**EXHIBIT A**

**SUMMARY OF FCA AGREEMENT**

**Agreement for the Development of the Mack Assembly Plant**

***FCA’s Project:***

* FCA will complete construction and commence operations of the Mack Plant by no later than December 1, 2022 (under certain delay conditions, the deadline may be extended to December 1, 2023).
* The project is intended to create approximately 3,850 net new full-time employees in the operation of the Mack Plant, plus another projected 1,100 jobs as part of the planned Jefferson North Assembly Plant retooling project.

***City/DBRA Land Assembly:***

* Purchase and Sale of Parcels: DBRA is delivering parcels in three categories: (1) delivering City-owned parcels to FCA; (2) purchasing a number of parcels from third parties, then conveying those parcels to FCA; (3), facilitating the transfer of parcels directly from third party owners to FCA, without entering the chain of title.
	+ In connection with each parcel to be conveyed to FCA, the City/DBRA will facilitate rezoning (as necessary), conduct Phase I environmental studies and conduct additional environmental testing as directed by FCA.
	+ DBRA will also conduct certain environmental remediation and site preparation activities on parcels to be delivered to FCA.
* DBRA is also taking down the berm west of the Mack Plant property, immediately to the west of St. Jean Street, between East Warren Avenue and Kercheval Avenue, and will construct a sound barrier in its place, to better separate the plant campus from the adjacent area and mitigate potential noise impacts from the project.
* The City will vacate portions of St. Jean Street Avenue, as well as partial sections of the East Vernor Highway, Charlevoix Street, Goethe Street, Conner Lane and East Canfield Street rights of way so that those vacated rights of way can be incorporated into the project’s footprint.

***Workforce Commitments***: Subject to collective bargaining commitments, FCA will use good faith efforts to provide Detroit residents the opportunity to apply for production jobs in accordance with the following:

* Initial Application Process: DESC has agreed to support aspects of FCA's talent needs as they relate to recruiting, pre-screening and vetting, and work-readiness training related to production jobs with a value of at least $2 million.
	+ FCA will work with DESC to develop an initial application process that gives Detroit residents the opportunity to apply for production jobs, subject to FCA providing priority to UAW candidates.
	+ Subject to priority being given to the UAW candidates, FCA will, in cooperation with DESC, open specified windows exclusively for Detroit residents (anticipated to be 1 - 2 weeks each) to apply for production jobs (first, to Detroit residents who reside in the geographic areas most impacted by the project due to their proximity to the Mack Plant, second, to all other Detroit residents, including individuals who have successfully completed the DESC readiness program as a result of a criminal conviction, or who are military veterans).
* Hiring After Initial Application Process: After the initial application process is completed, FCA will consider continuing to provide the above-referenced application priorities for DESC candidates if FCA and DESC mutually agree in writing on the terms of such, including DESC continuing to provide in-kind support services to FCA.

***Financial Commitments:***

* FCA has projected a $1.6 billion investment in the Mack Plant, and a $900 million investment in the Jefferson North Assembly Plant.
* The City, in partnership with the State, has offered a $107,590,000[[1]](#footnote-1) financial package, which constitutes the “Municipal Project Funds” available for all activities under the Development Agreement.
	+ The City’s cash contribution consists of $36 million of City bond proceeds, $7.09 million in funds available from asset sales and a $7.5 million loan to the DBRA, payable from TIF revenues.
	+ The City has requested $57 million in grants and loans from the State to support site preparation.
* In addition, the City has contributed approximately $14.35 million worth of land for land exchanges to acquire certain parcels for contribution to the project.

***Remedies/Repayments to the City/DBRA:***

* FCA has agreed to report the various revenues produced by the project in the form of City income tax from new jobs, property tax increases (net of abatements and TIF capture), and growth in corporate City income tax as a result of expanded operations.

* + If the City does not recoup its approximately $57.4 million direct investment ($43.09 million in cash granted, $14.35 million in land) within thirty years, FCA will pay the City the shortfall.
* If FCA does not commence operations of the Mack Plant by December 1, 2023 (and its failure is confirmed through the arbitration process built in to the document) title to the contributed property may re-vest in the DBRA by either (1) a right of reverter, with respect to properties that are conveyed by the DBRA or (2) the enforcement of a “Grant of Rights” which functions like a reverter, but with respect to property conveyed directly by third parties to FCA.
* If FCA (prior to the City’s recoupment of its investment or within 15 years, whichever is later) ceases operations of the plant for a period of sixty (60) consecutive months, the DBRA has the opportunity to re-purchase a 58-acre assembling including the former Conners Creek Power Plant property for fair market value.
* If (prior to the City’s recoupment of its investment) FCA seeks to re-sell any parcels prior to the recoupment of the City’s investment, it must determine and notify the DBRA that the sale will result in similar use of the property, or receive City approval. In either case, the DBRA receives 75% of the sale proceeds.
1. The State component only represents State funds requested by the City in support of the project. [↑](#footnote-ref-1)