

PHONE: 313.224.4950 FAX: 313.224.3434

To: Honorable Detroit City Council

Neighborhood Advisory Councils

From: Charity R. Dean, Esq., Director, CRIO

Date: July 16, 2019

Re: Community Benefits Ordinance Biannual Report for Detroit Pistons Performance Facility and Headquarters

The Civil Rights, Inclusion, and Opportunity (CRIO) Department has been given the responsibility of monitoring the Community Benefits Ordinance. This is CRIO's first Biannual Community Benefits Provision Report. The report details the developer's compliance with each Community Benefits Provision (CBP) commitment.

The Detroit Pistons project currently has 100% of their commitments in the "On Track" or "Completed" status.

Below, you will find a key to reference when reviewing "Status Update" and the total number of CBP commitments in each specific status.

Status Update	Status Update Explanation	
On Track	Steps taken towards starting commitment	11
Completed	Commitment fulfilled	2
Off Track	Not complying with commitment	0
Not Started	No steps taken	0
Awaiting Reply Department awaiting information		0
Total Commitments		13

If you have any questions, do not hesitate to contact my office at 313-224-4950

Respectfully,

Charity R. Dean, Esq.

Director

Civil Rights, Inclusion and Opportunity

Lawrence Garcia, Esq. Corporation Counsel

Jamence J. Dawie

City of Detroit Law Department

Cc: Arthur Jemison, Chief of Services and Infrastructure, City of Detroit



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Biannual Community Benefits Provision (CBP) Reporting Outline

Project Name/Location:

Detroit Pistons Performance Facility and Headquarters

CBP Certification Date:

June 6, 2017

Developer Name/Address

Palace Sports and Entertainment, LLC/ Christman Brinker

Commitment Monitoring

Commitment	Agency Partner	Developer's Response	Status Update
PS&E will ensure, or cause its affiliate PPLLC to ensure, that at least fifty-one percent (51%) of the workforce related to construction of the Headquarters are City residents and that City residents perform at least 51% of the hours worked on construction of the Headquarters in accordance with the requirements of Executive Order 2016-1. The requirements of Executive Order 2016-1 shall apply to the construction of the Headquarters regardless of whether or not such construction is considered to be a publicly-funded construction project. PS&E shall be in compliance with its obligations under this paragraph if it is in compliance with its obligations under Executive Order 2016-1, including any obligations to make monetary contributions under the Executive Order.	CRIO	For Executive Order 2016-1 PS&E has 3.51% of the hours worked on the project given to Detroit residents; 2,562 Detroit Resident Hours and has collected \$36,240.54 in workforce contributions. Our reports are always submitted in a timely manner.	On Track
Will use its best efforts, or cause PPLLC to use its best efforts, to ensure that at least thirty percent (30%) of the total dollar value of contracts related to the construction of the Headquarters are awarded to Detroit Based Business or Detroit Headquartered Businesses, which are defined by Sec. 18-5-1 of the City Code, similar to the purchasing requirements of Executive Order 2014-5. Best efforts may be demonstrated by taking any or all of the following actions in advance of construction of the Headquarters: hosting contracting and job fairs, participating in DEGC programs, presenting the project to skilled trade task force, or other means recommended by the Detroit Economic Growth Corporations and the City's Mayor's Office.	CRIO	PS&E has used best efforts to ensure that at least thirty percent (30%) of the total dollar value of contracts related to the construction of the Headquarters are awarded to Detroit Based Business or Detroit Headquartered Businesses. As of March 31, 2019, 64.8% of the total project dollars have been awarded to Detroit businesses. PS&E has demonstrated best efforts through hosting contacting and jobs fairs in the past, participating in the Detroit Economic Growth Corporation's PROS and D2D program, presenting	On Track



Commitment	Agency Partner	Developer's Response	Status Update
	3	(cont'd) the project to construct the Headquarters at the Skilled Trades Task Force, and by seeking Detroit business through Dept of Civil Rights, Inclusion, and Opportunity and the City's Mayor's Office	
	Job Creation	on	
PS&E shall employ a minimum of 150 Full-Time Jobs at the Headquarters by December 31, 2019. For purposes of this agreement a "Full-Time Job" shall include a person: 1) who is employed by PS&E or its affiliates on a salary, wage, commission, or other basis, for a minimum period of 40 hours a week and 2) from whose compensation PS&E or its affiliates, Including a staffing agency are required by law to withhold City of Detroit income taxes. Part-time jobs do not count towards this job requirement. For certainty, an individual's absenteeism will not be taken into consideration in determining whether PS&E employs that individuals in a Full-Time Job. For purposes of this Agreement, a "Detroiter" shall be a person who is domiciled in the City of Detroit.	DESC	PS&E is on track to meet its commitment of employing a minimum of 150 Full-Time Jobs at the Headquarters by December 31, 2019 and is committed to hiring as many qualified Detroiters as possible. Currently, PS&E expects to occupy the Headquarters in October 2019.	On Track
Developer has created and submitted an initial City of Detroit Residential Employment Plan with this Agreement in a form and with sufficient information reasonably acceptable to the City. PS&E'S operations and employees currently span departments and functions including administrative, operational, sales, marketing, creative, communications, and basketball-related functions. PS&E anticipates maintaining Full-Time Jobs in these departments and functions.	DESC	PS&E has shown its commitment to hiring Detroiters by co-hosting a job and contacting fair at Masonic Temple on 12/19/2017, hosting a job fair at Little Caesars Arena with SkillSmart on 10/10/2018, discussing methods for promoting job openings with the Mayor's workforce development team, and posting jobs	On Track



Commitment	Agency Partner	Developer's Response	Status Update
(cont'd) Will provide the City, at least once per year and starting on or before February 15, 2020, with anonymized data about the number of persons PS&E has employed at the time of reporting who are Detroiters. PS&E has the goal of hiring as many Detroiters as possible. PS&E acknowledges that it is committed to hiring qualified Detroiters. PS&E acknowledges that it is committed to hiring qualified Detroiters. PS&E will work closely with the City to publicize relevant PS&E job openings. This includes holding one career or contracting fair where interested Detroiters can learn more about the types of jobs and contracting opportunities that exist within PS&E and can apply for any such available jobs.		on detroitatwork.com; Next milestone date: 12/31/2019 PS&E has shown its commitment to hiring Detroiters by:	
Will also work with local private sector and non- governmental entities to publicize relevant PS&E job openings.	DESC	PS&E's general contractor, Christman Brinker, hosted a job and contracting fair at the Masonic Temple on 12/19/2017. The meeting was co-hosted by representatives from the Detroit Pistons, Henry Ford Health System, owner's representative firm The Platform, and Detroit Headquartered architecture firm Rossetti; PS&E hosted a job fair at Little Caesars Arena with SkillSmart on 10/10/2018	On Track
When appropriate, PS&E will partner with the City and workforce development agency to promote the hiring, training and employability of Detroit residents, consistent with State and Federal law.	DESC	Working with DESC	On Track



Commitment	Agency Partner	Developer's Response	Status Update
PS&E will make a one-time donation of \$100,000 to the Detroit Employment Solutions Corporation, a Michigan domestic nonprofit corporation, in support of workforce development opportunities for City of Detroit residents.	DESC	PS&E made a one-time donation of \$100,000 to the Detroit Employment Solutions Corporation in support of workforce development opportunities for City of Detroit residents in November 2017, which supported the City's work at Randolph Career and Technical Center	Completed
PS&E will work with the City's Mayor's office and the Detroit City Council to provide mentorship opportunities for young residents of the City of Detroit.	DESC	PS&E has participated in the GDYT program since 2016 and has contributed \$100,000 to GDYT each year; PS&E has employed participants from the GDYT in previous years and has introduced participants of the program to the availability of sports careers that do not involve playing; Piston's has held numerous others events to support Detroit youth and PS&E will continue to work with the Mayor's office and the Detroit City Council to provide mentorship opportunities for young Detroiters.	On Track
PS&E will participate in the Grow Detroit's Young Talent ("GDYT") Summer Jobs program for 2017, as well as make a donation of \$ 100,000 to GDYT in 2017. Subject to an annual evaluation of the GDYT's program by PS&E to ensure the program's mission and that of PS&E continue to align, PS&E will continue to participate in summer jobs program, as well as man an annual donation of \$100,000 to GDYT for as long as PS&E deems fit.	DESC	PS&E made \$100,000 contributions to GDYT in 2017 and 2018, which supported the employment, growth, and mentorship of 55 GDYT participants each year; In 2017, 3 participants were employed at PS&E, and the remainder work with our nonprofit partner, Detroit PAL. In 2018, all 55 participants were employed at PS&E nonprofit partners, including Detroit PAL, S.A.Y. Detroit Play Center, and the Detroit Symphony Orchestra; Piston's is committed to continuing this trend.	On Track



Commitment	Agency Partner	Developer's Response	Status Update
Beginning in 2017, PS&E will invest a total of \$2,500,000 over six (6) years in the construction, renovation and refurbishment of over 60 community recreational basketball facilities in the City of Detroit in cooperation with the City of Detroit Parks and Recreation Department, provided that prior commencement of such investment by PS&E, the City shall adopt a reasonable maintenance plan for such facilities that is reasonably acceptable to PS&E.	GSD	To date, PS&E has provided the City of Detroit's Parks and Recreation Department with \$833,334 to cover the first two phases of court renovations. Phase 1 was completed in October 2018 and 8 courts at 6 parks were renovated. This summer, an additional 15 courts at 8 parks are scheduled to be completed	On Track
Beginning with or during the 2017-18 NBA season and continuing for at least six (6) years, PS&E will host at least two (2) free annual youth basketball camps, clinics or other events for City of Detroit	N/A	PS&E has met its commitment to host at least two free annual youth basketball camps, clinics or other events in the City of Detroit	On Track
PS&E will appoint and maintain a liaison to meet, communicate and engage regularly with the Events Center Neighborhood Advisory Committee.	N/A	PS&E appointed Awenate Cobbina, Vice President of Business Affairs and Associate Counsel in June 2017. Awenate attended the final DDA NAC meeting in July 2017. In addition, PS&E has stayed in touch with the PPC NAC by inviting them to the groundbreaking in October 2017 and beam signing event in May 2019	On Track
PS&E and the City each designate the following official representative, or such other designee as each party may identify from time to time to the other's official representative, for purposes of administering the terms of the Agreement.	N/A	PS&E appointed Awenate Cobbina, Vice President of Business Affairs and Associate Counsel in June 2017. Awenate attended the final DDA NAC meeting in July 2017. In addition, PS&E has stayed in touch with the PPC NAC by inviting them to the groundbreaking in October 2017 and beam signing event in May 2019.	Completed