



**EMERGENCY MANAGER
CITY OF DETROIT**

ORDER No. 6

**APPROVAL OF INITIAL FUNDING AGREEMENT
FOR THE PUBLIC LIGHTING AUTHORITY**

BY THE AUTHORITY VESTED IN THE EMERGENCY MANAGER
FOR THE CITY OF DETROIT
PURSUANT TO MICHIGAN'S PUBLIC ACT 436 OF 2012,
KEYVYN D. ORR, THE EMERGENCY MANAGER,
ISSUES THE FOLLOWING ORDER:

WHEREAS, the City Council of the City of Detroit (the "City") has incorporated, by a majority vote approving the Articles of Incorporation (the "Articles"), the Public Lighting Authority pursuant to the Michigan Municipal Lighting Authority Act, 2012 PA 392, MCL 123.1261 *et seq.* (the "Act") for the purpose of providing an equitable and reasonable method and means of financing, operating, and maintaining a lighting system in sufficient quantities within the City; and

WHEREAS, both the City Utility Users Tax Act, 1990 PA 100, MCL 141.1151 *et seq.* (the "Utility Users Tax Act") and the Articles require a city that forms a lighting authority to pay \$12,500,000.00 annually to such lighting authority from the proceeds of the tax authorized by the Utility Users Tax Act; and

WHEREAS, if it becomes necessary for the City of Detroit to enter into an Initial Funding Agreement and other obligations pursuant to the Act; and

WHEREAS, pursuant to Emergency Manager Order No. 3, contracts entered into by the City of Detroit are not valid or effective unless and until approved by the Emergency Manager or his designee in writing; and

WHEREAS, the State of Michigan has started the initial process of selling bonds for the purpose described in the Michigan Lighting Authority Act and the City Utility Users Tax Act; and

WHEREAS, an agreement with the Public Lighting Authority to perform the work necessary for providing an equitable and reasonable method and means of financing, operating, and mandating a lighting plan in sufficient quantities is in the best interest of the City of Detroit;

NOW THEREFORE, IT IS HEREBY ORDERED that:

1. The Public Lighting Authority be funded on an interim basis as follows:

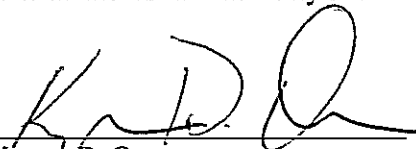
\$600,000 by May 15, 2013

\$600,000 by June 15, 2013

\$600,000 by August 1, 2013

2. That in addition effective June 1, 2013, and each month thereafter in calendar year 2013, DTE Energy is hereby directed to deposit to a trustee from the Utility Users Tax collected for the benefit of the City of Detroit One Million Seven Hundred Eighty Three Thousand Three Hundred and Thirty Three (\$1,783,333) Dollars monthly. Starting in 2014, One Million Forty One thousand Six Hundred and Sixty Six (\$1,041,666) Dollars monthly are to be collected and deposited with the trustee. These monies are to be held in trust for a duration authorized by the Act and to be used by the PLA or for payment of bond holders secured by a pledge with the Authority.
3. This Order is effective immediately upon the date of execution below.
4. This Order shall be distributed to the Mayor, City Council members and the City's Chief Financial Officer.

Dated: May 7th, 2013

By: 
Kevyn D. Orr
Emergency Manager
City of Detroit

Cc: State of Michigan Department of Treasury
Mayor David Bing
Members of Detroit City Council