

City of Detroit

CITY COUNCIL

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March 15, 2023

TO: HONORABLE CITY COUNCIL

RE: \$104.25M Operational Costs in Community Benefits Agreement (CBA)

During the March 9, 2023 Planning and Economic Development Standing Committee (PED), Legislative Policy Division (LPD) staff raised discussion regarding the \$104.25M Operational Costs identified in the CBA as a benefit that the District Detroit developer will provide to the community. At that time, the Committee requested that LPD's remarks/questions on the subject be put in writing.

LPD staff has corresponded with the Administration and Developer to pose the questions relative to the remarks given at the Committee. The questions and responses are being provided below for Your Honorable Body's informational purposes. Please see below:

1. I understand the developer is providing approximately \$12M in cash for the CBO benefits. Would the \$104.25M come from the financing related to the \$1.5B total project cost, or would the \$104.25M be in addition to the \$1.5 B total project cost?
The developer's \$100M disadvantaged & Detroit business spend commitment coincides with the \$1.5B development spend. As NAC chair Chris Jackson, who championed this request from the NAC, could explain better than I could, this is designed to harness the developer's planned spend to benefit disadvantaged businesses.
2. What's the timeline for making the \$104.25M investment over the life of the District Detroit project?
The \$104.25M is comprised of four elements:
 - a) \$100M target spend with Detroit-based and disadvantaged businesses
 - b) \$0.5M target spend on local art
 - c) \$1.25M for the District Detroit Co-Developer program, and
 - d) \$2.5M for culturally relevant programming.

For items (a),(b) and (c), this expenditure is anticipated to be spent over the construction period which is projected to last five years. Item (d) is scheduled to be spent over ten years upon completion of the Columbia Street Plaza.

3. How soon will recipients be able to access these funds?

The \$100M target spend will be disbursed in the normal course of Developer purchasing goods and services related to the project. These costs are already being incurred and include a range of expenditures from architectural services (e.g., Dokes Design Architecture) to catering (e.g., Yum Village).

4. Is the developer confident that the quality of the development of the projects will not be hindered when \$104.25M is being deferred from project development costs to providing CBO benefits?

The \$100.5M target spend (items a and b) is not being deferred from or redirected from the project but instead represents a portion of the total development costs which will be spent on the project.

5. How will the \$104.25 M be distributed to the recipients, via grants, low interest loans?

The \$100.5M target spend and the culturally relevant programming costs will be distributed through Developer's normal payment process to vendors and contractors. The manner of projected support contemplated in the Co-Developer program will depend on the structure of the development partnerships that are formed.

CONCLUSION

As LPD stated in the March 9th PED Standing Committee session, staff would simply stress the need for a transparent and intentionally planned reporting and enforcement process. As explained, the \$104.25M in funds to be spent for the activities described, will be over the life of the developmental stages of the project, which is several years at minimum.

With this large amount of funding and a lengthy timeline, tracking will be key. So it is good that the developer and NAC has already taken this into consideration.

According to the CBA agreement, the developer has committed to spend \$100,000 to "track and report progress against the \$100M target for Disadvantaged and Detroit- based contractor spending. On an annual basis beginning on the first calendar year following the final approval of the TBP. The Developer will issue to the Civil Rights, Inclusion and Opportunity Department (CRIO) a report showing its progress towards the target spend goal. CRIO will verify all business certifications described herein. The Developer agrees that its report on construction spending for compliance with Detroit's applicable Executive Order and ordinances will include information identifying any amounts expended for all goods and services, including construction, with any qualifying businesses."

City Council may also desire to stay involved in this process since accountability and completion of commitments has been a sticking point for many from the public related to the developer.

Attachment:
Community Benefits Agreement

Antoine Bryant Director, PDD
Karen Gage, PDD
Greg Moots, PDD
David Bell, Director,
BSEED James Foster, BSEED
Conrad Mallett, Corporation Counsel
Hon. Mike Duggan, Mayor's Office

Section E.

DISTRICT DETROIT COMMUNITY BENEFITS COMMITMENTS (EXHIBIT A)

DISTRICT DETROIT – TEN PROPERTY PORTFOLIO

COMMUNITY BENEFITS OBLIGATIONS

I. DEVELOPER COMMITMENTS

The term “Developer” as used herein shall mean, collectively, ODM Real Estate Ventures, LLC, a Michigan limited liability company (“ODM”), Related Detroit, LLC, a Delaware limited liability company (“**Related**”), and Related Olympia Predevelopment Company LLC, a Delaware limited liability company.

A. Affordable Housing.

Affordable Housing Commitment: Developer shall enter into an affordable housing agreement (the “**Affordable Housing Agreement**”) with the City pursuant to which Developer shall lease at least twenty percent (20%) of residential units among the total unit count across the four (4) residential buildings (408 Temple Street, 2250 Woodward Avenue, 2205 Cass Avenue, and 2210 Park Avenue) that are part of the ten (10) property portfolio of proposed developments (the “**District Detroit Development**”) which are included in the Developer’s Transformational Brownfield Plan (“**TBP**”) to individuals and families with incomes of not more than fifty percent (50%) of the median family income for the Detroit-Warren-Livonia Metropolitan Statistical Area as published by HUD, based on family size, for a term of thirty (30) years commencing on completion of the construction or renovation of each such building. Such affordable units shall be similar in unit mix, size, and quality to the market-rate units in such buildings and shall be distributed throughout such buildings (other than 2210 Park Avenue). The penalties for Developer’s failing to meet such affordable housing commitments shall be as provided in the Affordable Housing Agreement.

Tenant Ability to Renew: The Affordable Housing Agreement shall include a covenant that Developer shall not refuse to renew the lease of tenants renting an affordable unit upon the expiration of such tenant’s lease unless good cause exists not to renew the lease.

Acceptance of Section 8 Vouchers: During the thirty (30) year term of the Affordable Housing Agreement, Developer shall not unreasonably refuse to lease a dwelling unit offered for rent or otherwise discriminate in the terms of tenancy because any prospective tenant is the holder of a Certificate of Family Participation or a Voucher under Section 8 of the United States Housing Act of 1937 (42 USC §1437f), or any successor legislation. Such obligation shall be included within the Affordable Housing Agreement.

Parking for Affordable Units: During the thirty (30) year term of the Affordable Housing Agreement, with respect to each residential property, Developer will cause to be made available for lease to the tenants of each affordable unit up to one (1) non-designated parking space per such affordable unit. Such parking space shall be provided within the parking area made available to

all other tenants of such building or at a parking lot or parking structure owned or leased by Developer or an affiliate of Developer within six (6) blocks of such residential building. Developer shall lease or sublease such parking spaces, or cause such parking spaces to be leased, to the tenants of the related affordable unit at a fifty percent (50%) discount to the monthly market parking rate then in effect for such parking lot or parking structure. If the cost of parking is included in the rental rates for a building, then the amount of such cost charged to residents of an affordable unit at such building shall be no more than fifty percent (50%) of the parking costs charged to tenants of market rate units in such building. Such obligation shall be included within the Affordable Housing Agreement.

B. Project Accessibility.

Within ninety (90) days of the final approval of the TBP and continuing during the period that the proposed projects are under construction (the “**Construction Period**”), Developer will hire one or more third-party consultants specializing in (i) compliance with the Americans With Disabilities Act (the “**ADA**”), (ii) universal design for persons with disabilities, and (iii) prevailing best practices for accessibility and visit-ability (the “**Accessibility Consultant(s)**”), to consult on the design of each of the ten proposed projects and related outdoor environments which are part of the District Detroit Development and provide proposals which make the District Detroit Development accessible and usable by persons with disabilities beyond the minimum requirements imposed by the ADA. Developer shall provide a copy of the request for proposals to engage its Accessibility Consultant to the City of Detroit Civil Rights, Inclusion and Opportunity Department (“**CRIO**”) and the Neighborhood Advisory Council for the District Detroit Development (the “**NAC**”) within a reasonable time following Developer’s publication thereof, and shall notify CRIO and the NAC of the identity and qualifications of the Accessibility Consultant selected by Developer within a reasonable time period after Developer hires such Accessibility Consultant. During the period that each District Detroit Development project is under design, prior to the generation of construction drawings, Developer and the Accessibility Consultant shall hold meetings not less than quarterly with a member of the NAC identified to serve as a liaison (the “**NAC Liaison**”) regarding project accessibility and to review design proposals made by the Accessibility Consultant and to allow the NAC Liaison to provide comments on such design proposals. Developer shall use reasonable efforts to implement the design and construction proposals of the Accessibility Consultant, including, but not limited to, (A) constructing at least five percent (5%) of residential units in the District Detroit Development with features that improve the usability and quality of life for persons with disabilities, and (B) designing an additional five percent (5%) of units to be easily convertible to provide additional accessibility features if there is a need for more accessible units at such buildings.

C. Opportunity Connector.

Within ninety (90) days of the final approval of the TBP, Developer will establish an information center (the “**On-Site Opportunity Connector**”) to provide (i) affordable housing information and assistance to prospective residents of the District Detroit Development, and (ii) employment

opportunities related to the construction and post-construction operation and management of District Detroit Development. The On-Site Opportunity Connector will be located in a walk-in location within the area bounded by Martin Luther King Boulevard and Mack Avenue to the north, I-75 and I-375 to the east, Macomb Street, Monroe Street, and Michigan Avenue to the south, and M-10 to the west (the “**Impact Area**”), and shall be appropriately staffed during regular business hours. Developer shall operate such On-Site Opportunity Connector during the Construction Period. Developer shall use the On-Site Opportunity Connector (i) to market affordable residential units at the projects to current low-income Detroit residents, (ii) to advertise available jobs to Detroit residents, and (iii) to assist Detroit residents and Wayne County Community College District (“**WCCCD**”) students in accessing the employment, internship, construction, and cultural opportunities which Developer has committed to in this Agreement.

Developer shall cause its contractors, and shall use reasonable efforts to encourage its commercial tenants, to advertise available job opportunities through the On-Site Opportunity Connector in addition to the other recruiting practice of such contractors and commercial tenants.

D. Employment Programs.

Fast Track Program: Within ninety (90) days of the closing of construction financing for the first building to be constructed as part of the District Detroit Development (currently anticipated to be 2200 Woodward), Developer will create a “Fast Track” training program in collaboration with Detroit at Work and Developer’s general contractors for the District Detroit Development. This Fast Track program will provide paid pre-apprenticeship training, work experience, and skill training to Detroit residents and WCCCD students and will be funded through a \$1,500,000 grant by Developer and its general contractors to the Detroit at Work program and operated by Detroit at Work based on the successful model that has been piloted on other projects in Detroit. The Fast Track Program will also include an Entrepreneurship and Contractor Capacity-Building Training component offered through WCCCD’s Entrepreneurship Training Academy in collaboration with Detroit at Work. The foregoing grant will be funded in five (5) equal annual installments of three hundred thousand dollars (\$300,000) based on the date of the first payment as provided herein.

Grow Detroit’s Young Talent: During the Construction Period, Developer shall participate in the City of Detroit’s Grow Detroit’s Young Talent program to hire Detroit residents between the ages of 16 and 24 for paid summer internships, each providing at least 120 hours of work experience in the fields of property development, management and construction.

Project Destined: During the Construction Period, Developer will sponsor internships for Detroit Public Schools Community District (“**DPSCD**”) students, Wayne State University students, WCCCD students, and Detroit residents matriculating at a college or university who graduated from a high school in Detroit in its real estate development training program through Project Destined.

Additional Internships/Apprenticeships: During the Construction Period, in addition to participation in the Grow Detroit's Young Talent and Project Destined programs, Developer shall use reasonable efforts to create additional internship and apprenticeship opportunities at ODM and Related, and encourage commercial tenants of the District Detroit Development to create similar internship and apprenticeship opportunities. Such commitment shall include a total of at least ten (10) openings annually for Detroit residents who graduated from Michigan colleges, or who are non-traditional students and/or people returning to the workforce, for five (5) consecutive years, in a comprehensive real estate development learning experience. The offerings shall include, but not be limited to, relevant inter-discipline instruction in marketing, property management, finance, accounting, hospitality, human resource management, information technology, and/or entertainment.

Within thirty (30) days of the end of each calendar year during the Construction Period, Developer will provide a report to CRIO summarizing the number of and nature of such internships required to be provided pursuant to this agreement.

Career Pathway Education: During the Construction Period, Developer will encourage the University of Michigan to provide programs at the University of Michigan Center for Innovation - Detroit to provide career exposure opportunities, including, but not limited to, hosting guest speakers, field trips, internships, and work-based learning experiences, to DPSCD high school students and WCCCD students. Developer shall provide CRIO a bi-annual summary of opportunities that the University of Michigan Center for Innovation – Detroit has developed for DPSCD and WCCCD students within thirty (30) days of the end of June and December each calendar year.

E. Policies to Reduce Barriers to Employment.

Non-discrimination for Marijuana Use: As part of Developer's hiring practices, Developer will not perform drug tests for marijuana or other substances which are legal in the State of Michigan, except where required by work rules or union policy.

Second Chance for Persons with Prior Convictions: Developer will not inquire or consider the criminal convictions of an applicant to be an employee of Developer until Developer interviews the applicant or determines that the applicant is qualified.

Developer shall certify compliance with the foregoing employment policies within thirty (30) days of the end of each calendar year during the Construction Period to CRIO.

F. Construction and Hiring Practices.

Recruitment Consultant: Within ninety (90) days of the final approval of the TBP, and continuing during the Construction Period, the Developer shall hire an experienced minority business

recruitment consultant (the “**Recruitment Consultant**”). Such Recruitment Consultant shall have a proven ten-year track record that (i) demonstrates success in identifying, recruiting, and driving major project inclusion of minority-owned small and medium sized businesses, (ii) demonstrates familiarity with all federal and State of Michigan minority-owned business inclusion programs, and (iii) demonstrates familiarity with the minority business inclusion programs administered by the three casinos and other major employers in the City of Detroit. Connectivity to and or familiarity with organizations such as the Michigan Minority Supplier Development Council and the Michigan Minority Contractors’ Council is preferred. Developer will provide a copy of the request for proposals to engage its Recruitment Consultant to CRIO and the NAC within a reasonable time following Developer’s publication thereof, and shall notify CRIO and the NAC of the identity and qualifications of the Recruitment Consultant selected by Developer within a reasonable time period after Developer hires such Recruitment Consultant

Compliance with Executive Order: In furtherance of Developer’s compliance with City of Detroit Executive Order 2021-02 dated April 14, 2021, Developer will require all general contractors to lay out project-specific plans to meet the requirements of Executive Order 2021-02. Developer, with the help and consultation of the Recruitment Consultant, shall implement policies to prioritize contracts with contractors and subcontractors who demonstrate an ability to meet the Workforce Target (as defined in Executive Order 2021-02).

Detroit at Work: Developer shall partner with the City of Detroit’s Detroit at Work program to hire qualified Detroit residents for available job opportunities related to the construction, development, management and operation of the District Detroit Development projects. Developer shall use good faith, reasonable efforts to cause its contractors to hire qualified Detroit residents through the Detroit at Work program.

Council on Construction Operations: Within ninety (90) days of construction commencement on the first of the District Detroit Development projects to break ground, Developer, with the help and consultation of the Recruitment Consultant, shall cause its general contractor to create and implement a Council on Construction Operations (COCO) or similar program to increase retention of diverse construction employment through site professionalism and equity, diversity and inclusion policies and practices, and provide referrals to providers of “wraparound” services (e.g. mental health, counseling, or substance abuse services) to employees. Developer shall cause the Recruitment Consultant to provide continued oversight and proposals for the improvement of the COCO or similar program.

Detroit-Based Business Spend: Developer shall have a target to procure, or cause to be procured, one hundred million dollars (\$100,000,000) of goods and services from disadvantaged businesses, Detroit-Based Businesses, Detroit Based Small Businesses, Detroit Headquartered Businesses and Detroit-Resident Businesses, each of the foregoing capitalized terms having the same definition as in Chapter 23 of the 2019 Detroit City Code, and being certified by CRIO.

Small Business Bond Fund: Developer shall establish a bond fund of one million five hundred thousand dollars (\$1,500,000) (the “**Small Business Bond Fund**”) which shall be made available to general construction businesses and specialty construction businesses which are a Small-Business Concerns (as defined in Chapter 23 of the 2019 Detroit City Code) to pay for the up-front costs of such businesses to obtain required payment and performance bonds and other up-front construction costs. No later than thirty (30) days after the closing of the construction financing of each project in the District Detroit Development, Developer will sufficiently fund the Small Business Bond Fund on a pro-rata basis as determined by the anticipated hard construction costs of each project.

Contractor Fair; Encouragement of Joint Ventures: Developer and the Recruitment Consultant shall coordinate with the City of Detroit to host a contractor opportunity fair and information session at least one-hundred twenty (120) days prior to the commencement of construction on each District Detroit Development project, or as soon as reasonably practicable for projects which such one-hundred twenty (120) day time frame has already lapsed, to permit Detroit-Based Businesses, Detroit Based Small Businesses, Detroit Headquartered Businesses, Detroit-Resident Businesses an opportunity to learn of and bid on construction and skilled trade work for such project, and to encourage joint ventures involving such businesses to provide needed construction and skilled trade work.

Within thirty (30) days of the end of June and December each calendar year during the Construction Period, Developer and the Recruitment Consultant shall deliver a report to CRIO describing the Developer’s compliance with each of the foregoing requirements.

G. Construction Notices.

At least thirty (30) days prior to the commencement of construction on each of the District Detroit Development projects, Developer will host a meeting open to the public detailing Developer’s proposed construction logistics for such project. Developer shall notify the NAC and the City of the date and time of such meeting at least fifteen (15) days in advance. Every two (2) weeks during the Construction Period, Developer will deliver to the NAC and post online on Developer’s website a construction activity lookahead schedule. During the Construction Period, Developer shall maintain a telephone hotline number and e-mail address at which residents of the surrounding community can notify Developer of any construction-related concerns. Developer will post or display such phone number and e-mail address at visible locations at each construction site while construction is ongoing. Developer shall use good-faith, reasonable efforts to address the legitimate construction-related concerns of residents received by Developer. Developer will provide appropriate signage and wayfinding directions for any bus stops or other transportation infrastructure that is temporarily relocated as a result of Developer’s construction.

H. Retail Business Operation.

Tenant Improvement Fund for Detroit Businesses:

Developer shall establish a one million dollar (\$1,000,000) fund (the “**Detroit TI Fund**”) to pay for tenant improvement costs of businesses that are disadvantaged businesses and Detroit-Based Businesses, Detroit Based Small Businesses, Detroit Headquartered Businesses, or Detroit-Resident Businesses, as certified by CRIO. Funds from the Detroit TI Fund will be made available by Developer for each building on a pro-rata basis of the proposed retail square footage at the time of the respective building’s issuance of a Temporary Certificate of Occupancy.

Commercial Tenant Participation in Detroit at Work: Developer shall encourage its commercial tenants to hire qualified Detroit residents for available jobs, internships and/or apprenticeships through Detroit at Work.

Within thirty (30) days of the end of June and December each calendar year during the Construction Period, Developer shall deliver a report to CRIO describing the Developer’s compliance with each of the foregoing requirements.

I. Co-Development Program.

Within one (1) year of the final approval of the TBP, ODM will issue requests for proposals (“**RFPs**”) for the development of at least three (3) sites currently owned by ODM within the Impact Area. Such RFPs shall be designed to create opportunities for emerging developers who are disadvantaged businesses or Detroit-Based Businesses, Detroit Headquartered Businesses, and Detroit Resident Businesses to participate in the development of such sites through a joint venture with ODM that is fair and commercially reasonable to such co-developer. Developer shall provide a copy of such RFPs to CRIO and the NAC upon publication thereof. ODM shall thereafter use reasonable efforts to enter into an appropriate joint venture agreement with qualified co-developers which responded to such RFPs within two (2) years of the closing of the RFPs.

J. Plazas and Greenspace.

Columbia Street Plaza and Community Outreach: Simultaneously with the construction of planned projects at 2200 and 2250 Woodward Avenue, Developer shall build, and thereafter maintain, an approximately thirty thousand (30,000) square foot, first class community plaza along the former Columbia Street, from Woodward Avenue to Witherell Street (the “**Columbia Street Plaza**”). The Columbia Street Plaza shall, except in the case of special events, be free and open to the public. Developer shall host at least two meetings open to the public regarding the proposed design of the Columbia Street Plaza to solicit community feedback within one hundred eighty (180) days of final approval of the TBP. Developer shall provide notice to the City Planning and Development Department and the NAC at least fifteen (15) days prior to such planned meetings.

M Block Plaza and Community Outreach: On or before the completion of construction of the third building located on the block bounded by Cass Avenue, West Elizabeth Street, West Adams Avenue, and Grand River Avenue (the “**M Block**”), Developer shall construct an approximately

twenty thousand (20,000) square foot, first class green space in the M Block (the “**M Block Green Space**”). The M Block Green Space shall, except in the case of special events, be free and open to the public. Developer will host at least two meetings open to the public regarding the proposed design of the M Block Green Space to solicit community feedback within eighteen (18) months of final approval of the TBP. Developer shall provide notice to the City Planning and Development Department and the NAC at least fifteen (15) days prior to such planned meetings.

Developer shall spend at least eight million dollars (\$8,000,000) of the infrastructure reimbursement funds provided by the Downtown Development Authority (“**DDA**”) on the design and construction costs of the Columbia Street Plaza and the M Block Green Space and related improvements in on-site and adjacent infrastructure, right-of-ways, and utilities.

Events at Columbia Street Plaza: For a ten (10) year period following the completion of construction of the Columbia Street Plaza, Developer shall spend or cause to be spent at least \$250,000 per year to host events at the Columbia Street Plaza that are free to the public and are timed to complement other cultural celebrations and public initiatives in the City of Detroit. Developer shall use good faith efforts to encourage and permit local artists and entertainers to perform at such events.

Grant for John R. Watson Park: Within thirty (30) days of Developer closing on its construction financing for the renovation of the Detroit Life Building at 2210 Park Avenue, Developer will make a grant of two hundred thousand dollars (\$200,000) to the City of Detroit to be used for renovations of the John R. Watson Park.

Design Study for Cass Park and Community Outreach: Within thirty (30) days of Developer closing on its construction financing for the American Hotel Project at 408 Temple Street, Developer will commission a study, and fund such study up to one hundred thousand dollars (\$100,000), for the redesign and redevelopment of Cass Park. Such study shall be conducted in cooperation with the City of Detroit General Services Department and shall include at least two (2) public meetings to solicit community input. Following completion of such study, Developer shall work with the City of Detroit to identify and raise appropriate funding for redevelopment of Cass Park, provided that the foregoing is not a commitment of Developer to provide funds for such redevelopment.

K. Public Space and Roadway Improvements.

Grant for I-75 Overpass Study: Developer will provide a grant of funds matching dollar-for-dollar any grant (up to four hundred thousand dollars (\$400,000)) received by the City of Detroit, the Downtown Development Partnership, or other entity focused on development in downtown Detroit from the U.S. Department of Transportation to study or construct a predestination and green space overpass above I-75 between John R. Street and Cass Avenue. Such grant funds shall be made available to such entity within one (1) year of the award of such U.S. Department of Transportation grant.

Roadway and Streetscape Improvements: As part of the District Detroit Development, Developer shall construct roadway improvement including streetlights, improved crosswalks, and road resurfacing (“**Roadway Improvements**”) and streetscape improvements including street-level trees, protected sidewalks, street-level furniture, and landscaping (“**Streetscape Improvements**”) to improve public safety and street amenities in the Impact Area. The details of such Roadway Improvements and Streetscape Improvements shall be specified in the infrastructure agreement to be entered into by the Developer and the Downtown Development Authority. Developer, with the help and consultation of the Accessibility Consultant, shall ensure that all roadways and streetscapes are constructed in a manner that is accessible to persons with disabilities and consistent with universal design best practices. Developer shall spend at least eleven million dollars (\$11,000,000) of the infrastructure reimbursement funds provided by the DDA on the design and construction of the Roadway Improvements and related improvements in infrastructure, right-of-ways and utilities. Developer shall spend at least five million dollars (\$5,000,000) of the infrastructure reimbursement funds provided by the DDA on the design and construction of the Streetscape Improvements and related improvements in infrastructure, right-of-ways and utilities.

L. Arts and Culture.

Neighborhood History Study and Report: Within one (1) year of the final approval of the TBP, Developer will commission a study, and fund such study with a grant of at least fifty thousand dollars (\$50,000), to research, document, and memorialize the history of Detroiters in the Brush Park, Paradise Valley, Cass Corridor, Black Bottom and Cass Park neighborhoods. Such study shall be commissioned from local non-profit, historical, or educational institution using a competitive proposal process intended to involve a diverse group of voices and perspectives in such study. Developer shall involve the City of Detroit Office of Arts, Culture, and Entrepreneurship (“**ACE**”) and a NAC Liaison to assist in creating the study proposal and to select the entity or entities from whom such study is commissioned. The results of such study shall be delivered to the City and to the NAC, and be made freely available online to the public. Developer will work with a NAC Liaison to coordinate and determine the appropriate number of and location of markers memorializing the history of the Brush Park, Paradise Valley, Cass Corridor, Black Bottom and Cass Park neighborhoods, consistent with the results of the neighborhood history study, the costs of which markers are included a part of Developer’s construction budgets.

Local Art Commitment: As projects are completed, but not later than five (5) years after the final approval of the TBP, Developer shall spend a minimum of five hundred thousand dollars (\$500,000), representing a portion Developer’s budget for art and decoration of the proposed projects, to purchase and display art in public areas of the District Detroit Development projects or in exterior plazas constructed as part of the District Detroit Development that (i) is created by current or former Detroit residents, including, but not limited to DPSCD students, and/or (ii) recognizes and memorializes the history of Detroiters in the Brush Park, Paradise Valley, Cass Corridor, Black Bottom and Cass Park neighborhoods. Developer shall work with ACE, local galleries and the local third-party experts to curate such art.

M. Contribution to Cass Technical High School.

Developer shall make two grant contributions, each in the amount of five hundred thousand dollars (\$500,000), to Detroit Public Schools Foundation (“**DPSF**”) for improvements to the athletic facilities at Cass Technical High School. One grant shall be made by Developer to DPSF within thirty (30) days of Developer closing on its construction financing for the construction of the Little Caesars Arena Hotel at 2455 Woodard Avenue. The other grant shall be made by Developer to DPSF upon within thirty (30) days of Developer closing on its construction financing for the renovation of the Fox Theater office building at 2211 Woodard Avenue into a hotel.

N. Parking and Traffic

Parking Plan: Developer shall work jointly with the City to develop a parking plan (the “**Parking Plan**”) within one hundred eighty (180) days of the final approval of the TBP, which Parking Plan shall seek to address the parking needs of neighborhood residents, the District Detroit Development projects (both during and after construction), and events-related parking demand for entertainment facilities within the Impact Area, namely the Little Caesars Arena, Comerica Park and Ford Field. As part of such Parking Plan, Developer shall commission a study, and fund such study up to \$100,000, to investigate and design solutions to parking concerns within the Impact Area. Developer and the City shall involve a NAC Liaison in development of the Parking Plan to advise on the needs of neighborhood residents and shall conduct monthly meetings which the NAC Liaison will be invited to during the development of such Parking Plan.

Traffic Plan: Developer shall work jointly with the City to develop a traffic management plan (the “**Traffic Plan**”) within one hundred eighty (180) days of the final approval of the TBP, which Traffic Plan shall seek to address the traffic impacts of the District Detroit Development projects (both during and after construction), and events-related traffic at entertainment facilities within the impact area, namely the Little Caesars Arena, Comerica Park, and Ford Field. The Traffic Plan will also focus on pedestrian safety and mitigating the impacts of events-related traffic routing on area residents and businesses. As part of such Traffic Plan, Developer shall commission a study, and fund such study up to \$100,000, to investigate and design solutions to traffic concerns within the impact area. Developer and the City shall involve a NAC Liaison in development of the Traffic Plan to advise on the needs of neighborhood residents and shall conduct monthly meetings which the NAC Liaison will be invited to during the development of such Traffic Plan.

Encouragement of Mass Transit Options: During the Construction Period, Developer will reimburse its employees who utilize mass transit or bike sharing (including the Q-Line, MoGo, D-DOT busses, and SMART Busses) to commute to and from work for such employees’ costs to use such services.

Off-Street Parking for Contractors: During the Construction Period, Developer will provide, or cause to be provided, off-street parking to all contractors and subcontractors and their respective

employees. Developer will prohibit on-street parking by such contractors and subcontractors, and shall cause such contractors and subcontractors to park in the provided off-street parking, except to the extent necessary for loading and unloading equipment and materials.

II. CITY OF DETROIT COMMITMENTS

Motor City Match: The City shall direct the Detroit Economic Growth Corporation, for a period of not less than five (5) years after final approval of the TBP, to support small businesses located within or attempting entrance into the Impact Area (i) by providing technical assistance through the by District Business Liaisons and the Motor City Match program, including both quarterly workshops focused on retail and restaurants to highlight best practices, address regulatory challenges, and help program participants access funding as well as technical assistance awards, and (ii) by funding, through Motor City Match, at least one Motor City Match cash award for a business located or locating within the Impact Area in each of the remaining rounds funded by American Rescue Plan Act dollars.

Renovation of John R. Watson Park: The City of Detroit will construct landscaping and public improvements at the John R. Watson Park in the amount of approximately one million dollars (\$1,000,000) (including eight hundred thousand dollars (\$800,000) budgeted for the renovation of John R. Watson Park from GSD's budget and the two hundred thousand dollar (\$200,000) contribution from Developer required herein). The City shall meet with interested neighborhood residents, including, but not limited to, the Brush Park Community Development Corporation and the NAC to review plans for the park renovation prior to commencing construction of such park improvements.

Brush Park Resident Permit Parking: Subject to the consideration and approval of the Detroit City Council, the City will advance current efforts to study and establish residential permit parking zones in the Brush Park neighborhood. If the City Council has not passed a resolution to establish residential permit parking in the Brush Park neighborhood by the time Developer and the City present the Parking Plan to the NAC, the Parking Plan will make a recommendation as to whether such residential permit parking zones should be authorized.

Bus Shelter Renovations: The City will install or replace up to eleven (11) bus shelters on Woodward Avenue between Mack Avenue and Campus Martius by the end of the 2024 calendar year. All such bus shelters shall be compliant with the ADA.