



**DOWNTOWN DEVELOPMENT AUTHORITY  
BOARD OF DIRECTORS REGULAR MEETING  
WEDNESDAY, MAY 27, 2020 – 3:00 P.M.**

- BOARD MEMBERS PRESENT:** David Blaszkiewicz  
Ehrlich Crain  
Charity Dean  
Sonya Delley  
Melvin Hollowell  
Nick Khouri (Chairman's Representative)  
John Naglick  
Steve Ogden
- BOARD MEMBERS ABSENT:** Marvin Beatty  
Austin Black  
Richard Hosey  
James Jenkins  
David Massaron
- OTHERS PRESENT:** Cora Capler (DEGC/DDA)  
Gay Hilger (DEGC/DDA)  
Malinda Jensen (DEGC/DDA)  
Kevin Johnson (DEGC/DDA)  
Jennifer Kanalos (DEGC/DDA)  
Denise Hundley (DEGC/DDA)  
Paul Kako (DEGC/DDA)  
Glen Long, Jr. (DEGC/DDA)  
Rebecca Navin (DEGC/DDA)  
Art Papapanos (Public)



**MINUTES OF THE DOWNTOWN DEVELOPMENT AUTHORITY  
BOARD OF DIRECTORS REGULAR MEETING  
WEDNESDAY, MAY 27, 2020  
DETROIT ECONOMIC GROWTH CORPORATION  
500 GRISWOLD STREET, SUITE 2200 – 3:00 P.M.**

**GENERAL**

**Call to Order**

Chair Khouri called the regular meeting of the Downtown Development Authority Board of Directors to order at 3:07 p.m. Roll call was conducted, and a quorum was established.

**Approval of Minutes**

Mr. Khouri asked if there were any additions, deletions or corrections to the minutes of the January 22, 2020 Regular Board meeting. Hearing none, the Board took the following action:

Mr. Hollowell made a motion approving the minutes of the January 22, 2020 Regular Board meeting, as presented. Ms. Delley seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Blaszkiewicz, Mr. Crain, Ms. Dean, Ms. Delley, Mr. Hollowell, Mr. Naglick, Mr. Ogden and Mr. Khouri.

Nays: None.

DDA Resolution Code 20-05-02-623 was approved.

**Receipt of Treasurer's Report**

Mr. Long reviewed the Treasurer's Reports of Receipts and Disbursements for the Months of December 2019, January, February and March 2020 and responded to questions. Subsequent to the discussion, the Board took the following action:

Mr. Hollowell made a motion approving the December 2019, January, February and March 2020 Treasurer's Reports, as presented. Mr. Blaszkiewicz seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Blaszkiewicz, Mr. Crain, Ms. Dean, Ms. Delley, Mr. Hollowell, Mr. Naglick, Mr. Ogden and Mr. Khouri.

Nays: None.

DDA Resolution Codes 20-05-03-505, 20-05-03-506, 20-05-03-507 and 20-05-03-508 were approved.

**ADMINISTRATION**



## **DDA Budget for FY 2020-21**

Ms. Kanalos reported that pursuant to Article 228, Act 57, DDA staff has prepared the attached DDA budget for FY 2020-21 Downtown Development Authority's General Fund Budget for your review prior to its submission to the City Council for its approval.

The amount of funds available from the one mill tax for FY 2020-21 has been estimated at \$1,050,000, net of collection delinquencies and reserves for tax settlements representing no change from the FY 2019-20 budget. Transfer from the DDA's Tax Increment Fund will also remain unchanged from the 2019-20 budgeted allocation of \$750,000.

The FY 2020-21 budget reflects revenues of \$800,000 to be generated from the parking operations, representing no change in parking revenues from the FY 2019-20. Other/Events Center Revenues are estimated at \$15,000, also representing no change from FY 2019-20. A Fund balance transfer of \$300,000 represents an expected accumulation of expenses over revenues.

On the appropriations side, contractual services of \$1,940,000, reflects no increase from FY 2019-20. The budgeted amount of \$550,000 for professional services and fees, inclusive of a \$10,000 expense for Computer Support, represents no change from FY 2019-20. There is a \$25,000 budgeted expense related to parking operations for FY 2020-21, this represents a \$50,000 decrease from FY 2019-20. Finally, \$500,000.00 of allocated funds for Special Projects and Contingencies for FY 2020-21 remains the same as FY 2019-20.

A resolution was included for the Board's review and authorization of the DDA staff to submit the DDA budget for FY 2020-21 to City Council for its approval, in accordance with Section 228(1) of Act 57, Public Acts of Michigan, prior to its adoption by the DDA Board.

Ms. Kanalos advised that the DDA Finance Committee met, reviewed the budget in detail and recommended approval by the Board.

Mr. Hollowell advised that as a member of the Finance Committee, he supports the budget as presented.

Mr. Khouri stated that he spoke with Mr. Long yesterday and the DDA is eating into the reserve by about \$300,000, but the reserve was built up by about the same amount this year. Mr. Khouri expressed that he is also comfortable with the budget as presented.

Mr. Naglick added that last year, Mr. Long and the DEGC team refinanced the debt on Little Caesars Arena and locked in a very favorable long-term rate, so that action a year ago really served us well during these times.

Subsequent to the discussion, the Board took the following action:



Mr. Hollowell made a motion approving the DDA FY 2020-21 Budget, as presented. Mr. Naglick seconded the motion. A roll call vote was conducted with the following result:  
Ayes: Mr. Blaszkiewicz, Mr. Crain, Ms. Dean, Ms. Delley, Mr. Hollowell, Mr. Naglick, Mr. Ogden and Mr. Khouri.  
Nays: None.  
DDA Resolution Code 20-05-01-454 was approved.

### **Renewal of DDA/DEGC Agreement for 2020-2021**

Ms. Kanalos reported that the present term of the contract dated July 1, 2019 (the "Contract") between the Downtown Development Authority (the "DDA") and the Detroit Economic Growth Corporation (the "DEGC") will expire June 30, 2020.

Article II of the Contract provides that the Contract may be renewed and extended for additional twelve (12) month periods upon delivery of a written notice by DDA to the DEGC on or before the ninetieth (90th) day prior to the end of the Contract term, provided such renewal is accepted by DEGC prior to the end of such term.

Included for your consideration is a resolution that authorizes execution of the DDA/DEGC Contract included as Exhibit "A" in an amount not to exceed One Million, Nine Hundred Thousand and 00/100 (\$1,900,000.00) Dollars, to expire June 30, 2021.

Subsequent to a discussion, the Board took the following action:

Mr. Hollowell made a motion approving the DDA FY 2020-21 contract with DEGC, as presented. Ms. Dean seconded the motion. A roll call vote was conducted with the following result:  
Ayes: Mr. Blaszkiewicz, Mr. Crain, Ms. Dean, Mr. Hollowell, Mr. Naglick, Mr. Ogden and Mr. Khouri.  
Nays: None.  
DDA Resolution Code 20-05-01-455 was approved.

### **2020 Tax Rate Request Report to the County Board of Commissioners**

Ms. Kanalos advised that according to the provision in Section 212(1) of Public Act 57 of 2018, the Detroit Downtown Development Authority (the "DDA") is allowed to levy 1 mill on real and personal property in the downtown district. The proceeds of the levy are to be used to fund the DDA's operating budget.

The 2019 tax rate, to be signed by the Chair, or his representative, and the Secretary of the DDA Board of Directors, as well as a resolution authorizing its submission is included in the Board material for consideration.

With there being no questions or discussion, the Board took the following action:



Mr. Crain made a motion approving the 2020 Tax Rate Request Report, as presented. Mr. Ogden seconded the motion. A roll call vote was conducted with the following result:  
Ayes: Mr. Blaszkiewicz, Mr. Crain, Ms. Dean, Ms. Delley, Mr. Hollowell, Mr. Naglick, Mr. Ogden and Mr. Khouri.  
Nays: None.  
DDA Resolution Code 20-05-01-456 was approved.

### **DDA Regular Board Meeting Dates for FY 2020-21**

Ms. Kanalos advised that a resolution adopting a schedule indicating dates of the DDA Board's regular meetings for the fiscal year 2020-21 is attached to the memorandum for the Board's review and approval.

Mr. Hollowell asked if there is a minimum number of meeting required each year. Ms. Navin responded one.

Ms. Dean questioned the fact that the resolution states the meetings would be held in the DEGC offices and asked whether that should be changed. Ms. Navin responded that the DDA fiscal year coincides with the Governor's current order, and if the order is extended past June 30, we will be noticing the meetings.

Mr. Crain pointed out a clerical error in the resolution. The schedule of meetings states 2019/2020 and should read 2020/2021. Ms. Kanalos thanked Mr. Crain and advised that it would be corrected.

Subsequent to the discussion, the Board took the following action:

Mr. Hollowell made a motion approving the DDA FY 2020-21 Budget, as presented. Mr. Naglick seconded the motion. A roll call vote was conducted with the following result:  
Ayes: Mr. Blaszkiewicz, Mr. Crain, Ms. Dean, Mr. Hollowell, Mr. Naglick, Mr. Ogden and Mr. Khouri.  
Nays: None.  
DDA Resolution Code 20-05-01-457 was approved, as amended.

### **OTHER MATTERS**

Mr. Ogden questioned what staff provisions are being made for social distancing in the DEGC offices. Ms. Jenson responded that DEGC staff are presently working remotely. An in-house committee is discussing modifications needed to the office for staff to return and would most likely be hiring a consultant to configure the office. Mr. Johnson stated that at this point, there is no date for staff to return to the office, and when that happens, it will be on an as-needed basis, based on protocols. The Guardian building is not ready for DEGC staff to return to the building or suite.

Mr. Ogden advised that he is on the Covid response team and would like to engage in conversation outside of the building with DEGC/DDA staff and other agencies downtown regarding pedestrian and vehicular traffic.



Mr. Crain reported that his office is also in the Guardian Building and he has been working from his office for about a week. The elevators are marked for four people. Mr. Johnson thanked Mr. Crain for that information and stated that he feels that is unacceptable because the elevators are too small to accommodate four people and follow the social distancing guidelines.

Mr. Hollowell stated that DDA should have informal guidelines in place for Board members and public attending the Board meetings to be at the building by 2:45 in order to allow enough time to get up to suite on the elevators.

Ms. Jensen advised that there will be another DDA Board meeting in June that may be lengthy, as there are two projects that will be coming to the Board for consideration.

### **PUBLIC COMMENT**

### **ADJOURNMENT**

On a motion by Mr. Ogden, seconded by Mr. Hollowell, Mr. Khouri adjourned the meeting at 3:44 p.m.



**CODE DDA 20-05-02-623**

**APPROVAL OF MINUTES OF JANUARY 22, 2020**

**RESOLVED** that the minutes of the Special meeting of January 22, 2020 are hereby approved and all actions taken by the Directors present at such meeting, as set forth in such minutes, are hereby in all respects ratified and approved as actions of the Downtown Development Authority.

May 27, 2019



**CODE DDA 20-05-03-505**

**RECEIPT OF TREASURER'S REPORT FOR DECEMBER 2019**

**RESOLVED**, that the Treasurer's Report of Receipts and Disbursements for the period ending December 31, 2019, as presented at this meeting, is hereby in all respects received by the Downtown Development Authority.

May 27, 2020





**CODE DDA 20-05-03-506**

**RECEIPT OF TREASURER'S REPORT FOR JANUARY 2020**

**RESOLVED**, that the Treasurer's Report of Receipts and Disbursements for the period ending January 31, 2020, as presented at this meeting, is hereby in all respects received by the Downtown Development Authority.

May 27, 2020



**CODE DDA 20-05-03-507**

**RECEIPT OF TREASURER'S REPORT FOR FEBRUARY 2020**

**RESOLVED**, that the Treasurer's Report of Receipts and Disbursements for the period ending February 29, 2020, as presented at this meeting, is hereby in all respects received by the Downtown Development Authority.

May 27, 2020



**CODE DDA 20-05-03-508**

**RECEIPT OF TREASURER'S REPORT FOR MARCH 2020**

**RESOLVED**, that the Treasurer's Report of Receipts and Disbursements for the period ending March 31, 2020, as presented at this meeting, is hereby in all respects received by the Downtown Development Authority.

May 27, 2020



**CODE DDA 20-05-01-454**

**BUDGET: FY 2020-21**

WHEREAS, Section 228(1) of the Recodified Tax Increment Financing Act 57, as amended, requires the City of Detroit Downtown Development Authority (the “DDA”) to prepare a budget (the “Budget”) for the operation of the DDA for each fiscal year; and

WHEREAS, said Budget must be prepared in a manner and contain the information required of the municipal departments of the City of Detroit; and

WHEREAS, said Budget must be approved by the Detroit City Council prior to its adoption by the DDA Board of Directors; and

WHEREAS, the DDA Staff has prepared the attached DDA Budget for Fiscal Year 2020-21 (Exhibit “A”).

NOW, THEREFORE, BE IT RESOLVED, that the DDA Board of Directors hereby authorizes the DDA staff to submit the FY 2020-21 Budget to the Detroit City Council for approval, in accordance with Section 228(1) of Act 57, Public Acts of Michigan, 2018, prior to its adoption by the DDA Board.

May 27, 2020



**CODE DDA 20-05-01-455**

**ADMINISTRATION: RENEWAL OF DDA/DEGC PROFESSIONAL SERVICES AGREEMENT FOR 2020-21**

**WHEREAS**, the present term of the professional services contract (the "Contract"), dated July 1, 2019, by and between the Detroit Economic Growth Corporation (the "DEGC") and the City of Detroit Downtown Development Authority (the "DDA") will expire on June 30, 2020; and

**WHEREAS**, the DDA desires to extend the term of the Contract for an additional renewal term of twelve (12) months, commencing on July 1, 2020 and expiring on June 30, 2021.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the DDA hereby approves the execution of a contract (the "Contract") substantially in the form of Exhibit "A" attached hereto for FY 2019-2020 and further authorizes any two of the DDA Officers or any one Officer and any one Authorized Agent to execute the Contract for an amount not to exceed One Million, Nine Hundred Thousand and 00/100 (\$1,900,000.00) Dollars and extending its term from July 1, 2020 through June 30, 2021.

**BE IT FINALLY RESOLVED** that the DDA Treasurer is hereby authorized to pay to DEGC, out of the General Fund, up to One Million, Nine Hundred Thousand and 00/100 (\$1,900,000.00) Dollars for the proper performance of the services under the terms of the Contract.

May 27, 2020



**CODE DDA 20-05-01-456**

**ADMINISTRATION: 2020 TAX RATE REQUEST REPORT TO THE COUNTY BOARD OF COMMISSIONERS**

**WHEREAS**, according to the provision in Section 212(1) of Public Act 57 of 2018, the Detroit Downtown Development Authority (the “DDA”) is allowed to levy 1 mill on real and personal property in the downtown district to be used to fund the DDA’s operating budget.

**NOW THEREFORE BE IT RESOLVED** that the Detroit Downtown Development Authority (the “DDA”) Board of Directors hereby authorizes the submittal of the 2020 Tax Rate Request Report to the County Board of Commissioners.

**BE IT FINALLY RESOLVED** that the DDA Board of Directors hereby authorizes the DDA Chair, or his representative, and the DDA Secretary, to take any actions and execute any documents to implement the provisions of this Resolution.

May 27, 2020



**CODE DDA 20-06-01-457**  
 (Amended at the Table)

**ADMINISTRATION: SCHEDULE OF REGULAR DDA MEETINGS FOR FY 2020-21**

**RESOLVED** that the Board of Directors of the Downtown Development Authority (the “DDA”) hereby adopts the following as its schedule of regular meetings for its fiscal year beginning July 1, 2020 and ending June 30, 2021. Unless otherwise posted, such meetings will be held on the **second and fourth Wednesday of each month at 3:00 P.M.** in the offices of the DEGC, 500 Griswold Street, Suite 2200, Conference Room A, as follows:

**2020**

July 8, 2020  
 July 22, 2020  
 August 12, 2020  
 August 26, 2020  
 September 9, 2020  
 September 23, 2020  
 October 14, 2020  
 October 28, 2020  
 November 11, 2020  
 November 18, 2020\*  
 December 2, 2020\*  
 December 16, 2020\*

**2021**

January 13, 2021  
 January 27, 2021  
 February 10, 2021  
 February 24, 2021  
 March 10, 2021  
 March 24, 2021  
 April 14, 2021  
 April 28, 2021  
 May 12, 2021  
 May 26, 2021  
 June 9, 2021  
 June 23, 2021

\*Due to the Holiday, this meeting date varies from the regular schedule.