

MICHIGAN RENAISSANCE ZONE PROGRAM

WAYNE COUNTY PROPOSAL FOR NEW SUBZONE

MIDTOWN HOSPITAL CAMPUS

WAYNE COUNTY RENAISSANCE ZONE

DETROIT MEDICAL CENTER

AND

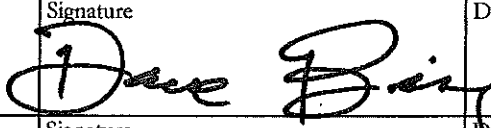
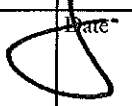

VANGUARD HEALTH SYSTEMS, INC.

DATED: APRIL 16, 2010

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SECTION 1

MICHIGAN RENAISSANCE ZONE PROGRAM Name of Existing Renaissance Zone: Wayne County Renaissance Zone, October 7, 1999 Proposal Form for New Subzone		
Applicant(s) (Original Applicant for RZ/Attach Additional Forms if Necessary)	Applicant 1 Charter County of Wayne	Applicant 2
Street/P.O. Box	500 Griswold St., 30 th Floor	
City/State/Zip	Detroit, MI 48226	
Contact Person, Title	Joan Brophy, Development Officer	
Address	500 Griswold St., 30 th Floor Detroit, MI 48226	
Telephone	(313) 224-0820	
Email	jbrophy@co.wayne.mi.us	
Number of years applying for a Renaissance Subzone: 15 (not to exceed 15 years)		
Total Acres to be included within zone: Name of Company(ies) that will be locating in the zone: Contact Person Name, Phone & Email:	98.3 acres will be included within the zone. Vanguard Michigan (entity to be formed in transaction between Detroit Medical Center and Vanguard Health Systems, Inc.) Michael Duggan; Phone (313) 745-1250; e-mail: mduggan@dmc.org Wayne State University; John L. Davis; Phone (313) 577-5580; e-mail: johnldavis@wayne.edu Barbara Ann Karmanos Cancer Institute; Dr. Gerold Bepler; Phone (313) 576-8664; e-mail: bepler@karmanos.org Orchestra Place Renewal Partnership; Arthur A. Weiss; Phone (248) 351-3000; email: aweiss@jaffelaw.com School District of the City of Detroit; Robert C. Bobb; Phone (313) 870-3772; e-mail: robert.bobb@detroitk12.org	
Chief Elected Local Government Official (1) Name and Title: Dave Bing, Mayor City of Detroit	Signature 	Date 4-22-10 Telephone # 313-224-3400
Chief Elected Local Government Official (2) Name and Title:	Signature 	Date Telephone #
Elected County Exec./Chair County Board (1) Name and Title: Robert A. Ficano, Wayne County Executive	Signature 	Date 4-20-10 Telephone # 313-224-0291
Elected County Exec./Chair County Board (2) Name and Title:	Signature	Date Telephone #
Submit two (2) copies of proposal and proposal form (1 original and 1 copy) to: Michigan Economic Development Corporation Program Administration Renaissance Zone Program, 3 rd Floor 300 N. Washington Square, Lansing, MI 48913		OFFICE USE ONLY Date Received: _____ Eligible Applicant: YES NO Complete Application: YES NO

SECTION 2

1. RESOLUTION OF WAYNE COUNTY COMMISSION APPROVING ZONE

See Attachment A.

2. RESOLUTION OF COUNCIL OF CITY OF DETROIT APPROVING ZONE

See Attachment B.

SECTION 3 PROJECT DESCRIPTION

1. ZONE LOCATION AND DURATION OF THE PROPOSED SUBZONE

The proposed Renaissance Zone is located in the midtown area of the City of Detroit. The map of the proposed Renaissance Zone is included as Attachment E. The duration of the proposed Renaissance Zone is 15 years.

2. NEED FOR RENAISSANCE ZONE

(a) Project Description:

The Detroit Medical Center ("DMC") is the largest private employer in the City of Detroit, with almost 12,000 employees. It operates 10 hospitals and institutions: Children's Hospital of Michigan, Detroit Receiving Hospital and University Health Center, Harper University Hospital, Huron Valley-Sinai Hospital, Hutzel Women's Hospital, DMC Surgery Hospital, Rehabilitation Institute of Michigan, Sinai-Grace Hospital, Kresge Eye Institute, and the DMC Cardiovascular Institute. Of those institutions, all but the Huron Valley-Sinai Hospital and the DMC Surgery Hospital are located within the City of Detroit.

The DMC's City hospitals provide the primary health care safety net for the City's tens of thousands of indigent, uninsured and underinsured residents. Within the entire City of Detroit, an area of roughly 138 square miles, there are only two hospitals other than the DMC hospitals. Those are Henry Ford Hospital in central Detroit, and St. John Hospital on the far east side of Detroit, bordering the suburb of Grosse Pointe. Numerous City hospitals have closed in recent years due to financial distress; most recently St. John Riverview on East Jefferson. DMC's City of Detroit emergency rooms handle well in excess of 300,000 visits annually – over 60% of all emergency room visits in the City of Detroit.

As a result of its safety net mission, the economic crisis in the State of Michigan and City of Detroit, and the high rates of unemployment and uncompensated care, DMC faces significant challenges in raising capital to maintain and improve its facilities. To help meet those challenges, DMC has an opportunity to attract hundreds of millions of dollars of investment for its facilities with the help of a new owner for the hospitals, Vanguard Health Systems, Inc. ("Vanguard"). Vanguard has been a successful owner of urban hospitals and surgery centers throughout the country (including hospitals in San Antonio, Chicago, and Phoenix), and has an established history of meeting or exceeding its charity care commitments.

DMC has signed a non-binding letter of intent in which Vanguard has committed to spend \$850 million in capital and equipment at DMC facilities over the next five years. In addition, Vanguard will retire all existing DMC debts, and will assume the DMC employee pension fund deficit, its unfunded malpractice liability, and its working capital deficit. The letter of intent is conditioned on DMC's Midtown Campus being placed in a Renaissance Zone.

Wayne County has the power to designate the Renaissance Zone for the DMC Midtown Campus pursuant to section 4(4) of the Michigan Renaissance Zone Act, which gives the County until the end of December 2011 to designate an area as a Renaissance Zone.

The Renaissance Zone will substantially benefit Midtown Detroit, by increasing employment and adding to the walkable, attractive character of the DMC Midtown Campus. The Zone will enhance the economic character of the entire area, ranging from local restaurants to nearby downtown living opportunities. This increased investment in state-of-the-art and state-of-the-science facilities in Midtown Detroit will also encourage research and innovation in the health care field, creating a high potential for spin-off businesses and new economic activity centered around advances in health care.

Most of all, this Renaissance Zone will allow the DMC to repair and modernize its facilities, attract and retain talented health care professionals and attract patients both from within and outside Detroit, and continue its mission of serving the indigent, uninsured and underinsured. Vanguard has committed to the continued operation and maintenance of all DMC hospitals for at least 10 years from the date of closing, and not to sell any of the DMC hospitals to an unrelated party for that same period. It has also committed to continuing DMC's current charity care policies for at least 10 years from the date of closing. Therefore, this Renaissance Zone will ensure the continued service to patients within and outside Detroit, including the uninsured and under-insured.

(b) Project timeline:

Vanguard is committed to make its capital investment over the next five years. See "Company Investment Figures," below.

(c) Company Name and Background:

As part of a transaction in which the DMC will transfer substantially all of its assets used with respect to the operation of the DMC system, a new company, Vanguard Michigan, will be formed. A background of both of the companies involved in the transaction is below.

- (i) The Detroit Medical Center, a Michigan nonprofit corporation, is a Detroit, Michigan based hospital system that began with the founding of Children's Hospital in 1886. Since that time, DMC's record of service has provided medical excellence to the metropolitan Detroit area. From the creation of the first mechanical heart at Harper Hospital 50 years ago, to its compassion for the underserved, its legacy of caring is unmatched. DMC is the leading academically integrated system in metropolitan Detroit and the largest health care provider in southeast Michigan. The DMC has more than 2,000 licensed beds and 3,000 affiliated physicians. Its medical experts are nationally recognized and each year, hundreds of DMC doctors are included in the list of America's Best Doctors™. A reputation for excellence draws patients to world-class programs in organ transplant, cardiology, women's services, neurosciences, stroke treatment, optometry, orthopedics, pediatrics and rehabilitation.
- (ii) Vanguard Health Systems Inc., a Delaware corporation, is a Nashville, Tennessee based healthcare management company founded in 1997. Its mission is to help people achieve health for life. It operates 15 hospitals and complementary services located in several of the largest cities in the U.S. Vanguard's annual revenue is \$3.2 billion and it employs more than 20,000 people. Vanguard is unique in that it is a national investor-owned system whose strategy has been to acquire hospital systems in urban areas and to treat everyone, regardless of ability to pay. (Vanguard provides

approximately \$100 million in charity care and more than \$300 million in total uncompensated care at its facilities.) Vanguard currently operates hospitals in San Antonio with higher rates of uninsured patients than DMC. They've been successful while embracing this mission.

(d) Company Investment Figures:

If the Renaissance Zone is approved, Vanguard will commit to investing over the next five years at least \$850 million dollars in capital improvements – half of a billion of which will be major capital projects that will either replace or revitalize DMC facilities. Nearly all of these funds will be spent in the City of Detroit.

Category	Commitment
Ongoing capital and equipment	\$350 million
Major capital projects	\$500 million
Total	\$850 million

These capital projects include a new Patient Tower and Pediatric Specialty Center for Children's Hospital of Michigan, and a new Cardiovascular Institute and Outpatient Specialty Services Building for Harper/Hutzel Hospital. None of these capital building programs come at the expense of routine capital investments. The capital investment in the major building programs described below

are in addition to the capital investments for new equipment and routine replacement that are a normal part of running a vibrant hospital system.

Major Capital Projects

As described below and further in the Development Plan, the major capital projects that will take place inside the boundaries of the proposed Renaissance Zone are estimated to total approximately \$415 million in investment. The facilities outside the Renaissance Zone are estimated to receive approximately \$85 million in investment.

Inside the Renaissance Zone, in addition to the rebuilding of the Mack Parking Deck, the following projects are planned:

Children's Hospital	New Pediatric Specialty Center, New Patient Tower, Carl's Building Backfill
Detroit Receiving Hospital	Patient Care Unit Renovations, Pre and Post-Operative Space Enhancement, Two Additional Operating Rooms
Harper Hutzel	Surgical Services Renovation, Lobby Expansion/First Floor Renovations, Ground Floor Redesign; Inpatient Unit Renovations; Cardiovascular Institute and Outpatient Specialty Services Building
Rehabilitation Institute of Michigan	Sixth Floor Renovation

Outside the Renaissance Zone, the following projects are planned:

Sinai-Grace Hospital (Detroit)	Emergency Department Expansion; ICU Renovations; Façade/Front Entrance Improvement; Radiology Moved to Ground Floor
Huron Valley-Sinai (Commerce Township)	Renovation of Private Rooms; ICU Expansion

Summary

All these projects have long been needed for DMC patients, but Wall Street has been unwilling to lend DMC the needed capital.

(e) Job Creation Numbers:

The capital projects alone are expected to generate 5,000 construction jobs. In addition, state-of-the-art hospitals create a high potential for spin-off businesses and new economic activity centered around advances in health care.

(f) Wage and Benefit Information for New Jobs Created:

The construction jobs will be contracted for at the prevailing wage rates for each trade. The average of such hourly wages and benefits for the construction trades is \$49.73/hr.

(g) FEIN:

38-2571767 (DMC); a new FEIN will be generated upon the creation of Vanguard Michigan.

3. RENAISSANCE ZONE TO EFFECTUATE ECONOMIC GROWTH IN COMMUNITY AS A WHOLE

The capital investments described above will generate economic activity beyond what the pure project dollars represent. In the short term, the Renaissance Zone will create significant construction and related trade jobs in the Zone, as well as at those facilities outside the Zone (e.g. in Northwest Detroit where Sinai Grace is located.) That should also lead to increased foot traffic and a boost to local restaurants and other businesses.

This investment will generate related revenue in the community. It is estimated that for every dollar spent on health projects, more than two dollars of additional business activity are generated (Department of Commerce, Bureau of Economic Analysis). Using that estimate, the \$850 million in capital development would foster \$1.7 billion in additional business activity. Some of that increase will come when the increased

Detroit Investment

Hundreds of millions of dollars in new capital projects will occur in the City of Detroit.

Hundreds of millions more in new equipment and other capital investments will be committed for Detroit facilities.

investment in state-of-the-art and state-of-the-science facilities in the heart of downtown Detroit encourages research and innovation in the health care field. This will create a high potential for spin-off businesses and new economic activity centered on advances in health care.

The origin of that growth will be the impact that new, attractive, and state-of-the-science facilities have on the experience for patients, their doctors, nurses, and loved ones. The new equipment and facilities will increase the quality of care available in downtown Detroit. The health care professionals, patients, and their families and friends who will come to visit them, will provide a vibrant population of people coming to downtown Detroit. The new investment should give a permanent boost to local restaurants and businesses. Moreover, it will increase the attractiveness of Midtown Detroit, raising property values and attracting new housing, businesses and restaurants.

For property located within the proposed Renaissance Zone, Vanguard will not enter into a lease for any office space with any non-affiliate office tenant of more than 5,000 square feet if that tenant is currently occupying office space in the City of Detroit without the prior written consent of the City of Detroit's

Planning and Development Director, or its successor. Any physician or other person involved in providing medical or support services related to the purposes of the Vanguard or the DMC at facilities of, to the patients or employees of, or for the benefit of Vanguard and the DMC, whether as an employee, contractor, member of the medical staff, or in any other capacity, shall be considered an affiliate.

In both the short- and long-term, the Renaissance Zone will have positive economic impact and increase economic expansion both in the Renaissance Zone and beyond its boundaries.

4. INFRASTRUCTURE AND/OR PHYSICAL NEEDS OF RENAISSANCE ZONE

There are no infrastructure and/or physical improvements that need to be made in order to make the proposed Renaissance Zone viable.

5. DESCRIPTION OF PRESENT USE OF PROPERTY

All of the property proposed for inclusion in the Renaissance Zone is owned by non-profit corporations and exempt entities, and thus are used for exempt purposes. Specifically, all structures within the proposed Zone are in current use as facilities providing medical care, facilities providing medical and other education, and facilities for related support services.

6. CURRENT OWNERSHIP OF PROPERTY

See Map, Attachment E. The owners of property within the Zone are: DMC, Wayne State University; the Barbara Ann Karmanos Cancer Institute; the School District of the City of Detroit, and Orchestra Place Renewal Partnership.

7. REQUIRED FINANCIAL COMMITMENT

Vanguard will be funding the capital commitment. It currently has enough funds on hand to complete its commitments, although it may choose to finance some portion of the purchase. See Attachment C for the federal securities filings (10-Q) for Vanguard Health Systems Inc, for the period ending 12/31/09.

**SECTION 4
MAPS AND LEGAL DESCRIPTION**

1. MAP OF CITY OF DETROIT

See Attachment D.

2. MAP OF PROPERTY WITHIN THE PROPOSED RENAISSANCE ZONE

See Attachment E.

3. LEGAL DESCRIPTION OF PROPERTY TO BE INCLUDED WITHIN THE RENAISSANCE ZONE TOGETHER WITH PARCEL NUMBERS

See Attachment F.

SECTION 5

FOREGONE TAX INFORMATION

A. Michigan Business Tax

Estimated annual savings of Michigan Business Tax for the company in the Ren Zone:	\$ 4 million
Estimated annual additional MBT from facilities outside the Ren Zone:	\$ 2 million

B. Property Taxes

Estimated annual savings of property taxes for the company in the Ren Zone:	\$ 10 million
Estimated annual property taxes from facilities outside the Ren Zone:	\$ 4 million

C. Current SEV, Taxable Value & Total Property Taxes Paid on Property in the Zone

	Current State Equalized Value (SEV)	Current Taxable Value	Total Property Taxes Paid In Previous Year
Real Property -- Land	0	Not determined for most parcels	0
Real Property -- Building	0		0
Personal Property	0		0
TOTALS	0	Not determined	0

D. Taxable Value of Proposed New Investments

Real -- New Construction	Approx. \$192 million
Real -- Building Improvements	Approx. \$ 58 million
Personal Property	Approx. \$ 175 million

E. Total Millage Rate for all taxing jurisdictions:

	Real	Personal
Detroit	82.9686	82.9686
Madison Heights	56.11	55.9449
Commerce Township	42.7301	42.7301

F. Millage Levied

Taxes still due are those mandated by the federal government, local bond obligations, school sinking fund or special assessments. Companies are also not exempt from paying Michigan sales tax. Please provide a breakout of millage levied for the following. You will be required to pay these taxes. Speak with your Treasurer if there are any questions as to whether or not any of the below applies to your property tax bill.

BREAKOUT – Millage Levied For:

Debt Service (local bond obligations)	7.4779
School Sinking Fund	13.000
Special Assessments for Property Improvements	
TOTAL	20.4779

G. School District Code: 82010

Note: If you do not know your 5-digit School District Code, please speak with your Treasurer to obtain this information.

Note: for those school districts outside the Renaissance Zone, the codes are as follows:

Lamphere School District: 63280

Walled Lake School District: 63290

**Detroit Medical Center
and
Vanguard Health Systems, Inc.**



**Development Plan for
Midtown Hospital Campus
Wayne County Renaissance Zone**

March 30, 2010

As Amended April 21, 2010

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Introduction

The Detroit Medical Center ("DMC") is the largest private employer in the City of Detroit, with almost 12,000 employees. It operates 10 hospitals and institutions: Children's Hospital of Michigan, Detroit Receiving Hospital and University Health Center, Harper University Hospital, Huron Valley-Sinai Hospital, Hutzel Women's Hospital, DMC Surgery Hospital, Rehabilitation Institute of Michigan, Sinai-Grace Hospital, Kresge Eye Institute, and the DMC Cardiovascular Institute. Of those institutions, all but the Huron Valley-Sinai Hospital and the DMC Surgery Hospital are located within the City of Detroit.

The DMC's City hospitals provide the primary health care safety net for the City's tens of thousands of indigent, uninsured and underinsured residents. Within the entire City of Detroit, an area of roughly 138 square miles, there are only two hospitals other than the DMC hospitals. Those are Henry Ford Hospital in central Detroit, and St. John Hospital on the far east side of Detroit, bordering the suburb of Grosse Pointe. Numerous City hospitals have closed in recent years due to financial distress; most recently St. John Riverview on East Jefferson. DMC's City of Detroit emergency rooms handle well in excess of 300,000 visits annually – over 60% of all emergency room visits in the City of Detroit.

Community Impact

Patients and the Public get new hospitals and updated facilities.

Health care safety net is strengthened.

Governments get increased tax dollars.

As a result of its safety net mission, the economic crisis in the State of Michigan and City of Detroit, and the high rates of unemployment and uncompensated care, DMC faces significant challenges in raising capital to maintain and improve its facilities. To help meet those challenges, DMC has an opportunity to attract hundreds of millions of dollars of investment for its facilities with the help of a new owner for the hospitals, Vanguard Health Systems, Inc. ("Vanguard"). Vanguard has been a successful owner of urban hospitals and surgery centers throughout the country (including hospitals in San Antonio, Chicago, and Phoenix), and has an established history of meeting or exceeding its charity care commitments.

DMC has signed a non-binding letter of intent in which Vanguard has committed to spend **\$850 million in capital and equipment at DMC facilities over the next five years**. In addition, Vanguard will retire all existing DMC debts, and will assume the DMC employee pension fund deficit, its unfunded malpractice liability, and its working capital deficit. The letter of intent is conditioned on DMC's Midtown Campus being placed in a **Renaissance Zone**.

Wayne County has the power to designate the Renaissance Zone for the DMC Midtown Campus pursuant to section 4(4) of the Michigan Renaissance Zone Act, which gives the County until the end of December 2011 to designate an area as a Renaissance Zone. The application will also need to garner support from the City of Detroit and the State of Michigan.

The Renaissance Zone will substantially benefit Midtown Detroit, by increasing employment and adding to the walkable, attractive character of the DMC Midtown Campus. The Zone will enhance the economic character of the entire area, ranging from local restaurants to nearby downtown living opportunities. This increased investment in state-of-the-art and state-of-the-science facilities in

Midtown Detroit will also encourage research and innovation in the health care field, creating a high potential for spin-off businesses and new economic activity centered around advances in health care.

Most of all, this Renaissance Zone will allow the DMC to repair and modernize its facilities, attract and retain talented health care professionals and attract patients both from within and outside Detroit, and continue its mission of serving the indigent, uninsured and underinsured. Vanguard has committed to the continued operation and maintenance of all DMC hospitals for at least 10 years from the date of closing, and not to sell any of the DMC hospitals to an unrelated party for that same period. **It has also committed to continuing DMC's current charity care policies** for at least 10 years from the date of closing. Therefore, this Renaissance Zone will ensure the continued service to patients within and outside Detroit, including the uninsured and under-insured.

New Business Activity and Methods for Increasing Economic Expansion and Infrastructure Improvement

If the Renaissance Zone is approved, Vanguard will commit to investing over the next five years at least \$850 million dollars in capital improvements – half of a billion of which will be major capital projects that will either replace or revitalize DMC facilities. Nearly all of these funds will be spent in the City of Detroit.

These capital projects include a new Patient Tower and Pediatric Specialty Center for Children's Hospital of Michigan, a new Cardiovascular Institute and Outpatient Specialty Services Building for Harper/Hutzel Hospital, and a new Outpatient Ambulatory Building at Sinai Grace Hospital. None of these capital building programs come at the expense of routine capital investments. The capital investment in the major building programs described below are in addition to the capital investments for new equipment and routine replacement that are a normal part of running a vibrant hospital system.

Category	Commitment
Ongoing capital and equipment	\$350 million
Major capital projects	\$500 million
Total	\$850 million

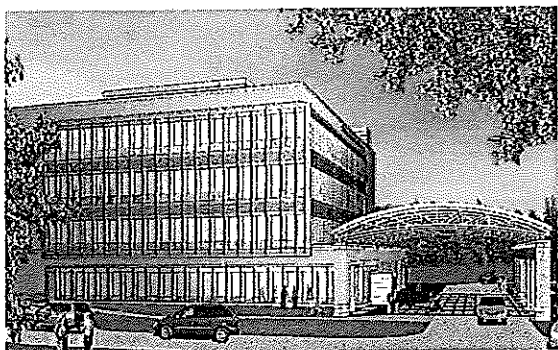
Major Capital Projects

As described facility-by-facility below, the major capital projects that will take place inside the boundaries of the proposed Renaissance Zone are estimated to total approximately \$415 million in investment. The facilities outside the Renaissance Zone are estimated to receive approximately \$85 million in investment.

Facilities Inside Renaissance Zone

In addition to the rebuilding of the Mack Parking Deck, the following projects are planned.

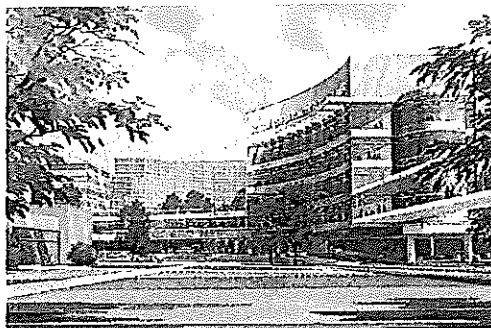
Children's Hospital



New Pediatric Specialty Center

New Patient Tower

Carl's Building Backfill

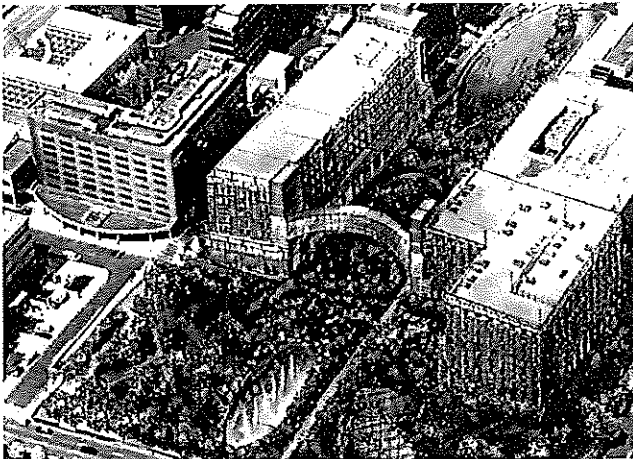


Detroit Receiving Hospital



Patient Care Unit Renovations
Pre- and Post-Operative Space Enhancement
Two Additional Operating Rooms

Harper Hutzel



Cardiovascular Institute and Outpatient Specialty
Services Building

Surgical Services Renovation
Lobby Expansion/First Floor Renovations
Ground Floor Redesign
Inpatient Unit Renovations



Rehabilitation Institute of Michigan

Sixth Floor Renovation



Projects at Facilities Outside Renaissance Zone but Within the City of Detroit

Sinai Grace

Emergency Department Expansion
ICU Renovations
Façade/Front Entrance Improvement
Radiology Moved to Ground Floor
Outpatient Ambulatory Building



In addition to the projects at Sinai Grace, Huron Valley will undergo a renovation of private rooms and have an ICU bed expansion. The total of all projects that will be undertaken outside the City of Detroit is estimated to be \$10 million.

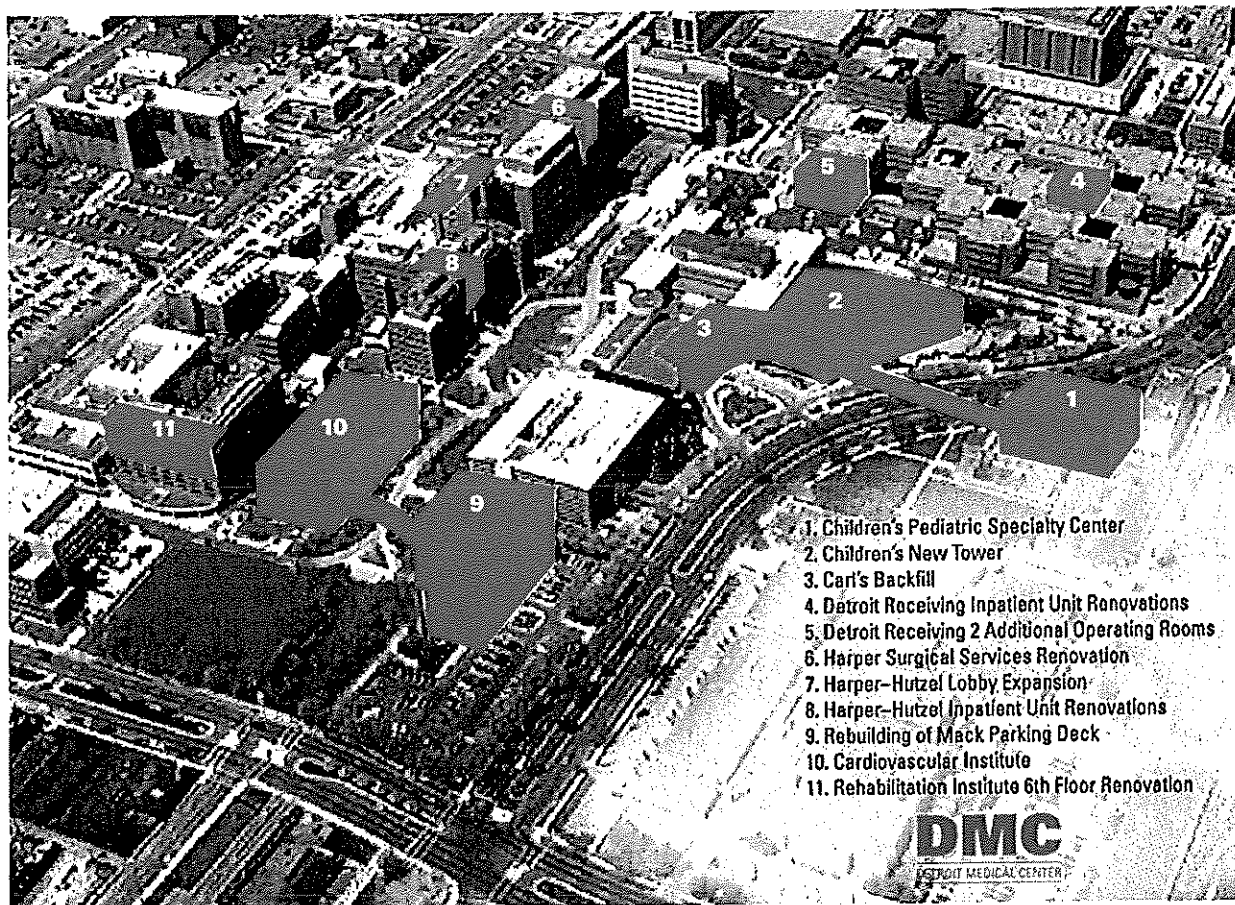
Summary

Detroit Investment

Hundreds of millions of dollars in new capital projects will occur in the City of Detroit.

Hundreds of millions more in new equipment and other capital investments will be committed for Detroit facilities.

All these projects have long been needed for DMC patients, but Wall Street has been unwilling to lend DMC the needed capital. The number of facilities that will be improved are illustrated in the two maps on the next page. These maps do not include the \$350 million commitment for ongoing capital and equipment needs.



Methods for Increasing Economic Expansion

The capital investments described above will generate economic activity beyond what the pure project dollars represent. In the short term, The Renaissance Zone will create significant construction and related trade jobs in the Zone, as well as at those facilities outside the Zone (e.g. in Northwest Detroit where Sinai Grace is located.) That should also lead to increased foot traffic and a boost to local restaurants and other businesses.

This investment will generate related revenue in the community. It is estimated that for every dollar spent on health projects, more than two dollars of additional business activity are generated (Department of Commerce, Bureau of Economic Analysis). Using that estimate, the \$850 million in capital development would foster \$1.7 billion in additional business activity. Some of that increase will come when the increased investment in state-of-the-art and state-of-the-science facilities in the heart of downtown Detroit encourages research and innovation in the health care field. This will create a high potential for spin-off businesses and new economic activity centered on advances in health care.

The origin of that growth will be the impact that new, attractive, and state-of-the-science facilities have on the experience for patients, their doctors, nurses, and loved ones. The new equipment and facilities will increase the quality of care available in downtown Detroit. The health care professionals, patients, and their families and friends who will come to visit them, will provide a vibrant population of people coming to downtown Detroit. The new investment should give a permanent boost to local restaurants and businesses. Moreover, it will increase the attractiveness of Midtown Detroit, raising property values and attracting new housing, businesses and restaurants.

For property located within the proposed Renaissance Zone, Vanguard will not enter into a lease for any office space with any non-affiliate office tenant of more than 5,000 square feet if that tenant is currently occupying office space in the City of Detroit without the prior written consent of the City of Detroit's Planning and Development Director, or its successor. Any physician or other person involved in providing medical or support services related to the purposes of the Vanguard or the DMC at facilities of, to the patients or employees of, or for the benefit of Vanguard and the DMC, whether as an employee, contractor, member of the medical staff, or in any other capacity, shall be considered an affiliate.

In both the short- and long-term, the Renaissance Zone will have positive economic impact and increase economic expansion both in the Renaissance Zone and beyond its boundaries.

Adverse Economic and Socioeconomic Conditions Within the Proposed Renaissance Zone

The DMC hospital system serves more patients that struggle with adverse economic and socio-economic conditions than any hospital system in the State of Michigan.

In the DMC's zip code, 48201, the annual household income is \$23,615; the unemployment rate is 14.6%, and recent job growth statistics show a decline by 7.2%. In the five mile radius surrounding DMC, nearly 30% of the population has no health insurance, and 28% of the population is covered through Medicaid.

Adverse Conditions

40% of DMC patients are uninsured or on Medicaid.

There is negative job growth within DMC's zip code.

The adverse economic conditions in the immediate area are reflected in the patient population that is currently served in the proposed Renaissance Zone. Unlike any other hospital in Michigan, more than 40% of DMC's care is provided to DMC patients that are on Medicaid or are uninsured.

Vanguard has contractually committed to continuing DMC's charity care policy for at least 10 years from the date of closing. That policy states that DMC will provide medically necessary services without payment or at reduced payment to those unable to pay or who are underinsured, based upon federal poverty guidelines, without regard to race, religion, age, or gender. Persons who do not qualify for Medicaid and have an annual income less than 200% of federal poverty guidelines will be eligible for a 100% charity care discount.

Viability of the Development Plan

The viability of the development plan is solid, because Vanguard has the resources to make it happen. The Blackstone Group, which is one of the world's leading private equity and financial businesses, is a major investor into Vanguard. Vanguard owns and operates more than 17 facilities located all over the United States, as well as three health plans. It has more than \$3.4 billion in revenue (\$313 million in EBITDA), and approximately 19,000 employees. Therefore, Vanguard has the resources with which to make these investments in the short term, and Vanguard has the access to capital markets unavailable to DMC that will help the DMC management team continue to operate the hospital system responsibly and with even higher levels of quality care.

Creative and Innovative Approach to the Development Plan

This increased investment in state-of-the-art and state-of-the-science facilities in the heart of downtown Detroit will also encourage research and innovation in the health care field, creating a high potential for spin-off businesses and new economic activity centered around advances in health care. The concentration of investment will enhance DMC's ability to provide advanced patient care to the region through an array of specialty hospitals focused on cutting edge research and clinical care.

Public and Private Commitment to and Other Resources Available for the Proposed Renaissance Zone

As discussed above, Vanguard is committing to a substantial investment of resources in the proposed Renaissance Zone. The DMC will also continue to administer its philanthropic funds to enhance activities that take place within the Zone. Public dollars in the form of Medicare and Medicaid will also continue to support patient care at the DMC.

The Renaissance Zone and the Plan for the Community as a Whole

Brush Mall sits at the heart of the DMC campus and the proposed Renaissance Zone. It provides an attractive, safe, walkable green area on the campus, and a venue for many events. The increased investment will keep this area vibrant and beautiful.



In addition, the proposed Renaissance Zone will bring more jobs, patients and people to an area housing some of the City's and region's cultural gems (including the Detroit Symphony Orchestra, the Detroit Art Museum, the Detroit Science Center, the Museum of African American History, and the Wayne State University campus). It is also close to the downtown stadium district.

Having a thriving and growing DMC will enhance the City's master plan for repopulating and linking strong areas. Because of its location, DMC provides a key bridge to development efforts by linking the Midtown cultural center and the downtown entertainment and business districts. Ensuring a future for the area in the proposed Renaissance Zone as a thriving, walkable, 24-hour campus close to both these areas can be a key building block in the plans to repopulate and redevelop the heart of Detroit.

Cooperation from Surrounding Communities

The facilities in the proposed Renaissance Zone serve residents in the City of Detroit, but also serve patients that reside in a number of communities surrounding the City. One facility that will transfer to Vanguard is the Huron Valley-Sinai Hospital, which is located in Commerce Township, Michigan (in Oakland County). Another DMC facility outside the City of Detroit that will transfer to Vanguard thus providing additional benefit to the surrounding communities is the DMC Surgery Hospital, which is located in Madison Heights, Michigan (which is also in Oakland County). Therefore, surrounding communities will benefit directly from an immediate increase in tax revenue from the approval of the Renaissance Zone, and many others will benefit indirectly by having state-of-the-art health care facilities available for their medical needs.

Community Support and Commitment from Residential and Business Interests

The proposed Zone does not have any residential interests within its boundaries. The primary business activity in the area is the provision of health care and medical education, and these are primarily conducted by the non-profits that own the land within the proposed Renaissance Zone. In general, the facilities within the proposed Renaissance Zone have a long history of gathering support from a wide variety of community groups and business interests in the midtown area and beyond.

In addition, the important philanthropic support that DMC has received in the past will continue to be administered in ways that benefit the community. That support may include increased charitable support of redevelopment in the areas surrounding DMC, in support for educational and research activities related to DMC, and support of the families of patients treated by DMC.

Local Regulatory Burden for Businesses Operating in the Renaissance Zone

For the duration of Renaissance Zone status, the DMC Midtown Campus will be exempt from the various taxes enumerated in the Renaissance Zone Act. Notably, the DMC Midtown Campus would be exempt from the City Utility Users Tax and the General Property Tax.

The exemption from these taxes will lessen the regulatory burden on the DMC as the resources that would be expended to satisfy the requirements set forth in the statutes under each of these Tax Acts may be directed to projects which will improve the facilities and services the DMC is able to provide to the community.

Commitments to Improving Real Property

The area within the proposed Renaissance Zone contains no abandoned buildings, due in part to the decision by DMC to demolish an abandoned nursing home that it recently purchased. The land on which that facility once sat is now vacant and is included in the proposed Renaissance Zone, as the future site of the new Children's Hospital Pediatric Specialty Center. Therefore, the granting of the Renaissance Zone will bring vacant property into productive use.

Moreover, each of the major capital improvement projects detailed above involves an improvement to real property. A description of two of the larger projects, both of which are within the proposed Renaissance Zone, is below.

Children's Hospital Tower

The construction of a new 175,000 ft² Children's Hospital Patient Tower will provide modern facilities and allow for state-of-the-art pediatric care built around four centers of excellence. That will ensure the already highly-ranked facility has the tools to remain competitive for decades to come. Specifically, the Tower Project and overall expansion will greatly increase the functional capacity of the only primary and specialty care facility for children in the City of Detroit.

Harper/Hutzel Projects

Vanguard plans extensive remodeling and renovation projects within Harper/Hutzel Hospital to provide an aesthetically pleasing and state-of-the-art environment for patients, visitors and staff. These projects include an expanded front entrance and main lobby renovation, an expansion and renovation of the main surgical services area, the complete renovation of four inpatient units and the construction of a new Cardiovascular Institute and Outpatient Specialty Services Building.

Map and Physical Description of the Proposed Renaissance Zone

The map of the proposed Renaissance Zone and a legal description of the property boundaries is included as Attachment A.

All of the property proposed for inclusion is currently owned by non-profits or is otherwise non-taxable, so there is very little tax revenue that is lost by including these facilities within the Zone. In fact, because several DMC facilities located outside the Renaissance Zone will transfer to Vanguard – including Sinai Grace hospital in the City of Detroit, the approval of this Zone will result in an immediate increase in tax dollars from those properties outside the Zone.

Non-Profit Ownership

None of the property included in the proposed Renaissance Zone is subject to property taxation.

Current non-profit property would become taxable outside the Zone.

Geographic Boundaries

The heart of the proposed Renaissance Zone is the Midtown Detroit campus of the Detroit Medical Center. The DMC Midtown Campus is bordered on the south by Mack Ave. The eastern border of the zone is Beaubien/St. Antoine Street, with the exception of a parcel that extends east of Beaubien/St. Antoine.

The northern border of much of the proposed Zone is East Canfield Avenue. However, two DMC properties, the Kresge Campus and the associated Hancock Parking Lot, are located at the corner of Brush and Hancock, and are included in the Zone. Properties connecting these two facilities to the main campus, some of which are owned by Wayne State University and some of which are owned by the City of Detroit, are included in the Zone.

The western border of much of the proposed Zone is Brush Street between Hancock and Canfield, and John R between Canfield and Mack. In addition to the Hancock Parking Lot discussed above, there are two other exceptions to that western boundary. First, the Willis Parking Lot at the corner of Willis and John R. is included. Second, the Zone includes a parking garage owned by Wayne State University and Detroit Public Schools, a lease held by WSU over the Ellington Condominium parking lot to access that garage, and the Orchestra Place complex (on the corner of Parson and Woodward), which is owned by Orchestra Place Renewal Partnership. The leased property is a portion of the general and/or limited common element of a condominium and thus has no current tax liability.

All of the property interests in the proposed Renaissance Zone are owned by non-profits (except the undivided limited or general common interests of the individual unit owners of the Ellington Condominium in the land covered by the lease to Wayne State University). The majority of the property is owned by Detroit Medical Center. Other parcels and the easement are owned by Wayne State University, the City of Detroit, the Detroit Public Schools, Karmanos Cancer Institute, and the Orchestra Place Renewal Partnership.

Total Area of the Proposed Renaissance Zone

The total acreage of the proposed Renaissance Zone is approximately 98.3 acres.

Present Use and Conditions Generally of Land and Structures

A vacant parcel of land within the Renaissance Zone formerly held an abandoned nursing home; DMC recently purchased the parcel and demolished the building. This area is parcel number 0300900-1200, and is known as the Children's Hospital Medical Office Building Parcel. All structures on the site are in current use, and are in generally good condition. To maintain the excellent standard of care provided by DMC, the existing facilities must be kept in lock-step with the advances in medical technology and patient care. As the field of medicine advances, so does the need for state-of-the-art hospital facilities.

As noted in the list below, the existing buildings owned by DMC are structurally sound but require renovations. The DMC strives to keep up with and push ahead of the current standards and trends in medical facilities and keeping pace with the speed of medical facility advances will require substantial improvements to the existing structures. Below is a description of several of the major facilities within the proposed Renaissance Zone and their condition and planned capital improvements.

Rehabilitation Institute of Michigan

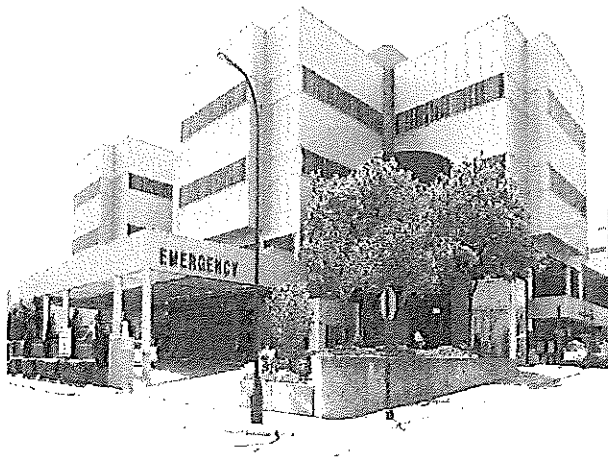
The Rehabilitation Institute of Michigan, a 96 bed facility, was constructed in three phases. The basement through the fifth floors were built in 1958; the top four floors were added in 1971. In 2002, the Brasza Outpatient and Fitness Center was added. The facility is 265,000 ft².

The building is slated for routine capital improvements in the short term, including work on the electrical and water systems. The major aspects of the facility are in good to very good condition.

Under this development plan, the Rehabilitation Institute is slated to undergo a substantial renovation of the sixth floor.



Detroit Receiving Hospital



Detroit Receiving Hospital was constructed in 1979. It has a total of 298 beds, 25 of which are devoted to the psychiatric care unit, 83 of which are devoted to ICU, and the remainder of which are for acute care.

None of its major systems require replacement at this time, although all are aging. The building requires routine capital maintenance in the near future, including work on the electrical system, replacement of the facility's generator, and enhanced fire protection.

In addition to this routine maintenance, there are capital building projects designed to modernize the inpatient units and upgrade and expand the current operating rooms.

Harper University Hospital/Hutzel Women's Hospital

The Harper University Hospital buildings on Brush were constructed in 1929. The Harper/Hutzel buildings on Webber were constructed in 1970. Together, the two hospitals measure more than a million square feet. The medical office building associated with the complex was constructed in 1982, and consists of 210,000 ft². In total, there are 567 licensed beds, of which 518 are dedicated to acute care and 49 of which are dedicated to ICU.

A number of key systems in the Harper/Hutzel complex require replacement or renovation. Many of the elevator systems and in some cases the architectural systems require work in the near term. Together, the buildings in this complex are slated for routine capital investment, including the elevator systems mentioned above as well as waterproofing and work on the electrical systems.

In addition to this normal maintenance and capital expenditure, as part of this development plan, Harper/Hutzel is slated to undergo the substantial capital improvements described above.



Children's Hospital of Michigan



The main building of the Children's Hospital of Michigan was constructed in 1971, and consists of 478,000 ft². The Carl's building was added to the campus in 1991, and consists of 158,000 ft². The hospital has a total of 228 licensed beds, of which 170 are dedicated to acute care and 58 to ICU.

All of the major systems in Children's Hospital are in good or very good condition. However, as routine maintenance, areas of its roof, windows and its generator will require replacement in the near term.

In addition to the above-mentioned routine capital investments, Children's Hospital is slated for a new Patient Tower, Pediatric Specialty Center, and the other capital improvements discussed above.

Job Training Opportunities

The DMC already provides a number of job training opportunities to its employees, and Vanguard will continue in that spirit. It is also important to note that Vanguard will honor all DMC contracts, including its collective bargaining agreements.

Training for Vendors and All Employees

DMC offers numerous professional development opportunities to all DMC employees, vendors and physicians. The following topics are included in the professional development programs: being a team player, conflict resolution, diversity awareness, customer service, e-mail etiquette, generational diversity, intermediate project management, harassment in the workplace, interviewing for excellence, labor relations, key aspects of a manager's role, negotiation, process improvement, and records/payroll. All of these training opportunities and programs help employees and vendors to acquire the key knowledge and expertise that modern business demands.

Professional Administrative Training

DMC offers a selective 12-month Leadership Academy to develop future health system administrators. The session topics include customer service and patient satisfaction; quality, finance and budget; and public relations and marketing.

Training for Nurses

The DMC provides an annual “Nurses Week Education” for the training and education of DMC nurses. Additionally, Children’s Hospital of Michigan has a TRANSITIONS Residency program, which is a unique and comprehensive evidence-based program that prepares newly graduated nurses to be safe, competent, and confident nursing professionals. The 18-week program is designed to meet the needs of the graduate nurse and new RN. The highly-competitive program is offered three times a year.

In addition, DMC and Oakland Community College operate a Nursing Partnership. In order to address the current nursing and nursing faculty shortage in Michigan, the DMC and Oakland Community College have developed an accelerated ADN nurse training program which has annually increased the overall number of nursing graduates in the region.

Training for Local High School and Community College Students

DMC is partnering with the Detroit Public Schools and Wayne County Community College District to help prepare area high school students to enter high-demand health professions. The Detroit Allied Health Middle College High School program combines high school with the first two years of college and prepares students for allied health careers that are in high demand.

The DMC also sponsors Project Genesis, which reaches out into the Detroit area community to recruit students and immerse them in the real world of healthcare. The program involves students finishing 11th grade, 12th grade and 1st year of college. The program provides an opportunity to 80 students to work for 8 weeks, 6 hours a day during the summer in various departments of the DMC. Vanguard has made a specific commitment to continue this program. The proposed Renaissance Zone designation will allow these students to work in upgraded facilities and provide them experience in state-of-the-art health care provision that will assist them in securing employment when their education is completed.

Anticipated Improvements if the Renaissance Zone is Created

The proposed Renaissance Zone will have a positive impact in a wide variety of areas, in addition to those already discussed above. The area’s education, health, human services, public safety, and employment will all be impacted positively by the activities within the proposed Zone.

Education

The new facilities will enhance the existing medical education offered by the hospital system through partnerships with Wayne State and Michigan State Universities. DMC, in conjunction with Wayne State, sponsors 50 Graduate Medical Education programs for almost 1,000 resident physicians in Wayne County. DMC also serves as a training site for hundreds of medical school students from Wayne State and Michigan State Universities. New facilities will enhance the experience of the medical students and residents and attract more of their young doctors to continue their careers at the DMC.

Health

The largest impact of the proposed Renaissance Zone would be on public health. The DMC hospitals in the proposed Renaissance Zone are critical to the health and well being of the City of Detroit.

The proposed Renaissance Zone contains many top healthcare facilities: Harper University Hospital, Detroit Receiving Hospital, Hutzel Women's Hospital, the Rehabilitation Institute of Michigan and the Children's Hospital of Michigan which have all gained national recognition for the service they provide to patients. Detroit Receiving and Harper were both designated Leapfrog Top Hospitals, a recognition of hospital and quality received by only 45 hospitals nationally in 2009. Children's Hospital and Harper were recognized as top hospitals in the 2009 "America's Best Hospitals" survey conducted by U.S. News and World Report. Hutzel Women's Hospital is home to the nation's only National Institutes of Health Perinatology Research Branch and the Rehabilitation Institute of Michigan houses the Southeastern Michigan Traumatic Brain Injury System, one of only 16 Centers of Excellence in the U.S. for the treatment and research of persons with traumatic brain injury.

While the vast majority of the proposed upgrades will have a direct positive effect on health, that impact is best understood by a close examination of two of the projects proposed by DMC, and the impact the expanded facilities and programs within those facilities have on patient health. Following that, there is a list of those services that DMC provides at facilities located at the Midtown Detroit Campus that benefit the public at large. The Renaissance Zone designation will enhance all these programs.

The Children's Hospital of Michigan

The new Children's Hospital Tower and Children's Pediatric Specialty Center will grow nearly every service and program now offered by Children's Hospital of Michigan, including a number of programs that serve the entire State of Michigan.

The DMC Children's Hospital of Michigan is the sole Michigan provider of a number of services, including the Pediatric Burn Center and Newborn Screening. Additionally, Children's Hospital is among the few hospitals in Michigan offering a host of other services. It is the only pediatric Level I trauma center in Southeast Michigan. It is the primary provider of treatment to Michigan children with AIDS. It is the primary provider of heart transplants for children in Michigan. It provides half of the bone marrow transplants for children in Michigan. It is the only provider of primary care hospital services for children in the City of Detroit, and is a major provider of child abuse and neglect evaluations in Michigan. It is the largest pediatric emergency facility in Michigan.

The new facilities will allow for integration of clinical care with research activities for four key centers of excellence for Children's Hospital: cardiology, hematology/oncology, neonatology and neurosciences. Additionally, the projects will provide additional space for emergency room care, intensive care services plus provide additional inpatient beds.

Cardiovascular Institute and Outpatient Specialty Services Building

The new Cardiovascular Institute and Outpatient Specialty Services Building will help to enhance a key program for Detroit's population – cardiovascular health care. Four times more Detroiters die of heart disease than residents of other cities in the nation. Michigan as a whole has the 11th highest mortality rate due to cardiovascular disease. Wayne County has the highest death rate from

cardiovascular causes in the State (306.9 per 100,000 people). The need to enhance the DMC's already noteworthy cardiovascular care is therefore especially valuable.

The improved and expanded facilities for cardiovascular care will allow the DMC to increase the number of patients receiving revolutionary cardiovascular treatment pioneered by innovative DMC cardiologists. The treatments greatly reduce time to treatment and provide unparalleled clinical outcomes to complex cardiovascular patients. The new facilities will permit the nationally recognized Cardio Team One™ physicians to continue their groundbreaking advances in cardiovascular services while serving an ever increasing demand for cardiovascular intervention and treatment.

Existing Services in the Proposed Renaissance Zone

In addition to the services described above, there are a wide variety of patient care activities that take place within the boundaries of the proposed Renaissance Zone. Below is a list of some of the services provided at the various facilities.

- DMC Detroit Receiving Hospital: Detroit Receiving has a Level I trauma center.
- DMC Harper University Hospital: specializes in services including bariatric surgery, vascular procedures, neurosurgery, neurology and kidney and pancreas organ transplants.
- DMC Hutzel Women's Hospital: specializes in obstetrics, infertility and gynecology.
- DMC Rehabilitation Institute of Michigan: specializes in rehabilitation medicine and spinal cord injuries.

Human Services

DMC provides a number of services to the public as a whole in addition to those described above. The examples below are just a few of the services that are offered within the proposed Renaissance Zone. These activities demonstrate the level of involvement the DMC has with the community, and the services it provides within the proposed Renaissance Zone that contribute to civic life.

- **VIP Mentoring Program.** The DMC has operated the VIP Mentoring program at the facilities within the proposed Renaissance Zone. As part of that program, DMC has identified mentors for at-risk elementary and middle school students at Spain Elementary/Middle School, located across the street from the Children's Hospital of Michigan. Activities include a life lessons curriculum, field trips and a reading program which have resulted in a reduction in unexcused absence rates, growth in self-esteem, grades and attitude toward drugs and alcohol use.
- **Diversity Day on the Mall.** The DMC hosts Diversity Day on the Mall on Brush Mall. The event highlights multi-cultural entertainment, food, therapy programs and personal services such as fitness and nutritional counselors.

Public Safety

The DMC provides public safety services for the buildings and grounds located within the proposed Renaissance Zone. The community benefits from the highly-trained security presence at the DMC campus, and the round-the-clock nature of those facilities. For the continued safety and protection of the residents and members of the community within the proposed Renaissance Zone, DMC will continue to provide its own security.

Employment

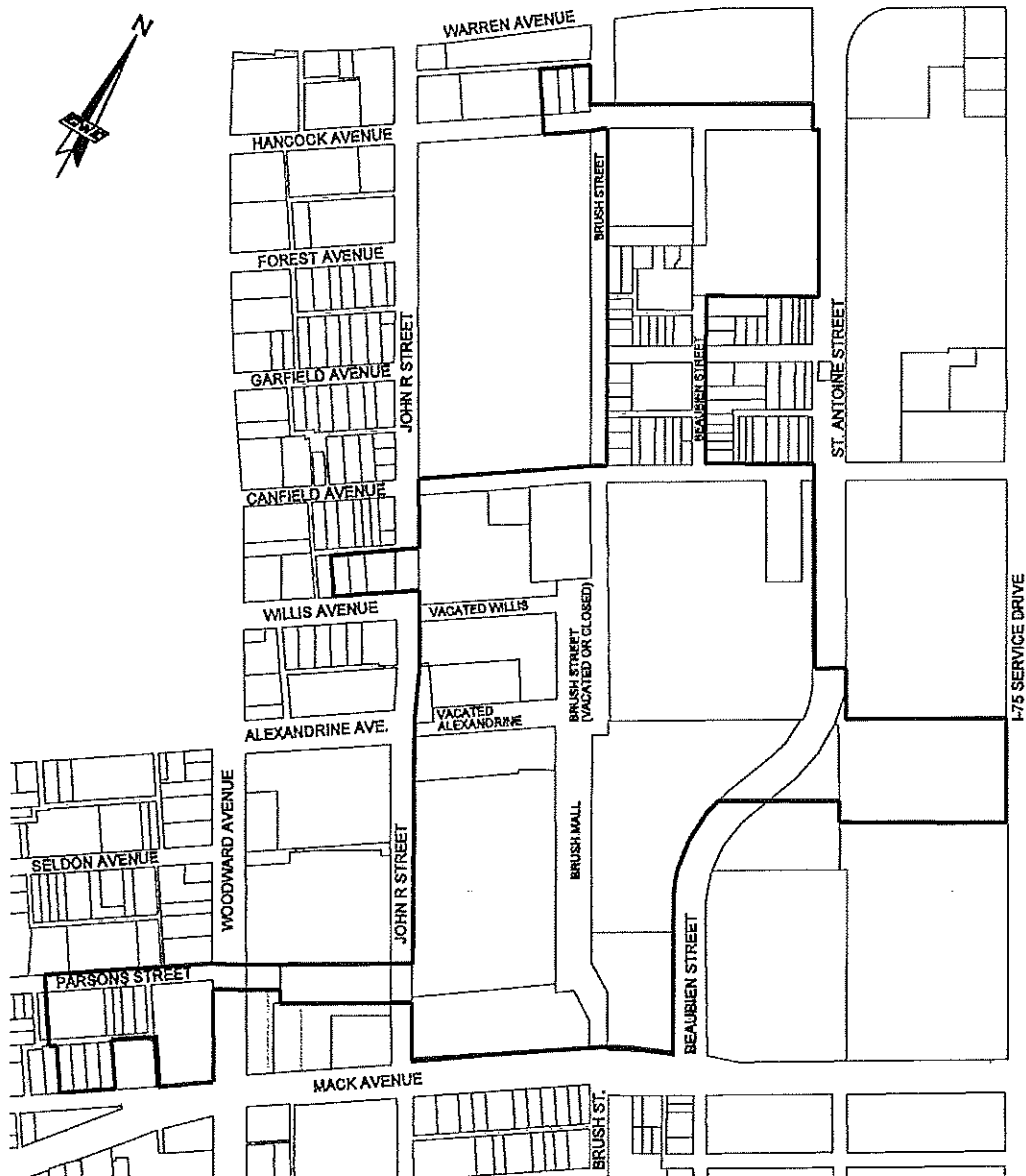
The DMC has almost 12,000 employees, and it is the largest private employer in the City of Detroit. Of those employees, more than 4,000 live within the City of Detroit. By securing a large investment in the future of DMC, this Zone would also mean a large investment in the future of those jobs. Moreover, the large amount of construction work related to the proposed projects would also generate jobs in Detroit and to a lesser extent in surrounding communities.

In addition, DMC has successfully participated with community partners to increase employment from local educational institutions. As part of the “Midtown Initiative,” DMC and Henry Ford Health System are working with Wayne State’s Career Services office to ensure that students are aware of the jobs available in their respective organizations for which they may apply. To date, DMC has been the only hospital partner to hire Wayne State University students into entry level positions, many of them at facilities within the proposed Renaissance Zone.


As noted above, much of DMC’s employment force comes from the City of Detroit. Similarly, DMC plans to make its best efforts to reach out to local, Detroit-based businesses, as well as businesses that have traditionally faced disadvantages, regarding the opportunities for contracts for the new construction. DMC has set for itself an internal goal of thirty percent (30%) participation from local and traditionally disadvantaged businesses in the construction contracts in the aggregate.

As the projects described in this development plan are completed and the patient capacity of DMC is increased, there may be a need for additional staffing in medical and non-medical positions. Therefore, approval of the tax incentive could create the opportunity for additional employees in the City of Detroit and in other communities in which DMC facilities are located.

Attachment A:
Map of Proposed Renaissance Zone
And Accompanying Legal Description



DETROIT MEDICAL CENTER
RENAISSANCE ZONE PLAN A

 Giffels-Webster Engineers, Inc. ENGINEERS LNW STRUCTURAL PLANNERS LANDSCAPE ARCHITECTS 3471 BOND STREET, ROCKVILLE, MD. 43390 (244) 457-3100	DATE: 03/31/10	CHECKED BY: DATE:	SCALE: 1"=40'
	DRAWN: NMT	NR 3/29/10	SHEET: 1 OF 1
	DESIGN: CA		
	SECTION:		JOB No: 17887.DWG

**LEGAL DESCRIPTION
MIDTOWN HOSPITAL CAMPUS
WAYNE COUNTY RENAISSANCE ZONE**

LAND IN THE CITY OF DETROIT, WAYNE COUNTY, MICHIGAN BEING A PART OF PRIVATE CLAIMS 1, 2 AND 5, AND PART OF PARK LOTS, BEING:

A PART OF LOT 13 AND ALL OF LOTS 10 THROUGH 12, INCLUSIVE, BLOCK 22; AND ALL OF LOTS 6 THROUGH 9, INCLUSIVE, BLOCK 21; AND ALL OF LOTS 6 THROUGH 9, INCLUSIVE BLOCK 20; AND ALL OF LOTS 6 THROUGH 9, INCLUSIVE, BLOCK 19; A PART OF LOTS 3 AND 8 AND ALL OF LOTS 1,2,9 AND 10, BLOCK 17; OF "BRUSH'S SUBDIVISION OF THAT PART OF THE BRUSH FARM LYING BETWEEN THE SOUTH LINE OF FARNSWORTH STREET AND THE SOUTH LINE OF ALEXANDRINE AVENUE", AS RECORDED IN LIBER 17 OF PLATS, PAGE 29, WAYNE COUNTY RECORDS;

ALSO, A PART OF LOTS 1, 2 AND 6 AND ALL OF LOTS 3 THROUGH 5, INCLUSIVE, OF "C.B. EDWARDS SUBDIVISION OF OUTLOT 190, L. BEAUBIEN FARM", AS RECORDED IN LIBER 55 OF DEEDS, PAGE 242, WAYNE COUNTY RECORDS;

ALSO, ALL OF LOTS 8 THROUGH 33, INCLUSIVE, OF "TREGENT'S SUBDIVISION OF OUTLOT 188, NORTH OF FREMONT STREET, L. BEAUBIEN FARM", AS RECORDED IN LIBER 2 OF PLATS, PAGE 10, WAYNE COUNTY RECORDS;

ALSO, A PART OF LOTS 1 THROUGH 7, INCLUSIVE, AND ALL OF LOTS 8 THROUGH 14, INCLUSIVE, OF KANE'S AND HIBBARD'S SUBDIVISION OF PART OF OUTLOT 191 ON FOREST AND HANCOCK AVENUES, LAMBERT BEAUBIEN FARM", AS RECORDED IN LIBER 4 OF PLATS, PAGE 84, WAYNE COUNTY RECORDS;

ALSO, A PART OF LOTS 11 THROUGH 14, INCLUSIVE, 17 THROUGH 19, INCLUSIVE, AND LOT 24 AND ALL OF LOTS 20 THROUGH 23, INCLUSIVE, OF "CLELAND AND LOWIE'S SUBDIVISION OF THE WEST 236 FEET OF THE A. BEAUBIEN FARM BETWEEN FREMONT ST. AND WARREN AVE." AS RECORDED IN LIBER 9 OF PLATS, PAGE 40, WAYNE COUNTY RECORDS;

ALSO, A PART OF OUTLOTS 189 AND 191 OF THE "PLAN OF BEAUBIEN FARM AS SURVEYED INTO LOTS FOR THE PROPRIETORS BY JOHN MULLETT", AS RECORDED IN LIBER 1 OF PLATS, PAGES 46 THROUGH 54, WAYNE COUNTY RECORDS;

ALSO, A PART OF LOT 14 AND ALL OF LOTS 16 THROUGH 19, INCLUSIVE, LOT 22 AND 23, OF "MEDICAL CENTER URBAN RENEWAL PLAT NO. 2", AS RECORDED IN LIBER 90 OF PLATS, PAGES 89 THROUGH 91, WAYNE COUNTY RECORDS;

ALSO, A PART OF LOTS 4 AND 12 AND ALL OF LOTS 5 THROUGH 9, INCLUSIVE, OF "MEDICAL CENTER URBAN RENEWAL PLAT NO. 1", AS RECORDED IN LIBER 88 OF PLATS, PAGES 74 THROUGH 76, WAYNE COUNTY RECORDS;

ALSO, ALL OF LOTS 4 THROUGH 18, INCLUSIVE, OF "BRUSH'S SUBDIVISION OF THAT PART OF THE BRUSH FARM LYING BETWEEN THE SOUTH LINE OF ALEXANDRINE AVENUE AND THE NORTH LINE OF BRADY STREET", AS RECORDED IN LIBER 19 OF PLATS, PAGE 62, WAYNE COUNTY RECORDS;

ALSO, ALL OF LOTS 1 THROUGH 10, INCLUSIVE, OF "LUMSDEN'S SUBDIVISION OF PARK LOT 27", AS RECORDED IN LIBER 3 OF PLATS, PAGE 84, WAYNE COUNTY RECORDS;

ALSO, PART OF LOTS 23, 24, 25 AND 28 OF "PLAT OF PARK LOTS", AS RECORDED IN LIBER 34 OF DEEDS, PAGE 542, WAYNE COUNTY RECORDS;

ALSO, ALL OF LOTS 22 THROUGH 33, INCLUSIVE, OF "LELAND AND MANDELBAUM'S SUBDIVISION OF PARK LOT 22 AND PART OF LOT 21", AS RECORDED IN LIBER 1 OF PLATS, PAGE 30, WAYNE COUNTY RECORDS;

ALSO, ALL OF LOTS 12 THROUGH 19, OF "VAN DYKE'S SUBDIVISION OF PART OF THE ANTOINE BEAUBIEN FARM NORTH OF GROVE STREET", AS RECORDED IN LIBER 1, PAGE 294, WAYNE COUNTY RECORDS;

ALSO, A PART OF LOT 8 AND ALL OF LOTS 9 THROUGH 13, OF "MCMILLAN AND PONDS SUBDIVISION OF PARK LOT 29", AS RECORDED IN LIBER 6 OF PLATS, PAGE 27, WAYNE COUNTY RECORDS;

ALSO, ALL OF LOTS 1 THROUGH 16, INCLUSIVE, OF "BAGG'S SUBDIVISION", AS RECORDED IN LIBER 1 OF PLATS, PAGE 192, WAYNE COUNTY RECORDS;

ALSO, ALL OF LOTS 1, 2, 3, 7, 8, 9 AND 10, OF "SUBDIVISION OF PARK LOT 66 BY R. P. TOMS AND HENRY RUSSELL, TRUSTEES OF THE ESTATE OF SARAH DAVENPORT", AS RECORDED IN LIBER 5 OF PLATS, PAGE 44, WAYNE COUNTY RECORDS;

ALSO, INCLUDING THE REVISIONARY INTEREST IN ALL VACATED ALLEYS AND ROADWAYS;

ALSO, EXCEPTING THE ROAD RIGHT OF WAYS IN BEAUBIEN STREET, JOHN R. STREET, WOODWARD AVENUE, CANFIELD AVENUE, BRUSH STREET AND HANCOCK AVENUE ALL LYING WITHIN THE BOUNDS OF THE OVERALL PARCEL BEING MORE PARTICULARLY DESCRIBED AS:

BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF MACK AVENUE (VARIABLE WIDTH) AND THE EASTERLY LINE OF JOHN R. STREET (84' WIDE), SAID POINT BEING THE SOUTHWEST CORNER OF LOT 6 OF "MEDICAL CENTER URBAN RENEWAL PLAT NO. 1", AS RECORDED IN LIBER 88, PAGES 74 THROUGH 76, WAYNE COUNTY RECORDS; THENCE NORTH N26°21'30"W, 220.33 FEET ALONG THE EAST LINE OF JOHN R. STREET TO A POINT ON A LINE 139.05 FEET SOUTH OF AND PARALLEL TO THE NORTH LINE OF LOT 4 AS EXTENDED OF SAID "MEDICAL CENTER URBAN RENEWAL PLAT NO. 1"; THENCE S63°35'30"W, 487.41 FEET ALONG SAID LINE, BEING 139.05 FEET SOUTH OF AND PARALLEL TO THE NORTH LINE OF LOT 4 OF SAID "MEDICAL CENTER URBAN RENEWAL PLAT NO. 1"; THENCE N26°21'30"W, 24.98 FEET TO A POINT ON A LINE 9.00 FEET NORTH OF AND PARALLEL TO THE NORTH BUILDING FACE OF THE ELLINGTON CONDOMINIUMS AND ITS EXTENSION THEREOF; THENCE S62°09'47"W, 241.43 FEET ALONG SAID LINE, BEING 9.00 FEET NORTH OF AND PARALLEL TO THE NORTH BUILDING FACE OF THE ELLINGTON CONDOMINIUMS AND ITS EXTENSION THEREOF WESTERLY LINE OF WOODWARD AVENUE (120' WIDE); THENCE S26°24'30"E, 303.45 FEET ALONG SAID WESTERLY LINE TO A POINT ON THE NORTHERLY LINE OF DAVENPORT STREET (60' WIDE AS PLATTED); THENCE S60°06'19"W, 200.14 FEET ALONG SAID NORTH LINE OF DAVENPORT STREET TO THE CENTERLINE OF THE FIRST NORTH-SOUTH ALLEY WEST OF WOODWARD; THENCE N29°59'13"W, 182.99 FEET ALONG THE CENTERLINE OF SAID ALLEY TO A POINT ON THE CENTERLINE OF AN EAST-WEST ALLEY; THENCE S60°06'19"W, 160.11 FEET ALONG THE CENTERLINE OF SAID EAST-WEST ALLEY TO THE LINE COMMON TO LOTS 6 AND 7, AS EXTENDED, OF THE "SUBDIVISION OF PARK LOT NO. 66 BY R.P. TOMS AND HENRY RUSSEL, TRUSTEES OF THE ESTATE OF SARAH DAVENPORT", AS RECORDED IN LIBER 5, PAGE 44 OF PLATS, WAYNE COUNTY RECORDS; THENCE S29°59'13"E, 182.99 FEET ALONG SAID LINE TO THE NORTH LINE OF DAVENPORT STREET; THENCE S60°06'19"W, 200.15 FEET ALONG SAID NORTH LINE OF DAVENPORT STREET TO THE SOUTHWEST CORNER OF LOT 10 OF SAID "SUBDIVISION OF PARK LOT NO. 66 BY R.P. TOMS AND HENRY RUSSEL, TRUSTEES OF THE ESTATE OF SARAH DAVENPORT"; THENCE N29°59'13"W, 182.99 FEET ALONG THE LINE COMMON TO LOTS 10 AND 11 OF SAID "SUBDIVISION OF PARK LOT NO. 66 BY R.P. TOMS AND HENRY RUSSEL, TRUSTEES OF THE ESTATE OF SARAH DAVENPORT" TO THE CENTERLINE OF AN EAST-WEST ALLEY; THENCE S60°06'19"W, 23.50 FEET ALONG THE CENTERLINE OF SAID EAST-WEST ALLEY TO THE LINE COMMON TO LOTS 16 AND 17, AS EXTENDED, OF "BAGG'S SUBDIVISION", AS RECORDED IN LIBER 1, PAGE 192 OF PLATS, WAYNE COUNTY RECORDS; THENCE N29°59'13"W, 242.99 FEET ALONG SAID LINE, AND IT'S EXTENSION THEROF TO THE NORTH LINE OF PARSONS STREET (60' WIDE); THENCE N60°06'19"E, 610.54 FEET ALONG SAID NORTH LINE OF PARSONS STREET TO THE WEST LINE OF WOODWARD AVENUE; THENCE ACROSS WOODWARD AVENUE, N65°07'45"E, 120.04 FEET TO THE NORTHWEST CORNER OF LOT 4 OF SAID "MEDICAL CENTER URBAN RENEWAL PLAT NO. 1"; THENCE N63°35'30"E, 608.86 FEET ALONG THE NORTH LINE OF SAID LOT 4 AND EXTENSION THEREOF TO THE EAST LINE OF JOHN R. STREET; THENCE NORTHERLY ALONG SAID EAST LINE

THE FOLLOWING FOUR COURSES: (1) N26°21'30"W, 864.41 FEET, AND (2) N60°06'30"E, 4.33 FEET, AND (3) N20°53'10"W, 204.21 FEET, AND (4) N26°24'30"W, 275.46 FEET TO THE NORTH LINE OF WILLIS AVENUE (100' WIDE); THENCE S59°50'30"W, 307.18 FEET ALONG SAID NORTH LINE OF WILLIS AVENUE TO A POINT BEING 23 FEET WEST OF THE SOUTHEAST CORNER OF LOT 8 OF "MCMILLAN'S AND PONDS' SUBDIVISION OF PARK LOT 29", AS RECORDED IN LIBER 6, PAGE 27 OF PLATS, WAYNE COUNTY RECORDS; THENCE N30°24'40"W, 151.10 FEET ALONG A LINE 23 FEET WEST OF AND PARALLEL TO THE EAST LINE OF LOT 8 OF SAID "MCMILLAN'S AND PONDS' SUBDIVISION OF PARK LOT 29" TO THE SOUTH LINE OF AN EAST-WEST ALLEY; THENCE N59°50'30"E, 317.75 FEET ALONG SAID SOUTH LINE AND IT'S EXTENSION THEREOF TO THE EAST LINE OF JOHN R. STREET; THENCE N26°24'30"W, 251.64 FEET ALONG SAID EAST LINE OF JOHN R. STREET TO THE NORTH LINE OF CANFIELD AVENUE (60' WIDE); THENCE THE FOLLOWING TWO COURSES ALONG SAID NORTH LINE OF CANFIELD AVENUE: (1) N59°50'30"E, 626.26 FEET, AND (2) N63°26'11"E, 60.00 FEET TO THE EAST LINE OF BRUSH STREET (60' WIDE); THENCE N26°09'00"W, 1208.60 FEET ALONG SAID EAST LINE OF BRUSH STREET TO THE SOUTH LINE OF HANCOCK AVENUE (VARIABLE WIDTH); THENCE THE FOLLOWING TWO COURSES ALONG SAID SOUTH LINE OF HANCOCK AVENUE: (1) S60°37'11"W, 60.10 FEET, AND S60°04'24"W, 167.88 FEET TO A POINT ON A LINE 7.50 FEET WEST OF AND PARALLEL TO THE EAST LINE OF LOT 13 AS EXTENDED, OF "BRUSH'S SUBDIVISION OF THAT PART OF THE BRUSH FARM LYING BETWEEN THE SOUTH LINE OF FARNSWORTH STREET AND THE SOUTH LINE OF ALEXANDRINE AVENUE", AS RECORDED IN LIBER 17, PAGE 29 OF PLATS, WAYNE COUNTY RECORDS; THENCE N29°55'36"W, 237.00 FEET ALONG SAID LINE, BEING 7.50 FEET WEST OF AND PARALLEL TO THE EAST LINE OF LOT 13 OF SAID "BRUSH'S SUBDIVISION OF THAT PART OF THE BRUSH FARM LYING BETWEEN THE SOUTH LINE OF FARNSWORTH STREET AND THE SOUTH LINE OF ALEXANDRINE AVENUE", TO THE SOUTH LINE OF AN EAST-WEST ALLEY; THENCE N60°04'24"E, 183.52 FEET ALONG SAID EAST-WEST ALLEY TO THE WEST LINE OF BRUSH STREET; THENCE S26°09'00"E, 150.08 FEET ALONG SAID WEST LINE OF BRUSH STREET TO A POINT ON THE NORTH LINE OF HANCOCK AVENUE AS EXTENDED FROM THE EAST; THENCE N63°53'50"E, 802.97 FEET ALONG SAID NORTH LINE OF HANCOCK AVENUE TO A POINT ON THE WEST LINE OF ST. ANTOINE STREET (120' WIDE); THENCE S26°09'00"E, 688.85 FEET ALONG SAID WEST LINE OF ST. ANTOINE STREET TO A POINT ON THE CENTERLINE OF AN EAST-WEST ALLEY; THENCE S63°53'50"W, 384.16 FEET ALONG SAID ALLEY CENTERLINE, AND IT'S EXTENSION THEREOF TO THE EAST LINE OF BEAUBIEN STREET; THENCE S26°09'00"E, 603.75 FEET ALONG SAID EAST LINE OF BEAUBIEN STREET TO THE NORTH LINE OF CANFIELD AVENUE; THENCE N63°53'50"E, 384.16 FEET ALONG SAID NORTH LINE OF CANFIELD AVENUE TO THE WEST LINE OF ST. ANTOINE STREET; THENCE S26°09'00"E, 680.00 FEET ALONG SAID WEST LINE OF ST. ANTOINE STREET; THENCE N63°51'00"E, 120.00 FEET TO THE EAST LINE OF ST. ANTOINE STREET; THENCE S26°09'00"E, 238.64 FEET ALONG SAID EAST LINE OF ST. ANTOINE STREET AND IT'S EXTENSION THEREOF AS PREVIOUSLY PLATTED TO THE SOUTHWEST

CORNER OF LOT 15 OF "MEDICAL CENTER URBAN RENEWAL PLAT NO. 2", AS RECORDED IN LIBER 90, PAGES 89 THROUGH 91, WAYNE COUNTY RECORDS; THENCE N63°50'20"E, 585.90 FEET ALONG THE LINE COMMON TO LOTS 14 AND 15 OF SAID "MEDICAL CENTER URBAN RENEWAL PLAT NO. 2" TO THE WEST LINE OF THE I-75 SERVICE DRIVE; THENCE S26°11'18"E, 375.00 FEET 375 FEET ALONG SAID WEST LINE OF THE I-75 SERVICE DRIVE TO A POINT 171.04 FEET NORTH OF THE SOUTHEAST CORNER OF LOT 14 OF "MEDICAL CENTER URBAN RENEWAL PLAT NO. 2"; THENCE S63°50'20"W, 611.14 FEET ALONG A LINE 171.04 FEET NORTH OF AND PARALLEL TO THE SOUTH LINE OF SAID LOT 14 OF "MEDICAL CENTER URBAN RENEWAL PLAT NO. 2" TO THE WEST LINE OF SAID LOT 14; THENCE N26°09'00"W, 76.38 FEET ALONG SAID WEST LINE OF LOT 14; THENCE S63°50'20"W, 451.25 FEET TO THE WEST LINE OF BEAUBIEN STREET (120' WIDE); THENCE THE FOLLOWING TWO COURSES ALONG SAID WEST LINE OF BEAUBIEN STREET: (1) ALONG A NON-TANGENT CURVE TO THE LEFT, 403.13 FEET, SAID CURVE HAVING A RADIUS OF 520.00 FEET, A CENTRAL ANGLE OF 44°25'06", AND A LONG CHORD BEARING S03°55'43"E, 393.11 FEET, AND (2) S26°09'00"E, 544.20 FEET TO THE NORTH LINE OF MACK AVENUE; THENCE THE FOLLOWING FOUR COURSES ALONG SAID NORTH LINE OF MACK AVENUE: (1) S70°32'00"W, 102.76 FEET, AND (2) ALONG A NON-TANGENT CURVE TO THE LEFT, 136.63 FEET, SAID CURVE HAVING A RADIUS OF 1105.00 FEET, A CENTRAL ANGLE OF 7°05'03", AND A LONG CHORD BEARING S67°02'18"W, 136.54 FEET, AND (3) S61°38'07"W, 60.05 FEET, AND (4) S60°09'30"W, 641.27 FEET TO THE POINT OF BEGINNING AND CONTAINING 92.4 ACRES INCLUDING ALL PUBLICLY DEDICATED AND VACATED ROAD AND ALLEY RIGHTS OF WAY.