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FOR IMMEDIATE RELEASE

October 5, 2017

JAIL UPDATE: COUNTY, CITY REACH TENTATIVE DEAL MOVING PROJECT FORWARD

Land Swap a Key Step to Resolving Jail Project, Negotiating Rock Proposal

DETROIT – Wayne County **Executive Warren C. Evans** today announced a tentative agreement with the City of Detroit and **Mayor Mike Duggan** for the acquisition of land needed to proceed with Rock Ventures’ proposal to build a new criminal justice complex. Under the agreement, the County would acquire part of the DDOT property bounded by the I-75 Service Drive and E. Warren Ave. In exchange, the City would acquire the former American Motors Corp. (AMC) headquarters on Detroit’s Westside, which is currently owned by the County.

“This agreement gets us one step closer to a deal with Rock Ventures. Acquiring this land was one of the significant hurdles to Rock’s proposed criminal justice complex,” Evans said. “We worked out a tentative deal that makes a lot of sense for the City and County, and we look forward to finalizing the agreement.”

The DDOT property that is part of the deal does not include the transit system’s bus terminal itself, rather the land behind it, which means it will not affect DDOT operations at the facility. The parties agreed that the parcels were ultimately of equal value.

The County and the City will now work to reach a final agreement on the land swap deal, which will require signing a purchase agreement and approval from the Detroit City Council, the Wayne County Commission and the Wayne County Land Bank Board. Acquisition of the DDOT site will provide the County the land necessary to build the Criminal Justice Center, if an agreement can be reached with Rock Ventures. Transfer of the AMC site provides an opportunity for the County and City to collectively work on the project which will hasten the economic development of the AMC site.

“The City is swapping land we don’t need to the County to enable the County to build a criminal justice center,” Duggan said. “In exchange, the County is swapping a vacant parcel in west Detroit that the City wants to take on as a redevelopment project to improve the neighborhood. This is a win-win.”

Mayor Duggan said after the parties execute a purchase agreement and it is approved by City Council and the County, the City will actively market the AMC building for redevelopment.

Negotiations with Rock Ventures Progressing, New Deadline with Walsh

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Significant negotiations continue with Rock Ventures toward a deal that would provide for the construction of this new criminal justice complex for the County. The complex will include a 2,280 bed jail, criminal courthouse, prosecutor offices, sheriff administrative offices and a juvenile detention facility. Rock Ventures' proposal approximated the cost of this complex at \$520.3 million asking the County to pay \$380 million of this amount.

As negotiations progress with Rock Ventures, the County has requested an extension from Walsh Construction on deadlines to consider its proposal to complete Gratiot as well as paying the stipend, as previously approved by Commission, if the County were to proceed with Rock. As a result of Commission approval of this extension, the County will have until December 1st to determine whether or not it will pursue Walsh's proposal as an alternative.

On June 28th, the County received proposals from Walsh Construction to finish building the jail on the Gratiot site and from Rock Ventures to build the County a new criminal justice complex on an alternative site. At the end of July, Executive Evans directed the administration to focus its efforts on the Rock Ventures proposal and to pursue a deal with the City of Detroit to secure the land needed for the complex. The administration cited cost comparisons of the two proposals and protection against cost overruns as key reasons for moving forward with the Rock Ventures option.

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