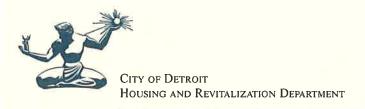
NEW BUSINESS 3-12-19.

PLANNING AND ECONOMIC DEVELOPMENT STANDING COMMITTEE



the 65

MAR - 6 2019

COLEMAN A. YOUNG MUNICIPAL CENTER 2 WOODWARD AVENUE, SUITE 908 DETROIT, MICHIGAN 48226 (313) 224-6380 • TTY:711 (313) 224-1629

(313) 224-6380 • 11 Y:/11 (313) 224-1629 WWW.DETROITMI.GOV

February 26, 2019

Detroit City Council 1340 Coleman A. Young Municipal Center Detroit, MI 48226

RE: Reprogramming Amendment to the Community Development Block Grant (CDBG)
Annual Action Plans for fiscal years 2014-15, 2017-18 and 2018-19

Honorable City Council:

The Housing & Revitalization Department (HRD) is requesting that changes be made to the City's CDBG Annual Action Plan consistent with meeting the City's CDBG Timeliness Test on May 2, 2019.

The City has previously had significant challenges meeting its timeliness test, which requires that the City have no more than 1.5 times its CDBG allocation on hand at any time. A test of this metric is made sixty (60) days before the end of the program year for all CDBG recipients. This test is one of the primary ways in which the City's performance is measured by U.S. Department of Housing and Urban Development (HUD).

Also, this amendment will allow the Department to reprogram unused CDBG funds from a number of account balances for programs that funds unlikely to be used in a timely manner.

To do so however, a series of budget amendments are required to expend funding. The funding will change as follows:

Line Items to be reprogrammed (Decrease):

| 0 | Summer Jobs Program (DESC) (FY's 2014-15, 2017-18 & 2018-19) | \$ 2,000,000 |
|---|--|--------------|
| • | Non-HHF Demolition (Schools & Parks) (FY 2018-19) | \$ 320,000 |
| | Total | \$ 2,320,000 |

Line Item for Funding Addition for FY 2018-19 (Increase):

| Pre-development – Affordable Housing | | \$ 1,000,000 |
|---|-------|--------------|
| Conventional Home Repair (Senior) | | \$ 500,000 |
| 0% CDBG Housing Rehab Loan Program | | \$ 500,000 |
| Planning (Demolition Studies for Schools) | | \$ 320,000 |
| | Total | \$ 2,320,000 |



Detroit City Council

RE: Reprogramming Amendment to the CDBG Annual Action Plan

February 26, 2019

Page 2

We respectfully request that your Honorable Body approve the attached resolution authorizing this change to amend the CDBG Annual Action Plan for the stated purpose. This proposed amendment was posted on the City's website and advertised in the Detroit News/Free Press.. Upon City Council's approval, it will be transmitted to HUD.

We ask that the Council approve this with a Waiver of Reconsideration.

Respectfully submitted,

Donald Rencher

Director

Housing & Revitalization Department

Attachment

cc: Stephanie Washington, Mayor's Office

APPROVED

BUDGET DIRECTOR

Date 3/7/19



| \mathbf{BY} | COUNCIL I | MEMBER | |
|---------------|------------------|--------|--|
| | | | |

WHEREAS, the Detroit City Council hereby approves amending the Annual Action Plan to reflect the reprogramming of the Community Development Block Grant (CDBG) in accordance with the foregoing communication; and

WHEREAS, the Mayor of the City of Detroit, Michael E. Duggan, is hereby authorized to amend the Annual Action Plan, including all understandings and assurances contained therein to the U.S. Department of Housing and Urban Development (HUD) in accordance with the foregoing communication; and

WHEREAS, the Housing and Revitalization Department has performed an evaluation of outstanding CDBG funding line items and determined that a strategic reallocation of funding is in order to meet timeliness by May 2, 2019; and

RESOLVED, that the Budget Director be and is hereby authorized to increase Appropriation # 20541 Pre-development – Affordable Housing by \$1,000,000; and

RESOLVED, that the Budget Director be and is hereby authorized to increase Appropriation # 20153 Conventional Home Repair (Senior) by \$500,000; and

RESOLVED, that the Budget Director be and is hereby authorized to increase Appropriation # 13609 0% CDBG Housing Rehab Loan Program by \$500,000; and

RESOLVED, that the Budget Director be and is hereby authorized to increase Appropriation # 13169 Planning (Demolition Studies for Schools) by \$320,000; and

RESOLVED, that the Budget Director be and is hereby authorized to decrease Appropriation # 13837 Summer Jobs Program (DESC) by \$2,000,000; and

RESOLVED, that the Budget Director be and is hereby authorized to decrease Appropriation # 20544 Non-HHF Demolition (Schools & Parks) by \$320,000; and

BE IT FINALLY RESOLVED, that the Finance Director be and is hereby authorized to accept and process all documents reflecting these changes.



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

February 27, 2019

Detroit City Council 1340 Coleman A. Young Municipal Center Detroit, MI 48226

RE: Property Sale

8675 W. Grand River

Honorable City Council:

The City of Detroit Planning and Development Department ("P&DD") has received an offer from Campau Investments LLC ("Campau"), a Michigan Limited Liability Company, requesting to purchase City-owned real property having a street address of 8675 W. Grand River (the "Property") for the purchase price of Five Thousand and 00/100 Dollars (\$5,000.00).

The Property is zoned B4 (General Business District), measures approximately 2000 square feet and is located between and adjacent to properties owned by Campau at 8671 and 8679 W. Grand River. Campau proposes to combine all of the properties to pursue commercial development. Any proposed use of the Property by Campau shall be consistent with the allowable uses for which the Property is zoned.

We, therefore, request that your Honorable Body adopt the attached resolution to approve the sale and authorize the Director of the Planning and Development Department, or his authorized designee, to issue a quit claim deed to the Property and such other documents as may be necessary to effectuate the sale, with Campau Investments LLC, a Michigan Limited Liability Company for the amount of \$5,000.00.

Respectfully Submitted,

Maurice Cox

Director

Planning & Development Department

MC/AJM

CITTY CLERK 2019 MSP 7 ex 3117

cc: Stephanie Washington, Mayor's Office

RESOLUTION

| BY CO | JNCIL | MEMBER | | |
|-------|-------|--------|--|--|
| | | | | |

NOW, THEREFORE, BE IT RESOLVED, that Detroit City Council hereby approves of the sale of certain real property at 8675 W. Grand River, Detroit, MI (the "Property"), as more particularly described in the attached Exhibit A incorporated herein, to Campau Investments LLC for the purchase price of Five Thousand and 00/100 Dollars (\$5,000.00); and be it further

RESOLVED, that the Director of the Planning and Development Department, or his or her designee, is authorized to execute a quit claim deed and other documents necessary or convenient for the consummation of the transaction pursuant to and in accordance with the Purchase Agreement; and be it further

RESOLVED, that the following Property Sales Services Fees be paid from the sale proceeds pursuant to the City's Property Management Agreement with the Detroit Building Authority ("DBA"): 1) Three Hundred and 00/100 Dollars (300.00) shall be paid to the DBA from the sale proceeds, 2) Two Hundred Fifty and 00/100 Dollars (\$250.00) shall be paid to the DBA's real estate brokerage firm from the sale proceeds and 3) customary closing costs up to Two Hundred and 00/100 Dollars (\$200.00) shall be paid from the sale proceeds; and be it further

RESOLVED, that the P&DD Director, or his authorized 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 P&DD Director, or his authorized designee, and approved by the Corporation Counsel as to form.

(See Attached Exhibit A)

EXHIBIT A

LEGAL DESCRIPTION

Property situated in the City of Detroit, Wayne County, Michigan, described as follows:

S GRAND RIVER LOT 13 JOHN TIREMANS SUB L32 P10 PLATS, W C R 16/168 20 X 100

a/k/a 8675 W. Grand River Tax Parcel ID 16004872

> Description Correct Engineer of Surveys

> > Basil Sarim, P.S.

Professional Surveyor

City of Detroit/DPW, CED



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

March 11, 2019

HONORABLE CITY COUNCIL

RE: Authorization to Acquire Eight (8) Parcels from the Detroit Land Bank Authority / Lease of 7515 Elmhurst and Eight (8) Parcels to Michigan Statewide Carpenters and Millwrights Joint Apprenticeship and Training Fund

The City of Detroit ("City"), by and through the Planning & Development Department ("P&DD"), is hereby requesting the authorization of your Honorable Body to acquire certain land from the Detroit Land Bank Authority ("Acquisition Parcels") to include in a lease agreement (the "Lease") between the City and the Michigan Statewide Carpenters and Millwrights Joint Apprenticeship and Training Fund ("Training Fund").

The City proposes to lease for a period of 99 years approximately 7 acres of land in the City of Detroit, including 6 acres of land currently owned by the City at 7515 Elmhurst and the Acquisition Parcels, to the Training Fund for their construction and operation of a skilled trades training facility with supporting administrative space. As consideration for the lease, the Training Fund will make a minimum investment of \$22M of capital improvements to the City's property and provide certain tenant services, including certain free programs to the public. The Training Fund plans to consolidated certain operations outside of the City into a new, state-of-the-art training facility on the leased premises that is anticipated to accommodate approximately 1500 trainees per year through various skilled trades programs.

At this time, P&DD is requesting: (1) approval of acquisition of the Acquisition Parcels from the Detroit Land Bank Authority and (2) approval of the Lease with the Training Fund.

Respectfully submitted,

Janet L. Attarian, Deputy Director Planning & Development Department

cc: S. Washington (Mayor's Office)

RESOLUTION

| BY COUNCIL MEMBER: | |
|--------------------|--|
|--------------------|--|

WHEREAS, the City of Detroit ("City") through the Planning & Development Department ("P&DD") wishes to acquire eight (8) properties within the City of Detroit, MI as more particularly described in the attached Exhibit A ("Acquisition Parcels") from the Detroit Land Bank Authority ("DLBA") for the sum of One and 00/100 Dollar (\$1.00); and

WHEREAS, the City and the Michigan Statewide Carpenters and Millwrights Joint Apprenticeship and Training Fund ("Training Fund") wish to enter into that certain lease agreement that is attached hereto and incorporated herein as Exhibit B that concerns certain Cityowned property at 7515 Elmhurst and the Acquisition Parcels ("Lease Agreement"); and

WHEREAS, the Buildings, Safety Engineering and Environmental Department has reviewed the environmental conditions of the Acquisition Parcels attached hereto as Attachment 1; and

WHEREAS, in accordance with Chapter 2, Article I, Division 2 of the Detroit City Code: (1) the City Council finds that the Acquisition Parcels have received appropriate environmental inquiry in accordance with the review referred to in the preceding paragraph; (2) the environmental inquiry has shown that past use of the Acquisition Parcels for the period investigated has been solely for residential purposes and that the Acquisition Parcels do not pose an adverse environmental impact, therefore none of the Acquisition Parcels are considered a facility; and (3) the City Council finds and declares that the preservation of the promotion of the public health, safety, welfare or good outweighs the cost of the environmental inquiry and therefore waives the requirement that the seller bear the cost of the environmental inquiry; now therefore be it

RESOLVED, that Detroit City Council hereby approves acquisition of the Acquisition Parcels from the DLBA for the consideration of One and 00/100 Dollar (\$1.00); and be it further

RESOLVED, that the P&DD Director, or his authorized designee, be and is hereby authorized to accept and record a deed to the Acquisition Parcels to the City of Detroit, as well as execute any such other documents as may be necessary to effectuate transfer of the Acquisition Parcels from DLBA to the City of Detroit; and be it further

RESOLVED, that the P&DD Director, or his authorized 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 Acquisition Parcels to the City, provided that the changes do not materially alter the substance or terms of the transfer; and be it further

RESOLVED, that Detroit City Council hereby approves the Lease Agreement; and be it further

RESOLVED, that the Lease Agreement will be considered confirmed when executed by the P&DD Director, or his authorized designee, and approved by the Corporation Counsel as to form; and be it further

RESOLVED, that Detroit City Council hereby grants to the Training Fund an option to purchase the City-owned property included in the Lease Agreement at any time during the term of the Lease Agreement, provided that the City and Training Fund mutually agree upon a reasonable sales price and that Detroit City Council grants approval of such sale to the Training Fund separate and apart from this resolution; and be it finally

RESOLVED, that the Finance Director is hereby authorized to increase the necessary accounts and honor expenditures, vouchers and payrolls when presented in accordance with the foregoing communication and standard City procedures.

M-8F

EXHIBIT A

LEGAL DESCRIPTIONS

Property situated in the City of Detroit, Wayne County, Michigan, described as follows:

/ Parcel 1

N WEBB W 41.2 FT IN FRT BG W 40 FT IN REAR OF LOT 10 EVERGREEN SUB L25 P49 PLATS, W C R 16/203 41.2 IRREG

a/k/a 7238 Webb Tax Parcel ID 16005554

/ Parcel 2

N WEBB W 30 FT OF E 60 FT LOT 10 EVERGREEN SUB L25 P49 PLATS, W C R 16/203 30 X 128.56

a/k/a 7228 Webb Tax Parcel ID 16005555

Parcel 3

N WEBB E 30 FT LOT 10 EVERGREEN SUB L25 P49 PLATS, W C R 16/203 30 X 128.56

a/k/a 7222 Webb Tax Parcel ID 16005556

/Parcel 4

N WEBB W 32.5 FT LOT 9 EVERGREEN SUB L25 P49 PLATS, W C R 16/203 32.5 X 128.56

a/k/a 7216 Webb Tax Parcel ID 16005557.001

Parcel 5

S ELMHURST W 50 FT OF LOT 33 EVERGREEN SUB L25 P49 PLATS, W C R 16/203 50 X 128.56

a/k/a 7441 Elmhurst Tax Parcel ID 16005743

Parcel 6

S ELMHURST W 34 FT OF E 50 FT LOT 33 EVERGREEN SUB L25 P49 PLATS, W C R $16/203~34~\mathrm{X}~128.56$

a/k/a 7431 Elmhurst

Tax Parcel ID 16005742

Parcel 7

S ELMHURST W 18 FT LOT 34 AND E 16 FT LOT 33 EVERGREEN SUB L25 P49 PLATS, W C R 16/203 34 X 128.56

a/k/a 7425 Elmhurst

Tax Parcel ID 16005741

Parcel 8

S ELMHURST W 35 FT OF E 112 FT LOT 34 EVERGREEN SUB L25 P49 PLATS, W C R $16/203~35~\mathrm{X}~128.56$

a/k/a 7421 Elmhurst

Tax Parcel ID 16005740

Description Correct Engineer of Surveys

Basil Sarim, P.S.

Professional Surveyor

City of Detroit/DPW, CED

EXHIBIT B

LEASE AGREEMENT

LEASE AGREEMENT

BETWEEN

THE CITY OF DETROIT

AND

MICHIGAN STATEWIDE CARPENTERS AND MILLWRIGHTS JOINT APPRENTICESHIP AND TRAINING FUND

CONTRACT NO.

LEASE AGREEMENT

BY AND BETWEEN

THE CITY OF DETROIT AND

MICHIGAN STATEWIDE CARPENTERS AND MILLWRIGHTS JOINT APPRENTICESHIP AND TRAINING FUND

THIS LEASE AGREEMENT ("Lease") is entered into by and between the City of Detroit ("City"), a Michigan municipal corporation acting by and through its Planning & Development Department with offices at 2 Woodward, Suite 808, Detroit, MI 48226, and the Michigan Statewide Carpenters and Millwrights Joint Apprenticeship and Training Fund ("Tenant"), a multi-employer Trust Fund established under the principles of the Employee Retirement Income Security Act of 1974 that is recognized as a tax exempt entity pursuant to Internal Revenue Code Section 501(c)(3) and has an address of 6525 Centurion Drive, Lansing, Michigan 48917.

RECITALS:

WHEREAS, the City owns certain real property located at 7515 Elmhurst, 7238, 7228, 7222 and 7216 Webb, 7441, 7431, 7425 and 7421 Elmhurst, Detroit, MI 48204 (the "Premises") as more fully described in Exhibit A, which is attached hereto and incorporated by reference herein; and

WHEREAS, the City desires to lease to Tenant, and Tenant desires to lease from City, the Premises upon the terms, covenants and conditions set forth in the Lease; and

WHEREAS, the City acknowledges that the authorized uses of the Premises by Tenant under this Lease are allowable under the current zoning of the Premises; and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. PREMISES AND AUTHORIZED USE

1.01 City hereby leases to the Tenant and the Tenant hereby accepts from the City the exclusive use and occupancy of the Premises, together with all necessary ingress and egress, and all fixtures, equipment and property now or hereafter installed or placed within. The Premises consists of approximately approximately 7 acres, more or less. Tenant shall have exclusive use of the Premises for construction and operation of a training facility, as well as any incidental uses thereto. The Tenant shall procure, at its sole expense, any license or permit required for the proper and lawful conduct of the Tenant's business or other activity carried on in accordance with the above use.

2. TERM OF LEASE

- 2.01 The term of this Lease shall be for ninety nine (99) years commencing on the later of 1) January 1, 2019 or 2) on the date of approval by Detroit City Council ("Lease Term"), unless otherwise terminated pursuant to the provisions of this Lease.
- 2.02 The Lease Term may be extended for three (3) additional ten (10) year terms. To exercise a respective additional ten (10) year term, Tenant shall send a letter to the City indicating Tenant's desire to invoke the option to extend the Lease. The letter shall be received by the City at least one hundred twenty (120) days prior to the expiration of the then current Lease Term due to expire. The additional term shall require a written amendment to this Lease, as well as separate approval by Detroit City Council to be effective. The term "Lease Term" shall include the initial and any extended terms of this Lease.

3. CONSIDERATION

- 3.01 The parties hereby acknowledge that the value of the services provided by Tenant as outlined herein ("Tenant Services") and the improvements to be made by Tenant to the Premises ("Capital Improvements") during the Lease Term are fair and adequate consideration for this Lease. Unless otherwise stipulated in the Lease, Tenant will not pay monetary consideration to the City for lease of the Premises during the Lease Term. Tenant shall make an initial minimum investment towards the Tenant Services and Capital Improvements conducted on the Premises in the amount of twenty two million and 00/100 dollars (\$22,000,000.00).
- 3.02 <u>Capital Improvements</u>. Tenant shall make sufficient Capital Improvements, at its cost, to the Premises to create a Michigan Statewide Carpenters and Millwrights Joint Apprenticeship and Training Fund Training Facility (the "Training Facility") to conduct and support the Tenant Services. Tenant's initial Capital Improvements to construct the Training Facility shall be substantially completed by June 30, 2022 and shall include a training facility building, supporting parking lots, fencing, signage, landscaping, as well as utility connections and metering. The Training Facility shall be constructed in such a manner as to provide trainees

and City of Detroit residents with a productive experience. Tenant shall construct the Capital Improvements pursuant to the process and with such City reviews/approvals outlined in Section 12.01 of this Lease.

- 3.03 <u>Tenant Services</u>. The Tenant, in conjunction with its training program, shall provide Tenant Services to the public free of charge during the Lease Term. The Tenant Services shall include, but are not limited to, the following:
 - Tenant shall engage area residents and community stakeholders to develop and provide programs and activities to the public that meet the agreed upon needs and expectations of the City of Detroit community and help stimulate the development of initiatives affiliated with the carpentry and millwright trades; and
 - Such programs and activities will engage local residents and businesses and, in the process, contribute to neighborhood stabilization and revitalization; and
 - Tenant shall provide certain classes at the Training Facility that support Tenant's standards and mission to train future carpenters and millwrights, as well as classes that cater to the agreed upon needs of the surrounding neighborhood with respect to carpentry and high-precision craftsmanship; and
 - Tenant shall have programs at Training Facility that focus on youth development, along with programming for same in the carpentry and millwright trades in the City of Detroit; and
 - Tenant shall have an appropriately qualified on-site facility training coordinator at the Training Facility that is available to the public at reasonable times to direct and/or provide information on carpentry and millwright job pathways.

City acknowledges that, in addition to its free of charge programs conducted at the Premises as outlined above, Tenant may also provide programs that charge a fee to participants.

4. TAXES AND UTILITY CHARGES

4.01 Taxes. The parties acknowledge that the Premises is owned by the City of Detroit and, therefore, is exempt from all taxes related to real property. The City expressly acknowledges that the allowable uses of the Premises by Tenant under this Lease are consistent with the charitable purposes for which the Tenant was created and that such uses are not for any business being conducted for profit on the Premises. The above notwithstanding, Tenant will pay when due all taxes assessed specifically against Tenant as required by law, if any. In the event that any real property taxes are assessed specifically against Tenant with respect to the

Premises, the City shall reimburse Tenant for such amounts including, but not limited to, the following: 1) Capital Improvements completed at the Premises by Tenant and 2) any costs incurred by Tenant to maintain the Premises, including site and building maintenance costs.

4.02 <u>Utilities</u>. Tenant shall be responsible for the costs of all utilities with respect to the Premises. Any and all utilities for the Premises shall be paid directly to the respective utility company by Tenant.

5. INSURANCE

5.01 Tenant shall assume all risks of its operations and use of the Premises and shall maintain at its expense during the Lease Term the following insurance:

| TYPE | | AMOUNT NOT LESS THAN |
|------|---|---|
| (a) | Workers' Compensation | Michigan Statutory minimum |
| (b) | Employers' Liability | \$500,000.00 minimum each disease \$500,000.00 minimum each person \$500,000.00 minimum each accident |
| (c) | Commercial General Liability Insurance (Broad Form Comprehensive) | \$1,000,000.00 each occurrence \$2,000,000.00 aggregate |
| (d) | Automobile Liability Insurance (covering all owned, hired and non-owned vehicles with personal and property protection insurance, including residual liability insurance under Michigan no fault insurance law) | \$1,000,000.00 combined single limit for bodily injury and property damage |

- 5.02 Tenant's commercial general liability insurance policy shall include an endorsement naming the "City of Detroit" as an additional insured. The additional insured endorsement shall provide coverage to the additional insured with respect to liability arising out of the named insured's operations at and use of the Premises. The commercial general liability policy shall state that the Tenant's insurance is primary and not excess over any insurance already carried by the City of Detroit and shall provide blanket contractual liability insurance for all written contracts.
- 5.03 Certificates of insurance evidencing the coverage required by this Section shall, in a form acceptable to the City, be submitted to the City upon Tenant's execution of the Lease. In

the event the Tenant receives notice of policy cancellation, the Tenant shall immediately notify the City in writing.

- 5.04 If any work is contracted out by Tenant or for any Improvements made by Tenant in connection with this Lease, the Tenant shall require each contractor to effect and maintain the types and limits of insurance set forth in this Section and shall require documentation of same, copies of which shall be furnished the City upon request.
- 5.05 Tenant shall be responsible for payment of all deductibles contained in any insurance required under this Lease. The provisions requiring the Tenant to carry the insurance required under this Section shall not be construed in any manner as waiving or restricting the liability of the Tenant under this Lease.
- 5.06 If during the Lease Term, changed conditions or other pertinent factors, should in the reasonable judgment of both parties, render inadequate the insurance limits stated above, the Tenant shall furnish on demand such additional coverage as may reasonably be required under the circumstances, as long as same is agreed to by the parties. All such additional insurance shall be effected at the Tenant's expense, under valid and enforceable policies issued by insurers of recognized responsibility which are well-rated by national rating organizations and are reasonably acceptable to the City.

6. INDEMNITY

- 6.01 The Tenant shall indemnify and save harmless the City and all other associated, affiliated, allied or subsidiary entities or commissions now existing or hereafter created, their agents and employees against and from any and all liabilities, obligations, damages, penalties, claims, costs, charges and expenses (including, without limitation, reasonable fees and expenses of attorneys, expert witnesses, architects, engineers and other consultants) which may be imposed upon, incurred by or asserted against City by reason of any of the following occurring on the Premises during the Lease Term:
 - (a) any work, act, error, omission or thing done in or about the Premises, or any part thereof or affecting same, by Tenant or its agents, subcontractors, employees, licensees, invitees, or associated, affiliated or subsidiary entities of Tenant (herein all collectively called "Associates") for whose acts any of them might be liable;
 - (b) any use, nonuse, possession, occupation, condition, operation, maintenance or management of the Premises or any part thereof or any street, alley, sidewalk, curb, passageway or space adjacent thereto, or of Tenant equipment;
 - (c) any negligent or tortious act or omission of Tenant, Tenant's Associates or subtenants of Tenant;

- (d) any accident, injury or damage to any person or property occurring on the Premises;
 - (e) any failure by Tenant to perform its obligations under this Lease; and
- (f) any loss or expense incurred by an employee of the City which arises out of or pursuant to the Tenant's performance or nonperformance under this Lease.

The laws of the State of Michigan, as interpreted by a Michigan court of law, shall be applied to determine percentages of fault resulting from claims successfully adjudicated for damages by third parties against Tenant and City.

- 6.02 Tenant has examined and inspected the Premises, being only vacant land as of the start of the Lease Term, and takes same "AS IS". The City has made no warranties or representations of whatever nature in connection with the condition of the Premises, and the City shall not be liable for any defects contained therein. The City makes no warranties or representations, express or implied, as to title to its interest in the Premises.
- 6.03 Tenant agrees that it is its responsibility to safeguard its property and equipment that it or its contractors use or have in their possession on or about the Premises and Tenant agrees to hold the City harmless for any loss of such property or equipment, except as to the City's own negligence. Further, except as otherwise provided herein, the City shall not be responsible or liable to the Tenant for any loss or damage that may be occasioned by or through the acts or omissions of persons occupying adjoining premises or any part of the premises adjacent to or connected with the Premises or from any loss or damage resulting to the Tenant, or its property, from roof or wall leaks or bursting, stoppage, or leaking of water, gas, sewer or steam pipes, and the like, or for any damage or loss of property within the Premises from any other cause whatsoever, except as to the City's own negligence associated with same.

7. MAINTENANCE AND REPAIRS; DAMAGE AND DESTRUCTION

- 7.01 Tenant shall keep and maintain the Premises in good order and repair. Tenant is responsible for all maintenance work including both the interior and exterior of any and all structures and buildings located on said Premises. This includes, but is not limited to, routine maintenance and major building systems maintenance and repairs. Tenant is also responsible for maintaining the site, including all landscaping, grass cutting, snow removal, trash removal and parking lot maintenance.
- 7.02 Tenant shall promptly give notice to City if, during the Lease Term, the Premises or any part thereof shall be damaged or destroyed by fire or other major casualty, specifying the date, nature and extent of such damage or destruction. Tenant shall take whatever steps as may be necessary to prevent further damage or destruction to the Premises resulting from such fire or other major casualty.

- (a) In the event that any or all of the Premises shall suffer damage or destruction at any time during the Lease Term, the respective rights and obligations of the parties hereto with respect to reconstruction, repairing, and/or restoring such damage or destruction and/or with respect to the matter of the continuance or termination of this Lease following any such damage or destruction, shall be controlled by the provisions of this Section.
 - (b) In the event the Premises shall suffer damage or destruction then:
 - (i.) Tenant may perform the reconstruction, repair, and/or restoration of such damage or destruction at its option; or
 - (ii.) If, within a reasonable period of time after the date of any damage or destruction, Tenant has not completed the reconstruction, repair, and/or restoration of the damaged/destroyed area, then Tenant may terminate the Lease by giving an advance written Notice of Termination to the City, in such case the Tenant shall bring the Premises to a clean and safe, non-blighted condition and be removed from the Premises.

8. DEFAULT AND TERMINATION

- 8.01 Each of the following occurrences shall constitute a default under the Lease ("Event of Default"):
 - (a) Tenant's failure to provide either the Tenant Services and/or Capital Improvements;
 - (b) Failure by either party to perform, comply with, or observe any other agreement or obligation under this Lease and such failure continues for a period of 30 days after the non-defaulting party delivers to the defaulting party written notice thereof; however, if such failure is not reasonably susceptible of being cured within 30 days, then such failure shall not constitute an Event of Default if defaulting party begins to cure such failure within such 30-day period and thereafter diligently pursues the cure thereof to completion, unless it is not fully cured within an additional 30 days after the initial 30-day period expires;
 - (c) the filing of a petition by or against Tenant (1) in any bankruptcy or other insolvency proceeding; (2) seeking any relief under any state or federal debtor relief law; (3) for the appointment of a liquidator or receiver for all or substantially all of Tenant's property or for Tenant's interest in this Lease;

- (d) Tenant shall abandon the Premises or vacate any substantial portion of the Premises;
 - (e) the making by Tenant of an assignment for the benefit of its creditors.
- 8.02 Remedies. Upon any Event of Default and after any cure periods allowable under this Lease, the non-defaulting party may, in addition to all other rights and remedies afforded it hereunder or by law or equity, terminate this Lease by giving defaulting party written notice thereof
- 8.03 <u>Surrender of Premises on Termination</u>. Notwithstanding anything in this Lease to the contrary and upon termination or expiration of the Lease, Tenant shall surrender the Premises with all Capital Improvements and Improvements made by Tenant or City in good working condition, reasonable wear and tear excepted.
- 8.04 Tenant may terminate this Lease at Tenant's convenience at any time up to the date of issuance of an initial building permit for the Capital Improvements.

9. LIENS

- 9.01 Tenant, to the best of its ability, shall keep the Premises free from any and all liens arising out of any work performed, materials furnished or obligations incurred by or for Tenant.
- 9.02 In the event that the Premises or any part thereof or Tenant's leasehold interest therein shall, at any time during the Lease Term, become subject to any vendor's, mechanic's, laborer's, material man's or other lien, encumbrance or charge based upon the furnishing of materials or labor to or for the benefit of Tenant, Tenant shall cause the same, at its sole cost and expense, to be satisfied or discharged or bonded against within thirty (30) days after notice thereof to Tenant given by or on behalf of the lienor. Failure to discharge such a lien by Tenant shall be considered an Event of Default under the terms of this Lease.

10. ASSIGNMENT AND SUBLETTING

- 10.01 Tenant may assign, sublet, mortgage, pledge and/or transfer any of its leasehold interest granted by this Lease.
- 10.02 Tenant may sublease the Premises provided that any such subtenant use: (1) is consistent with the allowable uses under this Lease and (2) is not considered a business conducted for profit.
 - 10.03 City may require that any assignments or subleases allowable under this Lease be

conditioned on Tenant's assignee or subtenant entering into an agreement that contains terms and conditions approved by the City, which such approval shall not be unreasonably withheld.

11. NOTICES

11.01 All notices, consents, approvals, requests and other communications (herein collectively called "Notices") required or permitted under this Lease shall be given in writing and mailed by over-night carrier, postage prepaid, and addressed as follows:

If to City:

City of Detroit Planning and Development Department 2 Woodward Avenue, Suite 808 Detroit, MI 48226

With a copy to:

City of Detroit, Law Dept. Attn: Corporation Counsel 2 Woodward, Suite 500 Detroit, MI 48226

If to Tenant:

Michigan Statewide Carpenters and Millwrights Joint Apprenticeship and Training Fund c/o TIC 6525 Centurion Drive Lansing, Michigan 48917 (517) 327-2135

With a copy to:

Novara Tesija & Catenacci 2000 Town Center, Ste. 2370 Southfield, MI 48075

11.02 All Notices shall be deemed given on the day of mailing. Either party to this Lease may change its address for the receipt of Notices at any time by giving written notice thereof to the other as herein provided. Any Notice given by a party hereunder must be signed by any authorized representative of such party.

12. IMPROVEMENTS/TENANT EQUIPMENT/SIGNS/PARKING

- 12.01 City acknowledges that Tenant's permitted use of the Premises under this Lease shall include completing the Capital Improvements. Tenant shall provide P&DD's Director with the site plans of such Capital Improvements for review and file.
- 12.02 All other changes, additions, alterations, renovations or leasehold improvements of any nature whatsoever in or to the Premises made after the City's approval of the Capital Improvements (herein collectively called "Improvements") shall be in support of and consistent with the allowable uses of the Premises only
- 12.03 All Capital Improvements and Improvements made shall be deemed to be part of the Premises and subject to all the terms and conditions of this Lease. However, title to all Capital Improvements and Improvements shall become the property of the City of Detroit at the expiration or termination of the Lease Term. Tenant hereby assigns to City all contractor, material and equipment warranties and guarantees received by Tenant in connection with the performance of any Capital Improvement and Improvements or of any other work conducted in or upon the Premises that remain at the expiration or termination of the Lease Term. Notwithstanding anything to the contrary contained herein, Capital Improvements and Improvements do not include any personal property of the Tenant.
- 12.04 Signage. Tenant may erect signs at its sole cost on the Premise. The Tenant must secure prior written approval from P&DD Director, which such approval shall not be unreasonably withheld, on the size, content and location of such sign prior to the purchase and installation of any such sign. Upon the expiration or earlier termination of this Lease, all signage installed by Tenant on the Premises shall be removed, and any damage resulting from the installation or removal thereof, or both, shall be promptly repaired by Tenant. In the event Tenant fails to remove said signage and/or repair said damage, if any, City may undertake such removal and repair and the cost thereof shall be charged to Tenant as an additional fee.
- 12.05 Parking. Any and all Tenant plans for parking areas on the Premises must be sent to the P&DD Director for review and file.

13. RIGHT OF ENTRY

13.01 City and its authorized representatives shall have the right to enter the Premises at all reasonable times and upon reasonable notice, not less than forty eight (48) hours in advance, for the purpose of examining or inspecting the Premises to ensure Tenant's compliance with this Lease.

14. CONDEMNATION; EMINENT DOMAIN

- 14.01 The term "Taking" shall mean a taking prior to or during the Lease Term of all or part of the Premises as the result of condemnation, the exercise of the power of eminent domain or by agreement between City and the condemning authority. The term "Date of Taking" shall mean the date on which title is vested in the condemning authority.
- 14.02 In the event of a Taking of the whole of the Premises, this Lease shall terminate on the Date of Taking.
- 14.03 In the event of a Taking of less than all the Premises, City within thirty (30) days after the Date of Taking, may terminate this Lease as to the portion of the Premises that is subject to such Taking effective on the Date of Taking. If City does not give notice of termination of this Lease within thirty (30) days after the Date of Taking, then this Lease shall remain in full force and effect with respect to the part of the Premises not the subject of the Taking; provided, however, if City shall be compensated for the Taking, such compensation shall first go to reimburse Tenant for such amounts up to the then-current appraised value amount of the Capital Improvements completed at the Premises by Tenant. Tenant will have the right to terminate this Lease upon thirty (30) days written notice after the Date of Taking, effective on the Date of Taking, in the event of a Taking of more than twenty-five percent (25%) of the usable square footage of the Premises.
- 14.04 Except as otherwise provided in Section 14.03 above, the City is entitled to receive the entire award for any Taking, (inclusive of the value of any and all fixtures and Improvements) and Tenant hereby assigns to City all its right, title and interest in and to such award. Tenant shall be entitled to make a claim against the condemning authority only for the value of any equipment and/or fixtures of the Tenant and Tenant's moving expenses which may be compensable as a result of the Taking. Nothing contained in this Section shall be deemed to prevent City from settling any threatened or filed condemnation proceeding.
- 14.05 From time to time during the Lease Term, City may, with the Tenant's express written consent in each instance, convey title to, or grant easements in, portions of the land included in the Premises to governmental authorities or utility companies for road widening, curb rounding and water, sewer, electrical, communication and other utility lines. Any such conveyance or grant shall not be deemed a Taking unless City receives compensation therefor, and there shall be no reduction in the Rent payable hereunder. The aforementioned notwithstanding, any such conveyances or easements shall not inhibit Tenant's inherent right to quiet enjoyment of the Premises.
- 14.06 In the event that only a portion of the Premises will be taken as hereinabove described and this Lease is not terminated pursuant to the provisions of this Section, then City will, at its sole cost and expense, restore the remaining portion of the Premises to the extent necessary to render it suitable for the purposes for which it was leased, provided that the cost thereof will not exceed the proceeds of its condemnation award.

15. FAIR EMPLOYMENT PRACTICES

- 15.01 Tenant 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 Lease, 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 City's Human Rights Department that such requirements are bona fide occupational qualifications reasonably necessary to the performance of the duties required by employment. The burden of proof that the occupational qualifications are bona fide is upon Tenant. Tenant shall promptly furnish any information reasonably required by City or its Human Rights Department pursuant to this Section.
 - (a) Tenant further agrees that it shall notify any Associate of Tenant's obligations relative to non-discrimination under this Lease when soliciting an Associate and shall include the provisions of this Section in any contract or subcontract relating to Tenant's performance under this Lease as well as provide City with a copy of any such contract or subcontract upon request. Tenant further agrees to take such action with respect to any such subcontract as Tenant may direct as a means of enforcing the provisions of this Section.
 - (b) Breach of the terms and conditions of this Section shall be regarded as a material breach of this Lease if such breach shall continue for more than thirty (30) days after receipt of notice of such breach by Tenant. In the event Tenant fails to comply with this Section, City, at its option may utilize such remedies as may be provided by law.

16. WASTE AND NUISANCE

16.01 The Tenant shall not commit or suffer to be committed any waste upon the Premises, and shall not place a load, machinery, or equipment upon the Premises which exceeds the load per square foot area which such area can carry. Tenant shall not commit or suffer to be committed any nuisance or other act or thing which may disturb the quiet enjoyment of any neighbor to the Premises.

17. HAZARDOUS SUBSTANCE

17.01 <u>Hazardous Materials</u>. Tenant shall not use, handle, generate, treat, store or dispose of, or permit the handling, generation, treatment, storage or disposal of any hazardous waste, substance or toxic materials regulated under any federal, state or local environmental laws, regulations or ordinances ("Hazardous Materials") in, on, under, around or above the

Premises during the Lease Term unless the Tenant follows all laws and regulations in doing so. Tenant hereby indemnifies the City from any and all liability that may arise from such activities beginning on the date of Lease Term. Any and all claims, costs, expenses, fines, and losses of any kind (including but not limited to those arising from injury to or the death of any person, damage to or loss of use or value of real or personal property, and costs of investigation, cleanup, and attorneys' and consultants' fees) incurred by City which arise solely due to the acts, omissions, or failure to act of Tenant, its agents, employees, contractors, and servants and arising out of or are related to Tenant's use of the Premises during the Lease Term shall constitute additional fees and shall be payable within thirty (30) days after receipt of City's invoice and supporting documentation. Tenant shall not be responsible for any Hazardous Materials found on the Premises that were introduced prior to the Lease Term.

17.02 <u>Hazardous Materials Remediation</u>. Tenant shall assume the sole responsibility of all environmental response and remediation of Hazardous Materials that are introduced into the Premises by the Tenant, its associates or agents. In the event Tenant shall discover Hazardous Materials within the Premises, Tenant shall notify City and advise City of its plans for environmental response and remediation of the Hazardous Materials. Except for those Hazardous Materials introduced into the Premises by City, City shall not be responsible for the costs to abate any Hazardous Materials introduced into the Premises by the Tenant, its associates or any third party. Tenant shall not be responsible for remediating any Hazardous Materials introduced to the Premises prior to the Lease Term.

18. SUBORDINATION

18.01 The City acknowledges that there are no mortgages, encumbrances, or deeds of trust that are currently existing on the Premises that the Tenant would otherwise be required to be subordinate to.

19. BANKRUPTCY OR INSOLVENCY

19.01 Tenant agrees that if the estate created hereby shall be taken in execution, or by other process of law, or if Tenant shall be declared bankrupt or insolvent according to law, or any receiver, custodian or trustee be appointed for the business and property of Tenant, or if any assignment shall be made of the Tenant's property for the benefit of creditors, then and in any such events, this Lease may be terminated at the option of the City as an event of default by Tenant in accordance with the termination provisions set forth herein.

20. HOLDING OVER

20.01 If Tenant retains possession of the Premises or any part thereof after the expiration or termination of this Lease by lapse of time or otherwise, Tenant shall continue its

tenancy from month to month under the same terms and conditions. The provisions of this Section shall not be deemed to limit or exclude any of the City's rights of reentry or any other right granted to City according to the terms of this Lease or under law.

21. QUIET POSSESSION

21.01 The City covenants that the Tenant, upon its observing the terms and conditions of this Lease, shall and may peacefully and quietly have, hold and enjoy the Premises during Lease Term free from unreasonable interference by City.

22. AMENDMENTS

22.01 The Tenant or City may from time to time consider it in its best interest to change, modify or extend a term, condition or covenant of this Lease. Any such change, modification or extension, which is mutually agreed upon by and between the parties shall be incorporated in a written amendment ("Amendment") to this Lease. Such Amendment shall require separate approval by Detroit City Council. Such Amendment shall not invalidate this Lease nor relieve or release the parties of any of its obligations under the Lease unless stated therein.

23. OPTION TO PURCHASE

23.01 Option to Purchase. The City hereby grants the Tenant an option to purchase the Premises at any time during the Lease Term upon the mutual agreement of the parties of a reasonable purchase price and approval by Detroit City Council of such a sale of the Premises to Tenant.

24. MISCELLANEOUS

- 24.01 No failure by City or Tenant to insist upon the strict performance of any covenant, agreement, term or condition of this Lease or to exercise any right, power or remedy consequent upon a breach thereof and no acceptance of full or partial rent by City during the continuance of any such breach by City shall constitute a waiver of any such breach or of such covenant, agreement, term or condition. No waiver of any breach shall affect or alter this Lease, but each and every covenant, agreement, term and condition of this Lease shall continue in full force and effect with respect to any other then existing or subsequent breach thereof.
- 24.02 The rights and obligations contained in this Lease shall bind and inure to the benefit of City and Tenant and, except as otherwise provided herein, their respective personal representatives, successors and assigns; provided, however, the obligations of City and Tenant under this Lease shall no longer be binding upon City after the sale, assignment, or transfer by

City or Tenant, respectively (or upon any subsequent City or Tenant), of its interest in the Premises, as owner, City or Tenant, respectively, and in the event of any such sale, assignment, or transfer, such obligations shall thereafter be binding upon the grantee, assignee, or other transferee of such interest, and any such grantee, assignee, or transferee, by accepting such interest, shall be deemed to have assumed such obligations. A lease of the entire Premises, other than for occupancy thereof, shall be deemed a transfer within the meaning of this Section.

- 24.03 If any provision of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, 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 thereby, and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.
- 24.04 This Lease shall be construed and enforced in accordance with the laws of the State of Michigan. The Tenant agrees, consents and submits to the personal jurisdiction of any competent court in Wayne County, Michigan for any action brought against it arising under this Lease. The Tenant agrees that service of process at the address and in the manner specified in Section 11 will be sufficient to put the Tenant on notice and hereby waive any and all claims relative to such notice. The Tenant and City also agree that they will not commence any action against the other party because of any matter whatsoever arising out of or related to the validity, construction, interpretation, and enforcement of this Lease in any courts other than those in the County of Wayne, State of Michigan unless original jurisdiction can be had in either the Michigan Court of Appeals, Michigan Supreme Court or the U.S. District Court for the Eastern District of Michigan, Southern Division.
- 24.05 This Lease or any part of this Lease may not be changed, waived, discharged or terminated orally, but only by an instrument in writing.
- 24.06 This instrument, including the Exhibits hereto, contains the entire agreement between the parties and all prior negotiations and agreements are merged herein. Neither Tenant, the Tenant's agents, City nor the City's agents have made any representations or warranties with respect to the Premises or this Lease, except as expressly set forth herein, and no rights, or remedies are or shall be acquired by Tenant or City by implication or otherwise unless expressly set forth herein.
- 24.07 The parties agree that neither this Lease nor any memorandum or short form thereof may be recorded without the prior consent of both parties.
- 24.08 The relationship between the parties hereto is solely that of landlord and tenant and nothing herein contained shall constitute or be construed as establishing any other relationship between them including, without limitation, the relationship of principal and agent, employer and employee or parties engaged in a partnership or joint venture. Without limiting the foregoing, it is specifically understood that neither party is the agent of the other and neither is in any way empowered to bind the other or to use the name of the other in connection with the

construction, maintenance or operation of the Premises, except as otherwise specifically provided herein.

- 24.09 Unless the context otherwise expressly requires, the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Lease as a whole and not to any particular Section.
- 24.10 All the terms and provisions of this Lease shall be deemed and construed to be "covenants" and "conditions" as though the words specifically expressing or importing covenants and conditions were used in each separate term and provision.
- 24.11 The headings of the Sections in this Lease are for convenience only and shall not be used to construe or interpret the scope or intent of this Lease or in any way affect the same.
- 24.12 Neither party shall be responsible for force majeure events. In the event of a dispute between the parties with regard to what constitutes a force majeure event, the determination of a court with appropriate jurisdiction, in compliance with the terms set forth herein, shall be controlling.
- 24.13 The Tenant warrants that it is currently authorized to do business in the State of Michigan and is amendable to service of process at the address stated in Section 11.
- 24.14 This Lease may be executed in any number of counterparts and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Promptly after the execution hereof the City shall transmit to the Tenant a conformed copy of this Lease.
- 24.15 The parties represent that they have not dealt with any brokers or finders in connection with this Lease. Each party agrees to hold the other harmless from and against any loss, damage, costs, or expenses, including court costs and reasonable attorney fees that the other may suffer as a result of the breach of the foregoing representation made by each party.
- 25.16 Authority of City. Notwithstanding anything in this Lease or otherwise to the contrary, the City shall not be authorized or obligated to lease the Premises to Tenant until this Lease has been fully executed by the 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 and any other City financial review commission or board as required by law. Any amendments or modifications must likewise be duly approved by the City Council, the Mayor, and the Law Department.

IN WITNESS WHEREOF, the City and the Tenant, by and through their authorized officers and representatives, have executed this Lease as follows:

| | Print: MAURICE COX ITS: DIRECTOR |
|--|---|
| | TENANT: MICHIGAN STATEWIDE CARPENTERS AND MILLWRIGHTS JOINT APPRENTICESHIP AND TRAINING FUND BY: Randy J. Sowell Print: Randy J. Sowell ITS: Trustee Authorized Signalory |
| Approved by Detroit City Council on: | |
| | Chief Procurement Officer |
| In accordance with §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 Lease. | Approved as to form in accordance with § 7.5-206 of the 2012 City of Detroit Charter. |
| Finance Director | Supervising Assistant Corporation Counsel |

THIS LEASE IS NOT VALID OR AUTHORIZED UNTIL APPROVED BY THE DETROIT CITY COUNCIL AND SIGNED BY THE CHIEF PROCUREMENT OFFICER.

RESOLUTION OF THE MICHIGAN STATEWIDE CARPENTERS AND MILLWRIGHTS JOINT APPRENTICESHIP AND TRAINING FUND

The Michigan Statewide Carpenters and Millwrights Joint Apprenticeship and Training Fund (the "Fund"), whose address is known as 6525 Centurion Drive, Lansing, Michigan 48917, is negotiating the lease of real property located in the City of Detroit, recognized as the Tappan School site, commonly known as 7515 Elmhurst, as well as other City owned property in the vicinity on both Webb and Elmhurst streets (the "Property").

The Fund has determined that the leasing of the Property is necessary to further the purposes for which the Fund has been established.

RESOLVED, that Randy Sowell, the Consultant retained by the Fund, is authorized to negotiate and execute any and all documents in connection with the lease of the Property from the City of Detroit.

BE IT FURTHER RESOLVED, that Randy J. Sowell is authorized to, in conjunction with the authorized representatives of the Fund (or its assigns) to take all steps necessary for the development or construction of improvements on the Property and to make all of such arrangements, to do and perform all such acts and things, to execute and deliver all such certificates and other instruments and documents, and to do everything that they may deem necessary, appropriate, or desirable in order to fully implement the foregoing resolution, subject to ratification by the Fund's Trustees, or independent fiduciary retained by them.

The undersigned Fund Trustees hereby certify that the foregoing resolution is a true and correct copy of the Resolution adopted by the Trustees of the Michigan Statewide Carpenters and Millwrights Joint Apprenticeship and Training Fund.

DATED: November 7, 2018

Michael Barnwell, Chairman Trustee

Donna Pardonnet, Secretary Trustee

W:\FUNDS\mrcc\APPRENT\Statewide Carpenters and Milfwright JATC\Resolutions\Tappan School Site.Rev1.docx

EXHIBIT A

DESCRIPTION OF THE PREMISES



The Premises consists of approximately 7 acres, more or less, as generally depicted above and inclusive of the following City of Detroit property addresses:

- 1. 7515 Elmhurst
- 2. 7238 Webb
- 3. 7228 Webb
- 4. 7222 Webb
- 5. 7216 Webb
- 6. 7441 Elmhurst
- 7. 7431 Elmhurst
- 8. 7425 Elmhurst
- 9. 7421 Elmhurst

CERTIFICATE OF TRUST EXISTENCE AND AUTHORITY

The undersigned "Affiant" being first duly sworn, deposes and states that:

- Affiant, whose address is 2000 Town Center, Suite 2370, Southfield, Michigan 48075, is an Attorney for the Trustees of the Michigan Statewide Carpenters and Millwrights Joint Apprenticeship and Training Fund, under that certain Agreement and Declaration of Trust effective September 1, 2014 (the "Trust"), which has not since been amended.
- 2. The Trust authorizes the Trustees to lease or purchase such premises as in their discretion the Trustees may deem necessary or appropriate, including the lease of the Premises described in this Lease.
- 3. The provisions of the Trust which recite the powers and restrictions on the powers of the Trustees relating to real property are set forth in the Trust.
- 4. The Trust remains in full force and effect and is governed by both Federal laws and the laws of Michigan.
- 5. The current authorized and acting Trustee(s) of the Trust are: See Exhibit B
- 6. The Certificate is given pursuant to MCL 565.432; MSA 26.745(2) to give record notice of the Trust and to enable purchasers or other parties to rely on the information contained herein without further examination of the Trust agreement and any amendment(s) thereto.

COUNTY OF OAKLAND)

Subscribed and sworn to before me this 1674 day of December, 2018, appeared, Bryan M. Beckerman to be known as the person described in and who executed the foregoing instrument and acknowledged it was his/her free act and deed.

LORRAINE MATES, Notary Public, WAYNE County, Michigan Acting in Oakland County, Michigan My Commission Expires: 03/03/2022

MICHIGAN STATEWIDE CARPENTERS' AND MILLWRIGHTS JOINT

APPRENTICESHIP & TRAINING FUND

ROSTER OF TRUSTEES

EMPLOYER TRUSTEES

Architectural Contractors Trade Assn. Donna Pardonnet (ACTA) (C) Brighton 48114 2524 Harte Drive Gary Benjamin (AGC) Gundlach Champion, Inc. Iron Mountain 180 Traders Mine Road 49801 **Barton Malow Company** Southfield Dannis Mitchell (AGC) 25600 American Drive 48034 **Master Craft Floors** Plymouth Jim Judd (ACTA) 48170 15001 Fogg Street Harry M. Somerset, III (MCMA) Duke & Duke **Taylor** 25566 Pennsylvania Road 48180 Wixom Central Conveyor Company Jim Schultz (MCMA) 48393 52800 Pontiac Trail Bob Spence, III (AGC) Spence Brothers Saginaw 48601-2535 417 McCroskry 7443 Creekside Drive Lansing Barbara Strachan (AGC)

48917

MICHIGAN STATEWIDE CARPENTERS' AND MILLWRIGHTS JOINT

APPRENTICESHIP & TRAINING FUND

ROSTER OF TRUSTEES

ALTERNATE EMPLOYER TRUSTEES

| Scott D. Fisher (AGC) | AGC of Michigan 2323 North Larch | Lansing 48906 | | | | |
|--------------------------------|--|--------------------|--|--|--|--|
| Dave Hurst | Aristeo, GM 12811 Farmington Road | Livonia 48150 | | | | |
| Phil Ruffin (ACTA) | Pontiac Ceiling & Partition 715 Auburn Road | Pontiac 48342 | | | | |
| | EMPLOYEE TRUSTEES | | | | | |
| Michael Barnwell (MRCC) (S) | 23401 Mound Road | Warren 48091 | | | | |
| Michael J. Jackson, Sr. (MRCC) | Michigan Regional Council of Carp. 400 Renaissance Center, Suite 1010 | Detroit 48243 | | | | |
| Brian Kerrigan (MRCC) | 1221 Division Street | Marquette 49855 | | | | |
| Kevin Klingler (MRCC) | 2310 West Washtenaw Avenue | Lansing 48917 | | | | |
| Doyle Goble (MRCC) | 23401 Mound | Warren 48091 | | | | |

MICHIGAN STATEWIDE CARPENTERS' AND MILLWRIGHTS JOINT

APPRENTICESHIP & TRAINING FUND

ROSTER OF TRUSTEES (CONTINUED)

EMPLOYEE TRUSTEES (CONTINUED)

Tom Lutz (MRCC)

23401 Mound

Warren

48091

Bart Nickerson (MRCC)

400 Renaissance Center

Detroit

Suite 1010

48243

Leon Turnwald (MRCC)

Carpenters' Local No. 706

Saginaw

3160 Commerce Centre

48601

ALTERNATE EMPLOYEE TRUSTEES

Bill Kenney (MRCC)

Millwrights Local 1102

Kalamazoo

3617 Gembrit Circle

49001

ATTACHMENT 1

Environmental Inquiry Report

Acquisition of 8 Properties from Detroit Land Bank Authority

This report includes a visual inspection and a land use history for 8 properties ("Acquisition Parcels") to be acquired by the City of Detroit from the Detroit Land Bank Authority. Land use was determined by review of the Detroit Zoning Ordinance and the City's Sanborn files for years 2002 and 1969, as well as City records giving the "year built" for housing stock in the immediate area.

Based on the review indicated above, the Acquisition Parcels have been used strictly for single-family residential purposes for the last 50 years or more and, therefore, it was found by the City's Buildings, Safety Engineering and Environmental Department – Environmental Affairs Division that it is unlikely that the Acquisition Parcels would pose an adverse environmental impact.

Parcel 1



N WEBB W 41.2 FT IN FRT BG W 40 FT IN REAR OF LOT 10 EVERGREEN SUB L25 P49 PLATS, W C R 16/203 41.2 IRREG

a/k/a 7238 Webb Tax Parcel ID 16005554

Parcel 2



N WEBB W 30 FT OF E 60 FT LOT 10 EVERGREEN SUB L25 P49 PLATS, W C R 16/203 30 X 128.56

a/k/a 7228 Webb Tax Parcel ID 16005555

Parcel 3



N WEBB E 30 FT LOT 10 EVERGREEN SUB L25 P49 PLATS, W C R 16/203 30 X 128.56

a/k/a 7222 Webb Tax Parcel ID 16005556

Parcel 4



N WEBB W 32.5 FT LOT 9 EVERGREEN SUB L25 P49 PLATS, W C R 16/203 32.5 X 128.56

a/k/a 7216 Webb Tax Parcel ID 16005557.001

Parcel 5



S ELMHURST W 50 FT OF LOT 33 EVERGREEN SUB L25 P49 PLATS, W C R 16/203 50 X 128.56

a/k/a 7441 Elmhurst Tax Parcel ID 16005743

Parcel 6



S ELMHURST W 34 FT OF E 50 FT LOT 33 EVERGREEN SUB L25 P49 PLATS, W C R $16/203~34~\mathrm{X}~128.56$

a/k/a 7431 Elmhurst Tax Parcel ID 16005742

Parcel 7



S ELMHURST W 18 FT LOT 34 AND E 16 FT LOT 33 EVERGREEN SUB L25 P49 PLATS, W C R 16/203 34 X 128.56

a/k/a 7425 Elmhurst Tax Parcel ID 16005741

Parcel 8



S ELMHURST W 35 FT OF E 112 FT LOT 34 EVERGREEN SUB L25 P49 PLATS, W C R 16/203 35 X 128.56

a/k/a 7421 Elmhurst Tax Parcel ID 16005740



CITY COUNCIL

68

MARY SHEFFIELD
COUNCIL PRESIDENT PRO TEMPORE
DISTRICT 5

MEMORANDUM

TO:

Kevin Johnson, President and CEO, Detroit Economic Growth Corporation

Donald Rencher, Director, Housing and Revitalization Department

THROUGH:

Council Member James Tate, Chair, Planning & Economic Development Committee

FROM:

Council President Pro Tem Mary Sheffield

DATE:

March 6, 2019

RE:

Request for Affordable Housing Information Related to Residential Housing

Developments which Received Tax Incentives

According to a report provided by the Detroit Economic Growth Corporation, there have been 93 projects approved for tax incentives since 2015. Of those 93 projects, 40 have been completed and 30 have submitted their final data to the DEGC. I would like answers to the following questions regarding these publicly-subsidized projects:

- Of the 93 projects, how many are residential developments?
- How many of the residential developments have affordable housing agreements?
- Who is responsible for monitoring the affordable housing agreements for these projects?
- How are the affordable housing agreements monitored and what methods are used to verify the number of units, rents charged and the income of the residents? If the projects are not monitored, what is DEGC's plan to do so moving forward?
- Of the completed projects, how many failed to meet to their affordable housing target? If any, what were the consequences of failing to produce the affordable units and/or rent to low-income tenants?

Cc: Honorable Colleagues
Honorable City Clerk
Legislative Policy Division
Stephanie Washington, Liaison, Mayor's Office





CITY COUNCIL

MARY SHEFFIELD
COUNCIL PRESIDENT PRO TEMPORE
DISTRICT 5

M EMORANDUM

TO: Saskia Thompson, Executive Director, Detroit Land Bank Authority

FROM: Council President Pro Tempore Mary Sheffield, Chair, Neighborhoods and

Community Services Committee / M<

THRU: James Tate, Chair, Planning and Economic Development Committee

DATE: March 8, 2019

RE: Amendments to DLBA MOU

My office is proposing the following amendments to the proposed MOU between the DLBA and the City of Detroit:

- The DLBA must draft a clear policy on residential land sales not covered under any of the current disposition programs.
- Any new DLBA program must be approved by Detroit City Council prior to implementation.
- Any use of City funds or demolition advance funds above the \$25,000 HHF limit must be approved by City Council prior to the use of funds.
- The DLBA must provide City Council with a quarterly report pertaining to active Nuisance Abatement lawsuits.
- Any transfer or sale of DLBA property at below-market value must be approved by City Council.
- Remove the limit of 2 annual community meetings per Council District.
- The DLBA must provide a list of all occupied foreclosed properties transferred from the Wayne County Tax Foreclosure Auction prior to transfer to the Land Bank.

Please contact Ari Ruttenberg at 313-224-4505 if you have any questions.