

**SECOND AMENDMENT TO FUNDING AGREEMENT  
BY AND BETWEEN  
THE ECONOMIC DEVELOPMENT CORPORATION OF THE CITY OF DETROIT  
AND  
THE CITY OF DETROIT**

**(CASINO DEVELOPMENT FUND PROJECT)**

**THIS SECOND AMENDMENT** (the “*Amendment*”) is entered into as of the \_\_\_\_ day of March, 2020, by and between the **ECONOMIC DEVELOPMENT CORPORATION OF THE CITY OF DETROIT**, a Michigan public body corporate, organized and existing under the under authority of Act 338 of the Public Acts of Michigan of 1974, as amended (the “*EDC*”), and the **CITY OF DETROIT**, a Michigan municipal corporation, acting by and through its Planning and Development Department (the “*City*”).

**WITNESSETH:**

**WHEREAS**, on November 1, 2005, the City entered into a Funding Agreement pursuant to the terms of which the EDC would administer loans and grants authorized by the Detroit City Council pursuant to the Casino Development Fund Project (as amended, the “*Funding Agreement*”); and

**WHEREAS**, Section 2 of Exhibit C of the Funding Agreement describes certain revolving loan programs to be administered directly by the EDC (the “*EDC Casino Loan Program*”); and

**WHEREAS**, in order to respond to current economic conditions in the City of Detroit, including but not limited to a need for flexible loan products for small businesses seeking to locate or expand within the City and economic impacts of the COVID-19 pandemic on the small business community, EDC and the City desire to modify the EDC Casino Loan Program in order to expand its potential impact on businesses located in the City of Detroit and improve the performance of underutilized loan funds within the EDC Casino Loan Program.

**NOW, THEREFORE**, in consideration of the premises and the benefits to accrue to the parties and to the public, the parties hereto agree as follows:

1. Section 2 of Exhibit C of the Funding Agreement is hereby amended and restated in its entirety as set forth in Exhibit A attached hereto.
2. In all other respects, the Funding Agreement remains in full force and effect and without modification.
3. All capitalized terms not otherwise defined herein shall have the meaning attributed to them in the Funding Agreement.
4. Notwithstanding anything in this Amendment or otherwise to the contrary, this Amendment is not approved until it has been fully executed by duly authorized representatives of the City, as well as approved by the Detroit City Council, the Mayor of the City of Detroit, the City of

Detroit Law Department, the Board of Directors of The Economic Development Corporation of the City of Detroit, and any other City financial review commission or board as required by law.

*(Signatures on Next Page)*

IN WITNESS WHEREOF, EDC and the City, by and through their duly authorized representatives, have executed this Amendment as follows:

**THE ECONOMIC DEVELOPMENT CORPORATION OF THE CITY OF DETROIT**, a Michigan public authority and body corporate



By: \_\_\_\_\_

Print Name: Pierre Batton

ITS: Authorized Agent




By: \_\_\_\_\_

Print Name: Glen Long

ITS: Authorized Agent

Approved as to Form Only:  
Counsel to the EDC

By:   
\_\_\_\_\_  
Rebecca A. Navin

**CITY OF DETROIT**, a Michigan municipal corporation by and through:  
**PLANNING AND DEVELOPMENT DEPARTMENT**



By: \_\_\_\_\_

Print Name: Katharine G. Trudeau

ITS: Deputy Director

APPROVED BY DETROIT CITY COUNCIL:

APPROVED AS TO FORM IN ACCORDANCE WITH § 7.5-206 OF THE 2012 CITY OF DETROIT CHARTER

\_\_\_\_\_

\_\_\_\_\_  
Supervising Assistant Corporation Counsel

\_\_\_\_\_  
Chief Procurement Officer

**THIS AMENDMENT IS NOT VALID OR AUTHORIZED UNTIL APPROVED BY RESOLUTION OF THE CITY COUNCIL AND SIGNED BY THE CITY'S CHIEF PROCUREMENT OFFICER.**

**EXHIBIT A**  
**REVISED SECTION 2 OF EXHIBIT C TO FUNDING AGREEMENT**

2. In addition to the services set forth in Article III the EDC will provide underwriting services with respect to the following described aspects of the Project:

A. National/Regional Retail/Restaurant Chain Loan Program

**Goal:** Foster investment in recognized chain retail/restaurant ventures in the City of Detroit.

**Geographic Limitation:** City of Detroit.

**Credit Limitations:** All loans will be subject to standard credit underwriting more specifically detailed in the EDC's "Credit Policy Manual" a copy of which is the possession of both parties.

**Qualifications:** Ownership of or demonstrated management responsibility for similar ventures; Valid license/operating agreement for proposed venture; Demonstrated financial capacity to complete build-out and provide necessary operating capital for a minimum of one (1) year.

**Maximum Loan Amount:** Loans will be limited to a maximum amount of \$500,000 or 40% of project costs, whichever is less.

B. Non-Affiliated Retail/Restaurant Chain Loan Program

**Goal:** Foster investment in in-fill ground floor retail/restaurant ventures in the City of Detroit. Preference will be given to full service restaurants and retail outlets providing services not otherwise available in the neighborhood in which the business will be located.

**Geographic Limitation:** City of Detroit.

**Credit Limitations:** All loans will be subject to standard credit underwriting more specifically detailed in the EDC's "Credit Policy Manual" a copy of which is in the possession of both parties.

**Qualifications:** Ownership of or demonstrated management responsibility for similar ventures; Demonstrated financial capacity to complete build-out and provide necessary operating capital for a minimum of one (1) year.

**Maximum Loan Amount:** Loans will be limited to a maximum amount of \$200,000 or 40% of project costs, whichever is less.

**C. Real Property Rehabilitation Gap Fund Program**

**Goal:** Foster greater investment in real property rehabilitation project by City of Detroit residents.

**Geographic Limitation:** City of Detroit.

**Credit Limitations:** All loans will be subject to standard credit underwriting more specifically detailed in the EDC's "Credit Policy Manual" a copy of which is in the possession of both parties.

**Qualifications:** Loans will be limited to real property rehabilitation projects to be owned, operated, and financed by City of Detroit residents. City of Detroit resident ownership is defined as a minimum of 60 % of the ownership entity being comprised of City of Detroit residents (minimum two [2] year residency requirement).

**Maximum Loan Amount:** Loans will be limited to a maximum amount of \$750,000 or 40% of project costs, whichever is less.

**D. Small Business Loan Fund Program**

**Goal:** Enable the establishment and/or expansion of small businesses located in Detroit's commercial corridors and/or industrial districts.

**Geographic Limitation:** City of Detroit.

**Credit Limitations:** All loans will be subject to standard credit underwriting more specifically detailed in the EDC's "Credit Policy Manual" a copy of which is in the possession of both parties.

**Qualifications:** Preference given to new and existing businesses participating in small business programs administered to the EDC.

**Maximum Loan Amount:** Loans will be limited to a maximum amount of \$200,000 or 40% of project costs, whichever is less.

**E. Small Business COVID-19 Relief Fund**

**Goal:** Provide need-based low-interest loans, cash grants, and/or technical assistance to bridge working capital needs of businesses impacted by the COVID-19 pandemic

**Geographic Limitation:** City of Detroit.

**Credit Limitations:** Any loans will be subject to standard credit underwriting more specifically detailed in the EDC's "Credit Policy Manual" a copy of which is

in the possession of both parties. Cash grants and technical assistance to be subject to Program Guidelines established by EDC Board of Directors.

**Qualifications:** Must be able to demonstrate business income loss or other financial hardship to business operations as a result of COVID-19 pandemic.

**Maximum Loan/Grant Amount:** \$10,000

**Maximum Amount to be Allocated:** \$2,300,000