



Economic Development Corporation of the City of Detroit

CODE EDC 17-07-02-282

APPROVAL OF MINUTES OF JUNE 27, 2017 MEETING

RESOLVED, that the minutes of the Regular meeting of June 27, 2017 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 Economic Development Corporation.

July 11, 2017

**ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS REGULAR MEETING
TUESDAY, JUNE 27, 2017 – 8:30 A.M.**

BOARD MEMBERS PRESENT: Marsha Bruhn
Linda Forte
Chris Jackson
Jonathan Quarles
Matthew Roling
Thomas Stallworth

BOARD MEMBERS ABSENT: Monique Claiborne
Kimberly Clayson
Maurice Cox (Ex-Officio)
John Naglick (Ex-Officio)
William Ritsema

**SPECIAL DIRECTORS
PRESENT:** None

**SPECIAL DIRECTORS
ABSENT:** None

OTHERS PRESENT: Richard Barr (Honigman)
Kyla Carlsen (DEGC/EDC)
Cleveland Dailey (DEGC/EDC)
Gay Hilger (DEGC/EDC)
Denise Hundley (DEGC/EDC)
Malinda Jensen (DEGC/EDC)
Jennifer Kanalos (DEGC/EDC)
Elizabeth Kmetz (Broder & Sachse)
Glen Long (DEGC/EDC)
Maria Masty (Broder & Sachse)
Rebecca Navin (DEGC/EDC)
Mimi Pledl (DEGC/EDC)
Donald Rencher (HRD)
John Sivalia (Planning/HRD)
Kelly Shovan (DEGC/EDC)
Will Tamminga (DEGC/EDC)
Adrienne Zeigler (DEGC/EDC)



Economic Development Corporation of the City of Detroit

**MINUTES OF THE ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS REGULAR MEETING
TUESDAY, JUNE 27, 2017
DETROIT ECONOMIC GROWTH CORPORATION
500 GRISWOLD, SUITE 2200 - 8:30 A.M.**

CALL TO ORDER

Noting that a quorum was present, Vice Chairperson Quarles called the Regular meeting of the Economic Development Corporation Board of Directors to order at 8:52 a.m.

GENERAL

Approval of Minutes

Mr. Quarles asked if there were any additions, deletions or corrections to the minutes of the June 13, 2017 Regular Board meeting.

Hearing none, the Board took the following action:

On a motion by Ms. Claiborne, seconded by Mr. Stallworth, Resolution Code EDC 17-06-02-281 was unanimously approved.

Receipt of Treasurer's Report

Ms. Shovan reviewed the Treasurer's Report of Receipts and Disbursements for the month of May, 2017, for the benefit of the Board.

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

On a motion by Mr. Stallworth, seconded by Ms. Claiborne, Resolution Code EDC 17-06-03-215 was unanimously approved.

PROJECTS

Proposed Amendments to EDC Casino Loan Program

Ms. Carlsen reported that, as the Board is aware, the Economic Development Corporation of the City of Detroit (the "EDC") currently administers a loan program using funds provided by the City and the casinos and authorized for specific uses by Detroit City Council in 2005 (the "EDC Casino Loan Program").

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Funds under the EDC Casino Loan Program are currently allocated in 3 different loan programs, each subject to a geographic restriction of East Riverfront, CBD, and/or Woodward Corridor to Warren:

1. National regional retail/restaurant chain loan program; (\$1,441,740.80 balance)
2. Non-affiliated retail/restaurant chain loan program (\$275,000 balance)
3. Real Property Rehab Gap Fund; "resident retail loan fund" (Qualifications: project must be owned, operated and financed by City of Detroit resident, minimum of 60% ownership entity is comprised of city residents, minimum 2-year residency requirement) (\$2,189,325.95 balance)

While certain of the allocated uses have been popular (e.g., non-affiliated retail/restaurant) and readily deployed, certain uses have been underutilized (e.g., resident retail loan fund). Furthermore, Detroit's economic landscape has changed substantially since the EDC Casino Loan Program was put into place. Accordingly, staff is seeking approval to amend the EDC Casino Loan Program to maximize fund impact and improve the performance of this underutilized resource.

As the study of retail market conditions progresses, preliminary data reports show unmet demand in neighborhoods across the city. Our ability to invest in projects outside Downtown and CBD will ensure we are using our resources to support projects that are sustainable long term. Removing certain of the program restrictions will allow the EDC to deploy more capital and get resources out into the neighborhoods beyond the downtown, midtown, and the east riverfront

Subject to City Council approval, staff recommends the following modifications to the EDC Casino Loan Program:

- Merge all remaining funds into one pot of money for use
- Add a 4th use, with a \$ 1.2 Million allocation, primarily for EDC small business programs developed under CDBG sub-recipient agreement (including future programs), with flexibility to request loan for a business not participating in any EDC programs. Subject to future EDC Board approval, loans using these funds may be administered by another community lender for management of these funds.
- Remove geographic restrictions for all loan uses.

Ms. Carlson stated that they would like to amend what was presented on Page 26. Instead of \$1.2 Million it should be \$1.35 Million towards the small business use.

Ms. Navin added that the Finance Committee met to review this matter and is in support of recommending it to the Board.

Chairperson Forte arrived to chair the meeting. She stated that she was familiar with the proposed amendments to the Casino Loan Program, as they were discussed at the EDC Finance Committee meeting, and the Committee recommends approval by the Board.

A resolution was included with the memorandum for the Board's consideration.

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Following a discussion, the Board took the following action:

On a motion by Mr. Quarles, seconded by Ms. Claiborne, Resolution Code CODE EDC 17-06-74-38 was unanimously approved, as amended.

Beltline Greenway: Professional Services Agreement for Survey Services with Nowak Fraus Engineers

Mr. Tamminga reported that the City of Detroit by and through its Housing and Revitalization Department, (the "City") has been awarded a Community Development Block Grant for Declared Disaster Recovery (CDBG-DDR) from the U.S. Department of Housing and Urban Development (HUD) in the amount of Eight Million Nine Hundred Thousand and 00/100 Dollars (\$8,900,000.00). The CDBG-DDR grant is designed to ameliorate future flooding and support the market through a number of projects and planning exercises.

With EDC board approval (#16-06-95-01), the EDC executed a sub-recipient agreement with the City and was awarded \$2,593,500.00 from the City's CDBG-DDR grant. The City has requested that the EDC undertake construction management services with respect to the Beltline Greenway project. The federal funds will be used for project activities as it relates to the Beltline Greenway.

As part of project execution, the EDC solicited for Quotes for survey services on May 18, 2017 for survey services for the Beltline Greenway project. The basis for EDC contract awards are based on federal procurement policies set forth in 24 CFR 85.36. More specifically, this solicitation was made pursuant to the "small purchase procedure" method of procurement per 24 CFR 85.36(d)1. EDC staff received four cost proposals to the request for quotes.

EDC staff members reviewed all the cost proposals and have determined that Nowak Fraus provided the lowest cost and most responsive quote. EDC staff recommends approval of a Professional Services Agreement with Nowak Fraus. The proposed scope of services is attached as Attachment A.

EDC staff recommended that the Board of Directors authorize the execution of a Professional Service Agreement with Nowak Fraus Engineers, not to exceed Twenty-Four Thousand One Hundred Dollars (\$24,100.00), to be paid out of the funds.

A resolution was provided for the Board's consideration and approval.

Ms. Bruhn asked who the other applicants were that were considered. Mr. Tamminga stated that the other vendors who were solicited for proposals were Spaulding DeDecker, Giffels Webster Engineers, and Manik & Smith, which are all great firms. Nowak Fraus was the most responsive bidder. They have an office in Detroit and are in the process of getting their Detroit-based certification. They have performed other services for the EDC and have performed well.

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

June 27, 2017

On a motion by Mr. Stallworth, seconded by Mr. Quarles, Resolution Code EDC 17-06-88-09 was unanimously approved.

Authorization for the Economic Development Corporation to Enter into a Sub-Recipient Agreement in Connection with the City of Detroit's Community Development Block Grant for the Eastern Market Comprehensive Neighborhood Framework Plan

Ms. Zeigler stated that the City of Detroit, by and through its Housing and Revitalization Department, (the "City") has been awarded a Community Development Block Grant CDBG from the U.S. Department of Housing and Urban Development (HUD). The CDBG program provides communities with resources to address a wide range of unique community development needs. The City is requesting that the Economic Development Corporation of the City of Detroit (the "EDC") act as a sub-recipient of the City in connection with the CDBG funding to implement a planning study. Specifically, the City has requested that the EDC undertake project management activities in connection the Eastern Market Comprehensive Neighborhood Framework Plan. Staff for the EDC will work as the lead for the project. In addition, EDC staff will work closely with project partners: The Nature Conservancy (TNC), Planning & Development Department (PDD), and the Housing & Revitalization Department (HRD).

The Eastern Market Comprehensive Neighborhood Framework Plan will build upon previously completed neighborhood studies, creating a consolidated and actionable vision for the City of Detroit to synergize growth and support future investment within the Eastern Market neighborhood. The goal is to create a vibrant mixed-use neighborhood that makes Eastern Market the hub of food production and distribution for the Great lakes region while increasing neighborhood amenities, improving the quality of life for local residents, and expanding their opportunities for nearby employment. Exhibit A to the resolution details the scope of work for the project. Under the guidance of the EDC, PDD, the City, and TNC, the chosen consultant firm will analyze previous planning studies and develop recommendations for implementation strategies, including but not limited to:

- Development of state of the art food production and distribution facilities;
- Identification of sites for multi-family housing (new construction and adaptable re-use), mixed-use development (new construction and adaptable use), and identification of strategic demolitions and remediation;
- Perform an open space assessment and identify other infrastructure improvements that advance economic and ecological performance (streetscapes, storm water management), with design, are also part of the strategy; and
- Developing an understanding of existing truck traffic in the area and a framework for future traffic (truck, non-truck) mitigation work to alleviate both existing and future potential incompatible uses is critical for creating and maintaining a quality urban environment, including transportation and parking strategies.

The anticipated budget for the Sub-Recipient Activities is approximately \$660,000.00, which was preliminarily set forth in Exhibit B to the resolution. The EDC staff has considered the City's request and has determined that: (i) the EDC has the expertise and capacity to undertake the Sub-Recipient Activities (ii) the EDC satisfies the requirements needed to execute the project and is well suited to act on behalf of the City; and (iii) upon the completion of the planning study certain projects and land uses will be suggested that

will result in outcomes that will promote economic development in the Eastern Market Neighborhood.

It is anticipated that, pursuant to the EDC's operating contract with the Detroit Economic Growth Corporation ("DEGC"), the DEGC would provide such staff, operational and administrative assistance required or appropriate to administer and implement the Sub-Recipient Activities on behalf of the EDC, with third-party consultants engaged.

A Resolution was included with the Board material for consideration which authorized:

1. The negotiation and execution of a Sub-Recipient Agreement with the City, which will outline the parties' respective obligations as it relates to the Sub-Recipient Activities; and
2. The execution of an agreement between the EDC and DEGC pursuant to which the EDC will request the DEGC to provide such staff, operational and administrative assistance required or appropriate to administer and implement the Sub-Recipient Activities on behalf of the EDC.

Ms. Zeigler informed that Mr. John Sivalia of Planning/HRD was in attendance. Mr. Sivalia responded to Board members' questions.

A lengthy discussion took place regarding EDC's procurement procedures. Ms. Zeigler explained the procedures that the EDC follows and advised that the DEGC has recently subscribed to BidNet, an online procurement service, which is available to all entities managed by the DEGC. It was also pointed out that the Federal grants have very stringent procurement policies that must be adhered to. Ms. Forte suggested that this discussion be continued at a future EDC Board meeting. Mr. Long stated that staff will come back to the Board with additional information on the procurement policies that are in place.

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

On a motion by Mr. Stallworth, seconded by Ms. Bruhn, Resolution Code EDC 17-06-97-01 was unanimously approved.

Authorization for the Economic Development Corporation to Enter Into a Grant Agreement with the Nature Conservancy in Connection with the Eastern Market Comprehensive Neighborhood Framework Plan

Ms. Zeigler advised that the City of Detroit (the "City") has requested the Economic Development Corporation of the City of Detroit (the "EDC") to provide project management services in connection with the Eastern Market Comprehensive Neighborhood Framework Plan. The planning study will be largely funded by funds from the U.S. Department of Housing & Urban Development Community Development Block Grant (CDBG). In addition to the CDBG funds, The Nature Conservancy ("TNC") will provide funding that will be used towards the Centralized Stormwater Management (CSM) Feature Master Plan.

The CSM Feature Master Plan (CSM Master Plan) is intended to unite two key objectives: sustainable management of stormwater and catalyzing of future development. The collection of stormwater runoff to neighborhood-scale centralized facilities will provide an

opportunity to reduce stormwater drainage charges for the district, and offer an alternative compliance options for the impending Post Construction Stormwater Ordinance (PCSO), thereby catalyzing future development through the reduction of a common development barrier. The CSM feature will be comprised of a network of centralized, hydraulically connected, neighborhood-scale, green stormwater facilities and greenways, which will convey and manage runoff from a significant portion of the Neighborhood Business Innovation Zone (NBIZ) and surrounding neighborhood. The Neighborhood Business Innovation Zone will be a high-tech center of food production, processing, and distribution within the transitional space of vacant land adjacent to the Market Core.

The CSM Master Plan will integrate the findings and recommendations from the Framework Plan into an actionable road map that establishes the overall vision, scale, location, and key design elements for the CSM features. The CSM Master Plan shall be guided by, but not limited to, the following goals:

- The CSM feature facilities will demonstrate both the best in-class design practices for green stormwater infrastructure, and how new stormwater related policies can be leveraged for greener more sustainable land development.
- All stormwater management planning (financial or project based) is done to the benefit of both current and future landowners within the NBIZ, and the adjacent community at-large;
- The CSM feature facilities are visible and accessible to the public and provide appropriate access to educate and promote green stormwater solutions.
- The CSM feature facilities can be constructed and operate per plan.

The creation of the CSM Master Plan is being funded through a grant in the amount of Two Hundred Seventeen Thousand Nine Hundred Ten and 00/100 Dollars (\$217,910.00) from The Nature Conservancy.

EDC staff recommended that the Board authorize negotiation and execution of grant agreement with The Nature Conservancy for the acceptance of Funds. The Scope of Work and budget were outlined in Exhibit A to the memorandum. A proposed resolution was included for the Board's consideration and approval.

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

On a motion by Mr. Stallworth, seconded by Ms. Claiborne, Resolution Code EDC 17-06-97-02 was unanimously approved.

Acceptance and Transfer of Funds from City for Infrastructure Improvements Related to Development Project at 40 Davenport

Mr. Dailey circulated some information and reported that 40 Davenport, LLC, a Michigan limited liability company ("Developer"), is undertaking a complete rehabilitation of the former Milner Arms apartment building (pictured on hand-out) on certain property it owns located at 40 Davenport (the "Development Site"). Developer has agreed to implement certain infrastructure improvements at the Development Site (the "Infrastructure Improvements").

The City, through Department of Housing and Revitalization ("HRD"), is seeking City Council approval of a \$207,000 allocation from the City's general fund (the "Funds") for purposes of funding the Infrastructure Improvements. HRD has requested the EDC's assistance in disbursing the Funds and monitoring the construction of the Infrastructure Improvements, which such assistance shall include, but not be limited to, receiving and reviewing reimbursement requests from the Developer, making reimbursement requests to the City, and receiving from HRD and transferring to the Developer the Funds.

EDC staff recommends Board approval of EDC's assistance as requested above, subject to (i) City Council approval, (ii) the negotiation of a mutually acceptable agreement between the City and HRD with respect to the Funds, (iii) the negotiation of a funding or similar agreement with the Developer, and (iv) agreement by HRD and/or the Developer to fund a reasonable administrative fee payable to the EDC for its services.

A resolution was attached to the memorandum for the Board's consideration.

Ms. Claiborne asked if this was a new owner and what was going to happen to the current residents. Ms. Navin advised that there were representatives of the developer, Ms. Elizabeth Kinetz and Mr. Richard Barr, available to address Board members' questions.

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

On a motion by Mr. Stallworth, seconded by Ms. Bruhn, Resolution Code EDC 17-06-96-01 was approved, with Ms. Claiborne abstaining.

ADMINISTRATION

EDC Budget for FY 2017-2018

Ms. Kanalos advised that the proposed operating budget had been distributed for FY 2017-18 for review and approval of the resolution adopting EDC's operating budget for FY 2017-2018.

The EDC Finance Committee has reviewed the budget and recommended approval by the EDC Board.

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

On a motion by Ms. Claiborne, seconded by Mr. Quarles, Resolution Code EDC 17-06-01-191 was unanimously approved.

City of Detroit/EDC and DEGC/EDC Contracts Authorization

The Economic Development Corporation's (the "EDC") agreement (the "City Agreement") with the City of Detroit (the "City") and the Professional Services Agreement (the "DEGC Agreement") with the Detroit Economic Growth Corporation (the "DEGC") will expire on June 30, 2017.

Staff is requesting authorization to extend and/or execute a new City Agreement and DEGC Agreement ("Exhibit A") together with such changes recommended or required by counsel for either party, for the period of July 1, 2017 to June 30, 2018.

With respect to the City Agreement, City Council is anticipated to approve a budget allocation in the amount of \$275,000.00. Twenty thousand dollars of the City Agreement will be used to operate the Next Michigan Development Corporation.

The DEGC Agreement will be for a base compensation of \$800,000.00 funded primarily from the City Agreement allocation of \$255,000.00, \$350,000.00 from EDC's Trizec Annuity, and \$195,000.00 from EDC's Loan repayment account, plus such additional amounts authorized by the DEGC Agreement.

A resolution authorizing execution of the City Agreement and the DEGC Agreement was included for the Board's consideration.

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

On a motion by Ms. Bruhn, seconded by Mr. Quarles, Resolution Code EDC 17-06-01-192 was unanimously approved.

Administration: Election of Officers

Ms. Kanalos stated that the EDC Act 338 of Michigan Acts 1974, as amended, requires that the Officers of the Board of Directors be elected at its annual meeting.

A resolution was included for the Board's review and approval to elect Linda Forte, Chairperson, Jonathan Quarles, Vice Chairperson, William Ritsema, Secretary, and Matt Roling, Treasurer, of the Board of Directors of the Economic Development Corporation of the City of Detroit.

Ms. Bruhn questioned the process of the nomination of officers and expressed that she was not questioning the proposed officers, but rather, wanted to know the process. Ms. Kanalos explained that a discussion between staff and the Mayor's office determines the proposed candidates, who are then contacted to ask their willingness to accept the position, if elected. Ms. Bruhn stated that she was very uncomfortable with this procedure and thinks that the nomination should come from the Board. Mr. Stallworth stated that he agreed.

Following a discussion, the Board agreed that the process of election of offices will first announce the upcoming election, in order to give Board members the opportunity to express interest in an officer position. This will be a more inclusive and transparent process. The Board agreed that future elections will be conducted this way.

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

On a motion by Ms. Bruhn, seconded by Mr. Stallworth, Resolution Code EDC 17-06-01-193 was unanimously approved.

June 27, 2017

Schedule of Regular EDC Board Meetings for FY 2017-2018

Ms. Kanalos advised that the proposed meeting schedule was included in the Board meeting materials for the Board's review and approval. It is proposed that the Regular meetings for the fiscal year beginning July 1, 2017 and ending June 30, 2018 shall be held, unless otherwise posted, on the **second and fourth Tuesday of each month at 8:30 a.m.** (with the exception of December, as noted below) in the offices of the Detroit Economic Growth Corporation, 500 Griswold Street, Suite 2200, Conference Room A. The dates are as follows:

<u>2017</u>	<u>2018</u>
July 11, 2017	January 9, 2018
July 25, 2017	January 23, 2018
August 8, 2017	February 13, 2018
August 22, 2017	February 27, 2018
September 12, 2017	March 13, 2018
September 26, 2017	March 27, 2018
October 10, 2017	April 10, 2018
October 24, 2017	April 24, 2018
November 14, 2017	May 8, 2018
November 28, 2017	May 22, 2018
December 12, 2017	June 12, 2018
December 19, 2017*	June 26, 2018

With there being no objection to the proposed schedule, the Board took the following action:

On a motion by Mr. Stallworth, seconded by Mr. Quarles, Resolution Code EDC 17-06-01-194 was unanimously approved.

OTHER MATTERS

PUBLIC COMMENT

ADJOURNMENT

With there being no other business to come before the Board, Chairperson Forte adjourned the Regular meeting at 10:28 a.m.



CODE EDC 17-06-02-281

Economic Development Corporation of the City of Detroit

APPROVAL OF MINUTES OF JUNE 13, 2017 MEETING

RESOLVED, that the minutes of the Regular meeting of June 13, 2017 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 Economic Development Corporation.

June 27, 2017



Economic Development Corporation of the City of Detroit

CODE EDC 17-06-03-215

ACCEPTANCE OF TREASURER'S REPORT FOR MAY 2017

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period ending May 31, 2017, as presented at this meeting, is hereby in all respects accepted as action of the Economic Development Corporation.

June 27, 2017



Economic Development Corporation of the City of Detroit

CODE EDC 17-06-74-38

(Amended at the Table)

PROPOSED AMENDMENTS TO EDC CASINO LOAN PROGRAM

WHEREAS, The Economic Development Corporation of the City of Detroit (the "EDC") currently administers a loan program using funds provided by the City and the casinos and authorized for specific uses by Detroit City Council in 2005 (the "EDC Casino Loan Program"); and

WHEREAS, funds under the EDC Casino Loan Program are currently allocated in 3 different loan programs, each subject to a geographic restriction of East Riverfront, CBD, and/or Woodward Corridor to Warren:

1. National regional retail/restaurant chain loan program (\$1,441,740.80 balance)
2. Non-affiliated retail/restaurant chain loan program (\$275,000 balance)
3. Real Property Rehab Gap Fund; "resident retail loan fund" (Qualifications: project must be owned, operated and financed by City of Detroit resident, minimum of 60% ownership entity is comprised of city residents, minimum 2 year residency requirement) (\$2,189,325.95 balance)

WHEREAS, staff is seeking approval to amend the EDC Casino Loan Program to maximize fund impact and improve the performance of underutilized loan programs, as follows (the "Program Modifications"):

- Merge all remaining funds into one pot of money for use
- Add a 4th use, with a \$ 1.35 Million allocation, primarily for EDC small business programs developed under CDBG sub-recipient agreement (including future programs), with flexibility to request loan for a business not participating in any EDC programs. Subject to future EDC Board approval, loans using these funds may be administered by another community lender for management of these funds.
- Remove geographic restrictions for all loan uses.

WHEREAS, the EDC Board has reviewed the proposed Program Modifications and believes it is in the best interests of the EDC Casino Loan Program and the promotion of economic development in the City of Detroit and is otherwise consistent with its statutorily mandated purposes.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors hereby approves the Program Modifications, subject to, (i) the negotiation of a mutually acceptable amendment to the existing funding agreement between EDC and the City and (ii) City Council approval of the Program Modifications and related funding agreement amendment.

BE IT FURTHER RESOLVED, that any two Officers, or any one of the Officers and any one of the Authorized Agents or any two of the EDC's Authorized Agents, shall hereafter have the authority to negotiate and execute the amendment of funding

agreement, any and all documents, contracts or other papers, and take such other actions necessary or appropriate to implement the provisions and intent of this resolution on behalf of the EDC.

BE IT FINALLY RESOLVED that all of the acts and transactions of any officer or authorized agent of the EDC, in the name and on behalf of the EDC, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

June 27, 2017



BELTLINE GREENWAY--PROFESSIONAL SERVICES AGREEMENT FOR SERVICES WITH NOWAK FRAUS ENGINEERS.

WHEREAS, the City of Detroit, by and through its Housing and Revitalization Department, (the "City") has been awarded a Community Development Block Grant for Declared Disaster Recovery (CDBG-DDR) from the U.S. Department of Housing and Urban Development (HUD) in the amount of Eight Million, Nine Hundred Thousand and 00/100 Dollars (\$8,900,000.00); and

WHEREAS, CDBG-DDR is designed to ameliorate future flooding and support market recovery through a comprehensive approach to resiliency; and

WHEREAS, with EDC board approval (#16-06-95-01), the EDC executed a sub-recipient agreement with the City and was awarded \$2,593,500.00 from the City's CDBG-DDR grant to undertake construction management services with respect to the Beltline Greenway project; and

WHEREAS, the EDC solicited for Quotes for survey services on May 18, 2017 for survey services for the Beltline Greenway project and this solicitation was made pursuant to the "small purchase procedure" method of procurement per 24 CFR 85.36(d)1; and

WHEREAS, EDC staff received four cost proposals to the request for quotes, and EDC staff members reviewed all the cost proposals and have determined that Nowak Fraus provided the lowest cost and most responsive quote.

WHEREAS, EDC staff recommends approval of a Professional Services Agreement with Nowak Fraus, and the proposed scope of services is attached as Attachment A.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Economic Development Corporation of the City of Detroit hereby authorizes the execution of a Professional Service Agreement with Nowak Fraus Engineers, not to exceed Twenty Four Thousand One Hundred Dollars (\$24,100.00), to be paid out of the funds.

BE IT FURTHER RESOLVED, that any two Officers, or any one of the Officers and any one of the Authorized Agents or any two of the EDC's Authorized Agents, shall hereafter have the authority to negotiate and execute any and all documents, contracts or other papers and take such other actions necessary or appropriate to implement the provisions and intent of this resolution on behalf of the EDC.

BE IT FINALLY RESOLVED that all of the acts and transactions of any officer or authorized agent of the EDC, in the name and on behalf of the EDC, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

June 27, 2017



CODE EDC 17-06-97-01

Economic Development Corporation of the City of Detroit

RESOLUTION APPROVING THE EDC TO ENTER INTO SUBRECIPIENT AGREEMENT IN CONNECTION WITH THE CITY OF DETROIT'S COMMUNITY DEVELOPMENT BLOCK GRANT – EASTERN MARKET COMPREHENSIVE NEIGHBORHOOD FRAMEWORK PLAN

WHEREAS, the City of Detroit, by and through its Housing and Revitalization Department, (the "City") has been awarded a Community Development Block Grant (CDBG) from the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, CDBG is designed to provides communities with resources to address a wide range of unique community development needs; and

WHEREAS, the CDBG grant will support a planning study in the Eastern Market neighborhood; and

WHEREAS, the above-referenced project will create a vibrant mixed-use neighborhood that makes Eastern Market the hub of food production and distribution for the Great lakes region while increasing neighborhood amenities, improving the quality of life for local residents; and

WHEREAS, the City, and its partners, are committed to creating a consolidated and actionable vision for the City of Detroit to synergize growth and support future investment within the Eastern Market neighborhood; and

WHEREAS, the City is requesting that the Economic Development Corporation of the City of Detroit (the "EDC") act as a sub-recipient of the City in connection with the CDBG grant, to undertake project management services with respect to the planning study for the Eastern Market Neighborhood Framework Plan; and

WHEREAS, the anticipated budget for the Sub-Recipient Activities is approximately \$660,000.00, which is preliminarily set forth in **Exhibit B** hereto, and may be subject to change upon agreement by the City and EDC Staff; and

WHEREAS, the EDC currently provides leading economic development and job organization services for the City and consistently leverages its expertise and innovation to advance a sustainable, robust and inclusive economy for the City; and

WHEREAS, the EDC staff has determined that: the EDC satisfies the requirements needed to execute the project and is well suited to act on behalf of the City; and

WHEREAS, is anticipated that, pursuant to the EDC's annual services contract with the Detroit Economic Growth Corporation ("DEGC"), the DEGC would provide such staff, operational and administrative assistance required or appropriate to administer and implement the Sub-Recipient Activities on behalf of the EDC, with third-party consultants engaged as necessary and appropriate; and

WHEREAS, the EDC Board has reviewed the matter and believes that the undertaking of the Sub-Recipient Activities by the EDC will result in a project that is in the best interests of the promotion of economic development in the City of Detroit and consistent with its statutorily mandated purposes.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of The Economic Development Corporation of the City of Detroit hereby authorizes:

- i. negotiation and execution of a Sub-Recipient Agreement with the City, which will outline the parties' respective obligations as it relates to the Sub-Recipient Activities; and
- ii. execution of an agreement between the EDC and DEGC pursuant to which the EDC will request the DEGC to provide such staff, operational and administrative assistance required or appropriate to administer and implement the Sub-Recipient Activities on behalf of the EDC, with DEGC staff time.

BE IT FURTHER RESOLVED, that any two Officers, or any one of the Officers and any one of the Authorized Agents or any two of the EDC's Authorized Agents, shall hereafter have the authority to negotiate and execute any and all documents, contracts or other papers and take such other actions necessary or appropriate to implement the provisions and intent of this resolution on behalf of the EDC.

BE IT FINALLY RESOLVED that all of the acts and transactions of any officer or authorized agent of the EDC, in the name and on behalf of the EDC, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

June 27, 2017



AUTHORIZATION FOR THE ECONOMIC DEVELOPMENT CORPORATION TO ENTER INTO A GRANT AGREEMENT WITH THE NATURE CONSERVANCY IN CONNECTION WITH THE EASTERN MARKET COMPREHENSIVE NEIGHBORHOOD FRAMEWORK PLAN

WHEREAS, the City of Detroit (the "City") has requested the Economic Development Corporation of the City of Detroit (the "EDC") to provide project management services in connection with the Eastern Market Comprehensive Neighborhood Framework Plan; and

WHEREAS, in addition to the CDBG funds The Nature Conservancy ("TNC") will provide funding that will be used towards the Centralized Stormwater Management (CSM) Feature Master Plan

WHEREAS, The TNC grant will support the creation of a Centralized Stormwater Management (CSM) Feature Master Plan; and

WHEREAS, the above-referenced plan will create a sustainable way to manage stormwater run-off; and

WHEREAS, the City and its partners are committed to creating a consolidated and actionable vision for the City of Detroit to synergize growth and support future investment within the Eastern Market neighborhood; and

WHEREAS, the costs of the CSM Feature Master Plan will be funded through TNC in the amount of Two Hundred Seventeen Thousand Nine Hundred Ten and 00/100 Dollars (\$217,910.00), the scope and budget for which are included in the attached Exhibit A (the "Grant Activities"); and

WHEREAS, the EDC staff has determined that: the EDC satisfies the requirements needed to execute the project and is well suited to act on behalf of The Nature Conservancy; and

WHEREAS, the EDC Board has reviewed the matter and believes that the undertaking of the Grant Activities by the EDC will result in a project that is in the best interests of the promotion of economic development in the City of Detroit and consistent with its statutorily mandated purposes.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of The Economic Development Corporation of the City of Detroit hereby authorizes:

- i. negotiation and execution of a Grant Agreement with The Nature Conservancy, which will outline the parties' respective obligations as it relates to the Grant Activities; and

- ii. execution of an agreement between the EDC and DEGC pursuant to which the EDC will request the DEGC to provide such staff, operational and administrative assistance required or appropriate to administer and implement the Grant Activities on behalf of the EDC, with DEGC staff time.

BE IT FURTHER RESOLVED, that any two Officers, or any one of the Officers and any one of the Authorized Agents or any two of the EDC's Authorized Agents, shall hereafter have the authority to negotiate and execute any and all documents, contracts or other papers and take such other actions necessary or appropriate to implement the provisions and intent of this resolution on behalf of the EDC.

BE IT FINALLY RESOLVED that all of the acts and transactions of any officer or authorized agent of the EDC, in the name and on behalf of the EDC, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified

June 27, 2017



RESOLUTION APPROVING ACCEPTANCE AND TRANSFER OF FUNDS FROM CITY FOR INFRASTRUCTURE IMPROVEMENTS RELATED TO DEVELOPMENT PROJECT AT 40 DAVENPORT

WHEREAS, 40 Davenport, LLC, a Michigan limited liability company ("Developer"), is undertaking a complete rehabilitation of the former Milner Arms apartment building on certain property it owns at 40 Davenport (the "Development Site"); and

WHEREAS, Developer has agreed to implement certain infrastructure improvements at the Development Site (the "Infrastructure Improvements"); and

WHEREAS, the City, through Department of Housing and Revitalization ("HRD"), is seeking City Council approval of a \$207,000 allocation from the City's general fund (the "Funds") for purposes of funding the Infrastructure Improvements; and

WHEREAS, HRD has requested the EDC's assistance in disbursing the Funds and monitoring the construction of the Infrastructure Improvements, which such assistance shall include, but not be limited to, receiving and reviewing reimbursement requests from the Developer, making reimbursement requests to the City, and receiving from HRD and transferring to the Developer the Funds (the "EDC Activities"); and

WHEREAS, subject to (i) City Council approval, (ii) the negotiation of a mutually acceptable agreement between the City and HRD with respect to the Funds, (iii) the negotiation of a funding or similar agreement with the Developer, and (iv) agreement by HRD and/or the Developer to fund a reasonable administrative fee payable to the EDC for the performance of the EDC Activities; and

WHEREAS, the EDC has the authority to complete the EDC Activities under Section 2 and Section 27 of the EDC's enabling statute, Michigan Public Act 338 of 1974, as amended; and

WHEREAS, the EDC Board has reviewed the matter and believes it is in the best interests of the promotion of economic development in the City of Detroit and consistent with its statutorily mandated purposes.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors hereby approves the undertaking by the EDC of the EDC Activities, subject to, subject to (i) City Council approval, (ii) the negotiation of a mutually acceptable agreement between the City and HRD with respect to the Funds, (iii) the negotiation of a funding or similar agreement with the Developer, and (iv) agreement by HRD and/or the Developer to fund a reasonable administrative fee payable to the EDC for its services.

BE IT FURTHER RESOLVED, that any two Officers, or any one of the Officers and any one of the Authorized Agents or any two of the EDC's Authorized Agents, shall

hereafter have the authority to negotiate and execute the above-referenced agreements with the City and the Developer, any and all documents, contracts or other papers, and take such other actions necessary or appropriate to implement the provisions and intent of this resolution on behalf of the EDC.

BE IT FINALLY RESOLVED that all of the acts and transactions of any officer or authorized agent of the EDC, in the name and on behalf of the EDC, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

June 27, 2017



CODE EDC 17-06-01-191

Economic Development Corporation of the City of Detroit

ADMINISTRATION: EDC BUDGET FOR FY 2017-2018

WHEREAS, on the date hereof, the Board of Directors of the Economic Development Corporation of the City of Detroit (the "EDC") approved a resolution whereby the EDC would accept funding from the City of Detroit in the amount of \$255,000.00 for operations of the EDC for fiscal year 2017-2018; and

WHEREAS, the EDC wishes to adopt a budget for its fiscal year beginning July 1, 2017 and ending June 30, 2018.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Economic Development Corporation of the City of Detroit, as follows:

1. The Budget of the EDC, attached as Exhibit A hereto, for the fiscal year beginning July 1, 2017 and ending June 30, 2018 is hereby approved.

BE IT FURTHER RESOLVED that the EDC Board hereby authorizes any two of its Officers or any two of its Authorized Agents or one Officer and any one Authorized Agent to take any other actions and execute any other documents necessary or appropriate to implement the provisions and intent of this resolution.

BE IT FINALLY RESOLVED that all of the acts and transactions of any Officer or Authorized Agent of the EDC, in the name and on behalf of the EDC, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

June 27, 2017



ADMINISTRATION: AUTHORIZATION OF CITY OF DETROIT/EDC AND DEGC/EDC CONTRACTS

WHEREAS, the City of Detroit (the "City") and the Economic Development Corporation (the "EDC") have previously entered into a services agreement (the "City Agreement") pursuant to which the EDC renders economic development services to the City and which City Agreement funds a portion of EDC's operating expenses; and

WHEREAS, the City Council is anticipated to authorize City Agreement in the amount of \$275,000.00 for the period beginning July 1, 2017 and ending June 30, 2018; and

WHEREAS, a contract for Professional Services was heretofore entered into between the EDC and Detroit Economic Growth Corporation (the "DEGC") as of July 1, 2016 (the "DEGC Agreement"); and

WHEREAS, the DEGC Agreement will expire pursuant to the terms thereof on June 30, 2017, but may be extended in accordance with Section 12 of such DEGC Agreement; and

WHEREAS, the EDC and the DEGC desire to extend the term of the DEGC Agreement for the period commencing July 1, 2017 and ending June 30, 2018; and

WHEREAS, pursuant to Section 5 of the DEGC Agreement, the EDC would pay to the DEGC a base compensation equal to Eight Hundred Thousand and 00/100 (\$800,000.00) Dollars, plus such additional amounts authorized by the DEGC Agreement, for services or activities for or on behalf of the EDC to be rendered by DEGC during such extension period pursuant to the DEGC Agreement.

NOW, THEREFORE, BE IT RESOLVED, that the EDC Board of Directors hereby authorizes any two of the following - the EDC Vice Chairperson, the Treasurer, the Secretary, or the Authorized Agents - to have full power and authority to execute the City Agreement in such form as required by the City and approved by EDC's counsel,, for the period beginning July 1, 2017 and ending June 30, 2018.

BE IT FURTHER RESOLVED, that the EDC Board of Directors hereby authorizes any two of its Vice Chairperson, Treasurer, Secretary, or designated Authorized Agents to have full power and authority to execute a new DEGC Agreement, in substantially the form attached hereto as Exhibit A, together with such changes recommended or required by counsel for either party, for the period beginning July 1, 2017 and ending June 30, 2018, for a base compensation of \$800,000.00 funded primarily from the City Agreement allocation of \$255,000.00, \$350,000.00 from EDC's Trizec Annuity, and \$195,000.00 from EDC's Loan repayment account, plus such additional amounts authorized by the DEGC Agreement.

BE IT FURTHER RESOLVED, that the EDC Board hereby authorizes any two of its Officers or any two of its Authorized Agents or one Officer and any one Authorized Agent to take any other actions and execute any other documents necessary or appropriate to implement the provisions and intent of this resolution.

BE IT FINALLY RESOLVED, that all of the acts and transactions of any Officer or Authorized Agent of the EDC, in the name and on behalf of the EDC, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

June 27, 2017



CODE EDC 17-06-01-193

Economic Development Corporation of the City of Detroit

ADMINISTRATION: ELECTION OF OFFICERS

RESOLVED, that the following are hereby elected as Officers of the Board of Directors of the Economic Development Corporation of the City of Detroit:

Linda Forte
Jonathan Quarles
William Ritsema
Matt Roling

Chairperson
Vice Chairperson
Secretary
Treasurer

June 27, 2017



**ADMINISTRATION: SCHEDULE OF REGULAR EDC BOARD MEETINGS FOR
FY 2017-18**

RESOLVED, that the Board of Directors of the Economic Development Corporation of the City of Detroit (the "EDC") hereby adopts the following as its schedule of regular meetings for its fiscal year beginning July 1, 2017 and ending June 30, 2018. Unless otherwise posted, such meetings will be held on the **second and fourth Tuesday of each month at 8:30 a.m.** (with the exception of December as noted below) in the offices of the Detroit Economic Growth Corporation, 500 Griswold Street, Suite 2200, Conference Room A, as follows:

<u>2017</u>	<u>2018</u>
July 11, 2017	January 9, 2018
July 25, 2017	January 23, 2018
August 8, 2017	February 13, 2018
August 22, 2017	February 27, 2018
September 12, 2017	March 13, 2018
September 26, 2017	March 27, 2018
October 10, 2017	April 10, 2018
October 24, 2017	April 24, 2018
November 14, 2017	May 8, 2018
November 28, 2017	May 22, 2018
December 12, 2017	June 12, 2018
December 19, 2017*	June 26, 2018

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

June 27, 2017