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January 15, 2026

Department of Public Works
City Engineering Division
City of Detroit
Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 601
Detroit, Michigan 48226

**Re: Right of Way Permit for Skybridge Addition to Detroit Regional Convention
Facility Authority**

Dear Sir or Madam:

This firm is legal counsel for construction matters for the Detroit Regional Convention Facility Authority (“DRCFA”). We have been asked to address a proposed indemnification clause in the City of Detroit’s documents associated with a Right of Way Encroachment Permit for DRCFA’s Skybridge Expansion and Renovation Project at the Huntington Place convention center on Washington Boulevard. As a municipal public entity created by the Michigan Legislature, DRCFA has not been empowered to indemnify other entities. However, the City of Detroit has already agreed to facilitate and support the Skybridge project in a duly executed and recorded Development Agreement. Therefore, DRCFA’s inability to indemnify the City may not impair the Right of Way Encroachment Permit for the Skybridge project.

The Skybridge is an elevated, covered walkway between the hotel being built on the old Joe Louis Arena site and the Huntington Place convention center, above and across the newly extended Second Avenue. As noted above, this public project is authorized by a Development Agreement between DRCFA, the City of Detroit, and the private-sector owners of the old Joe Louis Arena site.

The eastern part of the Skybridge project includes a reception area for visitors who walk across it from the hotel into the convention center. This reception area is elevated (being on the second floor, bridge level) and is partially cantilevered out from the main building. A section of this cantilevered structure encroaches on the City’s Right of Way for Steve Yzerman Drive.

During the City’s review process for the Right of Way encroachment permit, your department sent DRCFA’s engineers a blank form entitled “Written Acceptance of the Terms and Conditions of Detroit

Detroit Office
400 Renaissance Ctr., Ste. 3400
Detroit, MI 48243

Member of  Lawyers
Associated
Worldwide

Bloomfield Hills Office
36700 Woodward Ave., Ste. 202
Bloomfield Hills, MI 48304

KOTZ SANGSTER WYSOCKI P.C.

Department of Public Works
City Engineering Division
January 15, 2026
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City Council Resolution _____ Petition Number _____, Adopted _____” and said execution of the form is a condition for the permit. This form contains an indemnification clause that DRCFA cannot sign and the City cannot require.

The Michigan Legislature created DRCFA by enacting the Regional Convention Facility Authority Act, MCL 141.1351, *et seq.*, establishing the City of Detroit as DRCFA’s “qualifying city” in the process. While it gave DRCFA the power to do many things, the Legislature did not give DRCFA the power to indemnify anyone other than its individual board members. Thus DRCFA cannot legitimately sign the City’s form containing the indemnification clause.

Nor can the City require it. The City of Detroit pledged its support for the Skybridge project in a Development Agreement executed and recorded in March of 2023. Pursuant to this agreement, the City committed to allow Steve Yzerman Drive (among other property) to be encumbered with an easement “for the purpose of (i) constructing the Sky Bridge and related improvements...” (*See*, Development Agreement §5(C), *appended as* Exhibit 1.) Thus the City must grant the Right of Way permit.

To move the permitting process forward, we have omitted the indemnification clause from the City’s form. DRCFA will sign the revised form, and looks forward to receiving the Right of Way encroachment permit without delay.

Sincerely,

KOTZ SANGSTER WYSOCKI P.C.

/s/ R. Edward Boucher

R. EDWARD BOUCHER

REB/js

Attachment(s)

cc: Bryan Crowe, Chief Executive Officer for DRCFA
Jeffrey M. Schroder, Esq., general counsel for DRCFA
Mathew J. Fahrenkrug, Plante Moran Realpoint



City of Detroit
Department of Public Works
City Engineering Division

COLEMAN A. YOUNG MUNICIPAL CENTER
2 Woodward Ave. Suite 601
Detroit, Michigan 48226
Phone: (313) 224-3949 TTY: 711
www.detroitmi.gov

WRITTEN ACCEPTANCE OF THE TERMS AND CONDITIONS OF

DETROIT CITY COUNCIL RESOLUTION

PETITION NUMBER _____, ADOPTED _____

Permittee, the Detroit Regional Convention Facility Authority, whose address is One Washington Boulevard, Detroit, Michigan 48226 agrees to waive, release and discharge the City of Detroit or its departments, officers, employees, or agents from any and all liability, claims, demands, and causes of action whatsoever, legal and equitable, because of damages, losses, or injuries to Permittee or Permittee's property or both, arising from or related to Permittee's activities described in said Resolution. Permittee agrees and covenants not to sue the City of Detroit or its departments, officers, employees, or agents, and to refrain from instituting, continuing, presenting, subrogating, collecting or in any way aiding or proceeding upon any claims, judgments, debts, causes of action, suits and proceedings of any kind at law or in equity arising from or related to Permittee's activities described in said Resolution.

Date _____, 20____

Permittee Signature: _____

Bernard J. Youngblood
Wayne County Register of Deeds
2023057521 L: 58137 P: 816
03/27/2023 11:27 AM AGR Total Pages: 41



DEVELOPMENT AGREEMENT
TO ACQUIRE AND DEVELOP LAND
BY AND AMONG
19 ASSOCIATES LLC
DETROIT REGIONAL CONVENTION FACILITY AUTHORITY
AND
CITY OF DETROIT

THIS AGREEMENT (referred to herein as this "Agreement") is entered into as of the 24th day of March, 2023 (the "Effective Date"), by and between the City of Detroit, a Michigan public body corporate (the "City"), acting through its Planning & Development Department ("PDD"), whose address is 2 Woodward Ave., Suite 808, Detroit, Michigan 48226, the Detroit Regional Convention Facility Authority (the "DRCFA" or "Developer"), whose address is 1 Washington Blvd., Detroit, Michigan, 48226, and 19 Associates LLC, a Michigan limited liability company, and its successors and assigns (collectively, "JLA Owner"), whose address is 333 West Fort Street, Suite 1350, Detroit, Michigan 48226. The City, JLA Owner and Developer are sometimes referred to in this Agreement as a "Party" and, collectively, as the "Parties".

Recitals:

A. The Parties mutually desire to promote economic growth in the City and pursuant to that goal the City and DRCFA wish to implement a significant enhancement of the Huntington Place Conference Center ("Conference Center"), to enlarge, and improve access to such facility ("Conference Center Expansion"), and to extend and reconnect Second Avenue from Congress Street to Civic Center Drive.

JLA Owner owns a portion of the former Joe Louis Arena site ("JLA Parcel") comprising approximately 4.43 acres of land adjoining the Conference Center.

The City and DRCFA have requested that JLA Owner contribute, for the consideration of \$1.00 approximately 1.922 acres from its JLA Parcel that adjoins the Conference Center to be utilized for the Conference Center Expansion, and to extend Second Avenue as a private road so as to adjoin the Conference Center. JLA Owner's contribution will specifically be composed of 0.723 acres for Second Avenue (the "Second Avenue Parcel") and 1.199 acres

for the Conference Center Expansion (the "Conference Center Expansion Parcel" as described on **Exhibit A**).

JLA Owner has agreed to participate with the City and DRCFA in the Conference Center Expansion, and to forego its development of such contributed portions of the JLA Parcel, as hereinafter provided.

B. In consideration of the Parties', mutual desire to promote economic growth in the City (the "Arrangement"), JLA Owner has agreed to convey to the City fee title to the Second Avenue Parcel and the Conference Center Expansion Parcel (sometimes collectively referred to as the "Property"). As used herein, the term "Property" shall be deemed to include: all rights, title, and interest in the land depicted on the attached Exhibit A, subject to (i) additions and modifications as reasonably requested by JLA Owner (but inclusive of all air rights appertaining thereto, if any); (ii) the City's and/or Developer's interests, if any, in easements located on the Property or appurtenant thereto, now existing; (iii) JLA Owner's interest, in the use and benefit of all easements located on the Property or appurtenant thereto now existing or hereafter granted or reserved as hereinafter provided whether or not of record; and (iv) JLA Owner's interest in and development rights under all authorizations, permits and approvals with respect to the use and development of the Property.

C. The City has agreed to assist the Developer in obtaining all required consents, permits and licenses. In addition, the City will implement the required lot split to create the Conference Center Expansion Parcel and the Second Avenue Parcel, and will provide such other approvals and authorizations necessary for purposes of developing the Property upon the terms and conditions set forth herein (all such assistance is referred to as "City Assistance"). City Assistance is in every instance expressly subject to all applicable laws.

D. Developer shall develop such Property in accordance with the terms and provisions of this Agreement.

Accordingly, the Parties agree that the foregoing recitals are incorporated by reference, and made part of this Agreement, and as follows:

Section 1. DEVELOPMENT

(A) Development Proposal

(1) Conference Center Expansion:

- (a) Simultaneously with the execution of this Agreement, JLA Owner shall deed to the City for \$1.00 of consideration the Conference Center Expansion Parcel; and in connection therewith, the City and the Developer, shall incorporate the Conference Center Expansion Parcel into their current lease for the use and occupancy of the Conference Center, originally dated September 15, 2009, as amended from time to time, and commonly referred to as the "Conference Center Lease". The sole purpose of the conveyance of the Conference Center Expansion Parcel to the City is and shall be to commit and enable the Developer to construct the Conference Center Expansion at its sole cost, substantially as depicted in **Exhibit B** hereto. Developer shall promptly share with JLA Owner all renderings, plans and

specifications for the Conference Center Expansion as the same are developed and become available for approval (the “CCE Approved Development Proposal”). The CCE Approved Development Proposal shall include the construction, at the sole cost of the Developer, of an at grade level, enclosed, climate-controlled walkway from the Conference Center to the JLA Owner’s retained portion of the JLA Parcel (which is depicted on **Exhibit C**).

- (b) Developer shall commence construction of the Conference Center Expansion as soon as practicably possible in order to allow for the timely completion of the project. Once construction begins, Developer shall thereafter diligently pursue completion of the same in order to complete the construction and the opening to the public of the Conference Center Expansion no later than January 1, 2026 (the “Conference Center Expansion Completion Deadline”).
 - (c) In the event JLA Owner (or any of its successors and assigns) at any time after Closing (hereinafter defined) constructs a hotel on its retained portion of the JLA Parcel, Developer shall equally share with JLA Owner the cost of a glass sky bridge designed (including location) by JLA Owner, and shall permit its installation connecting such hotel directly to the Conference Center substantially as depicted on **Exhibit D** (the “Sky Bridge”). Any modifications to the Conference Center and related costs required to accommodate and maintain the connection of the Sky Bridge to the Conference Center shall be solely the responsibility of the Developer; and the Developer and JLA Owner shall equally share all costs to operate, maintain, and repair the Sky Bridge. The Developer’s portion of the cost of such a glass Sky Bridge shall be paid by Developer *pari passu* with JLA Owner’s payments of its portion of the cost the Sky Bridge, and within 30 days after receipt of an invoice therefor from JLA Owner. Developer shall permit pedestrian access via the Sky Bridge to the Conference Center 24 hours a day, 7 days a week.
 - (d) Developer represents to JLA Owner that it has in place all the funding necessary, without the further approval of any governmental body, authority or administration, political or otherwise, to perform all of its obligations pertaining to the Conference Center Expansion.
 - (e) The Conference Center Expansion and the Second Avenue Extension are sometimes hereinafter collectively referred to as the “Development”.
- (2) Reinstatement And Connection Of Second Avenue Between Congress Street And Civic Center Drive:
- (a) Simultaneously with the execution of this Agreement, JLA Owner shall deed to the City for \$1.00 of consideration the Second Avenue Parcel, and in connection therewith, the City and the Developer, shall incorporate the Second Avenue Parcel into the Conference Center Lease. The sole purpose of the conveyance of the Second Avenue Parcel to the City is and shall be to enable Developer to construct and maintain as a private road an extension of Second Avenue from Congress Street

to Civic Center Drive directly adjoining the Conference Center (as expanded pursuant to the Conference Center Expansion) and the JLA Parcel, at its sole cost, substantially as depicted in Exhibit B hereto (the "Second Avenue Extension").

- (b) The Parties acknowledge and agree that (i) the Developer shall have exclusive authority to construct the Second Avenue Extension as specified in this Agreement, (ii) the City shall cooperate with Developer and shall provide its City Assistance to Developer to facilitate the expeditious completion of the Second Avenue Extension, (iii) the City shall rezone the Property as required for its development (such as PCA/Public Center Adjacent District and/or PC/Public Center District), (iv) the City and JLA Owner shall, with surveys and other documents as may be necessary paid for and provided by the Developer or JLA Owner, apply for a lot split to establish the Property as a separate tax parcel from the remaining portion of the JLA Parcel, such application to be made within 30 days of Closing or as soon thereafter as is reasonably possible-, (v) the Second Avenue Extension to be built on the Second Avenue Parcel shall result in a private road with a right-of-way not to exceed 60 feet in total width, (vi) the Second Avenue Extension shall include a public access easement upon terms and conditions mutually satisfactory among the Parties and substantially similar to the form attached hereto as **Exhibit E**, as well as such enhancements requested by JLA Owner from time to time, and (vii) upon completion of the Second Avenue Extension, such new private roadway shall be maintained, repaired, and replaced as necessary by the Developer to at least the same standards as if such roadway was publicly dedicated to and accepted by the City, and to otherwise ensure that such private roadway is maintained in a first-class condition, open 24 hours a day, seven days a week, and shall at all times be kept open for public pedestrian and vehicular access, and such access shall not be suspended for any reason without prior notice, and prior written approval by JLA Owner and the City.
- (c) The Second Avenue Extension shall include direct pedestrian and vehicular access to and from both JLA Owner's retained portion of the JLA Parcel and the Conference Center (as expanded) in a manner appropriate and necessary to support development of both such parcels, including, without limitation, (i) a stairway to be built from the Second Avenue Parcel to grade level on the JLA Owner's retained portion of the JLA Parcel as depicted on Exhibit C, and (ii) shall maintain ADA accessible compliant slopes from Civic Center Drive to Congress Street. Subject to site plan approval and approval by the City's Department of Public Works, the road corridor shall be developed with a slope of 4.9% or less over 190 linear feet with a starting elevation of +/-99.50 and not to exceed an elevation of +/- 109.00. Retaining walls to accomplish the grade change shall be attractive and placed entirely within the Second Avenue Extension right-of-way. The design of the Second Avenue Extension shall be subject to JLA Owner's review, comment and approval, which approval shall be required prior to the commencement of any construction of the Second Avenue Extension ("SAE Approved Development Proposal").

- (d) Developer shall commence construction of the of the Second Avenue Extension no later than June 30, 2023 (the “Second Avenue Commencement Deadline”). For the purposes of this provision, commencement of construction shall mean the actual physical initial clearing and land balancing necessary to construct the Second Avenue Extension. Once construction begins, Developer shall diligently, using its best good faith efforts, pursue completion of the same in order to complete construction of Second Avenue Extension such that it shall be fully completed, open and accessible to all pedestrian and vehicular traffic no later than June 30, 2025 (the “Second Avenue Extension Completion Deadline”). Developer may not employ the Second Avenue Parcel for any other purpose other than its completion (and maintenance obligations) of the Second Avenue Extension, and may not at any time employ the Second Avenue Parcel for construction staging, or for any other purpose other than its intended use as public roadway, providing pedestrian and vehicular access.
- (e) Developer represents to JLA Owner that it has in place all the funding necessary, without the further approval of any governmental body, authority or administration, political or otherwise, to perform all of its obligations pertaining to the Second Avenue Extension. Developer shall best employ its good faith efforts to expedite the completion of the Second Avenue Extension as soon as possible, and shall prioritize such completion over its development and completion of the Conferenced Center Expansion.

(3) Conference Center Lease Amendment:

Simultaneously upon the delivery of the above-referenced deeds to the City, the Conference Center Lease shall be amended in a form substantially similar to the form attached hereto as **Exhibit F** (“Lease Amendment”) to include the Conference Center Expansion Parcel and the Second Avenue Parcel as part of the Premises as defined in the Conference Center Lease. Furthermore, the City hereby acknowledges and agrees that any and all subsequent leases, and/or other occupancy agreements pertaining to the operation of the Conference Center shall at all times include all of Developer’s obligations under this Agreement; and if for any reason no such agreement pertaining to the operation of the Conference Center is operative, all such obligations shall be the responsibility of the City.

(4) Parking Spaces:

Commencing January 1, 2026, Developer will provide JLA Owner with One Thousand (1,000) parking spaces (such parking spaces to be those physically closest to JLA Owner’s retained portion of the JLA Parcel) within the Conference Center pursuant to a 99-year lease to be prepared by JLA Owner in collaboration with Developer and City (the “Parking Lease”). The Parking Lease shall provide, among other things, that (i) such spaces shall be available 24 hours a day and 365 days a year, (ii) JLA Owner, and its successors and assigns may, at its sole expense, engage parking operators and attendants to operate and supervise its operation of the Parking Lease, and (iii) JLA Owner, and its successors and assigns, may freely assign, sublease, license, and otherwise permit such parking spaces to be

employed for use by any third-party as may be designated by JLA Owner, and its successors and assigns, from time to time. For the initial ten (10) year period of the Parking Lease the parking spaces shall be entirely free of charge to JLA Owner. Thereafter, JLA Owner shall pay to Developer (or City or its affiliated entities as the case may be) the proportionate amount of operating costs allocated to such parking spaces, but in no event shall such operating costs payable by JLA Owner exceed \$500.00 per space per year. Developer has represented to JLA Owner that the current operating expense allocated to each such parking space is as of Closing \$380.00 per year. The Parties agree that the Parking Lease shall be executed no later than six (6) months following Closing along with a Memorandum of Parking Lease suitable for public recording purposes. This provision, along with this entire Agreement, shall survive Closing. The Parking Lease shall survive any default by the City and/or Developer under this Agreement and any reverter of interest in the Property back to JLA Owner as set forth in this Agreement. The Parking Lease shall survive the termination or expiration of the Conference Center Lease, and shall remain in full force and effect and shall continue for the balance of the 99-year Parking Lease term after any such event of termination or expiration.

(5) Reduced Development Opportunities/Right of Reverter:

The City and Developer acknowledge and agree that JLA Owner's conveyance, as set forth in this Agreement, to the City of the Property constituting 45% of its JLA Parcel, for \$1.00 in consideration, substantially reduces JLA Owner's opportunity to develop the JLA Parcel to its full potential. Accordingly, should the Conference Center Expansion and/or the Second Avenue Extension not be commenced, diligently pursued and completed in accordance with the Milestones (hereinafter defined), or if at any time either the Conference Center Expansion Parcel or the Second Avenue parcel are no longer employed exclusively for such purposes, or maintained as specified herein (the "Use Reverter"), then JLA Owner shall have the right, in its sole discretion, to regain ownership of the Property as set forth in this Agreement and as set forth in the QC Deeds (hereinafter defined) with the right to re-enter and take immediate possession of the Property.

(B) The Property

- (1) Title and Survey. JLA Owner has previously delivered to City and Developer a title commitment and ALTA survey for the Property (the "Title Commitment and Survey") and copies of each of the title exceptions referenced in the Title Commitment and Survey. JLA Owner shall cause to be cured, removed or bonded over (i) mechanics' liens pertaining to JLA Owner; (ii) judgment liens against JLA Owner, and (iii) delinquent taxes and assessments. For avoidance of doubt, the JLA Owner shall not be obligated to cure, remove or bond over any other matters of Title Commitment and Survey. The title company ("Title Company") shall be ATA National Title Group/Seaver Title Agency or another title company as selected by JLA Owner.
- (2) "As-Is" Condition of Property. JLA Owner makes no implied or express representations or warranties of any kind as to any condition that may adversely affect the Development, or, its fitness for absolutely any purpose whatsoever. Upon Closing, City and Developer will be deemed to have acknowledged that each is satisfied with all aspects of the condition of

the Property, and each shall be deemed to have waived any right to object to the status of title or to the condition of the Property.

- (3) Release of JLA Owner from Liability. Upon Closing, City and Developer shall release JLA Owner and its officials, employees, and agents from any and all claims or causes of action the City and/or Developer may have against JLA Owner for any liability, injury or loss as a result of any physical defects in or physical conditions of the Property, including but not limited to any surface, subsurface, latent, patent, and/or environmental conditions whether naturally occurring or by action of any party. The City and Developer acknowledge and agree that the City was the prior owner of the Property for approximately 40 years and, as the prior owner is very familiar with it and all of its attributes.

(C) Brokerage and Finder's Fees and Commission

The Parties each represent and warrant to the others that it has not engaged or otherwise dealt with any brokers entitled to any commissions, fees, judgments, or expenses in connection with this Agreement. Developer, to the maximum extent permitted by law, will defend and indemnify JLA Owner and hold it harmless with respect to any commissions, fees, judgments, or expenses of any nature and kind that JLA Owner may become liable to pay by reason of any claims by or on behalf of brokers, finders or agents claiming by, through or under the City and/or Developer incident to this Agreement and the transaction contemplated hereby or any litigation or similar proceeding arising therefrom unless JLA Owner has a written agreement with such broker, finder or agent providing for such payment in which case JLA Owner shall be responsible for such broker, finder or agents' commissions, fees, judgments or expenses. JLA Owner will defend and indemnify City and/or Developer and hold City and Developer harmless with respect to any commissions, fees, judgments, or expenses of any nature and kind that the City and/or Developer may become liable to pay by reason of any claims by or on behalf of brokers, finders or agents claiming by, through or under JLA Owner incident to this Agreement and the transaction contemplated hereby or any litigation or similar proceeding arising therefrom unless the City and/or Developer has a written agreement with such broker, finder or agent providing for such payment in which case the City and/or Developer shall be responsible for such broker, finder or agents' commissions, fees, judgments or expenses.

(D) Taxes and Assessments

All taxes and assessments that are due and payable upon the Property or part thereof prior to the date of Closing, shall be paid by the JLA Owner on or prior to the Closing Date based upon the portion of the relevant acreage that the Property bears to the total acreage of the JLA Parcel. From and after Closing, Developer shall be solely responsible for all taxes, liens, and assessments that become due and payable for the period after the Closing against the Property it acquires hereunder or any part thereof, whenever assessed, levied, or due.

Section 3. CLOSING

(A) Closing shall be simultaneous with the execution of this Agreement, at which time (i) JLA Owner shall convey the Property to the City (the "Closing") by quit claim deeds consistent with the terms and conditions of this Agreement and substantially similar in the form of the deeds set forth in **Exhibit G** (the "QC Deeds") using legal descriptions provided by JLA Owner as confirmed by the Title Commitment and Survey, and (ii) the City and Developer shall enter into the Lease Amendment. The Parties agree and acknowledge that the sole and exclusive consideration for

conveyance of the Property hereunder is deemed to be the Arrangement, the sufficiency of which is hereby acknowledged.

(B) Conditions to Closing. JLA Owner's obligation to proceed with the Closing is conditioned on the fulfillment by City and Developer of each of the following conditions precedent:

(a) Resolution of City's and Developer's Authority. City and Developer shall have furnished to JLA Owner a certified copy of a resolution in form and substance reasonably acceptable to JLA Owner and the Title Company, duly authorizing their respective execution, delivery and performance of this Agreement and all other documents and actions contemplated hereunder.

(b) Payment of Closing Costs. Developer shall have tendered payment of the closing costs payable by City and Developer, which shall include all title charges, escrow, closing and recording fees associated with any conveyance hereunder except those costs expressly allocated to JLA Owner hereunder. The Developer shall pay all closing costs in connection with transfer of the Property at Closing to the extent such costs are expressly allocated to sellers of real property in Detroit, Michigan pursuant to applicable law. Each Party shall bear the cost of its own legal fees and expenses in connection with this Agreement.

(C) Delivery of Deeds and Possession. JLA Owner will deliver to Title Company for recording at Closing the QC Deeds with respect to the Property and possession thereof to the City.

(D) Recording. Provided that City and Developer has complied with all their respective obligations specified in this Agreement, the QC Deeds shall be delivered by the Title Company at the Closing for prompt recordation by the Title Company with the Register of Deeds of Wayne County, Michigan. Developer shall pay at Closing all costs for recording the QC Deeds. The Parties shall also execute and deliver a Memorandum of Development Agreement for public recordation purposes.

Section 4: NOTICES

All notices, demands, requests, consents, approvals or other communications (any of the foregoing, a "Notice") required, permitted, or desired to be given hereunder to any Party shall be in writing and either (a) hand delivered, (b) sent by registered or certified mail, postage prepaid, return receipt requested, (c) sent by electronic/email transmission, provided notice is also delivered by one of the other means described in this Section within one Business Day thereafter (the term "Business Day" means every day other than Saturdays, Sundays, or other holidays on which banking institutions in the state in which the Property is located are closed), or (d) sent by reputable overnight prepaid courier, addressed to the Party to be so notified at its address set forth below, or to such other address as such Party may hereafter specify in accordance with the provisions of this Section. Any Notice shall be deemed to have been effectively given and received: (i) in the case of hand delivery, at the time of delivery if delivered prior to 5:00 P.M. Detroit time on a Business Day (or if delivered after 5:00 P.M. or on a day other than a Business Day, then the next succeeding Business Day); (ii) in the case of registered or certified mail, three (3) Business Days from transmittal; (iii) in the case of reputable overnight prepaid courier, one (1) Business Day subsequent to transmittal; or (iv) in the case of electronic/email transmission, upon confirmation that receipt of such transmission was received, provided receipt of such transmission is confirmed prior to 5:00 P.M. Detroit time on the Business Day on which such confirmation is received (or if confirmed after 5:00 P.M. or on a day other than

a Business Day, then the succeeding next Business Day), in each case addressed to the respective Party as follows:

If to Developer: Patrick Bero
C.E.O and C.F.O.
Detroit Regional Convention Facility Authority
One Washington Avenue
Detroit, MI 48226
PBero@DRCFA.org

With a copy to (which copy shall not constitute notice):

Ebony L. Duff, Esq.
Garan Lucow Miller P.C.
1155 Brewery Park, Suite 200
Detroit, MI 48207
eduff@garanlucow.com

If to the City: Director
Planning & Development Department
2 Woodward Ave., Ste 808
Detroit, Michigan 48226

With a copy to (which copy shall not constitute notice):

Corporation Counsel
City of Detroit Law Department
2 Woodward Avenue, Suite 810
Detroit, MI 48226

If to JLA Owner: 19 Associates LLC
333 West Fort Street, Suite 1350
Detroit, MI 48226
Attention: Elie Torgow
eliet@sgdetroit.com

With a copy to (which copy shall not constitute notice):

James S. Fontichiaro, Esq.
Barris, Sott, Denn & Driker, PLLC
333 West Fort Street, Suite 1200
Detroit, MI 48226
jfontichiaro@bsdd.com

And Eli Halpern, Esq.
Law Offices of Eli Halpern, PLLC
333 West Fort Street, Suite 1350
Detroit, MI 48226
Eli@halpernpllc.com

Any Party may notify any other Party of any changes to the address or any of the other details for Notice to such Party specified above; provided, however, that no such change shall be effective earlier than the date such Notice is received or deemed to have been received in accordance with this Section.

Section 5: COVENANTS

(A) **Developer.** Developer covenants for itself and its successors and every successor in interest to the Property, that from and after Closing on the Property, Developer and its successors shall develop such Property only to and in accordance with the CCE Approved Development Proposal and the SAE Approved Development Proposal and otherwise pursuant to the terms and conditions of this Agreement, unless otherwise agreed in writing by JLA Owner. As to the Conference Center Expansion, the Developer, upon commencement of construction, shall diligently prosecute such development on the Property to completion in material conformance with the CCE Approved Development Proposal. The Conference Center Expansion shall be completed by the Conference Center Expansion Completion Deadline. As to the Second Avenue Extension Developer shall commence construction by the Second Avenue Extension Construction Commencement Deadline and shall diligently prosecute such development on the Property to completion in material conformance with the SAE Approved Development Proposal. the Second Avenue Extension shall be completed by the Second Avenue Extension Completion Deadline.

(B) **Commencement of Construction.** For purposes of this Agreement, commencement of construction of the Conference Center Expansion on the Property shall be deemed to have occurred when the Developer shall have commenced site preparation work or that Project on the Property, which site preparation work may include renovation or demolition of existing structures located on the Property by the Developer, as applicable.

(C) **JLA Owner Easements.** City and Developer agree to permit JLA Owner or its designee to encumber that portion of the Property, as necessary and at JLA Owner's sole cost and expense, with an easement upon terms and conditions determined by JLA Owner in its reasonable discretion, for the purpose of (i) constructing the Sky Bridge and related improvements and (ii) connecting any development on JLA Owner's retained portion of the JLA Parcel directly to the Second Avenue Extension as reasonably required by JLA Owner, including, without limitation, public access and public utility easements. In the event the easements contemplated above are not placed of record prior to Closing, the City and Developer (including any successors or assigns thereof) shall permit such easements to be placed of record following Closing at JLA Owner's sole cost and expense, free of charge and each shall execute the same promptly as necessary. For avoidance of doubt, and in the interest of clarity, the easements described in this Agreement shall be at the discretion of JLA Owner, at JLA Owner's sole cost and expense, and shall run with the land, and any Mortgagee of the Property shall consent to and subordinate its mortgage to such easements.

(D) **Estate Conveyed.** Notwithstanding anything contained in this Agreement to the contrary, the estate conveyed by QC Deeds shall be deemed to be a determinable fee and only upon the timely satisfaction of all of the Milestones (hereinafter defined) will the possibility of reverter as to the Milestones (hereinafter defined), but not as to the Use Reverter retained by the JLA Owner, automatically expire as to the Property.

(E) **City and Developer.** The City a represents to JLA Owner that, as of the Closing Date, the City will have the right, power and authority to (i) accept the conveyance of the Property, and

(ii) otherwise perform its obligations specified in this Agreement in the manner provided for in this Agreement. Developer represents to JLA Owner that, as of the Closing Date, it will have the right, power, and authority to (i) accept the conveyance of the Property, (ii) enter into the Parking Lease to JLA Owner, and (iii) otherwise perform all of their respective obligations specified in this Agreement in the manner provided for in this Agreement and shall provide JLA Owner with documentation of the same.

(F) Land Use Covenants/Use Reverter. Developer acknowledges and agrees that the purpose for the conveyances of the Property is in furtherance of a public-private arrangement for the Conference Center Expansion and the Second Avenue Extension within the meaning of Section 5(i) of the Regional Convention Facility Authority Act, Public Act 554 of 2008, as amended. The respective QC Deeds shall, among other things, contain an automatic right of reverter (previously described as the Use Reverter) such that in the event at any time in the future the Conference Center Expansion Parcel or Second Avenue Parcel are no longer utilized for their intended purpose, then the ownership of the land comprising such parcel or parcels shall revert to JLA Owner.

Section 6: REMEDIES

(A) JLA Owner's Remedy of Reverter and Other Remedies.

(1) **Event of Default.** If Developer fails to timely achieve the Milestones (hereinafter defined) such event shall be deemed to constitute an "Event of Default". If Developer and/or City breach any other covenant set forth in this Agreement and fail to cure such breach within thirty (30) days after written demand by JLA Owner, such an event shall also be deemed to constitute an Event of Default provided, however, that if the nature of such breach reasonably requires more than the thirty (30) day cure period for its cure, then Developer and/or City shall be entitled to an additional cure period not to exceed ninety (90) days following JLA Owners initial written demand to cure such breach; and if such breach is not cured with such ninety (90) day period, such breach shall constitute an Event of Default, and JLA Owner shall be entitled to exercise all available remedies provided herein for such Event of Default. For the sake of clarity and the avoidance of doubt, Developer shall not be entitled to any notice or cure period with regard to any default as to the Milestones.

(2) **JLA Owner's Other Remedies.** Upon the occurrence of an Event of Default by the Developer, JLA Owner, in addition to its right of reverter described herein, shall have the right to seek injunctive relief, specific performance or other equitable remedies (in addition to the forfeiture of City's title to or interest in the Property pursuant to JLA's right of reverter) for the Developer's breach of this Agreement.

(3) **Right of Reverter.** It is expressly understood and agreed between the Parties hereto that until and unless the following three milestones are each timely satisfied (a) commencement of construction of the Second Avenue Extension by the Second Avenue Commencement Deadline, (b) the completion of the construction of the Second Avenue Extension by the Second Avenue Extension Completion Deadline, and (c) the completion of the construction of the Conference Center Expansion by the Conference Center Expansion Completion Deadline (collectively, the "Milestones"), the conveyance of such Property to the City shall be construed and interpreted as the conveyance of a fee simple determinable, and that in the event of an uncured and undisputed Event of Default caused by the failure of the Developer to achieve any of the Milestones as the same may be extended as provided herein, then, at JLA Owner's option, title to the Property shall

automatically revert in JLA Owner upon the recording by JLA Owner and delivery to the city and the Developer of a Notice of Reverter. Upon such reversion of title, JLA Owner shall have the right to re-enter and take immediate possession of the Property. While the right of reversion as to the Property pertaining to the Milestones, but not as to the Use Reverter described in Section 1(A)(4) automatically terminates upon the timely performance and satisfaction of the Milestones, JLA Owner agrees to provide City and Developer with a written acknowledgement, in recordable form, that the Milestones have been satisfactorily achieved and JLA Owner's right of reversion as to the Milestone has terminated hereunder and to take such further action as may reasonably be requested by the City and Developer, at no incremental cost to JLA Owner, to extinguish the right of reversion as to the Milestones only of record. In the event the Property reverts to JLA Owner as provided herein, any and all easements of record (or otherwise) encumbering the Property for the benefit of the City and/or Developer shall be deemed terminated and of no further force or effect and the Property shall revert free and clear of any such easements.

(B) Rights and Remedies Cumulative. The rights and remedies of JLA Owner, whether provided by law or by this Agreement, shall be cumulative against Developer, and the exercise by JLA Owner of any one or more remedies shall not preclude the exercise by it, at the same or different times, of any other remedy for the same default or breach or any other default or breach by the Developer. Upon the occurrence of an Event of Default by the City, in addition only to the forfeiture of City's title to or interest in the Property pursuant to JLA Owner's right of reverter, JLA Owner or the Developer, as the case may be, shall only have the right to seek injunctive relief, specific performance, or other equitable remedies for the City's breach of this Agreement. In no event and under no circumstances will or would JLA Owner or DRCFA, or any successors or assigns, be entitled to seek or recover money damages of any sort against the City for any claim or action, whether sounding in tort or in contracts. No waiver made by any Party shall apply to obligations beyond those expressly waived in writing.

(C) Representatives Not Individually Liable. No official or employee of the City and/or Developer shall be personally liable to JLA Owner or any successor in interest, in the event of any default or breach by the City and/or Developer for any amount which may become due to JLA Owner or successor or on any obligations under the terms of this Agreement. No manager, director, officer, employee or agent of the JLA Owner or any successor in interest shall be personally liable to the City and/or Developer, in the event of any default or breach by the Developer or any successor in interest for any amount which may become due to the City and/or Developer on any obligations under the terms of this Agreement.

Section 7: PROVISIONS NOT MERGED WITH DEEDS

No provision of this Agreement is intended to or shall be merged into the QC Deeds transferring title to the Property from JLA Owner to the City or any successor in interest, and any such QC Deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

Section 8: ENTIRE AGREEMENT; AMENDMENT

This Agreement (including all exhibits, schedules or other attachments hereto) constitutes the complete and exclusive statement of the terms of the agreement among the Parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, promises, and arrangements, oral or written, between or among the Parties

with respect to the subject matter hereof. This Agreement may be amended or modified only by an instrument in writing signed by all of the Parties. To be effective and enforceable against the City, any amendment to this Agreement must be approved by a duly adopted resolution of the Detroit City Council.

Section 9: GOVERNING LAW; JURISDICTION

This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan without regard to conflicts-of-law principles that would require the application of any other law. Any dispute between the Parties under this Agreement resulting in legal action, suit or proceeding shall be brought in a court of competent jurisdiction located in Wayne County, Michigan; provided, further, by execution and delivery of this Agreement, each of the Parties irrevocably accepts and submits to the exclusive jurisdiction of such court, generally and unconditionally, with respect to any such action, suit or proceeding.

Section 10: COUNTERPARTS

This Agreement may be executed and delivered by electronic transmission, and in several counterparts, each of which shall be deemed to be an original, but together such counterparts shall constitute one and the same instrument.

Section 11: CITY AGENCIES AND DEPARTMENTS

Except as otherwise provided, and in all events subject to applicable law, whenever this Agreement requires an action or creates an obligation on behalf of the City, the City shall also be required, as applicable, to cause all City executive branch agencies and/or departments to take such actions and perform such obligations.

Section 12: TRANSFERABILITY

Neither the City nor the Developer shall be entitled to transfer or assign its rights and obligations hereunder at any time without the prior written consent of JLA Owner which consent may be withheld in the sole discretion of JLA Owner.

(Signatures contained on the following pages.)