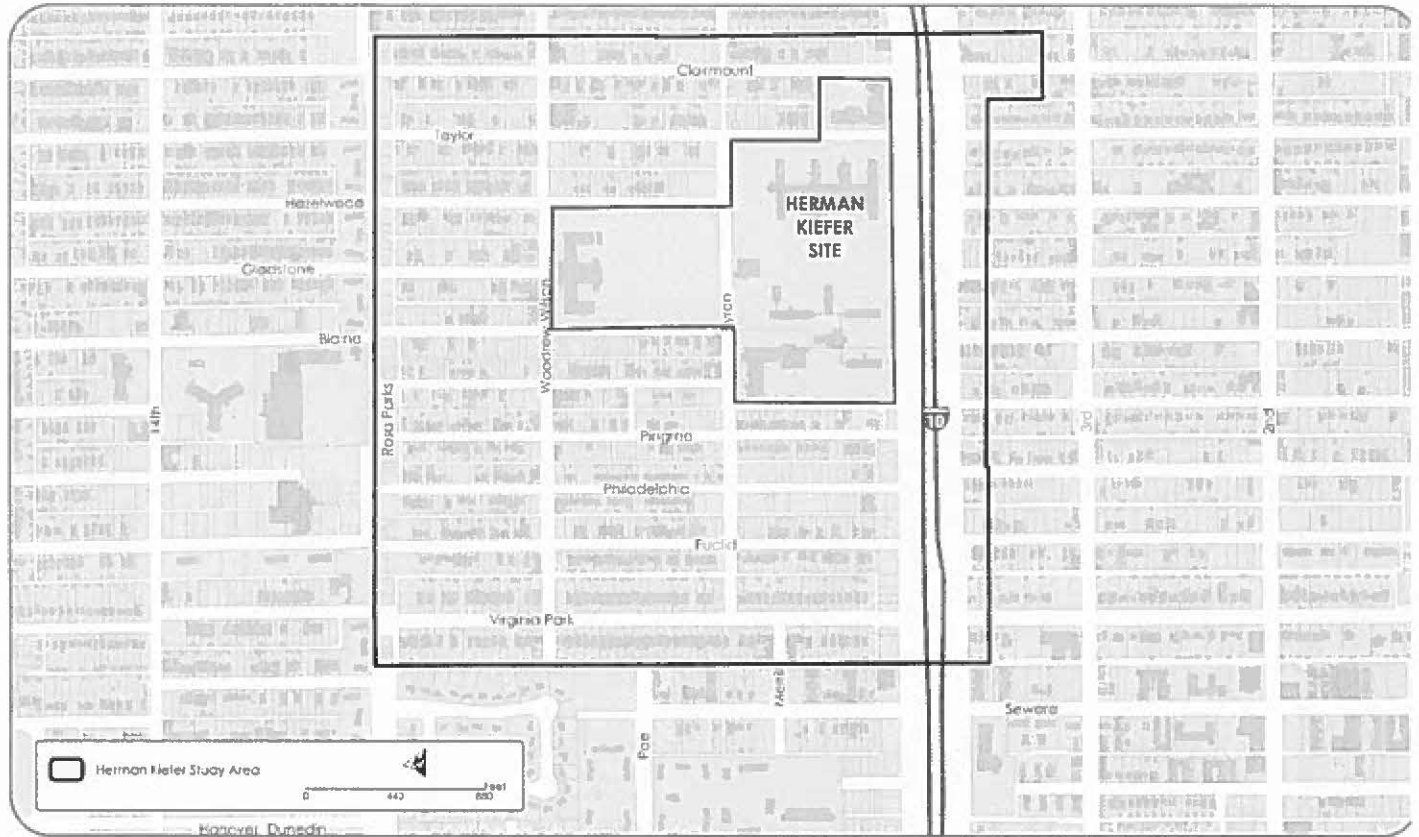


EXHIBIT J

PERMITTED ENCUMBRANCES

Master Developer and the City of Detroit Public Lighting Department (PLD) will complete the review of the pass-through distribution assets and other electrical utility assets remaining at the Property including but not limited to lines, switches, switch rooms and other equipment. PLD and the Master Developer will enter into an easement or license agreement providing access and use of such equipment by PLD as determined to be necessary following receipt of documentation from survey of the Property.

A handwritten signature in black ink, appearing to be 'M. D. G. P.' with a flourish underneath.

EXHIBIT K

DISPUTE RESOLUTION

Any dispute, controversy or claim (hereinafter “**Dispute**”) between the CITY and MASTER DEVELOPER (collectively, the “**Parties**” and singularly, the “**Party**”) of any kind or nature whatsoever, arising under, in connection with or in relation to this Development Agreement, or any related document or agreement, or the breach, termination or validity thereof, whether arising in contract, tort or otherwise, shall be resolved according to the following procedures:

Part A: Negotiation in Advance of Mediation

1. The Parties shall attempt in good faith to resolve any Dispute promptly by negotiation between executives who have authority to settle the controversy and who are at a higher level of management than the persons with direct responsibility for administration of this Agreement. Any Party may give the other Party written notice of any Dispute not resolved in the normal course of business. Within 5 business days after delivery of the notice, the receiving Party shall submit to the other a written response. The notice and response shall include with reasonable particularity (a) a statement of each Party’s position and a summary of arguments supporting that position, and (b) the name and title of the executive who will represent that Party and of any other person who will accompany the executive. Within 7 business days after delivery of the notice, the executives of both Parties shall meet, without the presence of legal counsel, at a mutually acceptable time and place.
2. Unless otherwise agreed in writing by the negotiating Parties, the above-described negotiation shall end at the close of the first meeting of executives described above (“**First Meeting**”), at which time the Dispute may be submitted to mediation as provided below. Such closure shall not preclude continuing or later negotiations, if desired.
3. At no time prior to the First Meeting shall either side initiate mediation, arbitration or litigation related to this Agreement except to pursue a provisional remedy that is authorized by law or by JAMS Rules or by agreement of the Parties. However, this limitation is inapplicable to a Party if the other Party refuses to comply with the requirements of Paragraph 1 of this Part A.
4. All applicable statutes of limitation and defenses based upon the passage of time shall be tolled while the procedures specified in Paragraphs 1 and 2 of this Part A are pending and for 15 calendar days thereafter. The Parties will take such action, if any, required to effectuate such tolling.

Part B: Mediation in Advance of Arbitration

1. If the Dispute is not resolved by negotiation pursuant to Part A of this Exhibit, then the Dispute shall be submitted to JAMS for mediation, and if the Dispute is not resolved through mediation, then it shall be submitted to JAMS for final and binding arbitration pursuant to Paragraph 4 of this Part B.
2. Either Party may commence mediation by providing to JAMS and the other Party a written request for mediation, setting forth the subject of the Dispute and the relief requested.
3. The Parties will cooperate with JAMS and with one another in selecting a mediator from the JAMS panel of neutrals and in scheduling the mediation proceedings. The Parties shall participate in the mediation in good faith and that they will share equally in its costs.

Handwritten signature and initials in the bottom right corner, appearing to read "M.D.G." and "R.C.".


4. Either Party may initiate arbitration with respect to the matters submitted to mediation by filing a

MS. Gf
12

5. written demand for arbitration at any time following the initial mediation session or at any time following 30 days from the date of delivering to the other Party the written request for mediation, whichever occurs first ("**Earliest Initiation Date**"). The mediation may continue after the commencement of arbitration if the Parties so desire.
6. Except as expressly permitted in Part C below, at no time prior to the Earliest Initiation Date shall either side initiate an arbitration or litigation related to this Agreement except to pursue a provisional remedy that is authorized by law or by JAMS Rules or by agreement of the parties. However, this limitation is inapplicable to a Party if the other Party refuses to comply with the requirements of Paragraph 3 of this Part B.
7. All applicable statutes of limitation and defenses based upon the passage of time shall be tolled until 15 days after the Earliest Initiation Date. The Parties will take such action, if any, required to effectuate such tolling.

Part C: Arbitration

1. In the event that any Party initiates arbitration in accordance with Part B of this Exhibit, then such Dispute (including the determination of the scope or applicability of this agreement to arbitrate) shall be determined by arbitration in the City of Detroit, Michigan before three arbitrators. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures as are in effect on the date of this Agreement (the "**Rules**") and in accordance with the laws of the State of Michigan. Judgment on the arbitrators' award determination ("**Award**") may be entered in any court having jurisdiction. This paragraph shall not preclude Parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction.
2. Within 10 days after the commencement of arbitration, each Party shall select one person to act as arbitrator (which selection shall be made by the Parties from the JAMS panel of arbitration neutrals), and the two so selected shall select a third arbitrator (which selection shall be made from the JAMS panel of arbitration neutrals) within 20 days of the commencement of the arbitration. If the arbitrators selected by the Parties are unable or fail to agree upon the third arbitrator within the allotted time, the third arbitrator shall be appointed by JAMS (from the JAMS panel of arbitration neutrals) in accordance with its Rules. Arbitrators may be selected from the JAMS panel of neutrals from any JAMS office in the United States. All arbitrators shall serve as neutral, independent and impartial arbitrators. The third arbitrator shall serve as the Chair of the three-arbitrator panel, which Chair arbitrator, at minimum, must previously have served as Chair or sole arbitrator in at least 10 arbitrations where an award was rendered following a hearing on the merits.

Handwritten signature and initials, possibly "AD" and "RC", in the bottom right corner.

3. Any arbitration arising out of or related to this Agreement shall be conducted in accordance with the expedited procedures set forth in the Rules, including Rules 16.1 and 16.2 of those Rules. Without limiting the foregoing, the arbitration hearing, if any, shall be held, if possible, no later than four months after the appointment of the third arbitrator, and the Award shall be rendered, if possible, within 30 days after the conclusion of the hearing. The Award shall be a reasoned award and shall state the legal and factual basis for the arbitrators' ruling.
4. The arbitrators shall have the authority to grant injunctive relief and compel performance of duties under this Agreement by ordering specific performance or mandatory injunction.
5. By agreeing to arbitration, the Parties do not intend to deprive any court of its jurisdiction to issue a pre-arbitral injunction, pre-arbitral attachment or other order in aid of arbitration proceedings and the enforcement of any award. Without prejudice to such provisional remedies in aid of arbitration as may be available under the jurisdiction of a federal or state court, the arbitrators shall have full authority to grant provisional remedies and to award damages for the failure of any Party to respect the arbitrators' orders to that effect.
6. The Award shall be final and binding on the Parties, and shall be the sole and exclusive remedy between the parties regarding any claims, issues or accounting presented to the arbitral tribunal. In the event either Party retains legal counsel and/or incurs attorney fees, costs and expenses in connection with the negotiations and/or arbitration, the arbitrators may include in the Award, if any, to the prevailing Party, its attorney fees, costs and/or expenses, including costs of enforcement of an arbitration Award.
7. The Parties shall maintain the confidential nature of the arbitration proceeding and the Award, including the arbitration hearing, except as may be necessary to prepare for or conduct the arbitration hearing on the merits or except as may be necessary in connection with a court application for a preliminary remedy, a judicial challenge to an Award or its enforcement, or unless otherwise required by law or judicial decision.
8. Notwithstanding anything to the contrary set forth in this Exhibit, in the event that a Party believes, in its faith determination, that it needs to proceed immediately to arbitration in respect of a particular Dispute and that it could suffer irreversible harm as a result of having to wait to commence arbitration until completion of the procedures described in Parts A and B of this Exhibit, such Party shall have the right to initiate arbitration with respect to such Dispute at any time that is not less than 10 days after such Party delivers a written demand for arbitration to the other Party.

Part D: General Provisions regarding Dispute Resolution

1. "JAMS" means JAMS, the Resolution Experts or its successor.
2. If JAMS will not or cannot accept engagement with respect to a particular Dispute or if JAMS ceases to exist and there is no successor thereto, then Master Developer and the City shall select a substitute provider of dispute resolution services mutually acceptable to them ("Substitute Provider"), in which case all mediation and arbitration for any Disputes thereafter arising shall be submitted to the Substitute Provider instead of to JAMS. If the Parties fail, within 7 business days after the First Meeting for such Dispute to select a substitute provider of dispute resolution services mutually acceptable to them, then any Party shall be permitted to pursue resolution of such Dispute in a manner permitted at law or in equity, including, without limitation, initiation of litigation.

Handwritten signature or initials in the bottom right corner of the page, possibly reading "ADG" with a checkmark below it.

3. All notices relating to any Dispute shall be given in a manner permitted in the Agreement.

MS
GF
22

4. Discovery shall be permitted in accordance with the Rules; and the Parties shall provide to each other not less than ten (10) days in advance of the commencement of the arbitration hearing (i) a list of all witnesses intended to be produced at the arbitration and (ii) copies of any documentary evidence intended to be produced at the arbitration.
5. The Parties agree that they are not entitled to and shall not request or claim punitive or exemplary damages and the arbitrators shall not have the authority to award punitive or exemplary damages or any other damages in excess of actual pecuniary damages, except to the extent of damages stipulated as liquidated damages by and between any of the Parties.
6. Unless otherwise determined by the terms of the Award, each Party shall pay all of its own arbitration expenses and an equal share of the fees and expenses of JAMS and the arbitrators.
7. All data, documents, financial reports and analyses and other information which is marked as confidential and provided to another Party in connection with the negotiation, mediation or arbitration procedures above described (the "Confidential Information"), shall be kept strictly confidential and shall not be disclosed, reported, published or used, directly or indirectly, by or through such other Party, or such Party's agents, for any purposes whatsoever, except that this restriction shall not apply to any (i) disclosure made to such Party's legal or tax advisor in connection with the negotiation, mediation or arbitration procedures or such Party's tax compliance, (ii) Confidential Information which is in the public domain other than by breach of a confidentiality obligation, or (iii) disclosure otherwise required by law or legal process, provided that the Party providing such Confidential Information shall provide the other Party within forty-eight (48) hours of receipt of such legal process with notice of the receipt of such legal process and shall provide advance notice of not less than forty-eight (48) hours of its intent to make such disclosure.
8. All offers, promises, conduct and statements, whether oral or written, made in the course of the negotiation or mediation by any of the Parties, their agents, employees, experts and attorneys, and by a mediator or any JAMS employees, are confidential, privileged and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the Parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the negotiation or mediation.
9. To the extent that any Party (including assignees of any Party's rights or obligations under this Agreement) may be entitled, in any jurisdiction, to claim for itself or its revenues, assets or properties, sovereign immunity from service of process, from suit, from the jurisdiction of any court, from attachment prior to judgment, from attachment in aid of execution of an arbitral Award or judgment (interlocutory or final), or from any other legal process, and to the extent that, in any such jurisdiction there may be attributed such a sovereign immunity (whether claimed or not), each Party hereto hereby irrevocably agrees not to claim, and hereby irrevocably waives, such sovereign immunity.

Handwritten signature and initials in the bottom right corner of the page. The signature appears to be "ADG" with a flourish, and the initials "ZC" are written below it.

HERMAN KIEFER DEVELOPMENT, LLC

July 5, 2017

Director
Planning Development Department
City of Detroit
2 Woodward Avenue, Suite 802
Detroit, Michigan 48226
Attention: Maurice Cox

Re: Master Agreement to Purchase and Develop Land (the "MDA") by and between The City of Detroit (the "City") and Herman Kiefer Development, LLC (the "Master Developer") dated May 25, 2016

Dear Mr. Cox,

This Letter Agreement (the "Letter") is intended to (i) clarify certain terms, conditions and provisions of the MDA as set forth in this Letter (collectively, the "MDA Clarifications"), which MDA Clarifications do not require the approval of the City Council, and (ii) propose certain further amendments to the MDA set forth in the proposed First Amendment to Master Development Agreement (the "Proposed First Amendment") attached hereto as Exhibit A, which Proposed First Amendment must be approved by the City Council in accordance with Sections 15 and 18.16 of the MDA. Any capitalized terms used in this Letter, but not specifically defined in this Letter, shall have the meanings identified in the MDA.

Pursuant to the terms of the MDA, since the Effective Date of the MDA, Master Developer has been diligently pursuing negotiations of the Land Bank Agreement with the Detroit Land Bank Authority (the "DLBA"). Due to complications beyond Master Developer's control, such negotiations have taken longer than initially anticipated and, as a result, Master Developer has incurred certain unanticipated, increased costs.

By execution below, the City and Master Developer acknowledge and agree that, despite the time for Closing (the "Original Outside Date") having passed, (i) as of the date hereof, the MDA continues to be in full force and effect, (ii) the City and Master Developer have elected to forego only those remedies to which each it is entitled pursuant to the MDA associated with the failure to proceed to Closing by the Original Outside Date, and (iii) the City and Master Developer agree to continue to operate under the MDA (as clarified by the MDA Clarifications set forth below) and as further modified by the Proposed First Amendment, which the City Council approved prior to the date hereof, pursuant to item 6 below.

By execution below, the City and Master Developer acknowledge and agree to the following MDA Clarifications, which shall be automatically incorporated into the MDA as of the date hereof:

1. The definition of "Affiliate," as defined in Section 1.08 of the MDA, does not include any Person who directly or indirectly holds an ownership interest in the Master Developer if such Person's ownership interest does not include any voting control (as defined in the

MDA) of the Master Developer; it being agreed that the term "Affiliate" shall not include any passive investor in the Master Developer (which passive investor may or may not have certain customary major decision rights with respect to Master Developer). Master Developer shall disclose to the City any Person who constitutes an Affiliate.

2. "Eligible Costs," as defined in Section 1.28 of the MDA, includes the costs to perform any tenant improvements on the Improvements or the Property, whether performed by the Master Developer or any tenant.
3. "Master Developer," as defined in Section 1.38 of the MDA, by definition does not include a "Project Developer" as defined in Section 9.01 of the MDA.
4. Master Developer's obligations relative to the Security Plan set forth in Section 2.04(a) of the MDA have been and will be satisfied by Master Developer continuing the security protocol originally established by the City prior to the Effective Date of the MDA. If the Master Developer hereafter desires to amend or modify the Security Plan the Master Developer shall deliver written notice of the proposed modifications to the City Liaison at least thirty (30) days prior to implementation of any such modifications and the City Liaison shall confirm its approval of such proposed modifications within ten (10) days of receipt of such written notice from Master Developer. If the City Liaison has not approved such proposed modifications or provided a written statement setting forth the reasons for not approving such modifications with such ten (10) day period, the City Liaison will be deemed to have approved such modifications of the Security Plan and Master Developer shall be permitted to implement the Security Plan, as revised pursuant to Master Developer's proposed modifications.
5. Notwithstanding the one (1) month period referenced in Section 2.04 of the MDA, Master Developer's option to commence Activation of any portion of the Property set forth in Section 2.04(b) of the MDA commenced on the Effective Date and shall continue throughout the term of the MDA.
6. In accordance with Section 18.16 of the MDA, the City has submitted the request for authorization to amend the MDA to City Council, simultaneously with a request for the City Council to review Master Developer's Brownfield Plan and OPRA District (as defined in the Proposed First Amendment). As of June 20, 2017, the City Council authorized and approved (i) an amendment to the MDA in the form of the Proposed First Amendment attached hereto as Exhibit A and (ii) Master Developer's proposed Brownfield Plan and OPRA District.
7. Master Developer and the DLBA have executed the Land Bank Agreement, which is attached hereto as Exhibit B.

In furtherance of the foregoing, Master Developer shall endeavor to complete the following within the timeframes set forth below (it being agreed that failure to complete any of the below items shall not constitute an Event of Default under the MDA):

1. Notwithstanding the terms of the Land Bank Agreement, Master Developer shall, immediately following execution of this Letter and weather permitting, commence boarding up and securing at least twelve (12) parcels of vacant, Improved Property (as defined in the Land Bank Agreement) subject to the First Option (as defined in the Land Bank Agreement).
2. Master Developer, within five (5) Business Days following execution of this Letter, shall submit to the City the sum of \$135,800 which is attributable to the Security Costs for the Property during the period from November 16, 2016 through February 28, 2017.

[Remainder of page intentionally left blank; signature pages follow]

By execution below, the Master Developer acknowledges, confirms and agrees to the terms of the MDA as clarified by this Letter.

Sincerely,

Herman Kiefer Development, LLC, a Michigan limited liability company

By:  _____
Ronald Castellano, Managing Member

By execution below, the City acknowledges, confirms and agrees to the terms of the MDA as clarified by this Letter.

City of Detroit, a Michigan public body corporate

By: _____
Maurice Cox, Director of Planning and Development Department

By execution below, the Master Developer acknowledges, confirms and agrees to the terms of the MDA as clarified by this Letter.

Sincerely,

Herman Kiefer Development, LLC, a Michigan limited liability company

By: _____
Ronald Castellano, Managing Member

By execution below, the City acknowledges, confirms and agrees to the terms of the MDA as clarified by this Letter.

City of Detroit, a Michigan public body corporate

By: _____
Maurice Cox, Director of Planning and Development Department

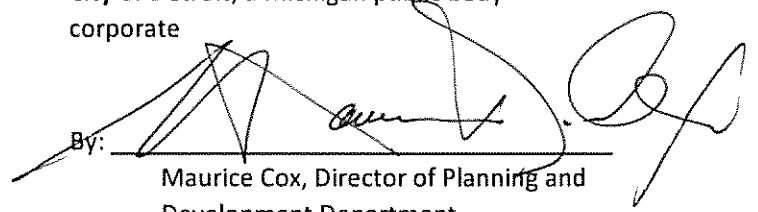


Exhibit A

FIRST AMENDMENT TO MASTER AGREEMENT TO PURCHASE AND DEVELOP LAND

THIS FIRST AMENDMENT TO MASTER AGREEMENT TO PURCHASE AND DEVELOP LAND ("First Amendment") is made and entered into this 5th day of July, 2017, ("**First Amendment Effective Date**") by and between the **CITY OF DETROIT**, a Michigan public body corporate, acting by and through the Planning and Development Department ("**P&DD**"), whose address is Two Woodward Ave., Coleman A. Young Municipal Center, Detroit, Michigan 48226, referred to herein as the "**City**", and **HERMAN KIEFER DEVELOPMENT, LLC**, a Michigan limited liability company, whose address is P.O. Box 2822, Detroit, Michigan 48202, "**Master Developer**".

RECITALS:

WHEREAS, City and Master Developer entered into an that certain Master Agreement to Purchase and Develop Land on May 25, 2016 (the "**MDA**") for the purchase and redevelopment of certain parcels of real property located in the City of Detroit, Michigan, as more particularly described in Exhibit A to the MDA (the "**Property**");

WHEREAS, City and Master Developer now desire to amend the MDA in accordance with the terms and conditions herein:

NOW THEREFORE, for and in consideration of the mutual covenants contained in this Amendment and other good and valuable consideration, City and Master Developer agree to amend and affirm the MDA as follows:

- 1. Utility Reimbursements.** Notwithstanding anything in the MDA to the contrary, the Master Developer shall have no obligation to reimburse the City for electric, water, sewage and drainage costs associated with the Project and attributable to periods prior to Closing.
- 2. Security Costs through March 2017.** Notwithstanding anything in the MDA to the contrary, the Master Developer shall have no obligation to reimburse the City for Security Costs attributable to the Property for the period of April 1, 2016 through November 15, 2016. Master Developer, within five (5) business days following execution of the side letter dated July 5, 2017, the Master Developer paid the City the amount of One Hundred and Thirty Five Thousand Eight Hundred and no/100 (\$135,800.00) Dollars, representing the Security Costs attributable to the Property for the period of the second half of November 16, 2016 through February 28, 2017. Subject to Section 3 below, for each month following February 2017, Master Developer shall reimburse the City for any Security Costs not to exceed Thirty Eight Thousand Eight Hundred and No/100 (\$38,800.00) in any one (1) month, within thirty (30) days following receipt of an invoice evidencing such Security Costs. In addition, Master Developer shall reimburse the City for Security Costs for March 2017 within thirty (30) days of receiving invoices evidencing such Security Costs.
- 3. Brownfield Plan and OPRA District Approval Impact on Security Costs Obligations.** Notwithstanding anything in the MDA to the contrary, the Master Developer shall have no obligation to reimburse the City for Security Costs attributable to the Property for the period commencing on April 1, 2017 through and including the date the City Council approves the Brownfield Plan and Obsolete Property Rehabilitation Act District ("**OPRA District**") applications furnished by the Master Developer (the

“**Security Cost Abatement Period**”). The parties hereby acknowledge and agree that the City Council has, as of the First Amendment Effective Date, approved Master Developer’s Brownfield Plan and OPRA District and, therefore, the Security Cost Abatement Period terminated as of June 30, 2017. The Master Developer shall have no obligation to reimburse the City for the Security Costs during the Security Cost Abatement Period.

5. **Outside Closing Date.** Notwithstanding anything in the MDA to the contrary, the Closing shall occur on or before September 30, 2017 (the “**Outside Closing Date**”).

6. **Division of Property.** The City acknowledges and agrees that the Master Developer may seek to divide the Property into smaller parcels to complete Activation and/or the development of individual projects by one or more Project Developers (any such division, collectively, the “**Division Plan**”). City agrees to permit the Master Developer to seek to divide the Property into parcels identified on Exhibit A to this First Amendment, subject to Master Developer obtaining approval of the Division Plan from the City Liaison and the appropriate governmental authorities. The approval herein is not intended to circumvent the necessary governmental approvals for the division of land, but rather is intended to acknowledge that division of the Property into smaller parcels is necessary to permit Activation and/or the development of individual projects by one or more Project Developers.

7. **Section 1.24 of Article 1 is amended to read as follows:**

1.24 “**Deadline I**” shall mean the date that is the sixth anniversary of the Closing and “**Deadline II**” shall mean the date that is the eleventh anniversary of the Closing (for instance and by way of example only, if the Closing occurs April 1, 2016 then the sixth anniversary is April 1, 2022 and the eleventh anniversary is April 1, 2027).

8. **New Article 19.** The following is added as Article 19 to the MDA:

ARTICLE 19. FINANCIAL PROVISIONS.

19.01. Financing Provisions. Without limiting the rights of Master Developer otherwise set forth in the MDA, the City recognizes and acknowledges, for the purposes of obtaining funds only to the extent necessary to acquire, develop, redevelop, improve, rehabilitate, subdivide, construct, lease, manage, operate and/or market the Project (each, a “**Project Related Cost**” and, collectively, the “**Project Related Costs**”) that (a) financing of the Project is likely to include one or more of equity participations, “mezzanine” debt, and other financing arrangements and (b) that the Master Developer shall have the right, without the necessity of obtaining approvals from the City or any entity, to grant to any Holder (as defined below) the following liens or encumbrances on all or any portion of the Property (or direct or indirect interests therein) in connection therewith (each, a “**Financing**”):

(a) a mortgage, deed of trust, or related security (each, a “**Mortgage**”) granted by Master Developer to a third party (together with its successors and assigns, a “**Mortgagee**”) for the purpose of obtaining financing of the Project Related Costs including any Mortgage or Mortgages and other liens and encumbrances granted by Master Developer to a Mortgagee for the purpose of financing the Project Related Costs; or

(b) an equity interest or other interest granted by Master Developer to a historic preservation tax credit investor in order to facilitate historic tax credit financing; or

(c) a pledge of direct or indirect membership interests in the Master Developer or related security interest granted by Master Developer, to a Holder for the purpose of financing the Project Related Costs, including any liens and encumbrances granted on direct or indirect interests in Master Developer to a Holder for the purpose of financing the Project Related Costs.

Notwithstanding the foregoing, Master Developer shall give the City prior written notice of any Financing and, together with such notice, the name(s) and address(es) of all Holders of such Financing. If Master Developer has notified the City of any Financing, then within thirty (30) days of the City's receipt of a written request from the Master Developer or any proposed Holder offering Master Developer such Financing, the City will issue to the requesting entity a written acknowledgment that it has received notice of such Financing.

For purposes of this First Amendment and MDA, "**Holder**" means any third party capital provider, equity participant, lender or holder of any Financing, including, without limitation, any Mortgagee, together with each of their respective successors and assigns (including but not limited to any of the foregoing who obtains title to all or any portion of the Property, the membership interests of the Master Developer, or to any part thereof as a result of foreclosure proceedings, or action in lieu thereof (but not including (a) any other party who thereafter obtains title from or through any Holder or (b) any other purchaser at a foreclosure sale, other than the original Holder, itself).

19.02. Obligations of Mortgagee. Notwithstanding any of the provisions of the MDA, including but not limited to those which are or are intended to be covenants running with the land, a Holder shall in no way be obligated by the provisions of the MDA to construct or complete any Project or to guarantee such construction or completion; provided that nothing in this First Amendment or any Article or provision of the MDA shall be deemed or construed to permit or authorize any such Holder to devote all or any portion of the Property to any uses, or to construct any Improvements thereon, other than those uses or Improvements provided or permitted pursuant to the MDA and the Master Development Plan.

19.03. Notice of Default and Right to Cure.

(a) Whenever the City shall deliver any notice or demand to the Master Developer with respect to any breach or Default by the Master Developer under the MDA, the City shall at the same time deliver to each Holder a copy of such notice or demand, provided that the Master Developer has delivered to the City a written notice setting forth the name and address of such Holder as set forth in Section 19.01 of this First Amendment.

(b) After any Default, each such Holder shall (insofar as the rights of the City are concerned) have the right, at its option, to cure or remedy such Default (or such Default to the extent that it relates to the part of the Property covered by its mortgage, lien, encumbrance or security ("**Holder's Interest**")) and to add the cost thereof to the debt and the lien of such Holder's Interest; provided, that if the Default is with respect to construction of the Improvements, nothing contained in this Section or any other Section of this Agreement shall be deemed to permit or authorize such Holder, either before or after foreclosure or action in lieu thereof, to undertake or continue the construction or completion of the Improvements (beyond emergency measures necessary to conserve or protect Improvements or construction already made) without first having expressly assumed the obligation to the City, by written agreement reasonably satisfactory to the City, to complete, in the manner provided in this Agreement, the Improvements on the Property or any part thereof to which such Holder's Interest relates. Any such Holder who shall properly complete the Improvements relating to the

Property or applicable part thereof shall be entitled, upon written request made to the City, to a Certificate of Completion, Activation Certificate or any other certificate, consent, or notice to which Master Developer is entitled pursuant to this Agreement. Notwithstanding the foregoing, each Holder shall have a period of (i) fifteen (15) days more, in the case of any monetary Default, and (ii) sixty (60) days more, in the case of any other Default, than is given to Master Developer under the provisions of this Agreement to remedy such Default or cause it to be remedied, provided such Holder delivers to the City, within five (5) business days after the expiration of the time given to Master Developer pursuant to the provisions of this Agreement to remedy the event or condition which would otherwise constitute a Default hereunder, its written agreement to take the action described in clauses (i) and (ii) above. The City shall accept performance by a Holder of any covenant, condition or agreement on Master Developer's part to be performed hereunder with the same force and effect as though performed by Master Developer.

(c) The cure periods set forth in subsection (b) of this Section 19.03 shall be reasonably extended for so long as such Holder shall have:

(i) in the case of a Default that is curable without possession of the applicable portion of the Property by such Holder, commenced in good faith to cure the default within the periods provided in subsection (b) above and is prosecuting such cure to completion with reasonable diligence (subject to force majeure delays); or

(ii) in the case of a Default where possession of the applicable portion of the Property is required in order to cure the Default, or is a Default that is otherwise not susceptible of being cured by such Holder, if such Holder shall proceed promptly to institute foreclosure proceedings, and shall prosecute such foreclosure proceedings with reasonable diligence (subject to force majeure delays) to obtain possession of the applicable portion of the Property and, upon obtaining possession thereof, shall promptly commence to cure the default (other than a default which is not susceptible of being cured by such Holder) and prosecute such cure to completion with reasonable diligence (subject to force majeure delays).

(d) If, subsequent to the Default by Master Developer under this Agreement to which a Holder has succeeded, such Holder (i) fails to exercise its option to construct or complete the Improvements relating to the Property or part thereof covered by such Holder's Interest, and such failure continues for a period of sixty (60) days after such Holder has been notified or informed of the Default by the City in writing; or (ii) undertakes construction or completion of such Improvements but does not complete such construction within the period agreed to between the City and such Holder (which period shall be at least as long as the period prescribed for such construction or completion by Master Developer as set forth in this Agreement), and such Default shall not have been cured within sixty (60) days after receipt of written demand by the City, then the City shall have the option to:

(i) (A) pay to the Holder the amount of such Holder's debt (including any interest, penalties, fees, prepayment premiums or other amounts to which such Holder is entitled) ("**Holder's Debt**") and (B) take an assignment of such Holder's Interest and the debt secured thereby, or, if ownership of the Property (or the applicable part thereof) has vested in such Holder by way of foreclosure or action in lieu thereof, the City shall be entitled, at its option, to a reconveyance of the Property (or applicable part thereof) upon payment to such Holder of such Holder's Foreclosure Costs. For purposes of this Section 19.03, the term "**Holder's Foreclosure Costs**" shall mean an amount equal to the sum of: (1) such Holder's Debt at the time of foreclosure or action in lieu thereof, less all

appropriate credits or other payments or income received in connection with such foreclosure or action in lieu thereof, plus (2) all expenses incurred by Holder in connection with such foreclosure or action in lieu thereof (including, without limitation, actual and out-of-pocket attorneys' fees), plus (3) the net expenses, if any (exclusive of general overhead), incurred by such Holder as a direct result of any interim management of the Property, plus (4) the costs of constructing any Improvements made by such Holder, plus (5) an amount equivalent to the interest that would have accrued on the aggregate of such Holder's Foreclosure Costs had all such amounts become part of such Holder's Debt and such Holder's Debt had continued in existence; or

(ii) cure such default by written notice to Holder and Master Developer at least ten (10) days prior to commencing such cure. In such case, the City shall be entitled, in addition to and without limitation upon any other rights or remedies to which it shall be entitled pursuant to this Agreement, to reimbursement from Master Developer or such Holder (as applicable) of all reasonable, out-of-pocket costs and expenses incurred by the City in curing such default. Any such lien shall be secured by a lien on the Property or any applicable part thereof, provided, that any such lien shall be subject always to the lien of (including any lien contemplated because of advances yet to be made) any then-existing mortgages encumbering all or any applicable part of the Property authorized by this Agreement.

19.04. Estoppel Certificate; Modifications.

(a) Within thirty (30) days following written request by the Master Developer, or of any Holder, the City shall execute and deliver an estoppel certificate (the "**City Estoppel**"), which shall state that, as of the date of such City Estoppel (i) whether the MDA has been modified, amended or revised (except as set forth in such City Estoppel) and is in full force and effect and (ii) whether, to the knowledge of the City Liaison, Master Developer is in default under the MDA, and, if so, specifying each such default of which the City Liaison has knowledge. No more than a reasonable number of City Estoppels may be requested per year.

(b) The MDA may not be cancelled, surrendered, modified or amended without the written consent of any Holder that has given notice of such Financing to the City pursuant to Section 19.01 of this First Amendment above.

(c) In the event that a Holder reasonably requests changes to the MDA in order to make the same acceptable to such Holder, the City agrees to consider such changes in good faith. Any amendment or changes to the MDA must comply with Article 15 and 18.16 of the MDA.

9. **Ratification.** Except as modified and amended as set forth in this First Amendment, the MDA is hereby ratified and confirmed by City and Master Developer and shall remain in full force and effect and enforceable in accordance with its terms.

10. **Counterparts.** This First Amendment may be executed in any number of counterparts, each of which shall be deemed to be an original, and all such counterparts shall constitute one agreement. To facilitate execution of this First Amendment, the parties may execute and exchange by e-mail or telephone facsimile counterparts of the signature pages.

11. **Interpretation.** If any inconsistency arises between this First Amendment and the MDA, the terms of this First Amendment shall control.

[Execution occurs on following page.]

City and Master Developer have executed this First Amendment as of the day and year first written above.

WITNESSES:

**MASTER DEVELOPER
HERMAN KIEFER DEVELOPMENT,
LLC, a Michigan limited liability
company**

Hany Lan
PRINT NAME
Altonzo Feng
PRINT NAME

By: [Signature]
Print: RONALD T CASTELLANO
Its: Managing Member

STATE OF ~~MICHIGAN~~ New York)
COUNTY OF ~~WAYNE~~ New York) ss,
)

The foregoing instrument was acknowledged before me on July 1st, 2017 by the Ronald T Castellano of Herman Kiefer Development, LLC, a Michigan limited liability company, on behalf of said company.

[Signature]
Notary Public, New York, NY Wayne County, Michigan
My commission expires: JING JING HE
Acting in the County of NOTARY PUBLIC STATE OF NEW YORK
No. 01HE6314156
Qualified in New York County
My Commission Expires, November 03, 2018

WITNESSES:

Katrina Chaves
PRINT NAME

Susan Burrows
PRINT NAME

CITY OF DETROIT,
A Michigan public body corporate

By: [Signature]
Print: Maurice Cox

Its: Director of Planning and Development Dept.

STATE OF MICHIGAN)
) ss
COUNT OF WAYNE)

The foregoing instrument was acknowledged before me on July 3, 2017 by Maurice Cox, the Director of Planning and Development of the City of Detroit, a Michigan public body corporate, on behalf of the City.

Guelma Brown

GUEELMA BROWN
NOTARY PUBLIC, STATE OF MI
COUNTY OF WAYNE
MY COMMISSION EXPIRES Jan 29, 2018
ACTING IN COUNTY OF Wayne

Notary Public, Wayne County, Michigan
My commission expires: 1-29-2018
Acting in the County of Wayne

**COMMUNITY BENEFITS PROVISION AGREEMENT
FOR
TIER 1 DEVELOPMENT PROJECTS**

This Community Benefits Provision ("Provision") is entered into as of the 7th of February, 2018 ("Effective Date"), by and between the CITY OF DETROIT, a Michigan municipal corporation acting through its Planning and Development Department ("CITY"), and Herman Kiefer Development, LLC, a Michigan limited liability company (together with its successors and assigns, "DEVELOPER" or "HKD"). The CITY and the DEVELOPER may each be referred to herein as a "Party" or collectively as the "Parties" to this Provision, as applicable.

RECITALS

Whereas, (i) the CITY and the DEVELOPER have executed a Master Agreement to Purchase and Develop Land, dated May 25, 2016, a memorandum of which is recorded in the land records of the Register of Deeds of Wayne County, Michigan as Liber ____, Folio ____ (as amended, restated or supplemented from time to time, the "Development Agreement"), regarding the development of certain property located at the former Herman Kiefer Hospital and the former Hutchins and Crosman schools in Detroit, Michigan, as further described on Schedule A attached hereto (the "HK Property") pursuant to which the DEVELOPER has agreed to activate and redevelop the HK Property and (ii) as contemplated by the Development Agreement, the DEVELOPER and the Detroit Land Bank Authority (the "DLBA") have entered into that certain First Option to Purchase Property and Agreement for Maintenance of Property, dated as of July 5, 2017 (as amended, restated or supplemented from time to time, the "Land Bank Agreement"; and together with the Development Agreement, collectively, the "Development Agreements"), pursuant to which DEVELOPER has rights to acquire certain additional parcels of land surrounding the HK Property (the "DLBA Property"; and together with the HK Property, collectively, the "Property") on the terms and conditions set forth therein. The DEVELOPER's plans to acquire, redevelop and/or activate the Property in accordance with the Development Agreements shall be collectively referred to herein as the "Project".

Whereas, the DEVELOPER has submitted to the CITY an application for the abatement of certain city taxes pertaining to its development of the Project.

Whereas, under City of Detroit Ordinance No. 35-16 ("Ordinance"), codified in Chapter 14, Article XII of the Detroit City Code ("Code"), which became effective on November 29, 2016, certain development projects referred to therein as "Tier 1 Development Projects" are subject to certain community engagement procedures as set forth in the Ordinance.

Whereas, according to the tax abatement application submitted by the DEVELOPER to the CITY, the Project is expected (i) to require an aggregate investment of at least **Seventy-Five Million** dollars (\$75,000,000) and (ii) to involve the abatement of certain city taxes with an estimated value greater than **One Million** dollars (\$1,000,000.00) and as a result, the Project constitutes a "Tier 1 Development Project" within the meaning of the Ordinance.

Whereas, in consideration of the foregoing, prior to the Effective Date, a Neighborhood Advisory Council ("NAC") was formed, the CITY and the DEVELOPER completed the community engagement process with the NAC and the CITY prepared a community benefits report with respect to the Project (the "Report"), all in accordance with Section 14-12-3 of the Code and in satisfaction of the conditions thereof.

NOW THEREFORE, the CITY and DEVELOPER hereby agree as follows:

Section 1: Addressing Community Impacts. The DEVELOPER understands that through the community engagement process set forth in the Ordinance, the NAC raised certain concerns regarding the Project's anticipated impact on the community, all of which are itemized in the Report. The DEVELOPER acknowledges these concerns and, in consideration of the foregoing, agrees to implement the following:

A. Neighborhood Stabilization. HKD will lead the redevelopment and rehabilitation of the land and buildings on the Property by completing the following:

1. HKD shall board up (as necessary), secure and maintain the existing improvements located on the HK Property (including, without limitation, the Hutchins school building and the Crosman school building) in accordance with the Development Agreements;

2. HKD shall board up (as necessary), secure and maintain any vacant DLBA residential structures located on the DLBA Property acquired by HKD in accordance with the Land Bank Agreement;

3. HKD shall partner with, or otherwise contract with one or more Detroit-based non-profit organizations, community development corporations, or residents to rehabilitate not less than 20% of the improved lots of the DLBA Property which HKD has elected to rehabilitate in accordance with the Land Bank Agreement; and

4. HKD shall implement a general maintenance plan and/or land stewardship plan for any portion of the DLBA Property acquired by HKD in accordance with the Land Bank Agreement.

B. Workforce Development. HKD will work with the City to maximize the employment of Detroit-based contractors and local residents. HKD expects to open an on-site resource center where local residents will be able to learn more about training and job opportunities related to the Project. HKD expects to continue to work with a local instructor to create a skilled trades training program for local residents. HKD will continue to work with the Mayor's Office to create youth employment opportunities and training and job opportunities related to the Project.

C. Site Programming. HKD will make good faith efforts to redevelop the HK Property with a focus on uses that contribute positively to the neighborhood and the City. This may include, but is not limited to the following:

1. Preservation of historically designated buildings located on the HK Property (except as may be necessary for the preservation of public health, safety, and welfare); and

2. Activation of the HK Property by means of establishing, installing, and developing educational, cultural and recreational facilities, recruiting and retaining commercial tenants and forming programming for community-accessible workshops, food truck rallies and movie screenings.

D. Recreational Facilities. Prior to the Effective Date, HKD began to restore existing recreational amenities on the HK Property and will make good faith efforts to continue to do so, including by performing an initial clean-up of the Hutchins playground, basketball and tennis courts and by restoring the Hutchins field for community sports and recreational use.

E. Community Engagement. HKD has been actively engaging with the community for input and will continue to do so throughout the Project. HKD intends on meeting quarterly with local stakeholders and residents to provide project updates and to receive feedback and ideas about programming and events.

Section 2: Continued Community Engagement. The DEVELOPER acknowledges and understands that pursuant to Section 14-12-3(D)(3) of the Code, the City is obligated to facilitate at least one (1) meeting annually between the DEVELOPER and the NAC. The CITY will facilitate, and the DEVELOPER shall attend, such meetings on an annual basis for a period of two (2) years following the Effective Date of this Provision. The purpose of such meetings will be to discuss anticipated or actual impacts of the Project on the community and to coordinate the implementation of the DEVELOPER's efforts to address such impacts in accordance with the Ordinance.

Section 3: Compliance Reports. During the term of this Provision, within thirty (30) days following written demand from the CITY, the DEVELOPER shall submit to the CITY a compliance report, which shall summarize the DEVELOPER's progress in achieving the goals set forth in Section 1 of this Provision; provided, that, in no event shall the CITY request a compliance report more than once per calendar year.

Section 4: Meetings. Upon request by either Party, the Parties will meet at their mutual convenience, whether in person or by video conference, telephone, or other convenient means, to review any aspect of this Provision and each Party's rights and obligations hereunder.

Section 5 – Recordkeeping and Reporting. Each Party will maintain information pertinent to its activities under this Provision for at least two (2) years following the expiration or earlier termination of this Provision in accordance with Section 11 hereof.

Section 6 – No Third Party Beneficiary. Except as provided for herein, this Provision is for the sole benefit of the Parties hereto and nothing herein, express or implied, shall give or be construed to give to any person or entity, other than the Parties hereto, any legal or equitable rights hereunder.

Section 7 – Compliance with Laws. Each Party acknowledges that it is individually responsible for maintaining compliance in all respects with all applicable federal, state, and local laws, rules, regulations, and orders having the binding effect of law (collectively, “Applicable Laws”). Neither Party will be responsible for ensuring the other Party’s compliance with Applicable Laws at any time, unless so required under Applicable Laws.

Section 8 – Non-Discrimination. The DEVELOPER shall, in addressing community impacts as set forth in Section 1 herein, refrain from refusing, restricting, withholding, or denying any accommodations, services, privileges, advantages or facilities or otherwise discriminating, whether directly or indirectly, on the basis of race, color, ethnicity, national origin, religious beliefs or practices, age, disability, pregnancy, marital status, parental status, military status, employment or educational status, gender, sex, sexual orientation, gender identity or expression, or any other protected or designated classification, in accordance with Chapter 27 of the Detroit City Code and other Applicable Laws.

Section 9: Community Reporting. The Parties acknowledge and understand that pursuant to Section 14-12-3(f)(4) of the Code, members of the community may report to the NAC allegations of the DEVELOPER’s failure to comply with this Provision. Community members can submit such allegations to the CITY by personal delivery with receipt obtained or by registered or certified first-class mail with return receipt requested at the following address:

City of Detroit Planning & Development Department
Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 808
Detroit, MI 48226
Attention: Maurice Cox, Director

The CITY will forward all such allegations from community members to the NAC for the Project, which may report such allegations to the Enforcement Committee (as defined in the Ordinance) in accordance with Section 14-12-3(f) of the Code.

Section 10: Breach and Default. The failure by either Party to comply with its obligations under this Provision, which failure is not caused, directly or indirectly, by the other Party’s failure to comply with its own obligations under this Provision, will constitute a material breach by of this Provision.

- A. In the event of DEVELOPER’s material breach of this Provision, the DEVELOPER will be considered to be in default of this Provision upon the DEVELOPER’s failure to cure such breach within ninety (90) days after receipt of written notice of such breach and demand to cure same by the CITY (a “Default”); provided, however, that if the nature of DEVELOPER’s default is such that more than ninety (90) days is reasonably required for the cure of such default, then DEVELOPER will not be deemed to be in Default if DEVELOPER, with the CITY’s acknowledgment and consent, commences such cure within said 90-day period and thereafter diligently pursues such cure to completion.

In the event of a Default by DEVELOPER pursuant to Section 10(A) above, the Enforcement Committee may take such action set forth in Section 14-12-3(f) of the Ordinance. For the avoidance of doubt, no Default under this Provision shall be deemed a default under the Development Agreement or the Land Bank Agreement.

- B. In the event of the CITY's material breach of this Provision, the CITY will be considered to be in default of this Provision upon the CITY's failure to commence its cure of such breach and thereafter diligently pursue such cure to completion within ninety (90) days after written notice of such breach and demand to cure by the DEVELOPER.

Section 11: Term and Termination. This Provision will remain in effect until the completion of the DEVELOPER's satisfaction of all of the obligations under Section 1 hereof (to the extent required by the Development Agreements) or earlier termination by the Parties; provided, however, if the Development Agreement is terminated, this Provision shall automatically terminate and be of no further force and effect. The term of this Provision will be equal to the period of time necessary for both Parties to satisfy all of their respective obligations set forth in this Provision, at which time and upon written notice by either Party the term of this Provision shall terminate.

Section 12: Amendments. No amendment to this Provision will have any force or effect against the City unless it is in writing, expressly makes reference to this Provision, is fully executed by the duly authorized representative of the City and, if required, pursuant to the resolution of the Detroit City Council as approved by the Mayor of the City of Detroit, and is approved by the City of Detroit Law Department; provided, however, the Parties may make such immaterial amendments to this Provision to correct any manifest or scrivener's error or to clarify the terms of this Provision by written amendment without the resolution of the Detroit City Council, provided that the same shall not materially impact the rights or obligations of the Parties hereto.

Section 13: Notices. Notices, requests, notifications, and other communications (collectively, "Notices") related to this Provision by either Party will be given in writing, signed by an authorized representative of the Party, and personally delivered with receipt obtained, or mailed by registered or certified first-class mail, return receipt requested, addressed as follows:

If to CITY: City of Detroit Planning & Development Department
Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 808
Detroit, MI 48226
Attention: Maurice Cox, Director

With a copy to:
Corporation Counsel
City of Detroit Law Department
2 Woodward Avenue, Ste 500
Detroit, MI 48226

If to DEVELOPER: Herman Kiefer Development, LLC

P.O. Box 2822
Detroit, MI 48226

All Notices shall be deemed given when hand-delivered or, if mailed, on the day of receipt. Either Party may change its future address or point of contact for the receipt of Notices at any time by giving Notice thereof to the other Party in accordance with this Section.

Section 14: Miscellaneous Terms.

- A. **Independent Parties.** Each Party acknowledges that the CITY and the DEVELOPER are independent of each other and do not intend, as a result of this Provision or otherwise, to become a joint venture, partners, employees, servants, agents, representatives, contractors, or any type of related business entities to one another with respect to the subject matter of this Provision.
- B. **Assignment.** This Provision sets forth Developer's intended activities to address impacts on the community by the Project in accordance with the Ordinance; notwithstanding the foregoing or anything else to the contrary set forth in this Provision, Developer may delegate or assign this Provision, or any portion thereof, either voluntarily or involuntarily, or by operation of law to the extent and in the same manner as provided for in the Development Agreements.
- C. **Force Majeure.** In the event of enforced delay in the performance by either Party of obligations under this Provision due to unforeseeable causes beyond its control and without its fault or negligence, including, but not restricted to, acts of God or of the public enemy, acts of the government, civil unrest, acts of the other Party, fires, floods, epidemics, or severe weather, or economic recession for the state, Midwest region or the nation (such national recession defined as two consecutive quarters of negative growth in the Gross National Product as determined by the U.S. Bureau of Economic Analysis or other federal authority, or other definitions from the National Bureau of Economic Research for a state or regional recession), the time for performance of such obligations shall be extended for the period of the enforced delays as formally documented; provided that the Party seeking the benefit of the provisions of this Section must within ninety (90) days after the beginning of such enforced delay, have first notified the other Party in writing of the causes thereof and requested an extension for the period of the enforced delay. In the event that there is any dispute as to what constitutes such *force majeure* event, the matter shall be resolved in accordance with the provisions of Exhibit K to the Development Agreement.
- D. **Choice of Law and Venue.** The Parties acknowledge that this Provision will be governed by the laws of the State of Michigan, excluding its choice of laws rules. Any legal suit, action or proceeding arising out of this Provision will be instituted in the federal courts of the United States of America or the courts of the State of Michigan, in each case located in the City of Detroit and County of Wayne, and each Party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding.

- E. **Severability.** In the event that any provision in this Provision is found by a court to be impermissible or illegal, then that provision shall be stricken from the Provision and shall be replaced by a provision that is permissible and legal and by mutual agreement of the Parties comes closest to expressing the intent of the stricken provision. The remainder of the Provision shall remain in full force and effect in accordance with its original overall intent.
- F. **Counterparts.** This Provision may be executed in multiple counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one document. Each counterpart may be executed by facsimile or electronic signature, which will be deemed to be an original signature, to the extent permitted by Applicable Law.
- G. **Authority of the City.** As of the Effective Date, this Provision has (i) been fully executed by the duly authorized representative of the CITY, and if required, a resolution of the Detroit City Council (which resolution was duly approved by the Mayor of the City of Detroit) and (ii) has been approved by the City of Detroit Law Department. The CITY is authorized and obligated to perform all of its obligations pursuant to this Provision. If required pursuant to Section 12 above, any amendments or modifications must likewise be duly authorized by resolution of the City Council as approved by the Mayor, and must be approved by the Law Department to be enforceable against the CITY or DEVELOPER.

[Signatures appear on next page.]

IN WITNESS WHEREOF, the Parties have executed this Provision as of the dates shown below,
to be effective as of the Effective Date.

CITY OF DETROIT,
a Michigan municipal corporation

By: _____


Name: Maurice D. Cox

Its: Director of Planning

Date: _____

[Signatures continue on the following page.]

Herman Kiefer Development, LLC,
a Michigan limited liability company

By:  _____

Name: Ronald Castellano

Its: Authorized Signatory

Date: _____

[Signature Page to Community Benefits Provision -- Herman Kiefer]

Schedule A

Legal Description of the HK Property

(See Attached)

{37669/1/D1209901.DOCX;2}

PARCEL 1:

All that part of Outlot 5, of PLAT OF 1/4 SECTION 46, 10,000 ACRE TRACT, according to the plat thereof as recorded in Liber 6 of Deeds, pages 352, 353 and 354, Wayne County Records, EXCEPT that part lying within the following described parcel: Beginning at a point in the West line of Hamilton Avenue, 100 feet wide, said point being distant, North 26 degrees 34 minutes 47 seconds West, 22.87 feet from the intersection of the North line of Barbour and Rexford's Subdivision of Lots 1, 2, 3, 4, 39, 40, 41, 42, 43, 44, 45, and 46 of F.B. Hooper Subdivision of Lots 2 and 3 of 1/4 Section 46, 10,000 acre tract as recorded in Liber 24, Page 11 of Plats Wayne County Records, with the Westerly line of Hamilton Avenue, 100 feet wide; thence along the westerly line of Hamilton Avenue, 100 feet wide, North 26 degrees 34 minutes 47 seconds West, 272.47 feet to a point; thence along a line South 63 degrees 37 minutes 11 seconds West, 415.42 feet to a point; thence along a line North 26 degrees 35 minutes 54 seconds West, 88.71 feet to a point; thence along a line South 63 degrees 08 minutes 02 seconds West, 66 feet wide; thence along the Easterly line of Byron Avenue, 66 feet wide, South 26 degrees 27 minutes 51 seconds East, 355.29 feet to a point; thence along a line North 03 degrees 48 minutes 43 seconds East, 795.61 feet to the place of beginning.

ALSO

Outlot 6, of PLAT OF 1/4 SECTION 46, 10,000 ACRE TRACT, according to the plat thereof as recorded in Liber 6 of Deeds, pages 352, 353 and 354, Wayne County Records, also known as Lots 1 through 50, both inclusive and all the streets and alleys included, of HUGO H. STENDER'S SUBD'N OF OUTLOT 6, QUARTER SECTION 46, 10,000 A.T., according to the plat thereof as recorded in Liber 24 of Plats, page 26, Wayne County Records.

ALSO

Outlots 7 and 8, of PLAT OF 1/4 SECTION 46, 10,000 ACRE TRACT, according to the plat thereof as recorded in Liber 6 of Deeds, pages 352, 353 and 354, Wayne County Records, described as follows: Beginning at the Southeast corner of Lot seven (7) of the subdivision of quarter section forty six (46) of the Ten Thousand Acre Tract, so-called, according to the recorded plat thereof in Liber 6 of Deed on page 353 Wayne County Records; thence Northerly along the Easterly line of Lots Seven (7) and Eight (8) of the above subdivision said line being the center of Hamilton Boulevard a distance five hundred six (506) feet to a point; thence Westerly and parallel with the Southerly line of said Lot Seven (7) a distance of Eight Hundred Sixty one (861) feet to a point, thence Southerly and parallel with the Easterly line of Lot Seven (7) and Eight (8) aforesaid a distance of five hundred six (506) feet, thence along Southerly line of Lot Seven (7) eight hundred sixty one (861) feet to the place of beginning, EXCEPT those parts taken for the widening Hamilton Avenue and Byron Avenue.

ALSO

Lots 49 and 50, of BLACK'S ADDITION TO HIGHLAND PARK VILLAGE ON OUTLOTS 9 AND 10 ON 1/4 SECTION 46 OF THE 10,000 ACRE TRACT, according to the plat thereof as recorded in Liber 14 of Plats, page 78, Wayne County Records, EXCEPT those parts taken for widening Hamilton Avenue and Byron Avenue.

PARCEL 2:

All that part of Lots 4 and 5, of PLAT OF 1/4 SECTION 10,000 ACRE TRACT, according to the plat thereof as recorded in Liber 6 of Deeds, pages 352, 353 and 354, Wayne County Records, described as follows: Beginning at a point in the West line of Hamilton Avenue, 100 feet wide, said point being distant, North 26 degrees 34 minutes 47 seconds West, 22.87 feet from the intersection of the North line of Barbour and Rexford's Subdivision of Lots 1, 2, 3, 4, 39, 40, 41, 42, 43, 44, 45 and 46 of F.B. Hooper Subdivision of Lots 2 and 3 of 1/4 Section 46, 10,000 acre tract as recorded in Liber 24, Page 11 of Plats, Wayne County Records, with the Westerly line of Hamilton Avenue, 100 feet wide, thence along the Westerly line of Hamilton Avenue, 100 feet wide, North 26 degrees 34 minutes 47 seconds West, 272.47 feet to a point; thence along a line South 63 degrees 37 minutes 11 seconds West, 415.42 feet to a point; thence along a line North 26 degrees 35 minutes 54 seconds West, 88.71 feet to a point; thence along a line South 63 degrees 08 minutes 02 seconds West, 379.43 feet to a point on the Easterly line of Byron Avenue, 66 feet wide; thence along the Easterly line of Byron Avenue, 66 feet wide, South 26 degrees 27 minutes 51 seconds East, 355.29 feet to a point; thence along a line North 63 degrees 48 minutes 43 seconds East, 795.61 feet to the place of beginning. 10,000

PARCEL 3:

Lots 4 through 14, both inclusive, the East 22 feet of Lot 15, Lots 37 through 41, both inclusive, and the East 22 feet of Lot 36, including the vacated alleys adjacent thereto, of HAWLEY'S COLUMBIAN SUBDIVISION, OF PART OF OUTLOTS 9 AND 10 1/4 SECTION 46 10,000 ACRE TRACT, according to the plat thereof as recorded in Liber 18 of Plats, page 86, Wayne County Records.

PARCEL 4:

Lots 29 through 69, both inclusive, of BESSENGER AND MOORE'S SUB. OF PART OF QUARTER SECTION 10,000 ACRE TRACT, according to the plat thereof as recorded in Liber 22 of Plats, page 85, Wayne County Records.

ALSO

Lots 1 through 27, both inclusive, of BESSENGER AND MOORE'S BLAINE AVE. SUB'N OF LOT 16 1/4 SECTION 46, 10,000 ACRE TRACT, according to the plat thereof as recorded in Liber 24 of Plats, page 65, Wayne County Records.

ALSO

Lots 1 through 39, both inclusive, and vacated Gladstone Ave and vacated adjacent alleys of THE MIMNAUGH SUBDIVISION OF THE WEST 1/2 OF LOTS 14-15, 1/4 SECTION 46, 10,000 ACRE TRACT, according to the plat thereof as recorded in Liber 21 of Plats, page 24, Wayne County Records.

[37]

ACTIVATION CERTIFICATE

This Activation Certificate verifies that Herman Kiefer Development, LLC has met its obligation in relation to the Herman Kiefer Redevelopment Project by activating the building areas and land areas referred to as Hutchins Playground, Hutchins Field, the Power House, Main Parking, Main Building, and Pavilion 4 associated with the Herman Kiefer Redevelopment Project. The building and land areas were activated with ongoing and recurring activities, installations, and uses as described in the report.

1. Herman Kiefer Development, LLC submitted a report that meets the requirements of Article 2.13 of the Master Development Agreement, describes the activities, and which included information on the following (check where applicable):

Start date

Duration

Frequency


Number of square feet activated

Number of attendees/ visitors / participants / occupants

Funds/resources invested

2. This Certificate confirms that 417,788 square feet have been activated by Master Developer.
3. This Activation Certificate is given pursuant to Article 2 of the Master Development Agreement.
4. Capitalized terms used herein but not otherwise defined herein shall have the meanings given to such terms in the Master Development Agreement.

**CITY OF DETROIT, by and through its
Planning & Development Dept.**

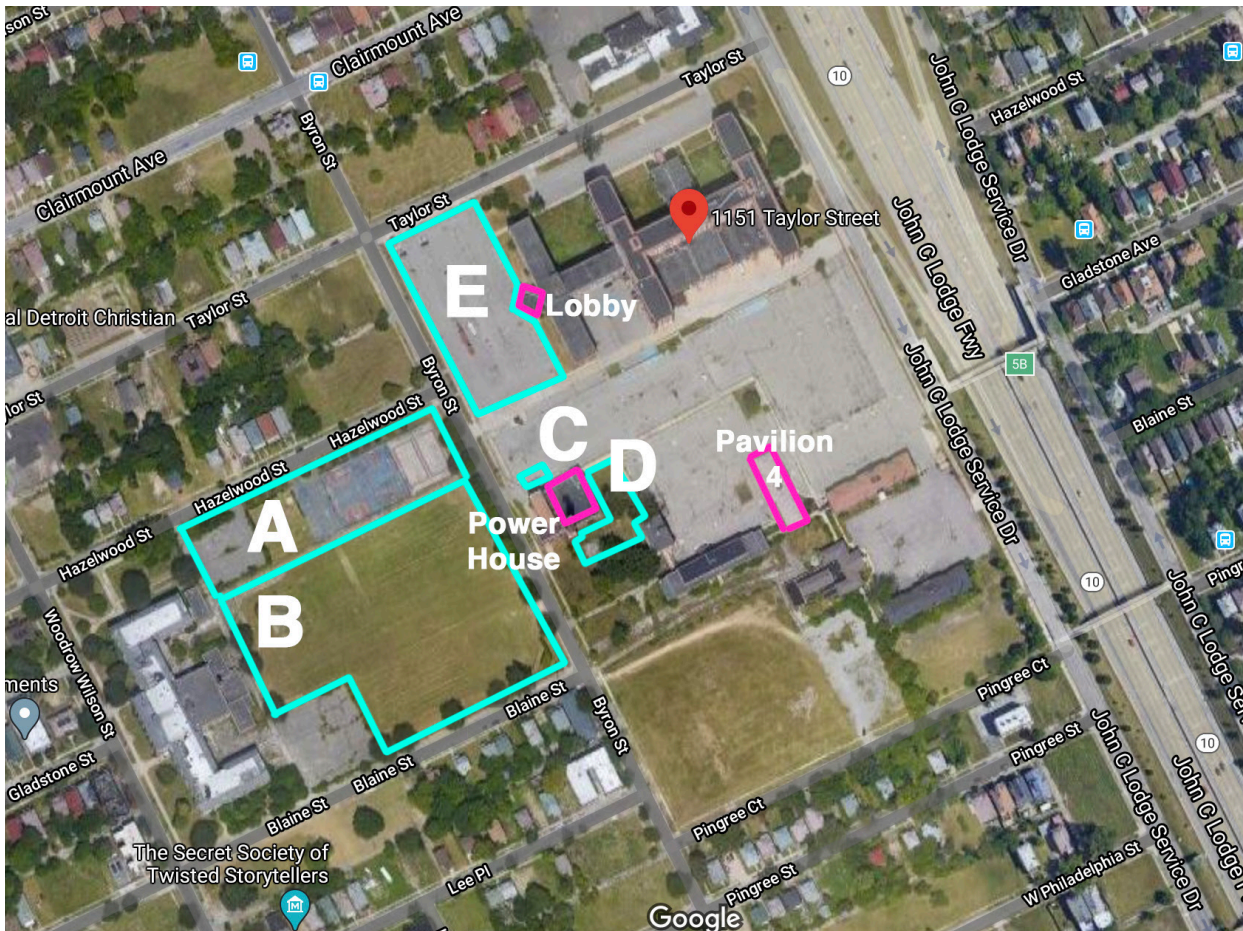
By: 

Katharine G. Trudeau, Deputy Director

Date: 04-16-2020

HKD || HERMAN KIEFER DEVELOPMENT

DEADLINE I - ACTIVATION COMMITMENT SATISFACTION



Land	Activated Square Footage
A - Hutchins Playground	75,380
B - Hutchins Field	214,860
C - Power House	1,850
D - Power House	23,630
E - Main Parking	74,310
Land Total	390,030 square feet

Building	Floor	Activated Square Footage
Main Bldg	1 - Lobby	1,507
Power House	1 & 2	10,223
Pavilion 4	1, 2 & 3	16,028
Building Total		27,758 square feet

Total Activated	417,788 square feet
------------------------	----------------------------

Hurdle 1 Requirement	417,608 square feet
----------------------	---------------------

LOCATION: A - Hutchins Playground

SF ACTIVATED: 75,380

ACTIVITY: Maintenance and restoration of tennis courts, basketball courts, and playground. Installation of fencing, bleachers and new equipment (hoops, nets, backboards)

START DATE: Pre-closing **DURATION:** Ongoing **# OF ATTENDEES:** 1,000s



LOCATION: B - Hutchins Field

SF ACTIVATED: 214,860

ACTIVITY: Maintenance and restoration of baseball/football/soccer field. Installation of fence, dug out surround, and ongoing mowing.

START DATE: Pre-closing **DURATION:** Ongoing **# OF ATTENDEES:** 1,000s



A promotional graphic for an event. The background is a blue sky with white clouds. The text reads: "The HOPE" in large, stylized letters. Below it, it says: "Join us for an amazingly fun time for the whole family with music, food, carnival games, bounce houses, 3 on 3 Basketball & a 20,000 Easter Egg drop from a Helicopter*". The date and time are "Saturday April 15th 12n-3". The location is "Hutchins Field • 1501 Hazelwood Detroit 48206 (Behind old Herman Kiefer & Hutchins School)".

A promotional graphic for an event. The background is a blue sky with white clouds. A large, colorful rainbow is in the center. Below it, the text reads: "EASTER EGG HELICOPTER DROP" in large, colorful, 3D letters. There are several colorful Easter eggs scattered around the text.



CONT'D

LOCATION: A & B - Hutchins Playground & Field

ADDITIONAL INFORMATION: Organizations such as Breakers Covenant, Hope Detroit and Central Detroit Christian have hosted activities including a basketball tournament, Easter Egg drop, and recurring flag football games on the field and Playground

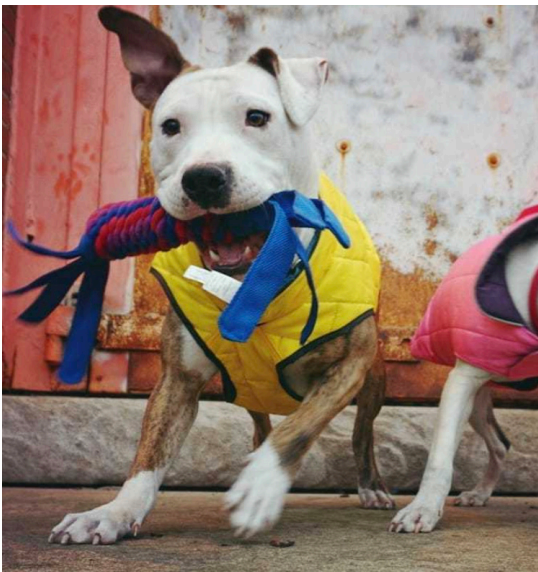


LOCATION: C - Power House

SF ACTIVATED: 1,850 (C)

ACTIVITY: Used by Rebel Dogs Detroit as a dog run - all day, ever day. Also where fosters and adopters meet to pick up their dogs

START DATE: April, 2018 **DURATION:** Ongoing **# OF ATTENDEES:** 1,000s



LOCATION: D - Power House

SF ACTIVATED: 23,630

ACTIVITY: Maintenance of basketball court and installation of picnic green

START DATE: March, 2019 **DURATION:** Ongoing **# OF ATTENDEES:** 100s



LOCATION: E - Main Parking

SF ACTIVATED: 74,310

ACTIVITY: Active parking lot - lights restored, gate replaced, 24 hour security. Local organizations use the lot for overflow parking and staging. Life Remodeled used the area in 2019 for receiving and organizing equipment for their neighborhood board ups.

START DATE: Pre-closing **DURATION:** Ongoing **# OF ATTENDEES:** 1,000s

• **LIGHTS + POWER RESTORED, SECURITY CAMERAS ACTIVATED**

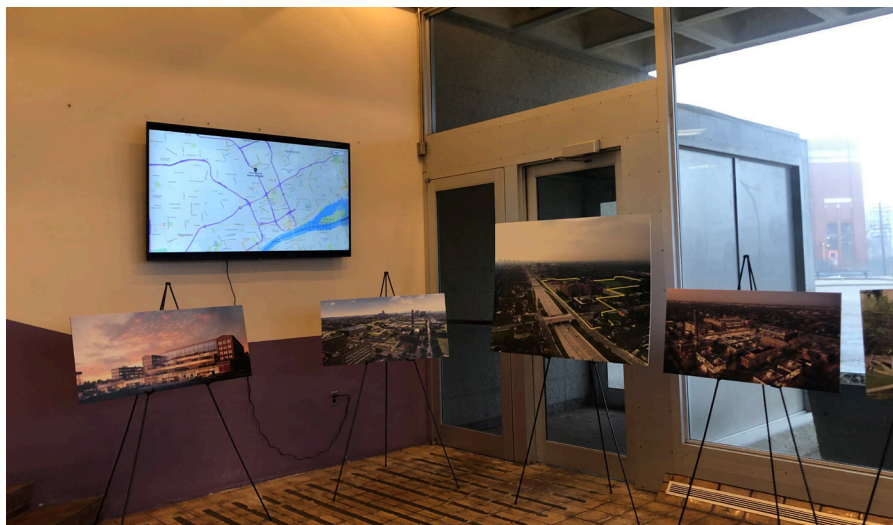


LOCATION: Main Building Lobby

SF ACTIVATED: 1,507

ACTIVITY: Set up and maintained as a showroom/welcome center for site visitors - lighting, vision boards, television with animated rendering, ice cream bicycles, internet. Anyone who tours the site is welcomed in this location.

START DATE: April 2018 **DURATION:** Ongoing **# OF ATTENDEES:** 500+



LOCATION: Power House

SF ACTIVATED: 10,223

ACTIVITY: Removed debris and brought to white-box state, including electric, plumbing and remediation. Used as a meeting space on walkthroughs - have hosted ULI, the MEDC, and others. Spring 2020 was to be the first season of event rentals, but this has been postponed.

START DATE: Pre-closing **DURATION:** Ongoing **# OF ATTENDEES:** 500+



LOCATION: Pavilion 4

SF ACTIVATED: 16.028

ACTIVITY: Building brought to white-box state for College for Creative Studies. CCS hosted its second 4 month installation class on site, from September - December 2019. Classes were held on site on Wednesdays from 9am - 5pm. Each student took over a space in Pavilion 4, to produce a site-specific installation. An exhibition, open to the public, was held on December 6, from 5-8pm, showcasing the students' semester of work. This is an ongoing partnership.

START DATE: Pre-Closing **DURATION:** Every Fall Semester **# OF ATTENDEES:** 80





**Civil Rights, Inclusion
and Opportunity**

COLEMAN A. YOUNG MUNICIPAL CENTER
2 WOODWARD AVENUE, SUITE 1240
DETROIT, MICHIGAN 48226
PHONE: 313.224.4950
FAX: 313.224.3434

To: Honorable Detroit City Council
Neighborhood Advisory Councils

From: Charity R. Dean, Esq., Director, Civil Rights, Inclusion and Opportunity







Date: November 3, 2020

Re: Community Benefits Ordinance Biannual Report for Herman Kiefer

The Civil Rights, Inclusion, and Opportunity (CRIO) Department has been given the responsibility of monitoring the Community Benefits Ordinance. The report details the developer's compliance with each Community Benefits Provision (CBP) commitment.

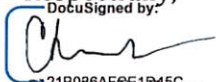
The **Herman Kiefer** project currently has **1** of their commitments considered "**Off Track**" and **0** of their commitments have "**Not Started**"

Below, you will find a key to reference when reviewing the status of each commitment listed in the Community Benefits Provision.

Status Update	Explanation	Commitments
	On Track- Actions taken towards satisfying commitment	8
	Off Track- Commitment not fulfilled	0
	Off Track but Compliance Plan submitted	1
	Compliance Impacted by Covid-19	0
	Not Started- No action taken	0
	Additional information requested	0
Completed	Commitment fulfilled	3
Total Commitments		12

If you have any questions, do not hesitate to contact my office at 313-224-4950

Respectfully,





Charity R. Dean, Esq.
Director
Civil Rights, Inclusion and Opportunity




Cc: Arthur Jemison, Chief of Services and Infrastructure, City of Detroit






Lawrence Garcia, Esq.
Corporation Counsel
City of Detroit Law Department

Biannual Community Benefits Provision (CBP) Report**Project Name/Location:** Herman Kiefer Development (HKD)/ 1151 Taylor St., Detroit, MI 48202**Agreement Approval Date:** February 7, 2018**Developer Name/Address:** Herman Kiefer Developer, LLC, 1151 Taylor St., Detroit, MI 48202**Updated October 2020 Report**

	Commitment	Finding	Status
1 Neighborhood Stabilization			
1.	Herman Kiefer Development (HKD) will board up as necessary, secure and maintain existing improvements in accordance with the development agreement, including but not limited to Hutchins School Building and the Crossman School Building	The Herman Kiefer Development properties were boarded up within 6 months of closing. The properties were secured using fencing, security cameras and 24-hour security.	Completed
2.	Herman Kiefer will secure vacant DLBA residential property located on land acquired by Herman Kiefer Development located on DLBA property	The Detroit Land Bank Authority properties were boarded up within 6 months of closing the Kiefer site as required by HKD's agreement with DLBA.	Completed
3.	HKD shall partner with, or otherwise contract with one or more Detroit-based non-profit organizations, community development corporations, or residents to rehabilitate not less than 20% of the improved lots of the DLBA Property which HKD has elected to rehabilitate in accordance with the Land Bank Agreement	HDK is currently rehabbing 20 homes. HDK has partnered with Emerging Industries Training Institute a Detroit based workforce training and construction organization to rehabilitate two homes in their first phase of renovations.	
4.	General maintenance plan, land stewardship plan for DLBA plan in accordance with DLBA Agreement for any portion of the DLBA Property acquired by Herman Kiefer Development	Due to Covid-19 general maintenance was on hold between March and April until landscapers were allowed back to work. Landscapers were allowed back to work May and the general maintenance plan is currently ongoing.	

	Commitment	Finding	Status
2 Work Force Development			
5.	Continued Collaboration with the City of Detroit Planning Commission and Development Department for Workforce Development maximizing the employment of Detroit-Based contractors and local residents	HKD continues to maximize employment of Detroit-Based contractors and local residents. Over the life of the project, 75 out of 104 of contractors have been Detroit Based Contractors and 44% of the employed Detroit residents live in the HKD neighborhood.	
6.	HKD expects to open an on-site resource center where local residents will be able to learn more about training and job opportunities related to the Project.	<p>The Security Booth on site currently and temporarily functions as the resource center. Individuals can leave questions, request the developer's contact and fill out job applications. Once the site construction is complete, there will be a dedicated space to be used as a resource center inside of the Main Building.</p> <p>Until construction is complete, the developer also intends to hold open office hours at the Walker Williams Rec Center pending the outcome of Covid-19. The Developer has been exploring the possibility of outdoor open office hours and/or a community Zoom Meeting for residents to learn more about training and job opportunities related to the project.</p>	
7.	HKD expects to work with a local instructor to create a skilled trades training program for local residents.	Instructor Tony Maclean has been selected and will be brought in as a partner once home construction begins. Tony is a carpenter and teacher at the Randolph Trade School, as well as a RTS graduate. More information on Tony MacClean is available here: https://detroitworkforce.com/city-officials-	

	Commitment	Finding	Status
		<p>business-execs-work-to-breathe-life-into-randolph-high/</p> <p>The developer is also working with William Aaron who is focused on developing a workforce training program specific to homes in the neighborhood. A Detroit native, William Aaron is an educator, facilitator, mentor and workforce development consultant with over 15 years of professional experience. Mr. Aaron has worked in a workforce development specialist capacity with several organizations, including Marygrove College and Detroit Public Schools Community District. He is also the founder of Workforce Development Solutions LLC, a Detroit based, workforce development consulting company that specializes in employability skill training, workforce assessment coordination, and strategic marketing.</p> <p>William holds a Bachelor’s Degree (B.B.A) in International Business from Howard University and a Master’s Degree (M.Ed) in Education from Marygrove College. He is passionate about fostering positive change in underserved communities and creating career pathways for individuals to participate in the current revitalization efforts.</p> <p>On March 6, 2020, William held a meeting to seek participants for the program however there was a low-participation rate. Another meeting was scheduled for March 20, 2020 but due to Covid-19 the meeting was canceled. The developer and William Aaron expect to conduct further outreach efforts.</p>	

	Commitment	Finding	Status
8.	HKD will continue to work with the Mayor's Office to create youth employment opportunities and training and job opportunities related to the Project	HKD continues to work with the Mayor's Office to create youth employment and training opportunities. HKD is working with William Aaron (EITI) to develop a workforce training program specific to homes within the neighborhood. William Aaron was referred to HKD by City Council Pro Tem Mary Sheffield.	
3 Site Programming			
9.	HKD will make good faith effort to preserve the historically designated buildings located on the HKD Property (except as may be necessary for the preservation of public health, safety, and welfare)	HKD has begun preserving site buildings by maintaining buildings, making needed repairs to preserve the structure and by filing and receiving approval on part 1 of the National Parks Service Historic Preservation Certificate application for the Herman Kiefer Hospital District, Hutchings School and Crossman School.	
10.	HKD will make good faith effort to activate the HKD Property by means of establishing, installing, and developing educational, cultural and recreational facilities, recruiting and retaining commercial tenants and forming programming for community-accessible workshops, food truck rallies and movie screenings	HKD scheduled a March leasing launch that was delayed due to Covid-19. HKD and the development groups intend to reschedule the leasing launch for the Summer or Fall of 2020 dependent on the curve of Covid-19.	
4 Recreational Facilities			
11.	Prior to the Effective Date, HKD began to restore existing recreational amenities on the HK Property and will make good faith efforts to continue to do so, including by performing an initial clean-up of the Hutchins playground, basketball and tennis courts and by restoring the Hutchins field for community sports and recreational use	HKD restored the recreation amenities on the Hutchins playground, basketball courts and tennis courts. HKD is maintaining the Hutchins football field and has restored fencing for the dugout.	Completed
5 Community Engagements			

	Commitment	Finding	Status
12.	HKD intends on meeting quarterly with local stakeholders and residents to provide project updates and to receive feedback and ideas about programming and events.	HKD started a monthly "Community Open Door Sessions" in the lobby of the Joseph Walker Williams Rec Center in Q1 of 2020. There was a meeting scheduled for March however due to Covid-19, the meeting did not occur. There have been no other meetings in 2020 with local stakeholders and residents. HKD has submitted a compliance plan to CRIO which details their intention to hold virtual meetings in February, May, August, and November of 2021 to meet the required commitment to conduct quarterly meetings.	