



LAW DEPARTMENT

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February 23, 2022

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

Re: Ft. Shelby - Workout of HUD 108 Loan – inducement agreement

Honorable City Council:

The Law Department, working closely with the OCFO, previously negotiated a proposed workout of the City's HUD 108 loan to the Ft. Shelby hotel. This Honorable City Council approved the proposed workout in a resolution adopted on November 3, 2021, a copy of which is included in the attached package of documents. Mr. Corley of LPD closely examined the proposed workout prior to City Council's approval.

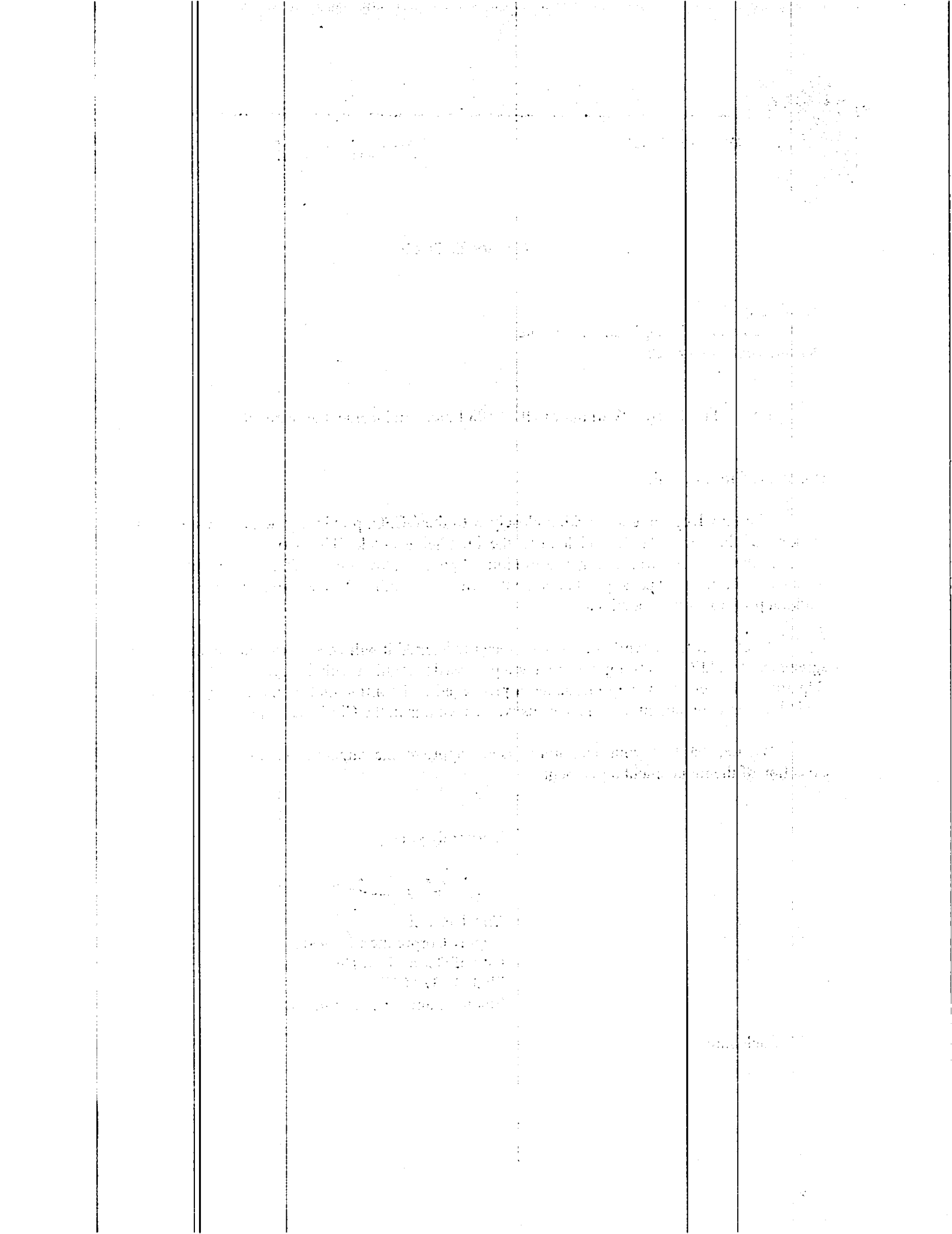
To effectuate the workout, the City recently learned it will need to execute an inducement agreement. In addition to filing this letter and proposed resolution with the Clerk's Office, the Law Department has electronically circulated a privileged and confidential memorandum discussing the inducement agreement and the reasons we believe it is in the City's best interests.

We request that your Honorable Body approve the attached resolution to authorize execution of the inducement agreement.

Very truly yours,

Chuck Raimi
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Enclosure



A RESOLUTION BY COUNCIL MEMBER _____

**RESOLUTION AUTHORIZING EXECUTION OF INDUCEMENT
AGREEMENT TO EFFECTUATE PREVIOUSLY APPROVED
WORKOUT OF THE CITY'S HUD 108 LOAN TO THE FORT SHELBY
HOTEL**

WHEREAS This Honorable City Council adopted a resolution on November 3, 2021, authorizing a \$2 million workout of the City's HUD 108 loan to the Fort Shelby Hotel;

WHEREAS To effectuate the workout, the City is required to execute an inducement agreement;

WHEREAS The City Council has had an opportunity to consider the memorandum and appropriate hearings have been conducted.

NOW THEREFORE BE IT

RESOLVED, that in accordance with the foregoing communication, the Detroit City Council hereby authorizes the City's execution of the aforementioned inducement agreement as set forth in the attached confidential memorandum.

	<p>THE STATE OF TEXAS, COUNTY OF DALLAS, BEING THE COUNTY WHEREIN THE CITY OF DALLAS IS LOCATED, I, the undersigned, County Clerk, do hereby certify that the following is a true and correct copy of the original as the same appears in the records of said County:</p>		
	<p>Book 10, Page 100</p>		
	<p>Book 10, Page 101</p>		
	<p>Book 10, Page 102</p>		
	<p>Book 10, Page 103</p>		
	<p>Book 10, Page 104</p>		
	<p>Book 10, Page 105</p>		
	<p>Book 10, Page 106</p>		
	<p>Book 10, Page 107</p>		