

Contact: Mario Morrow 517-373-9280

Agency: Michigan Land Bank Fast Track Authority

Michigan Land Bank Advances State Fairgrounds Property Proposal

MLB now set to enter into Development Agreement negotiations with Magic Plus, LLC

February 8, 2013 — The State of Michigan Land Bank Fast Track Authority (MLB) Board of Directors yesterday voted to continue forward with a proposal by Magic Plus, LLC that would redevelop the former Michigan State Fairgrounds property. Today's vote follows the MLB's thorough review of the proposal that determined Magic Plus, LLC has the expertise, resources and financial capacity to effectively develop the site.

"The revitalization of this blighted property will help create jobs and have a sustained, positive economic impact on Detroit and the entire region," said MLB Board of Directors Chair Deborah Muchmore. "Today represents an important step forward in the MLB's process and an exciting opportunity for Detroit."

The fairgrounds have been closed since the last state fair in 2009, and the unused, 157-acre property inside the city of Detroit now costs the state more than \$1 million each year to maintain and secure.

The Magic Plus, LLC proposal is an approximately \$120 million, 500,000-square-foot mixed-use development that includes retail, residential, green space and entertainment uses. In addition, the plan proposes to renovate and utilize some of the existing buildings. Information on the proposal can be found on the [MLB's website](#).

The vote enables the MLB to enter into negotiations of a Development Agreement with Magic Plus, LLC to ensure the property is developed successfully. Binding contracts will also require the developer to meet certain benchmarks, with penalties established for failing to meet them. Once the development agreement is finalized, the MLB Board of Directors will vote whether to officially transfer the state fairgrounds property to Magic Plus, LLC.

In May 2012, the MLB issued a [Request for Proposals](#) (RFP) for the redevelopment of the property. In August 2012, the MLB Board of Directors accepted a recommendation by an independent state review team to proceed with the Magic Plus, LLC proposal. Of the bids submitted in response to the RFP, only the Magic Plus, LLC proposal met the RFP's minimum financial and design requirements. All proposals were assessed according to the RFP's criteria, and with neither the review team nor the MLB board knowing the identity of the developers to ensure anonymity of project bidders and process fairness.

The MLB's process also has included input from the Fairgrounds Advisory Committee, a group of community members representing neighborhoods adjoining the fairgrounds property, which has made significant recommendations to the MLB for consideration by developers. The MLB also is collaborating with City of Detroit officials and other local organizations that are key to the property's development effort.

"As this important development moves forward, the Michigan Land Bank will continue to foster the collaborative effort and open lines of communication between the state, city, community and developers," said MLB Executive Director Kim Homan. "The Fairgrounds Advisory Committee is an important partner in the project, whose input and efforts the MLB will continue to support as the next phase gets underway."

On April 9, 2012, Gov. Rick Snyder signed legislation (Public Acts 74 and 75 of 2012) allowing the transfer of the former Michigan State Fairgrounds to the State of Michigan Land Bank Fast Track Authority to return the land to productive use.

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The mission of the Michigan Land Bank is to promote economic growth in Michigan through the acquisition, assembly and disposal of public property, including tax reverted property, in a coordinated manner to foster the development of that property, and to promote and support land bank operations at the county and local levels.