Media Contacts:

WARREN C. EVANS

Jim Martinez, 313.967.1357 <u>jmartinez@waynecounty.com</u>
Whitney Lewis, 313. 224.7515 <u>wlewis1@waynecounty.com</u>

FOR IMMEDIATE RELEASE

December 1, 2017

JAIL UPDATE: COUNTY ELIMINATES GRATIOT AS POTENTIAL JAIL SITE

Negotiations progressing with Rock toward new criminal justice center

DETROIT – Today, Wayne County announced that it does not intend to complete the unfinished jail at Gratiot as Wayne County and Rock Ventures move closer to reaching agreement on a deal that would result in a new criminal justice center near I-75 and Warren Ave. Negotiations continue, and tentatively include having Rock Ventures pay a previously approved \$500,000 stipend to Walsh Construction for submitting a response to the Request for Proposals (RFP) to finish the partially constructed jail.

In February of 2017, the Wayne County Commission approved the administration's recommendation of the County paying the stipend to Walsh, the lone bidder, if their proposal to complete Gratiot was not accepted. The stipend compensates Walsh for the costs associated with submitting a substantive response to the County's RFP and was approved as speculation arose about whether or not the County would complete the Gratiot jail or negotiate a deal with Rock Ventures.

"The stipend ensured we received a proposal so we could fully evaluate finishing the jail at Gratiot," Wayne County Executive Warren C. Evans said. "As we dug into the project with an actual proposal, the more we recognized it had too much inherent risk for the County at too high a price. We're negotiating a deal with Rock that caps the County's costs and creates the best solution available to our jail problem."

Today's decision to reject the option of Walsh finishing Gratiot came the week after Detroit City Council approved a deal for the County to acquire the land needed to proceed with the criminal justice center. The County is also awaiting a decision from the IRS regarding the use of jail bonds at a site other than Gratiot, and specifically, Rock Ventures' proposed site.

"We're making progress and moving toward a deal with Rock. But there hasn't been a simple step in this entire process, nor will there be," Evans said. "We've had to vet two proposals, are working to acquire land from the city, need to settle an issue with the IRS and are negotiating a half a billion dollar development deal – it all takes time, but we're confident we'll get there."

The land swap deal with the City of Detroit will require approval by the Wayne County Commission and the Wayne County Land Bank, which owns the AMC property to be transferred to the city of Detroit. The final definitive agreement with Rock Ventures will also require the Wayne County Commission and Wayne County Building Authority's approval.

Media Contacts:

Jim Martinez, 313.967.1357 jmartinez@waynecounty.com Whitney Lewis, 313. 224.7515 wlewis1@waynecounty.com

In late July, a month after receiving Walsh's response to the RFP, Executive Evans directed his 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 criminal justice center. Cost comparisons of the two proposals, total number of facilities to be built, and protection against cost overruns were the key reasons for moving forward with the Rock Ventures option rather than completing Gratiot.

WARREN C.

EVANS

###