

COLEMAN A. YOUNG MUNICIPAL CENTER 2 WOODWARD AVENUE, SUITE 1026 DETROIT, MICHIGAN 48226

PHONE: 313 • 628-2158 FAX: 313 • 224 • 0542 WWW.DETROITMI.GOV

April 27, 2022

The Honorable Detroit City Council

ATTN: City Clerk Office
200 Coleman A. Young Municipal Center
Detroit MI 48226

RE: Request to Accept and Appropriate the Transportation Economic Development Fund – Category A Grant for Athens Ave. and Devine Ave. Improvements

The Michigan Department of Transportation has awarded the City of Detroit Department of Public Works with the Transportation Economic Development Fund – Category A Grant for a total of \$1,704,683.00. The State share is \$1,704,683.00 of the approved amount, and there is a required cash match of \$545,645.00 and a required in-kind match of \$428,986.00. The total required match is \$974,631.00 and will be provided by NorthPoint Development. The total project cost is \$2,679,314.00. The project includes Construction and Engineering components. Total construction costs are \$2,237,381.00. Total engineering costs are \$441,933.00.

The objective of the grant is to improve Athens Ave. and Devine Ave. in order to manage the increased truck traffic for the rehabilitated Cadillac Stamping Plant, which will create hundreds of job opportunities for Detroiters. The funding allotted to the department will be utilized to reconstruct Athens Ave. from Harper Ave. to Devine Ave., and reconstruct Devine Ave. from French Road to Athens Ave. (including signal work for the railroad crossing), and construct a new entry path into the plant called Easement A.

If approval is granted to accept and appropriate this funding, the appropriation number is 21113, with the match amount coming from NorthPoint Development.

I respectfully ask your approval to accept and appropriate funding in accordance with the attached resolution.

Sincerely,
Docusigned by:

Jerri Daniels

4D2BEEE23C8D489...

Terri Daniels

Director of Grants, Office of Development and Grants

CC:

Sajjiah Parker, Assistant Director, Grants

DocuSigned by:

Steven Watson

42C91AA10FE84AD...

Office of Budget

Agreement Approved as to Form

By the Law Department



Office of Development and Grants

Council Member

RESOLUTION

WHEREAS,	the	Department	of	Public	Works	is	requesting	authorization	to	accept	а	grant	(

WHEREAS, the Department of Public Works is requesting authorization to accept a grant of reimbursement from the Michigan Department of Transportation, in the amount of \$1,704,683.00, to improve Athens Ave. and Devine Ave. in order to manage the increased truck traffic for the rehabilitated Cadillac Stamping Plant; and

WHEREAS, the State share is \$1,704,683.00 of the approved amount, and there is a required cash match of \$545,645.00 and a required in-kind match of \$428,986.00; and the total required match is \$974,631.00, which will be provided by NorthPoint Development; and

WHEREAS, the total project cost is \$2,679,314.00; and the project includes a construction component, for a total of \$2,237,381.00, and an engineering component, for a total of \$441,933.00; and

WHEREAS, the Law Department has approved the attached agreement as to form; and

WHEREAS, this request has been approved by the Office of Budget; now

THEREFORE, BE IT RESOLVED that the Director or Head of the Department is authorized to execute the grant agreement on behalf of the City of Detroit, and

BE IT FURTHER RESOLVED, that the Budget Director is authorized to establish Appropriation number 21113, in the amount of \$2,679,314.00, which includes a cash match of \$545,645.00 and an in-kind match of \$428,986.00, coming from NorthPoint Development, for the Transportation Economic Development Fund – Category A Grant for Athens Ave. and Devine Ave.



Grant Summary

Date: 03/29/2022

Page: 1 of 2

Grant Type: TED - Category A

Grant Number: 1412

			Current		Total		Grant
Section	Applicant	Description (rpt)	Grant Amount	Total Match	Amount	Grant % Status	Year
01	City of Detroit	Athens Ave.	\$464,460.00	\$100,969.00	\$565,429.00	82.14% Approved	2022
02	City of Detroit	Devine Ave.	\$1,193,832.00	\$259,528.00	\$1,453,360.00	82.14% Approved	2022
03	City of Detroit	Easement A	\$0.00	\$428,986.00	\$428,986.00	0.00% Approved	2022
04	City of Detroit	Devine Ave. Railroad Crossing	\$46,391.00	\$10,085.00	\$56,476.00	82.14% Approved	2022
Total:			\$1,704,683.00	\$799,568.00	\$2,504,251.00	68.07%	

- The City of Detroit will completely reconstruct Athens Avenue from Harper Avenue to Devine Avenue. Work includes demolition of the existing HMA road and replacement with a new concrete roadway. Total participating construction costs total \$464,460. The TEDF Category A share of construction is \$464,460 or 100%. The City of Detroit will be providing \$100,969 for non-construction project-related work. In addition, the City of Detroit will provide \$49,125 in non-participating costs for sidewalk replacement.
- The City of Detroit will completely reconstruct Devine Avenue from French Road to Athens Avenue. Work includes demolition of the existing HMA road and replacement with a new concrete roadway. Total participating construction costs total \$1,193,832. The TEDF Category A share of construction is \$1,193,832 or 100%. The City of Detroit will be providing \$259,528 for non-construction project-related work. In addition, the City of Detroit will provide \$125,938 in non-participating costs for sidewalk replacement.
- 03 GRANT REVISED 3/29/22 CY

Non-Construction Costs totaling \$71,351, Construction Costs Totaling \$357,635, Total Amount: \$428,986

Easement A

Southeast portion of property to Devine Ave/Athens Ave intersection

Site Access

New Construction

100% match

The City of Detroit will relocate the existing railroad crossing signal on Devine Avenue just west of the new manufacturing facility. Total participating construction costs total \$46,391. The TEDF Category A share of construction is \$46,391 or 100%. The City of Detroit will be providing \$10,085 for non-construction project-related work.



hiring 329 new employees by 2025.

Grant Summary

Date: 03/29/2022

Page: 2 of 2

Project Summary

Lear Corporation is a worldwide manufacturer of automotive seating and automotive electrical systems. The company is headquartered in Southfield, Michigan and has more than 174,000 employees globally working at 257 facilities in 38 countries.

Lear Corporation has secured a contract with General Motors to supply automotive seating systems to its new Factory Zero in Hamtramck. To accommodate this new business, Lear Corporation began a search for a nearby manufacturing facility. NorthPointe Development was considering a project to redevelop the former Cadillac Stamping Plant. NorthPointe and Lear began discussing the possibility of Lear occupying a significant portion of a new manufacturing facility on the site. The problem for both companies was that the surrounding road network was in very poor condition. The adjacent roads, Devine Avenue and Athens Avenue were in such poor shape that both were barely usable and would not be able to accommodate the increased traffic from the redeveloped property. The City of Detroit pledged to work to obtain funding to reconstruct the two roads. With this assurance, NorthPoint committed to invest \$71,000,000 to demolish the old plant and construct a 684,000 square foot facility. Lear Corporation committed to occupying 416,125 square feet of the new building, investing \$50,000,000 in production equipment and

To accommodate the needs of Lear Corporation to have improved access to the site, the City of Detroit will reconstruct Devine Avenue from French Road to Athens Avenue and Athens Avenue from Harper Road to Devine Avenue. The project will include the addition of ADA-compliant crossings at all intersection. The railroad crossing signage on Devine Avenue just west of the facility will be moved to accommodate the sidewalk improvements. To accommodate direct access to the new facility, Northpointe Development will construct a new driveway to the facility along what is referred to as Easement A.

The total project cost is \$2,250,328. The TEDF Category A share of the project is \$1,704,683 with the City of Detroit providing \$545,645 in match. Total participating construction costs are \$1,704,683. The TEDF Category A share of construction is \$1,704,683 or 100%. The City of Detroit will be providing \$360,497 for non-construction project-related costs. In addition, the City of Detroit will provide \$175,063 for non-participating sidewalk replacement.

Job Phase Summary

Section	n Job/Phase	Est Grant Amount	Auth Grant Amount	CTD Grant Amount		Work Description	Location Description	Financial Stage/Status	FinSys
01	215346(A)	\$464,460.00	\$464,460.00	\$0.00	Devine St	Reconstruction, Traffic Signals	French Rd to Athens St; Athens St from Harper Ave	Change / Approved	EDA
02	215346(A)	\$1,193,832.00	\$1,193,832.00	\$0.00	Devine St	Reconstruction, Traffic Signals	French Rd to Athens St; Athens St from Harper Ave	Change / Approved	EDA
04	215346(A)	\$46,391.00	\$46,391.00	\$0.00	Devine St	Reconstruction, Traffic Signals	French Rd to Athens St; Athens St from Harper Ave	Change / Approved	EDA
Total:		\$1 704 683 00	\$1 704 683 00	\$0.00					

FISCAL PARTNERSHIP AGREEMENT BETWEEN THE CITY OF DETROIT AND NP CONNER AVENUE INDUSTRIAL, LLC

This Fiscal Partnership Agreement ("Agreement") is entered into by and between the NP CONNER AVENUE INDUSTRIAL, LLC, a Missouri limited liability company with offices at 4825 NW 41st Street, Suite 500, Riverside, Missouri 64150 ("PARTNER"), and the CITY OF DETROIT, a Michigan municipal corporation acting through its Department of Public Works, located at 2 Woodward Avenue, Suite 611, Detroit, Michigan 48226 ("CITY"). The PARTNER and the CITY may each be referred to herein as a "Party" or collectively as the "Parties" to this Agreement, as applicable.

RECITALS:

WHEREAS, the CITY is seeking to obtain a conditional grant award ("Grant") in the cumulative amount of One Million Seven Hundred Four Thousand Six Hundred Eighty-Three and Zero/100 Dollars (\$1,704,683.00) ("Grant Funds") from the Michigan Department of Transportation ("MDOT") for the purpose of supporting the CITY's Project, as described in Section 1 of this Agreement;

WHEREAS, a copy of the Grant award summary is attached hereto in EXHIBIT A;

WHEREAS, as a partial match to the Grant Funds, the PARTNER desires to allocate certain of its funds, in an amount not to exceed Seven Hundred Ninety-Nine Thousand Five Hundred Sixty-Eight and Zero/100 Dollars (\$799,568.00) in participating cost match funds ("Participating Cost Match Funds") and an additional One Hundred Seventy-Five Thousand Sixty-Three and Zero/100 Dollars (\$175,063.00) in non-participating costs match funds ("Non-Participating Cost Match Funds" and together with the Participating Cost Match Funds, the "Match Funds"), all to further support the Project (defined below);

WHEREAS, MDOT has approved, and the CITY has agreed, that the PARTNER's Match Funds shall include Four Hundred Twenty-Eight Thousand Nine Hundred Eighty-Six and Zero/100 Dollars (\$428,986.00) of Participating Cost Match Funds invested by the PARTNER into the construction of the Project (defined below) prior to the City's receipt of the Grant (the "Non-Cash Match"), subject to the provision of proper invoices to be reviewed and approved by the CITY and MDOT;

WHEREAS, the CITY and PARTNER intend to collaborate on a bid package that will leverage the Match Funds required to obtain the Grant Funds (collectively the "Project Funds") and deploy the Project Funds for the Project (defined below); and

WHEREAS, the PARTNER desires to collaborate with the CITY and is authorized by its members to serve in such capacity;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the PARTNER and the CITY agree to the following terms:

Section 1: Project Summary. The Parties agree that their mutual objective under this Agreement to reconstruct roads surrounding the redeveloped former Cadillac Stamping Assembly Plant located generally at 9501 Conner Street (the "Property"), including Athens Avenue, from Harper Avenue to Devine Avenue, and Devine Avenue, from Athens Avenue to French Road, and Easement A, from the southeast portion of the Property to the Devine Avenue/Athens Avenue intersection, and install traffic signals at the railroad crossing at Devine Avenue for safety purposes (the "Project").

The purpose of this Agreement is to outline the responsibilities of the Parties, which includes the PARTNER providing, in consultation with and subject to the prior input and approval of the City, the Preliminary Engineering (PE) or Design Services and the Construction Engineering and Inspection (CE&I) services for the Transportation Economic Development Fund – Category A Grant for Athens Avenue, Devine Avenue, Easement A, and the railroad crossing at Devine Avenue, as outlined herein.

The Parties agree that the Project is intended to provide a public benefit in furtherance of the general welfare of the City of Detroit.

Section 2: Activities of the CITY. The CITY will be responsible for the following activities, all in accordance with the terms of this Agreement and the Grant, as applicable:

- A. Prepare all interim and final reports, as well as provide other information regarding the Project, as required by MDOT in accordance the terms of the Grant (collectively "Grant Reports"); and
- B. The CITY will assist PARTNER or its Vendors in applying for and securing any governmental permits that may be necessary for implementation of the Project, conditioned on the PARTNER'S acknowledgment that in so doing, the CITY does not and cannot provide any guarantee with respect to the issuance of any such permit outside of CITY's control, including issuance within a particular timeframe, the imposition or withholding of any specific terms or conditions, or the imposition or waiver of applicable fees; and
- C. Invoice the PARTNER for an amount not to exceed Five Hundred Forty-Five Thousand Six Hundred Forty-Five and Zero/100 Dollars (\$545,645.00), which is

- the product of the Match Funds less the Non-Cash Match outlined above (the "Remaining Match Funds"); and
- D. Review and confirm that invoices and other documentation provided by the PARTNER in connection with the Non-Cash Match are satisfactory.

Section 3: Activities of the PARTNER: The PARTNER will be responsible for the following activities, all in accordance with the terms of this Agreement and the Grant, as applicable:

- A. Provide administrative, programmatic, legal, and financial support of activities within the scope of the Project, all in accordance with the terms of the Grant and any additional direction that the MDOT may provide, though only with respect to the deployment of the Match Funds; and
- B. Solicit, engage, and with support from the CITY, oversee third party contractors and vendors ("Vendors") to provide goods and services as may be necessary or convenient for implementation of the Project; and
 - a. The PARTNER will undertake such solicitation and engagement in accordance with its customary procurement procedures, subject to any applicable terms of the Grant.
 - b. Notwithstanding the foregoing, the Parties understand that the CITY shall have no privity of contract with any Vendor, and no such assistance or support provided by the CITY to the PARTNER may be construed as characterizing the CITY as an agent of the PARTNER for such purposes.
- C. Provide oversight of each Vendor's performance, including review of their activities, reporting, and invoicing, and all other reasonable efforts to monitor the adequacy of each Vendor's performance in accordance with its contract, as applicable, and consistent with the terms of this Agreement and the Grant, including notifying the CITY of any instance in which a Vendor has failed to adequately perform in accordance with its contract, including failure to provide complete reporting or accurate invoicing, and will cooperate with any investigation by the CITY into such potential failure; and
- D. Provide support to the CITY in its preparation of the Grant Reports; and
- E. Upon request from the CITY, provide updates on the overall status of the Project and the Activities of the PARTNER under this Agreement; and
- F. Promptly pay a final invoice from the CITY in an amount not to exceed the Remaining Match Funds; and

G. Provide sufficient invoices and other documentation in connection with the Non-Cash Match scope of improvements, subject to the review and approval of the CITY and MDOT.

Section 4: Reports. The CITY and PARTNER shall collaborate in good faith in the preparation of any Grant Reports. Upon request by the CITY, the PARTNER will make reasonable efforts to provide information in its possession that may be necessary for CITY's completion of the Grant Reports.

Section 5: Meetings and Other Communications. The Parties will meet at their mutual convenience, whether in person or via video conference, telephone, or other convenient means on a mutually agreed upon periodic basis to review the progress of each Party's activities under this Agreement, to coordinate further activities as may be necessary in furtherance of the purpose of this Agreement, and to discuss other relevant issues that may arise from time to time.

Section 6: Recordkeeping. Each Party will maintain information pertinent to its activities under this Agreement for at least four (4) years following the expiration or earlier termination of this Agreement, but in no case for less time than may be required to maintain compliance with Applicable Laws (as defined below) and the requirements of MDOT.

Section 7: Compliance with Laws. Each Party acknowledges that it is individually responsible for maintaining compliance in all respects with all applicable federal, state, and local laws, rules, regulations, and orders having the binding effect of law (collectively, "Applicable Laws"). Neither Party will be responsible for ensuring the other Party's compliance with Applicable Laws at any time, unless so required under Applicable Laws.

Section 8: Non-Discrimination. The Parties will, in performing its respective activities set forth herein, refrain from refusing, restricting, withholding, or denying any accommodations, services, privileges, advantages or facilities or otherwise discriminating, whether directly or indirectly, on the basis of race, color, ethnicity, national origin, religious beliefs or practices, age, disability, pregnancy, marital status, parental status, military status, employment or educational status, gender, sex, sexual orientation, gender identity or expression, or any other protected classification, in accordance with Chapter 27 of the 2019 Detroit City Code and other Applicable Laws.

Section 9: Avoidance of Conflicts. Neither Party presently has any interest, direct or indirect, and does not intend during the Term, as defined below, of this Agreement to acquire any such interest or employ any person having any such interest, which would conflict in any manner or degree with the performance of this Agreement.

Section 10: Indemnification. The PARTNER agrees to indemnify, defend, and hold the CITY harmless against and from any and all liabilities, obligations, damages, penalties, claims, costs, charges, losses, and expenses – including, without limitation, fees and expenses for attorneys, expert witnesses, and other consultants – that may be imposed

upon, incurred by, or asserted against the CITY or its departments, officers, employees, or agents by reason of any of the following occurring during the Term of this Agreement:

- A. Any negligent or tortious act, error, or omission attributable in whole or in part to the PARTNER or any of its departments, officers, employees, agents, or Vendors; or
- B. Any failure by the PARTNER or any of its departments, officers, employees, agents, or Vendors to perform its obligations under this Agreement, whether express or implied; or
- C. Any and all injury to the person or property of an employee of the City where such injury arises from the performance of the PARTNER or any of its departments, officers, employees, agents, or Vendors under this Agreement.

Section 11: Effective Date, Term, and Termination. This Agreement is effective upon its execution by an authorized representative of each of the Parties, as well as issuance of all approvals required under the 2019 Detroit City Code and the 2012 City Charter ("Effective Date"). This Agreement will be effective for a term commencing on the Effective Date and continuing until the later of (a) the term of the Grant, or (b) two (2) years (the "Term"), unless earlier terminated as set forth in this Agreement.

This Agreement can be terminated for cause by either Party upon a finding of material breach and failure to cure such breach by the other Party. If a Party determines that the other Party is in material breach of this Agreement, it may provide written notice of such determination to the other Party. The breaching Party will have thirty (30) days after receipt of such written notice to cure the breach. If the breaching Party fails to timely cure, the Party not in breach may terminate this Agreement, effective fifteen (15) days after giving notice of termination to the breaching Party. This Agreement can be terminated without cause by mutual agreement of the Parties. Such mutual agreement must be in writing and executed by both Parties, and is effective fifteen (15) days following the date of its execution by both Parties.

Upon the expiration or termination of this Agreement, each Party will wind down its activities under this Agreement so as to reasonably minimize the inconvenience to the other Party. Among other wind down activities, the PARTNER will terminate all contracts with its Vendors, disburse Remaining Match Funds in satisfaction of any outstanding obligations, provide to the CITY a final accounting of activities, and wind down its performance under the Grant in accordance with the terms of the Grant and as may be directed by MDOT. The Parties understand and agree that, upon termination of this Agreement, the CITY has no obligation to the PARTNER to terminate the Project any may in its sole discretion continue its management of the Project beyond the termination of this Agreement.

Section 12: Amendments. No amendment to this Agreement will be effective unless it is in writing, expressly references this Agreement, is executed by a duly authorized

representative of each Party, and is approved in accordance with the procedure for approval of this Agreement.

Section 13: Notices. Notices, requests, notifications, and other communications (collectively, "Notices") related to this Agreement by either Party will be given in writing and signed by an authorized representative of the Party, and shall be deemed effective once hand delivered, mailed by first-class mail or by overnight courier, or emailed, and addressed as follows:

If to PARTNER: NP Conner Avenue Industrial, LLC

> c/o NorthPoint Development 4825 NW 41st Street, Suite 500 Riverside, Missouri 64150

Attention:

Philip Hausfeld, Project Manager

Email:

phausfeld@northpointkc.com

With a copy to: NP Conner Avenue Industrial, LLC

> c/o NorthPoint Development 4825 NW 41st Street, Suite 500

Riverside, Missouri 64150

Attention: Tim Conder, VP of Development

Email:

tconder@northpointkc.com

And: NP Conner Avenue Industrial, LLC

c/o NorthPoint Development 4825 NW 41st Street, Suite 500

Riverside, Missouri 64150

Attention: Leo O. Salinger, Assistant General Counsel

Email: Isalinger@northpointkc.com

If to CITY: City of Detroit

Public Works Department

2 Woodward Avenue, Suite #611

Detroit, Michigan 48226

Attention: Oladayo Akinyemi, Deputy Director

Email: akinyemi@detroitmi.gov

Either Party may update its contact information set forth in this section by providing notice to the other Party containing its updated contact information. Such update will not constitute an amendment to this Agreement and will not be subject to the procedures of Section 14 of this Agreement.

Section 14: Miscellaneous Terms.

- A. Independent Parties. The Parties understand and acknowledge that each is independent of the other and do not intend, as a result of this Agreement or otherwise, to become a joint venture, partners, employees, servants, agents, representatives, contractors, or any type of related business entities to one another with respect to the Project or any other activities under this Agreement.
- B. Assignment. This Agreement sets forth each Party's intended activities in furtherance of the purpose of this Agreement and neither Party intends to delegate or assign this Agreement, or any portion of this Agreement, either voluntarily or involuntarily, or by operation of law, without the prior written notice to the other Party.
- C. *Merger.* This Agreement sets forth the entire understanding between the Parties as to their activities in the purpose of this Agreement and all prior discussions, negotiations, communications, and understandings, whether written or verbal, are hereby merged into this Agreement.
- D. Choice of Law and Venue. The Parties acknowledge that this Agreement will be governed by the laws of the State of Michigan, excluding its choice of laws rules. Any legal suit, action or proceeding arising out of this Agreement will be instituted in the federal courts of the United States of America or the courts of the State of Michigan, in each case located in the City of Detroit and County of Wayne, and each Party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding.
- E. Severability. In the event that any provision in this Agreement is found by a court to be impermissible or illegal, then that provision shall be stricken from the Agreement and shall be replaced by a provision that is permissible and legal and by mutual agreement of the Parties comes closest to expressing the intent of the stricken provision. The remainder of the Agreement shall remain in full force and effect in accordance with its original overall intent.
- F. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, all of which together shall constitute but one document. Each counterpart may be executed by facsimile or electronic signature, which will be deemed an original signature, to the extent permitted by Applicable Laws.
- G. Authority of the City. Notwithstanding anything in this Agreement, in law, in equity, or otherwise to the contrary, this Agreement shall be of no force or effect and may not in any way be enforced against the PARTNER or the CITY unless and until is has been fully executed by a duly authorized agent of the PARTNER and the CITY and subsequently approved by the City of Detroit Law Department. Any amendments or modifications to this Agreement shall likewise be fully executed by

a duly authorized agent of the PARTNER and the CITY and subsequently approved by the City of Detroit Law Department.

[Remainder of page intentionally left blank; signatures appear on next page.]

SIGNATURE PAGE TO FISCAL PARTNER AGREEMENT

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the dates shown below, to be effective as of the Effective Date.

PARTNER: NP CONNER AVENUE INDUSTRIAL, LLC. a Missouri limited liability company By: NPD Management, LLC. a Missouri limited liability company, Manager By: Name: Nathaniel Hagedorn Its: Manager Date: 3 - (f. 22 CITY: CITY OF DETROIT. a Michigan municipal corporation, by and through its Department of Public Works By: Name:_____ lts: Date: _____ APPROVED BY LAW DEPARTMENT PURSUANT TO SEC. 7.5-206 OF THE

CHARTER OF THE CITY OF DETROIT

Corporation Counsel

Date

EXHIBIT A

MDOT Grant Award Letter/Documentation

[See attached]

TED (A) NON FED COM
Control Section
Job Number

Contract No.

EDA 82000 215346CON 22-5150

THIS CONTRACT is made by and between the MICHIGAN DEPARTMENT OF TRANSPORTATION, hereinafter referred to as the "DEPARTMENT;" and the CITY OF DETROIT, a Michigan municipal corporation, hereinafter referred to as the "REQUESTING PARTY;" for the purpose of fixing the rights and obligations of the parties in agreeing to the following improvements, in Detroit, Michigan, hereinafter referred to as the "PROJECT" and estimated in detail on EXHIBIT "I," dated March 23, 2022, attached hereto and made a part hereof:

PART A – STATE PARTICIPATION

Hot mix asphalt removal and concrete reconstruction along Athens Avenue from Harper Street to Devine Avenue and along Devine Avenue from French Street to Athens Avenue, including railroad crossing traffic signal relocation at the at-grade crossing of the tracks of Conrail Railroad, hereinafter referred to as the "RAILROAD", with Devine Road (NI #859-086-M); and all together with necessary related work.

PART B – NO STATE PARTICIPATION

Concrete sidewalk replacement along the limits as described in PART A; and all together with necessary related work.

WITNESSETH:

WHEREAS, the State of Michigan is hereinafter referred to as the "State;" and

WHEREAS, the PROJECT has been approved for financing in part with funds from the State appropriated to the Transportation Economic Development Fund, hereinafter referred to as "TED FUNDS," qualifies for funding pursuant to PA 231, Section 11(3)(a); Public Act of 1987, as amended, and is categorized as:

CATEGORY "A" FUNDED PROJECT

NOW, THEREFORE, in consideration of the premises and of the mutual undertakings of the parties and in conformity with applicable law, it is agreed:

1. The parties hereto shall undertake and complete the PROJECT in accordance with the terms of this contract.

A portion of the PROJECT work will be performed by the RAILROAD.

2. The term "PROJECT COST," as herein used, is hereby defined as the cost of the physical construction necessary for the completion of the PROJECT, including costs incurred by the RAILROAD.

The costs incurred by the REQUESTING PARTY for preliminary engineering, construction engineering and inspection, and right-of-way are excluded from the PROJECT COST as defined by this contract.

The Michigan Department of Environment, Great Lakes, and Energy has informed the DEPARTMENT that it adopted new administrative rules (R 325.10101, et. Seq.) which prohibit any governmental agency from connecting and/or reconnecting lead and/or galvanized service lines to existing and/or new water main. Questions regarding these administrative rules should be directed to the Michigan Department of Environment, Great Lakes, and Energy. The cost associated with replacement of any lead and/or galvanized service lines, including but not limited to contractor claims, will be the sole responsibility of the REQUESTING PARTY.

3. The DEPARTMENT is authorized by the REQUESTING PARTY to perform, at no cost to the PROJECT, such administration of the PROJECT covered by this contract as is necessary to assist the REQUESTING PARTY to qualify for funding. Such administration may include performing such review, legal, financing, any other PROJECT related activities as are necessary to assist the REQUESTING PARTY in meeting applicable State requirements.

The DEPARTMENT shall provide the REQUESTING PARTY with a notice to proceed with the award of the construction contract for the PROJECT.

The DEPARTMENT shall make a final acceptance inspection of the PROJECT as necessary to ensure the PROJECT meets State requirements. Failure to comply with State requirements may result in forfeiture of future distributions of the Michigan Transportation Fund as described in Section 5. No charges will be made by the DEPARTMENT to the PROJECT for any inspection work or construction engineering.

- 4. The REQUESTING PARTY, under the terms of this contract, shall advertise and award the PROJECT work in accordance with the following:
 - A. The REQUESTING PARTY will, at no cost to the DEPARTMENT or the PROJECT, design, or cause to be designed, the PROJECT, and shall accept full responsibility for that design. Any review undertaken by the DEPARTMENT is for its own purposes and is not to nor does it relieve the REQUESTING PARTY of liability for any claims, causes of action or judgments arising out of the design of the PROJECT.

- B. The REQUESTING PARTY, hereby, certifies to the DEPARTMENT that the plans, specifications, and estimates for the PROJECT have been prepared in compliance with applicable State laws, standards, and regulations.
- C. The REQUESTING PARTY, hereby, certifies to the DEPARTMENT that the contracting procedures to be followed by the REQUESTING PARTY in connection with the solicitation of the construction contract for the PROJECT shall be based on an open competitive bid process. It is understood that the proposal for the PROJECT shall be publicly advertised and the contract awarded on the basis of the lowest responsive and responsible bid in accordance with applicable State statutes and regulations.
 - (1) The REQUESTING PARTY shall not award the construction contract prior to receipt of a notice to proceed from the DEPARTMENT.
 - (2) Upon verification that contractor selection by the REQUESTING PARTY was made in accordance with the terms of this contract and upon receipt of the "Request for Payment" form from the REQUESTING PARTY, the DEPARTMENT will authorize payment to the REQUESTING PARTY for the eligible amount in accordance with Section 5.
- D. The REQUESTING PARTY will, at no cost to the PROJECT or the DEPARTMENT, comply with all applicable State statutes and regulations, including, but not limited to, those specifically relating to construction contract administration and obtain all permits and approvals with railway companies, utilities, concerned State, Federal, and local agencies, etc., and give appropriate notifications as may be necessary for the performance of work required for the PROJECT.

The REQUESTING PARTY shall assume responsibility for work zone traffic control for railroad improvements by coordinating with the railroad authority as necessary to ensure appropriate traffic controls and protection during project operations in full accord with the Michigan Manual of Uniform Traffic Control Devices.

The REQUESTING shall enact and enforce such ordinances or regulations as may be necessary to prohibit parking along either side of the roadway within 50 feet of the nearest rail of the grade crossing in compliance with MCL 257.674(i).

The REQUESTING PARTY agrees to comply with all applicable requirements of Part 91, Soil Erosion and Sedimentation Control of the Natural Resources and Environmental Protection Act, 1994 PA 451 as amended by 1995 PA 60 and 1996 PA 173, MCL 324.9101 et. Seq., for all PROJECT work performed under this contract, and the REQUESTING PARTY shall require its contractors and subcontractors to comply with the same.

- E. All work in connection with the PROJECT shall be performed in conformance with the DEPARTMENT'S current Standard Specifications for Construction, special provisions, and the supplemental specifications and plans pertaining to the PROJECT. All materials furnished and used in the construction of the PROJECT shall conform to the aforesaid specifications. Any changes in the scope of work for the PROJECT will require approval by the DEPARTMENT.
- F. The REQUESTING PARTY shall, at no cost to the PROJECT or to the DEPARTMENT, appoint a project engineer who shall administer the PROJECT and ensure that the plans and specifications are followed, and shall perform or cause to be performed the construction engineering and inspection services necessary for the completion of the PROJECT.

Should the REQUESTING PARTY elect to use consultants for construction engineering and inspection, the REQUESTING PARTY shall provide a full-time project manager employed by the REQUESTING PARTY who shall ensure that the plans and specifications are followed.

- G. The REQUESTING PARTY shall require the contractor who is awarded the contract for the construction of the PROJECT to provide, as a minimum, insurance in the amounts specified in and in accordance with the DEPARTMENT'S current Standard Specifications for Construction, and to:
 - (1) Maintain bodily injury and property damage insurance for the duration of the PROJECT.
 - (2) Provide owner's protective liability insurance naming as insureds the State of Michigan, the Michigan State Transportation Commission, the DEPARTMENT and its officials, agents and employees, the REQUESTING PARTY and any other party with jurisdiction for the roadway being constructed as the PROJECT, and their employees, for the duration of the PROJECT and to provide copies of certificates of insurance to the insureds. It is understood that the DEPARTMENT does not assume either

ownership of any portion of the PROJECT or jurisdiction of any REQUESTING PARTY highway as a result of being named as an insured on the owner's protective liability insurance policy.

- (3) Comply with the requirements of notice of cancellation and reduction of insurance set forth in the current Standard Specifications for Construction and to provide copies of notices and reports prepared to those insured.
- 5. The PROJECT COST shall be met in accordance with the following:

PART A

The PART A portion of the PROJECT COST shall be met in part by contributions by TED FUNDS. TED FUNDS Category A shall be applied to the eligible items of the PART A portion of the PROJECT COST up to an amount not to exceed the lesser of: (1) 82.66 percent of the approved and responsible low bid amount, or (2) \$1,704,683. The balance, if any, of the PART A portion of the PROJECT COST, after deduction of TED FUNDS, is the sole responsibility of the REQUESTING PARTY.

PART B

The PART B portion of the PROJECT COST is not eligible for TED FUNDS and shall be paid 100 percent by the REQUESTING PARTY in the manner and at the times hereinafter set forth.

The REQUESTING PARTY shall be responsible for the payment of all costs and expenses incurred in the performance of PROJECT work.

Based upon the final cost of the PROJECT, the final costs included in the grant, and/or a request by the REQUESTING PARTY, a payment adjustment may be initiated and/or authorized by the DEPARTMENT for eligible items of the PROJECT COST such that the total amount of TED FUNDS does not exceed \$1,704,683. The grant includes those activities of preliminary engineering, right-of-way acquisition, construction, and construction engineering related to the grant. The REQUESTING PARTY shall certify all actual costs incurred for work performed under this contract that are eligible for payment with TED FUNDS and will be required to repay any TED FUNDS it received in excess of 82.66 percent of the total of such costs.

6. The REQUESTING PARTY shall establish and maintain adequate records and accounts relative to the cost of the PROJECT. Said records shall be retained for a period of three (3) years after completion of construction of the PROJECT and shall be available for audit by the DEPARTMENT. In the event of a dispute with regard to allowable expenses or any other issue under this contract, the REQUESTING PARTY shall continue to maintain the records at least until that dispute has been finally decided and the time after all available challenges or appeals of that decision has expired.

The DEPARTMENT, or its representative, may inspect, copy, or audit the records at any reasonable time after giving reasonable notice.

The REQUESTING PARTY, within six (6) months of completion of the PROJECT and payment of all items of PROJECT COST related thereto, shall make a final reporting of construction costs to the DEPARTMENT and certify that the PROJECT has been constructed in accordance with the PROJECT plans, specifications, and construction contract.

In the event that an audit performed by or on behalf of the DEPARTMENT indicates an adjustment to the costs reported under this contract or questions the allowability of an item of expense, the DEPARTMENT shall promptly submit to the REQUESTING PARTY a Notice of Audit Results and a copy of the audit report which may supplement or modify any tentative findings verbally communicated to the REQUESTING PARTY at the completion of an audit.

Within sixty (60) days after the date of the Notice of Audit Results, the REQUESTING PARTY shall: (a) respond in writing to the responsible Bureau or the DEPARTMENT indicating whether or not it concurs with the audit report, (b) clearly explain the nature and basis for any disagreement as to a disallowed item of expense, and (c) submit to the DEPARTMENT a written explanation as to any questioned or no opinion expressed item of expense, hereinafter referred to as the "RESPONSE". The RESPONSE shall be clearly stated and provide any supporting documentation necessary to resolve any disagreement or questioned or no opinion expressed item of expense. Where the documentation is voluminous, the REQUESTING PARTY may supply appropriate excerpts and make alternate arrangements to conveniently and reasonably make that documentation available for review by the DEPARTMENT. The RESPONSE shall refer to and apply the language of the contract. The REQUESTING PARTY agrees that failure to submit a RESPONSE within the sixty (60) day period constitutes agreement with any disallowance of an item of expense and authorizes the DEPARTMENT to finally disallow any items of questioned or no opinion expressed cost.

The DEPARTMENT shall make its decision with regard to any Notice of Audit Results and RESPONSE within one hundred twenty (120) days after the date of the Notice of Audit Results. If the DEPARTMENT determines that an overpayment has been made to the REQUESTING PARTY, the REQUESTING PARTY shall repay that amount to the DEPARTMENT or reach agreement with the DEPARTMENT on a repayment schedule within thirty (30) days after the date of an invoice from the DEPARTMENT. If the REQUESTING PARTY fails to repay the overpayment or reach agreement with the DEPARTMENT on a repayment schedule within the thirty (30) day period, the REQUESTING PARTY agrees that the DEPARTMENT shall deduct all or a portion of the overpayment from any funds then or thereafter payable by the DEPARTMENT to the REQUESTING PARTY under this contract or any other agreement, or payable to the REQUESTING PARTY under the terms of 1951 PA 51, as applicable. Interest will be assessed on any partial payments or repayment schedules based on the unpaid balance at the end of each month until the balance is paid in full. The rate of interest will be based on the Michigan Department of Treasury common cash funds interest earnings.

The rate of interest will be reviewed annually by the DEPARTMENT and adjusted as necessary based on the Michigan Department of Treasury common cash funds interest earnings. The REQUESTING PARTY expressly consents to this withholding or offsetting of funds under those circumstances, reserving the right to file a lawsuit in the Court of Claims to contest the DEPARTMENT'S decision only as to any item of expense the disallowance of which was disputed by the REQUESTING PARTY in a timely filed RESPONSE.

The REQUESTING PARTY shall comply with the Single Audit Act of 1984, P.L. 998-502 and applicable State laws and regulations relative to audit requirements.

- 7. At such time as traffic volumes or safety requirements warrant, the REQUESTING PARTY will cause to be enacted and enforced such ordinances or regulations as may be necessary to prohibit parking in the roadway right-of-way throughout the limits of the PROJECT.
- 8. The REQUESTING PARTY certifies that it is not aware if and has no reason to believe that the property on which the work is to be performed under this agreement is a facility, as defined by the Michigan Natural Resources and Environmental Protection Act [(NREPA), PA 451, 1994, as amended 2012]; MCL 324.20101(1)(s). The REQUESTING PARTY also certifies that it is not a liable party pursuant to either Part 201 or Part 213 of NREPA, MCL 324.20126 et seq. and MCL 324.21323a et seq. The REQUESTING PARTY is a local unit of government that has acquired or will acquire property for the use of either a transportation corridor or public right-of-way and was not responsible for any activities causing a release or threat of release of any hazardous materials at or on the property. The REQUESTING PARTY is not a person who is liable for response activity costs, pursuant to MCL 324.20101 (vv) and (ww).
- 9. If, subsequent to execution of this contract, previously unknown hazardous substances are discovered within the PROJECT limits, which require environmental remediation pursuant to either State or federal law, the REQUESTING PARTY, in addition to reporting that fact to the Michigan Department of Environment, Great Lakes, and Energy, shall immediately notify the DEPARTMENT, both orally and in writing of such discovery. The DEPARTMENT shall consult with the REQUESTING PARTY to determine if it is willing to pay for the cost of remediation and to determine the eligibility, for reimbursement, of the remediation costs. The REQUESTING PARTY shall pay all costs associated with such remediation, including all delay costs of the contractor for the PROJECT. If the REQUESTING PARTY refuses to participate in the cost of remediation, the amount of TED FUNDS the REQUESTING PARTY received from Grant #1412 shall be forfeited back to the DEPARTMENT.
- 10. If State funds administered by the DEPARTMENT are used to pay the cost of remediating any hazardous substances discovered after the execution of this contract and if there is a reasonable likelihood of recovery, the REQUESTING PARTY, in cooperation with the Michigan Department of Environment, Great Lakes, and Energy and the DEPARTMENT, shall

make a diligent effort to recover such costs from all other possible entities. If recovery is made, the DEPARTMENT shall be reimbursed from such recovery for the proportionate share of the amount paid by the DEPARTMENT and the DEPARTMENT shall credit such sums to the appropriate funding source.

11. The DEPARTMENT'S sole reason for entering into this contract is to enable the REQUESTING PARTY to obtain and use funds provided by the State.

Any and all approvals of, reviews of, and recommendations regarding contracts, agreements, permits, plans, specifications, or documents, of any nature, or any inspections of work by the DEPARTMENT pursuant to the terms of this contract are done to assist the REQUESTING PARTY in meeting program guidelines in order to qualify for available funds. Such approvals, reviews, inspections and recommendations by the DEPARTMENT shall not relieve the REQUESTING PARTY and the local agencies, as applicable, of their ultimate control and shall not be construed as a warranty of their propriety or that the DEPARTMENT is assuming any liability, control or jurisdiction.

The providing of recommendations or advice by the DEPARTMENT does not relieve the REQUESTING PARTY and the local agencies, as applicable, of their exclusive jurisdiction of the highway and responsibility under MCL 691.1402 et seq., as amended.

When providing approvals, reviews and recommendations under this contract, the DEPARTMENT is performing a governmental function, as that term is defined in MCL 691.1401 et seq. as amended, which is incidental to the completion of the PROJECT.

- 12. The DEPARTMENT, by executing this contract, and rendering services pursuant to this contract, has not and does not assume jurisdiction of the highway, described as the PROJECT for purposes of MCL 691.1402 et seq., as amended. Exclusive jurisdiction of such highway for the purposes of MCL 691.1402 et seq., as amended, rest with the REQUESTING PARTY and other local agencies having respective jurisdiction.
- 13. It is understood that the RAILROAD, at its sole expense, will own, operate, and maintain the railroad facilities unless otherwise provided between the REQUESTING PARTY and the RAILROAD.
- 14. The REQUESTING PARTY shall approve all of the plans and specifications to be used on the PROJECT and shall be deemed to have approved all changes to the plans and specifications when put into effect. It is agreed that ultimate responsibility and control over the PROJECT rests with the REQUESTING PARTY and local agencies, as applicable.

Upon completion of the PROJECT, the REQUESTING PARTY shall accept the facilities constructed as built to specifications within the contract documents. It is understood that the REQUESTING PARTY shall own the facilities and shall operate and maintain the facilities in accordance with applicable law.

- 15. The REQUESTING PARTY agrees that the costs reported to the DEPARTMENT for this contract will represent only those items that are properly chargeable in accordance with this contract. The REQUESTING PARTY also certifies that it has read the contract terms and has made itself aware of the applicable laws, regulations, and terms of this contract that apply to the reporting of costs incurred under the terms of this contract.
- 16. Each party to this contract will remain responsible for any and all claims arising out of its own acts and/or omissions during the performance of the contract, as provided by this contract or by law. In addition, this is not intended to increase or decrease either party's liability for or immunity from tort claims. This contract is also not intended to nor will it be interpreted as giving either party a right of indemnification, either by contract or by law, for claims arising out of the performance of this contract.
- 17. In connection with the performance of PROJECT work under this contract the parties hereto (hereinafter in Appendix "A" referred to as the "contractor") agree to comply with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts," as set forth in Appendix A, attached hereto and made a part hereof. The parties further covenant that they will comply with the Civil Rights Acts of 1964 being P.L. 88-352, 78 Stat. 241, as amended, being Title 42 U.S.C. Sections 1971, 1975a-1975d, and 2000a-2000h-6, and will require similar covenants on the part of any contractor or subcontractor employed in the performance of this contract.
- 18. The REQUESTING PARTY and other local agencies, as applicable parties, understand and agree that the highway(s) or street(s) being improved under the terms of this agreement and funded with Transportation Economic Development Funds, shall not be subject to any restriction by local authorities in using certain commercial vehicles on such highway(s) or street(s). Such restrictions are in conflict with the basic concept of the Transportation Economic Development Program and Funding. The REQUESTING PARTY, by signing this agreement, agrees to obtain concurrence from other local governmental agencies within whose jurisdiction or control the highway(s) or street(s) are being improved.

19. This contract shall become binding on the parties hereto and of full force and effect upon the signing thereof by the duly authorized officials for the parties hereto and upon the adoption of the necessary resolution approving said contract and authorizing the signatures thereto of the respective officials of the REQUESTING PARTY, a certified copy of which resolution shall be attached to this contract.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed as written below.

CITY OF DETROIT	MICHIGAN DEPARTMENT OF TRANSPORTATION
By Title:	By
By Title:	REVIEWED No comp to train an about

EXHIBIT I

CONTROL SECTION EDA 82000 JOB NUMBER 215346CON

ESTIMATED COST

Estimated PROJECT COST	PART A	PART B	TOTAL
Contracted Work (including RAILROAD Force Account)	\$2,062,318	\$175,063	\$2,237,381

ESTIMATED COST PARTICIPATION

GRAND TOTAL ESTIMATED COST	\$2,062,318	\$175,063	\$2,237,381
Less TED FUNDS*	\$1,704,683	<u>\$</u>	\$1,704,683
BALANCE (REQUESTING			
PARTY'S SHARE)	\$ 357,635	\$175,063	\$ 532,698

NO DEPOSIT

^{*}TED FUNDS for the PROJECT are limited to an amount as described in Section 5.

APPENDIX A PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS

In connection with the performance of work under this contract; the contractor agrees as follows:

- 1. In accordance with Public Act 453 of 1976 (Elliott-Larsen Civil Rights Act), the contractor shall not discriminate against an employee or applicant for employment with respect to hire, tenure, treatment, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, or marital status. A breach of this covenant will be regarded as a material breach of this contract. Further, in accordance with Public Act 220 of 1976 (Persons with Disabilities Civil Rights Act), as amended by Public Act 478 of 1980, the contractor shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of the above covenants will be regarded as a material breach of this contract.
- 2. The contractor hereby agrees that any and all subcontracts to this contract, whereby a portion of the work set forth in this contract is to be performed, shall contain a covenant the same as hereinabove set forth in Section 1 of this Appendix.
- 3. The contractor will take affirmative action to ensure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status, or any disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Such action shall include, but not be limited to, the following: employment; treatment; upgrading; demotion or transfer; recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- 4. The contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, age, sex, height, weight, marital status, or disability that is unrelated to the individual's ability to perform the duties of a particular job or position.
- 5. The contractor or its collective bargaining representative shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising such labor union or workers' representative of the contractor's commitments under this Appendix.
- 6. The contractor shall comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission that may be in effect prior to the taking of bids for any individual state project.

- 7. The contractor shall furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission; said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor, as well as the contractor itself, and said contractor shall permit access to the contractor's books, records, and accounts by the Michigan Civil Rights Commission and/or its agent for the purposes of investigation to ascertain compliance under this contract and relevant rules, regulations, and orders of the Michigan Civil Rights Commission.
- 8. In the event that the Michigan Civil Rights Commission finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this contract, the Michigan Civil Rights Commission may, as a part of its order based upon such findings, certify said findings to the State Administrative Board of the State of Michigan, which State Administrative Board may order the cancellation of the contract found to have been violated and/or declare the contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, including the governing boards of institutions of higher education, until the contractor complies with said order of the Michigan Civil Rights Commission. Notice of said declaration of future ineligibility may be given to any or all of the persons with whom the contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Michigan Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Michigan Civil Rights Commission to participate in such proceedings.
- 9. The contractor shall include or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Michigan Civil Rights Commission; all subcontracts and purchase orders will also state that said provisions will be binding upon each subcontractor or supplier.

Revised June 2011

COMMENT HISTORY

DocuSign[®]

Please DocuSign: 19_PUB-TEDA #1412 Athens and Devine Improvements (Lear) FY 2021 (Final Version)

Sender: Bashar Dimitry

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Date Completed: 5/2/2022 | 9:57:14 AM

Private: tollivert@detroitmi.gov, WatsonSt@detroitmi.gov

Tina Tolliver -4/29/2022 | 2:05:44 PM

tollivert@detroitmi.gov

Steve see the email I just sent. Thx.