

City of Detroit



Downtown Development Authority

500 Griswold, Suite 2200, 22nd Floor

Detroit, Michigan 48226

Phone: 313 963 2940

Fax: 313 963 8839

**DOWNTOWN DEVELOPMENT AUTHORITY
FINANCE COMMITTEE MEETING
TUESDAY, SEPTEMBER 11, 2018 – 1:30 P.M.**

COMMITTEE MEMBERS PRESENT:

David Blaszkiewicz
John Naglick, Chair
Steve Ogden

COMMITTEE MEMBERS ABSENT:

Sonya Delley

OTHERS PRESENT:

Cindy Darrah (Public)
David Esshaki (George Johnson & Co.)
Gay Hilger (DEGC/DDA)
Malinda Jensen (DEGC/DDA)
Paul Kako (DEGC/DDA)
John Lauve (Public)
Glen Long (DEGC/DDA)
Anthony McCree (George Johnson & Co.)
Rebecca Navin (DEGC/DDA)
Joann Warwick (Public)

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**MINUTES OF THE DOWNTOWN DEVELOPMENT AUTHORITY
FINANCE COMMITTEE MEETING
TUESDAY, SEPTEMBER 11, 2018
DETROIT ECONOMIC GROWTH CORPORATION
500 GRISWOLD STREET, SUITE 2200 – 1:30 P.M.**

GENERAL

Call to Order

Noting that a quorum was present, Chairman Naglick called the meeting of the Downtown Development Authority Finance Committee to order at 1:48 p.m.

Approval of Minutes of August 20, 2018 Meeting

Mr. Naglick asked if there were any additions, deletions or changes to the minutes of the August 20, 2018 Finance Committee meeting.

Hearing none, the Committee took the following action:

On a motion by Mr. Ogden, seconded by Mr. Blaszkiewicz, the minutes of the August 20, 2018 Finance Committee meeting were unanimously approved.

PROJECTS

ADMINISTRATION

FY 2017-2018 Draft Audit

Mr. Long reported that the Committee was provided a copy for its review of the draft audit and audit wrap up for the fiscal year ending June 30, 2018, as prepared by the EDC auditors, George Johnson & Company. Mr. Long turned the floor over to the managing partner of the firm, Mr. Anthony McCree, and Mr. David Eshaki, who has been with the firm more than five years as a manager.

Mr. McCree and Mr. Eshaki reviewed the Audit Wrap Up document provided to the Committee members and responded to questions.

Mr. Naglick thanked the auditors for their presentation. He added that George Johnson & Company is one of the premier minority-owned CPA firms in the city. They audit a number of the City's key component units and every time the depth in which they go into the financial statements is impressive.

Mr. Ogden stated that he can only echo Mr. Naglick's statement.

Mr. Blaszkiewicz commended Mr. Long and his team on an amazing job.

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

On a motion by Mr. Blaszkiewicz, seconded by Mr. Ogden, the Committee unanimously approved the draft audited financial statements as prepared by George Johnson & Co.

OTHER MATTERS

PUBLIC COMMENT

Mr. Naglick called for public comment stating that two minutes would be given to each speaker.

John Lauve of Holly, Michigan stated the following:

"At the last board meeting, there was a discussion about the Little Caesar's Arena bonds and their refinancing and they are just going to refinance on a short-term basis for just four years. There are no principal payments there are just going to be interest payments and I don't quite understand how that is all mixed together. So that is the issue that is unclear."

Cindy Darrah [inaudible]

Joann Warwick stated the following:

"I am a returning resident and am not fully aware of what the DDA does, but I have spent a little more time watching the Detroit Land Bank and there are an awful lot of problems there that need to be worked out. But if you all had anything to do with the riverfront being a public open space, I commend you. For years it was disturbing to me to go to Canada and look across the way to Detroit and see parking lots on the Detroit riverfront as I was sitting in their green space. Although I haven't been down there lately, I've seen tourists and things that I didn't see 20 years ago. On that same note, in terms of all great cities have great public spaces. Think about New York City. If people didn't have the foresight to build Central Park, I think their murder rate would be much higher and the City would not be as livable. So, on that note, the Brewster Douglas public housing properties that were sold [inaudible] and here's what I think. I'm not saying there can't be any development there, but because the City wanted to privatize the seven-acre wide open recreation space without any prior community input, the only other space to try to recoup that was the Brewster Douglas area. I just spoke with a resident of Brush Park. He said he thought that was a great idea. So, I know Mr. Gilbert would like to do a development there, but I would strongly recommend putting the largest park possible and maybe build some towers. You get some good views that way and probably increase the cost, but you could put a mini Central park for not only all of the residents to use but visitors as well. I wouldn't care if you call it Dan Gilbert Park. But as you are taking away all this public space, that is a big problem. You should preserve public space for the residents of Detroit."

ADJOURNMENT

With there being no other business to be brought before the Committee, Mr. Naglick adjourned the meeting at 3:40 p.m.