



**DOWNTOWN DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS REGULAR MEETING
WEDNESDAY, JUNE 12, 2024 – 3:00 P.M.**

BOARD MEMBERS PRESENT:

Charles Beckham
Hassan Beydoun
Ehrlich Crain (3:06)
Melvin Hollowell
Richard Hosey (3:06)
James Jenkins
John Naglick
Steve Ogden

BOARD MEMBERS ABSENT:

Austin Black
David Blaszkiewicz
Marvin Beatty

OTHERS PRESENT:

Rebecca Navin (DEGC/DDA)
Jennifer Kanalos (DEGC/DDA)
Glen Long (DEGC/DDA)
Nasri Sobh (DEGC/DDA)
Sierra Spencer (DEGC/DDA)
Cora Capler (DEGC/DDA)
Brian Vosburg (DEGC/DDA)
Kevin Johnson (DEGC/DDA)
Medvis Jackson (DEGC/DDA)
Perry (Detroit Documenters)
Detroit's Otterpilot
Tyrone Anderson
JC Reindl



**MINUTES OF THE DOWNTOWN DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS REGULAR MEETING
DETROIT ECONOMIC GROWTH CORPORATION
500 GRISWOLD, SUITE 2200, DETROIT, MI 48226
WEDNESDAY, JUNE 12, 2024 – 3:00 P.M.**

GENERAL

Call to Order

Chairperson Beydoun called the regular meeting of the Downtown Development Authority Board of Directors to order at 3:03 p.m. Roll call was conducted, and a quorum was established.

GENERAL

Approval of Minutes

Mr. Beydoun asked if there were any additions, deletions, or corrections to the minutes of the May 22, 2024, Regular Board meeting.

Hearing none, the Board took the following action:

Mr. Beckham made a motion approving the May 8, 2024 minutes, as written.
Mr. Jenkins seconded the motion. All were in favor with none opposed. Mr. Crain and Mr. Hosey were not present for the vote.

DDA Resolution Code 24-06-02-665 was unanimously approved.

Receipt of Treasurer's Reports

Mr. Long reviewed the Treasurer's Report of Receipts and Disbursements for April 2024.

Mr. Beydoun called for questions. Hearing none, Mr. Beydoun called for a motion.

Mr. Jenkins made a motion to approve the Treasurer's Report of Receipts and Disbursements for the month of April 2024, as presented. Mr. Naglick seconded the motion. All were in favor with none opposed. Mr. Crain and Mr. Hosey were not present for the vote.

DDA Resolution Code 24-06-03-557 was unanimously approved.



PROJECTS

None.

ADMINISTRATIVE

Adoption of DDA Budget for FY 2024-2025

Ms. Kanalos stated that on May 8, 2024, the DDA Board authorized staff to submit the DDA budget for FY 2024-2025 to City Council for approval. The Budget was approved on May 21, 2024 by the Detroit City Council as submitted. Therefore, DDA staff requested that the DDA Board of Directors adopt the budget as approved by City Council.

Mr. Beydoun called for questions. Hearing none, Mr. Beydoun called for a motion.

Mr. Ogden made a motion to adopt the DDA Budget for FY 2024-2025, as presented. Mr. Hollowell seconded the motion. Mr. Crain and Mr. Hosey were not present for the vote.

DDA Resolution Code 24-06-18-79 was unanimously approved.

Renewal of DEGC/DDA Agreement for FY 2024-2025

Ms. Kanalos stated that the present term of the contract dated July 1, 2023 (the "Contract") between the Downtown Development Authority (the "DDA") and the Detroit Economic Growth Corporation (the "DEGC") will expire June 30, 2024.

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.

Enclosed for the Board's consideration is a resolution that authorizes execution of the attached DDA/DEGC Contract (Exhibit "A") in an amount not to exceed Two Million and 00/100 (\$2,000,000.00) Dollars, to expire June 30, 2025.

Mr. Beydoun called for questions.

Mr. Ogden asked for DDA staff to explain the agreement. Ms. Kanalos stated that the agreement outlines how the DEGC provides services to the DDA and the cost of those services. Mr. Ogden responded that he is on many different Board's and is asking all the same questions because of the current climate. Ms. Navin explained that in the Professional Service Agreement, article three (3) lays out the scope of work, which includes the day-to-day work for the DDA and the implementation of projects. Ms. Navin continued that the scope of work has been around for as long as the DDA.



Mr. Long added that it is easier for the DEGC to have agreements with the authorities as opposed to each authority standing alone as it would need its own space, staff, and accounting.

Mr. Ogden asked who on behalf of the DDA negotiates with the DEGC for these types of agreements. Ms. Navin explained that because this agreement has been the standard for many years the agreement is updated on a staff level. Ms. Navin added that a few years prior, there were some updates to the insurance requirements but otherwise the agreement has stayed relatively constant.

Mr. Ogden stated that he has benefitted from the shared services that the DEGC provided to an organization he ran in the past but wanted to daylight the conversation considering the current climate.

Mr. Beydoun clarified that there were no changes to the contract. Ms. Navin agreed.

Mr. Naglick stated that he is on the EMWCIA (Eight-Mile Woodward Corridor Improvement Authority) Board and similar questions had been asked, it was recognized that the DEGC was not increasing the amount year by year but rather holding steady. Mr. Naglick added that all the Authorities have savings because they do not need their own staff.

Mr. Ogden agreed with Mr. Naglick and stated that since the alleged embezzlement from an unrelated conservancy, he has attended three Board meetings and at each meeting, similar questions are asked. Mr. Ogden added that this is a good thing as it encourages Board members to stay engaged.

Ms. Kanalos stated that if there were any significant changes, they would be pointed out to the Board through the memorandum.

Mr. Long stated that two (2) years prior there was an increase from 1.9 million dollars (\$1,900,000.00) to 2 million dollars (\$2,000,000.00) but that was the only significant change in many years.

Mr. Beydoun called for further discussion. Hearing none, Mr. Beydoun called for a motion.

Mr. Ogden made a motion to approve the Renewal of the DEGC/DDA Agreement for FY 2024-2025, as presented. Mr. Hollowell seconded the motion. Mr. Crain and Mr. Hosey were not present for the vote.

DDA Resolution Code 24-06-01-475 was unanimously approved.

Schedule of Regular DDA Meetings for FY 2024-2025

Ms. Kanalos advised that a resolution adopting a schedule indicating dates of the DDA Board's regular meetings for the fiscal year 2024-25 was attached for the Board's review and approval.

Mr. Beydoun called for questions. Hearing none, Mr. Beydoun called for a motion.



Mr. Ogden made a motion to approve the Schedule of DDA Meetings for FY 2024-2025, as presented. Mr. Hollowell seconded the motion.

DDA Resolution Code 24-06-01-474 was unanimously approved.

OTHER BUSINESS

Mr. Crain asked, given the financial activities of other entities, if the DDA Finance Committee has met to discuss oversight policies and procedures.

Mr. Naglick responded that one thing to come out of the news is that there should be thought into rotating financial auditors, but as June 30th approaches, it is too late to RFP (Request for Proposal) for this year. Mr. Naglick continued that Mr. Long keeps him involved in the audits of the DEGC entities and what he has witnessed leads him to the conclusion that this is not a pushover audit firm. Mr. Naglick explained that as a CPA (Certified Public Accountant) when an audit opinion is issued, there is a requirement to independently confirm bank balances. Mr. Naglick further explained that at the beginning of each audit, there is a fraud risk interview with many Board members and that he has been interviewed each year. Mr. Naglick suggested that the audit firm meet with the Finance Committee and ask the necessary questions for the upcoming audit. Mr. Naglick advised the Board that he has witnessed the auditor thoroughness with Mr. Long during the audit and believes that the controls that the DEGC have in place are much stronger than other entities facing allegations. Mr. Naglick reminded the Board that this is an active Authority meeting monthly, if not more, that receives monthly financial statements showing that this Board is managed with best practices. Mr. Naglick advised that this is not the time to rotate auditors as it will impact the bond rating and also will impact if the audit can be done by the deadline set by the City.

Mr. Long stated that George Johnson & Company (GJ&C) understands that they will need to answer some tough questions from the Board regarding the DDA audit. Mr. Long added that because of the current situation elsewhere, the already thorough audit will become even more thorough. Mr. Long explained that the Board is made aware of each and every cash disbursement for the DDA and added that every disbursement requires more than one signature, therefore he cannot move any funds outside of the authority without additional signatures. Mr. Long stated that the auditors verify the signatures, investigate cancelled checks, and wire transfers to ensure that the necessary signatures are present. Mr. Long added that the DDA internal controls are strong with at least four (4) individuals looking at each transaction. Mr. Long concluded that the DDA accounts have only grown over time.

Mr. Naglick recalled when the LCA (Little Ceasars Arena) was being constructed there was substantial activity through the DDA that all the assets had to be reported to the books and there were substantial audits of those transactions. Mr. Naglick stated that the bond deal is on track to close at the end of the month so it will be a fiscal year 2024 transaction, and when the deal closes, it'll be subject to this year's audit therefore the Finance Committee should ask the auditors for assurance that the transaction was thoroughly reviewed. Mr. Naglick added that required auditing



standards are not optional, the auditors are required to do a risk review and audit items harder when there is more of a chance of misstatement.

Mr. Long added that once the audit is done, it goes into the City's audit which is then reviewed by the City's auditors, Plante Moran.

Mr. Long explained that in the past, staff have gone to bid with other accounting firms on behalf of the Authorities but of the Detroit Headquartered accounting firms, GJ&C has a capacity that staff found other Detroit Headquartered firms did not. Mr. Long added that during the audits for the many entities that the DEGC manages, GJ&C have been incredibly thorough with a concentration of the material aspects of the financial statements, have provided their services on time, and given advice that was beneficial to the Authority. Mr. Long concluded that DDA staff will move forward however the DDA Board desires but stands by the fact that DDA staff have engaged GJ&C for the annual audits.

Mr. Ogden stated that these questions do not infer any nefarious actions, but the Board wanted to hear these things said out loud to provide reassurance that internal controls are in place.

Mr. Jenkins asked if the entity dealing with embezzlement allegations also required multiple signatures for their cash disbursements. Mr. Long answered that he was unsure.

Mr. Beydoun asked how many individuals have access to online accounts. Mr. Long responded that two (2) individuals have access to online accounts and both individuals must sign off on every wire transaction. Mr. Beydoun stated he is glad to hear that more than one individual has access to the accounts.

Mr. Naglick stated that this is one of the benefits of the Professional Service Agreement between the DDA and the DEGC, as the DDA can get the administrative services of a larger organization where it's not just one person responsible for the internal controls.

Mr. Crain stated that no suggestions were being made but rather just a conversation he has had or expects to have, with the other Boards he sits on after the news broke.

Mr. Hosey stated that he has had a similar experience to Mr. Crain and has had to have these uncomfortable conversations with individuals who he has worked with for a prolonged period. Mr. Hosey stated that he agrees that GJ&C should come to the Board to demonstrate why they should remain the auditors for the DDA.

Mr. Jenkins stated that though he believes that the Board concerns have been articulated, he would welcome additional comments going forward on improving the process.

Mr. Hosey added that it is a balance between cumbersome of it and the ability to operate successfully.

Mr. Naglick explained that CPAs are taught that internal controls means that one person should not be responsible for everything, so the division of duties is an important aspect which is one of the benefits of DEGC managing many entities. Mr. Naglick added that the division of duties is not



foolproof, that auditors are verifying that the financial statements are fairly represented but that the auditors are not hired to look for fraud. Mr. Naglick concluded that if one sits on a Board and feels that there is fraud, then a separate engagement is conducted, typically through a law firm which then conducts a forensic audit.

PUBLIC COMMENT

None.

ADJOURNMENT

With there being no further business to be brought before the Board, Mr. Beckham made a motion to adjourn, which was seconded by Mr. Hosey, Mr. Beydoun adjourned the meeting at 3:35 p.m.



CODE DDA 24-06-02-665

APPROVAL OF MINUTES OF MAY 22, 2024

RESOLVED that the minutes of the Regular meeting of May 22, 2024, 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.

June 12, 2024



CODE DDA 24-06-03-557

RECEIPT OF TREASURER'S REPORT FOR APRIL 2024

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period ending April 30, 2024, as presented at this meeting, is hereby in all respects received by the Downtown Development Authority.

June 12, 2024



CODE DDA 24-06-18-79

BUDGET: FY 2024-2025

WHEREAS, the Downtown Development Authority (the “DDA”) Board of Directors, at its May 8, 2024 meeting, adopted a resolution authorizing staff to submit DDA’s budget for FY 2024-2025 (the “Budget”) to the City Council for approval; and

WHEREAS, City Council subsequently approved the DDA’s Budget on May 21, 2024.

NOW, THEREFORE, BE IT RESOLVED, that the DDA Board of Directors hereby adopts the DDA Budget for FY 2024-2025 (Exhibit A) as approved by City Council of the City of Detroit.

June 12, 2024

**DOWNTOWN DEVELOPMENT AUTHORITY
BUDGET
2024-2025**

	2023-24 BUDGET	2023-2024 PROJECTED ACTUAL	DIFFERENCE	2024-25 BUDGET
REVENUES:				
Current taxes - one mil	\$ 1,200,000	\$ 1,208,462	\$ 8,462	\$ 1,200,000
Earnings on investments	200,000	408,308	208,308	300,000
Transfer from Tax Increment Fund	750,000	750,000	-	750,000
Parking Operations	825,000	962,401	137,401	850,000
Other	15,000	79	(14,921)	10,000
From/(To) prior year balance	0	(597,177)	(597,177)	0
TOTAL REVENUES	<u>\$ 2,990,000</u>	<u>\$ 2,732,073</u>	<u>\$ (257,927)</u>	<u>\$ 3,110,000</u>
EXPENSES:				
Contractual Services				
Detroit Economic Growth Corp	\$ 2,000,000	\$ 2,000,000	\$ -	\$ 2,000,000
Annual Audit	40,000	40,000	\$ -	40,000
Sub-Total	\$ 2,040,000	\$ 2,040,000	\$ -	\$ 2,040,000
Professional Service Fees				
Legal Services	\$ 200,000	\$ 128,328	\$ 71,672	\$ 200,000
Insurance	325,000	324,985	\$ 15	340,000
Advertising/Marketing	15,000	14,267	\$ 733	15,000
Computer Support	10,000	10,000	\$ -	15,000
Sub-Total	\$ 550,000	\$ 477,580	\$ 72,420	\$ 570,000
Parking Lots Management	\$ -	\$ -	\$ -	\$ -
Special Projects & Contingencies	\$ 400,000	\$ 214,493	\$ 185,507	\$ 500,000
TOTAL EXPENSES	<u>\$ 2,990,000</u>	<u>\$ 2,732,073</u>	<u>\$ 257,927</u>	<u>\$ 3,110,000</u>



CODE DDA 24-06-01-475

ADMINISTRATION: RENEWAL OF DDA/DEGC PROFESSIONAL SERVICES AGREEMENT FOR 2024-25

WHEREAS, the present term of the professional services contract (the “Contract”), dated July 1, 2023, 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, 2024; 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, 2024 and expiring on June 30, 2025.

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 2024-2025 and further authorizes any two of its Officers or any two of its Authorized Agents or any one Officer and any one Authorized Agent to execute the Contract for an amount not to exceed Two Million and 00/100 (\$2,000,000.00) Dollars and extending its term from July 1, 2024 through June 30, 2025.

BE IT FINALLY RESOLVED that the DDA Treasurer is hereby authorized to pay to DEGC, out of the General Fund, up to Two Million and 00/100 (\$2,000,000.00) Dollars for the proper performance of the services under the terms of the Contract.

June 12, 2024

EXHIBIT A

EXECUTION COPY

PROFESSIONAL SERVICES CONTRACT

DDA ENGAGEMENT OF DEGC

This AGREEMENT is made this 1st day of July 2024 by and between the DETROIT ECONOMIC GROWTH CORPORATION (hereinafter "DEGC"), a Michigan non-profit corporation and the CITY OF DETROIT DOWNTOWN DEVELOPMENT AUTHORITY (hereinafter "DDA"), a Michigan public corporation.

WITNESSETH:

WHEREAS, DDA is a public body corporate established and operated pursuant to Act 57 of the Public Acts of 2018, as it may be amended from time to time, being Sections 125.4201 to 125.4230 of the Michigan Compiled Laws ("Act 57"), and Ordinance No. 119-H, Chapter 2, Article 7 of the Code of the City of Detroit, effective May 20, 1976 (the "Ordinance"), for the purposes of preventing and correcting deterioration in Detroit's downtown business district (the "Downtown District"), and promoting economic growth in the Downtown District; and

WHEREAS, the City of Detroit (the "City") has levied up to one mill tax on the tangible property located within the Downtown District, as shown on Exhibit A attached hereto and incorporated herein by reference, the intended use of the proceeds of which includes the financing of the operations of the DDA; and

WHEREAS, DEGC is a Michigan non-profit corporation organized for the purpose of furthering the economic development of the City, including the Downtown District, and providing services to the City, its agencies and instrumentalities, and others which will assist such economic development; and

WHEREAS, DDA has determined that its operational efficiency can best be maintained by engaging DEGC to perform professional staff and administrative services through DEGC staff, provided that such services will be performed at all times in accordance with the policies and directives of DDA; and

WHEREAS, DEGC has received and may continue to receive grants and contributions from persons, firms, foundations, funds and corporations, and has and may continue to provide services to persons, firms, foundations, funds and corporations similar to those contemplated by this Agreement, all in furtherance of its purposes.

NOW, THEREFORE, in consideration of the mutual undertakings herein set forth, the parties do hereby agree as follows:

ARTICLE I

EMPLOYMENT OF DEGC

1.01 DDA hereby engages DEGC, and DEGC agrees to perform, to the extent of its funding capability as hereinafter provided, certain services, more fully described in Article III of this Agreement, in accordance with the terms and conditions hereinafter contained in this Agreement.

ARTICLE II

TERM OF AGREEMENT

2.01 The term of this Agreement shall commence on July 1, 2024 and shall expire on June 30, 2025 unless sooner terminated as provided for in Article X hereof or unless extended for an additional period in accordance with Section 2.02 and 2.03 hereof.

2.02 This Agreement may be renewed annually for terms commencing July 1 and ending June 30 of the next following year and from year to year thereafter upon the appropriation of continued funding by the DDA.

2.03 Renewal of this Agreement, pursuant to Section 2.02 hereof, shall be made by delivery of written notice by DDA to DEGC not more than ninety (90) days prior to the end of a term of its intention to renew this Agreement. Such renewal shall be accepted or rejected by DEGC at least thirty (30) days prior to the end of such term.

ARTICLE III

SCOPE OF SERVICES

3.01 DEGC shall assist in the preparation and implementation of DDA development plans and recommendations, including plans for financing same, and shall perform such other services as are necessary and desirable for the proper operation of the DDA, and as may be requested by the DDA during the term of this Agreement and any extensions hereof, all in accordance with Act 57.

3.02 In addition to services designated in Section 3.01 hereof, DEGC shall perform the following services as requested in writing by DDA:

1. Consult with DDA on matters relating to the development of the Downtown District;
2. Assist in the preparation of the DDA operational and capital budgets for consideration and approval by the DDA Board;
3. Assist DDA in coordinating its development activities with the development activities of the Planning and Development Department of the City of Detroit ("P&DD") and the Economic Development Corporation of the City of Detroit ("EDC").
4. Provide all accounting services required of the DDA for its effective operation.
5. Provide project executives and administrative services for the implementation of all programs under the Restated Tax Increment Financing Plan and Development

Plan for Development Area No. 1, including but not limited to the Streetscape Improvement and Façade Programs of the Lower Woodward Initiative Project.

3.03 Pursuant only to written agreement executed by and between DEGC and DDA, DEGC shall perform services in connection with land and property development and management (both real and personal), including but not limited to granting and/or acquiring licenses, easements or options; construction and renovation of public and private buildings and facilities; and management and operation of buildings and properties within the Downtown District, all as shall be necessary to assist DDA in achieving the purposes of Act 57.

3.04 The normal scope of services as understood and agreed to by the parties hereto expressly excludes extensive research and studies related to projects designed by the Board of DDA.

3.05 The Board of DDA shall, for proposed activities not included in the normal scope of services, present to the President of DEGC, by resolution or otherwise, a written outline of the scope of such additional new services to be performed, the proposed time frame for their performance, the details for financing such activities and such other matters as DDA shall deem to be appropriate. DEGC shall have the right to reject the undertaking of any such activities or any part thereof. If accepted, however, the President of DEGC may delegate appropriate duties to the DEGC staff for the carrying out of such activities.

3.06 DEGC shall provide such other services as may be agreed upon from time to time by the parties hereto.

3.07 The responsibility for supervising the performance by DEGC of its obligations under this Agreement shall reside with the President of DEGC, and he shall report regularly to the Board of Directors of DDA, provided, however, that the following is understood and agreed:

1. The President of DEGC may designate and shall identify in writing to the DDA such employees of DEGC as he deems appropriate to work with DDA and assist the DEGC President

in keeping DDA informed of DEGC's performance (the "Designated Staff"). The President of DEGC or her designated staff person shall execute such documents on behalf of the DDA, as its "duly authorized agent."

2. DEGC shall generally make available to DDA all of its management resources, including but not limited to those of its President, its Vice Presidents, economic development staff, accounting services to the extent possible, and public relations services. In addition, DEGC shall generally make any in-house legal staff available to DDA, provided that in addition to any other fees and expenses payable by DDA under this Agreement, DDA shall pay DEGC for services performed for or on behalf of DDA by any in-house attorney employed by the DEGC at a rate of \$225.00 per hour for the DEGC's General Counsel and a rate not to exceed \$200.00 per hour for any other in-house attorney employed by the DEGC.

3. DEGC may, with the approval of the DDA, retain the services of such outside professionals, consultants and other persons who possess expertise or skills deemed necessary to further the purposes and objectives of this Agreement, which outside professional consultants and other persons will be compensated as mutually agreed to by the parties hereto.

4. Appearances before the DDA, with regard to reporting on any project authorized by DDA and accepted by DEGC, may be made from time to time by any DEGC staff person designated by the President of DEGC.

ARTICLE IV

COMPENSATION

4.01 DDA agrees to pay DEGC an amount equal to TWO MILLION DOLLARS (\$2,000,000.00) for the performance of services hereunder, together with such additional sums for any services referenced in Article 3.05, 3.06 and 3.07(2) hereof, in accordance with Section 5.02 hereof. Further, in the event that the DDA earns an administrative fee, project management fee,

bond issuance fee, bond administrative fee, loan commitment fee, or similar fee on account of services performed by DEGC staff, such fee or fees shall be remitted to the DEGC as additional compensation as contemplated herein. At DEGC's request, DDA shall require such fee to be paid directly to DEGC by the payor thereof.

4.02 If this Agreement shall be extended as provided for in Article II hereof, DDA shall agree to pay to DEGC for each renewal term, such amount, and in such a manner or method, as the DDA and the authorized representative(s) of DEGC shall mutually agree to in writing.

ARTICLE V

FUNDING AND METHOD OF PAYMENT

5.01 The cost of services described in Article III hereof shall be funded from one or more of the following sources:

1. Funds available to DDA for its operations, subject to the express understanding that DDA shall at no time be obligated to expend more funds, in respect of payment for services described in Article III hereof, than are available to DDA for its operations.

2. Such other funds as DDA may, in its sole discretion, make available for the purposes of this Agreement.

5.02 Payment to DEGC for performance of its obligations under this Agreement shall be made on the first day of each month during the term hereof, commencing August 1, 2024, in an amount equal to \$166,666.67.

5.03 DEGC shall submit to DDA no later than the tenth day following each calendar quarter, a report of all work performed on DDA's behalf for the preceding quarter. All of DEGC's records, documents, and other papers, including financial records, shall be made available for inspection by the DDA and its agents at any reasonable time, upon forty-eight (48) hours written notice.

ARTICLE VI

RELATIONSHIP OF PARTIES

6.01 The relationship of DEGC to DDA in the performance of the services hereunder is that of an independent contractor and no liabilities or benefits whatsoever that arise from a contract for hire or any employer/employee relationship shall accrue to either DDA or DEGC as a result of this Agreement.

ARTICLE VII

INDEMNIFICATION

7.01 The DEGC agrees to save harmless DDA against and from any and all liabilities, obligations, damages, penalties, claims, costs, charges and expenses (including without limitation, fees and expenses of attorneys, expert witnesses and other consultants) which may be imposed upon, incurred by or asserted against DDA by reason of the occurrence of any of the following during the term of this Agreement: (a) any negligent or tortious acts of the DEGC or any of its personnel, employees, consultants or subcontractors; and (b) any failure of the DEGC or any of its personnel, employees, consultants or subcontractors to perform its obligations either express or implied under this Agreement.

7.02 In the event any action or proceeding shall be commenced against DDA by reason of any claim covered under Section 7.01 hereof, the DEGC, upon notice from DDA, will, at its sole cost and expense, resist and defend said claim, unless said claim is directly attributable to the gross negligence of DDA or employees of DDA acting within the scope of their employment.

7.03 The DDA will, to the fullest extent permitted by law, indemnify, defend and hold harmless DEGC and its current or former officers, directors, employees, agents, successors and assigns (individually, a “DEGC Indemnified Party” and, collectively, the “DEGC Indemnified

Parties”), from and against any and all liabilities, obligations, damages, penalties, claims, costs, charges and expenses (including without limitation, fees and expenses of attorneys, expert witnesses and other consultants) (individually a “Loss” and, collectively, the “Losses”), directly or indirectly arising out of or resulting from the performance of services by the DEGC, its employees, agents, subcontractors, successors or assigns pursuant to this Agreement, except to the extent such Loss or Losses shall be determined to be the direct result of an intentional breach of this Agreement by a DEGC Indemnified Party the gross negligence, willful and intentional misconduct, fraud or malfeasance of a DEGC Indemnified Party. In the event any action or proceeding shall be commenced against a DEGC Indemnified Party by reason of any claim covered under Section 7.03 hereof, the DDA, upon notice from DEGC, will, at its sole cost and expense, resist and defend said claim. DDA agrees to defend against any claims alleged, brought, and/or filed against DEGC Indemnified Parties with respect to the subject of the indemnity contained in this Agreement, whether the claims or actions are rightfully or wrongfully alleged, brought, and/or filed. The foregoing indemnity and obligation to defend shall not be limited in any manner whatsoever by any required or other insurance coverage maintained by DDA.

ARTICLE VIII

AMENDMENTS

8.01 Any change, addition, deletion, extension or modification of this Agreement which is mutually agreed upon by and between the parties shall be incorporated by written amendment (herein called "Amendment" or "Amendments") to this Agreement. Such Amendment shall not invalidate this Agreement, nor relieve or release DEGC or DDA of any of its respective obligations under this Agreement unless so stated herein or unless so stated in the Amendment.

8.02 An Amendment to this Agreement shall not be effective and binding upon the parties hereto unless it expressly makes reference to this Agreement, is in writing and is signed and acknowledged by a duly authorized representative of both parties hereto.

8.03 All Amendments to this Agreement must be authorized respectively by the Board of Directors of DEGC and DDA before execution by the parties.

ARTICLE IX

WAIVER

9.01 Each party hereby reserves and shall have the exclusive right to waive, at its sole discretion and to the extent permitted by law, any requirement or provision of this Agreement. No act by or on behalf of any party hereto shall be, or be deemed or construed to be, a waiver of any such requirement or provision, unless the same be in writing, signed by an authorized representative of the party and expressly state by its terms that it constitutes such waiver.

9.02 No failure by either party to insist upon the strict performance of any covenant, agreement, term or condition of this Agreement, or to exercise any right, term or remedy consequent to a breach hereof, shall constitute a waiver of any such breach or such covenant, agreement, term or condition. No waiver of any breach shall affect or alter this Agreement, but each and every covenant, agreement, term and condition of this Agreement shall continue in full force and effect with respect to any other then existing or subsequent breach hereof.

ARTICLE X

TERMINATION

10.01 Either party hereto may terminate this Agreement with or without cause upon ninety (90) days prior written notice to the other party.

10.02 If on the effective date of termination of this Agreement, DEGC shall have rendered services or entered into binding obligations for the purpose of rendering services, hereunder, and DEGC shall not have been compensated for the same, DDA shall pay to DEGC the amounts due therefor within a reasonable time after termination of this Agreement.

ARTICLE XI

CONFLICT OF INTEREST

11.01 DEGC warrants that it presently has no interest nor shall it acquire any interest, directly or indirectly, which would conflict in any manner or degree with the performance by it of the services required under this Agreement.

11.02 DEGC further covenants that in the performance of this Agreement, no person having any such interest shall be employed by DEGC and DEGC agrees to take such steps as are necessary to permit full disclosure by all of its employees concerning any conflicts of interest with respect to matters involving services rendered under this Agreement.

11.03 DEGC also warrants that it will not and has not employed any person to solicit or secure this Agreement upon any agreement or arrangement for payment of a commission, percentage, brokerage or contingent fee, either directly or indirectly, and that if this warranty is breached, DDA may, at its option, terminate this Agreement without penalty, liability or obligations, or may, at its election, deduct the amount of any such payment from any amounts owed to the DEGC hereunder.

11.04 No member of the Board of Directors of DDA and no other officer, employee or agent of DDA who exercises any function or responsibility in connection with the carrying out of this Agreement, shall have any personal interest, direct or indirect, in this Agreement.

ARTICLE XII

CONFIDENTIALITY

12.01 In order for the DEGC to effectively fulfill its covenants and obligations to DDA under this Agreement, it may be necessary or desirable for DDA to disclose confidential and proprietary information to the President of DEGC and the Designated Staff pertaining to DDA's past, present and future activities. Since it is difficult to separate confidential and proprietary information from that which is not, the DEGC shall instruct its President and Designated Staff to regard all information gained by each such person as a result of the services to be performed hereunder, as information which is proprietary to DDA and not to be disclosed to any other organization or individual without the prior consent of DDA.

12.02 The DEGC agrees to take appropriate action with respect to its personnel to ensure that the obligations of non-use and non-disclosure of confidential information as stated in this Article XII are enforced.

12.03 All of the reports, information, data, etc., prepared or assembled by the DEGC under this Agreement shall be confidential and the DEGC agrees that such reports, information, data, etc., shall not be made available to any individual or organization without the prior written consent of DDA.

ARTICLE XIII

FAIR EMPLOYMENT PRACTICES

13.01 In accordance with the United States Constitution and all Federal legislation and regulations governing fair employment practices and equal employment opportunity, including but not limited to the Civil Rights Act of 1964 (P.L. 88-352, 78 stat. 252) and in accordance with the Michigan Constitution and all State laws and regulations governing fair employment practices and equal employment opportunity, including but not limited to the Michigan Civil Rights Act (P.A. 1976 No. 453) and the Michigan Handicappers Civil Rights Act (P.A. 1976 No. 220), the DEGC agrees

that it will not discriminate against any person, employee, consultant or applicant for employment with respect to his or her hire, tenure, terms, conditions or privileges of employment because of his or her religion, race, color, national origin, age, sex, height, weight, marital status or handicap that is unrelated to the individual's ability to perform the duties of a particular job or position.

13.02 DEGC further agrees to take affirmative action to achieve reasonable representation of minority groups and women in its work force. Such affirmative action shall include, but shall not be limited to, the following areas: employment, promotion, demotion or transfer, recruiting or recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training or education, including apprenticeships.

13.03 DEGC shall not discriminate against any employee or applicant for employment, training, education or apprenticeship connected directly or indirectly with the performance of this Agreement, with respect to his or her hire, promotion, job assignment, tenure or terms, conditions or privileges of employment because of race, color, creed, national origin, age, marital status, handicap, sex or sexual orientation.

13.04 In the event DEGC fails to comply with the provisions of this Article, DDA may impose such contract sanctions as it may deem appropriate, including but not limited to cancellation, termination or suspension of this Agreement in whole or in part.

13.05 Breach of the terms of this Article may be regarded as a material breach of this Agreement.

ARTICLE XIV

COMPLIANCE WITH APPLICABLE LAWS

14.01 This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan.

ARTICLE XV

NOTICES

15.01 All notices, consents, approvals, requests and other communications (herein collectively called "Notices"), required or permitted under this Agreement shall be given in writing, signed by an authorized representative of the DEGC or DDA, mailed by first class mail and addressed as follows:

If to the DDA: Vice Chairperson
Downtown Development Authority
500 Griswold, Suite 2200
Detroit, Michigan 48226

If to the DEGC: President
Detroit Economic Growth Corporation
500 Griswold, Suite 2200
Detroit, Michigan 48226

15.02 All notices shall be deemed given on the day of mailing. Either party to this Agreement may change its address for the receipt of notices at any time by giving notice thereof to the other as herein provided. Any notice given by a party hereunder must be signed by an authorized representative of such party.

15.03 Notwithstanding the requirement above as to the use of first class mail, termination notices shall be sent by registered mail, postage prepaid, return receipt requested.

ARTICLE XVI

ASSIGNMENT

16.06 Neither party shall assign or encumber directly or indirectly any interest whatsoever in this Agreement, nor shall either party transfer any interest in the same without prior written approval of the other party.

ARTICLE XVII

DEFAULT

17.01 In the event of any default by either party to this Agreement with regard to any provision hereof, the non-defaulting party shall notify the other in writing. The defaulting party shall have thirty (30) days after delivery of said written notice of default to cure said default. Non-compliance or non-curing of said default or absence of a good faith attempt to so cure said default within the thirty (30) days provided herein, shall be considered a material breach of this Agreement.

ARTICLE XVIII

REMEDIES

18.01 Either party to this Agreement shall have the right to protect and enforce all rights available to it by suite in equity, action at law or by any other appropriate proceedings, whether for specific performance of any covenant or covenants contained in this Agreement, or damages, or other relief, or proceed to take any action authorized or permitted under applicable laws or regulations.

18.02 Except as otherwise specifically provided in this Agreement, all rights and remedies of the parties under this Agreement shall be cumulative.

ARTICLE XIX

MISCELLANEOUS

19.01 Upon the request of DDA, DEGC shall promptly make available to DDA any documents in DEGC's possession relating to matters with respect to which DEGC has rendered services under this Agreement.

19.02 This document contains the entire agreement between the parties and all prior negotiations and agreements are merged herein. Neither DDA, DEGC, nor their agents have made any representations except those expressly set forth herein, and no additional rights or remedies shall accrue to either party by implication or otherwise unless expressly set forth herein.

19.03 If any provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

19.04 The captions and headings of this Agreement are inserted for convenience only, and shall not modify or affect the intent or operative paragraphs or provisions of this Agreement, and shall be disregarded in construction or interpretation thereof.

19.05 This Agreement shall bind, and the rights, benefits and advantages shall inure to the successors of DDA and DEGC.

19.06 Each party to this Agreement hereby represents and warrants to the other party that it has full right, power and authority to enter into and perform this Agreement; that the execution and delivery of this Agreement have been duly authorized by all necessary action; and that this Agreement constitutes respectively its valid, binding and enforceable obligation.

IN WITNESS WHEREOF, the CITY OF DETROIT DOWNTOWN DEVELOPMENT AUTHORITY and the DETROIT ECONOMIC GROWTH CORPORATION, by and through their duly authorized representatives, have executed this Agreement as of the year and date first written above.

CITY OF DETROIT
DOWNTOWN DEVELOPMENT AUTHORITY

By: _____
Name: _____
Its: Authorized Agent

By: _____
Name: _____
Its: Authorized Agent

DETROIT ECONOMIC GROWTH CORPORATION

By: _____
Name: _____
Its: President and CEO

APPROVED AS TO FORM:

Rebecca A. Navin, Esq.
Counsel to the DDA



CODE DDA 24-06-01-474

ADMINISTRATION: SCHEDULE OF REGULAR DDA MEETINGS FOR FY 2024-25

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, 2024 and ending June 30, 2025. 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:

2024

July 10, 2024
July 24, 2024
August 14, 2024
August 28, 2024
September 11, 2024
September 25, 2024
October 9, 2024
October 23, 2024
November 13, 2024
November 20, 2024*
December 11, 2024
December 18, 2024*

2025

January 8, 2025
January 22, 2025
February 12, 2025
February 26, 2025
March 12, 2025
March 26, 2025
April 9, 2025
April 23, 2025
May 14, 2025
May 28, 2025
June 11, 2025
June 25, 2025

*Due to a holiday, this meeting date varies from the regular schedule.

June 12, 2024