



APPROVAL OF MINUTES OF OCTOBER 10, 2017 MEETING

RESOLVED, that the minutes of the Regular meeting of October 10, 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.

October 30, 2017

**ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS REGULAR MEETING
TUESDAY, OCTOBER 10, 2017 – 8:30 A.M.**

BOARD MEMBERS PRESENT: Marsha Bruhn
Kimberly Clayson
Linda Forte
Chris Jackson
Jonathan Quarles
Matthew Roling

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

**SPECIAL DIRECTORS
PRESENT:** None

**SPECIAL DIRECTORS
ABSENT:** None

OTHERS PRESENT: John Gallagher (Free Press)
Gay Hilger (DEGC/EDC)
Arthur Jemison (City HRD)
Malinda Jensen (DEGC/EDC)
Jennifer Kanalos (DEGC/EDC)
Rebecca Navin (DEGC/EDC)
Sarah Pavelko (DEGC/EDC)
Mariangela Pledl (DEGC/EDC)
Martha Potere (EDC/DEGC)
Kelly Shovan (DEGC/EDC)



Economic Development Corporation of the City of Detroit

**MINUTES OF THE ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS REGULAR MEETING
TUESDAY, OCTOBER 10, 2017
DETROIT ECONOMIC GROWTH CORPORATION
500 GRISWOLD, SUITE 2200 - 8:30 A.M.**

CALL TO ORDER

Noting that a quorum was present, Chairperson Forte called the Regular meeting of the Economic Development Corporation Board of Directors to order at 8:37 a.m.

Ms. Forte and the EDC Board members introduced themselves and welcomed Mr. Jemison to the DEGC.

GENERAL

Approval of Minutes

Ms. Forte asked if there were any additions, deletions or corrections to the minutes of the September 26, 2017 Regular Board meeting. Hearing none, the Board took the following action:

On a motion by Ms. Bruhn, seconded by Mr. Jackson, Resolution Code EDC 17-10-02-288 was unanimously approved.

PROJECTS

**Amendment to Small Business and Commercial Corridor Revitalization Program:
Neighborhood Market Retail and Opportunity Study**

Ms. Potere reported that on February 17, 2017, the Board of The Economic Development Corporation (EDC) of the City of Detroit authorized a Professional Services Agreement between Streetsense Consulting, LLC and EDC for a base contract amount not-to-exceed Four Hundred Sixty-One Thousand Five Hundred and 00/100 (\$461,500) to provide work in accordance with the EDC's Request for Proposal dated December 16, 2016. Further, the EDC staff recommended an owner's contingency of 15% of the contract amount to manage unforeseen conditions or additional work for the term of the agreement. The Board was uncertain about the need for a 15 percent contingency and requested that the contingency be reduced to 5 to 10 percent, leaving the final amount up to staff. Staff agreed that a 5% contingency should suffice and amended the resolution to reflect this stipulation.

As is common with studies of this geographical scope and timeline, unforeseen circumstances have arisen since the Board approved the Professional Services

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trade area encompassing Islandview Village/The Greater Villages (IV/GV), and a request from EDC staff's colleagues in The Mayor's Office to study a second trade area around the intersection of West Vernor Highway and Clark Street, referred to henceforth as 'Mexicantown', to complement work already underway in partnership with Invest Detroit.

To accommodate these changes in scope and timeline, Streetsense asked for an increase to the total contract. For the additional site visits to inventory commercial properties and community outreach in IV/GV, the total increase was \$39,500 (8.5% of total contract cost). To include and study a new trade area in Mexicantown, Streetsense and EDC staff agreed to amend the existing contract's services. These changes were outlined in **Exhibit A** which was attached to the memorandum for the Board's review (the "Amendment").

In summation, the Mexicantown scope change only effects the study's deliverables, *not* the total contract cost. Instead of a robust storytelling tour book for each neighborhood, Streetsense will provide one-page 'cut sheets' for the neighborhoods, highlighting pertinent demographic and cultural information. This will allow Streetsense to transfer billable hours initially earmarked for marketing efforts over to the Mexicantown market analysis at no additional fee.

The EDC staff requested authorization from the Board to amend the Professional Services Agreement between Streetsense Consulting, LLC and EDC to **increase the owner's contingency from 5% to 10%** of the contract amount. This will allow EDC staff to cover the 8.5% contingency already incurred, as well as keep 1.5% of the total contract amount (\$6,922.50) in reserve to manage any additional unforeseen conditions or additional work for the term of the agreement.

The EDC staff also requested authorization from the Board to amend the Professional Services Agreement between Streetsense Consulting, LLC and EDC, changing the marketing deliverables from 12 storytelling tour books for each neighborhood to 13 'cut-sheets' and adding a market analysis component for the Mexicantown neighborhood.

A resolution was included in the Board material for review and approval.

Mr. Jackson stated that he wanted to reiterate the same concerns for this program that he expressed when the Motor City Match program began. He wants to make sure that the money doesn't get caught up in doing study after study, and more of the dollars goes toward the implementation.

Ms. Bruhn commented regarding the statement on page 28 of the report, under the section "Competitive Supply Analysis," where it says, "It is the purpose of this analysis to ensure that Mexicantown retail is complimentary to, not competitive with, the rest of the City." She expressed that she thought it was an odd comment because Mexicantown has been one of the most vibrant areas of Detroit and why would we suddenly be concerned that it is being competitive with other areas of the City. If that is the purpose of this analysis, she thinks it is a little skewed.

Mr. Potere clarified that this is actually just an amendment to the original Professional Services Agreement. The reason they might have put that language in there is originally the Planning Department project planning area for Southwest runs the entirety of W. Vernor Highway from a little East of I-75 all the way to the Springwells area. Originally

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Vernor Highway from a little East of I-75 all the way to the Springwells area. Originally Streetsense, given that length of the corridor, had decided to study the intersection of W. Vernor and Springwells, but it was also asked that we study the intersection of W. Vernor and Clark. Streetsense was concerned that this would actually draw activity away from their original trade area at Springwells and W. Vernor and so they put language in to ensure that people understand that they are two distinct trade areas, mostly because of the viaduct as a natural barrier.

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

On a motion by Mr. Jackson, seconded by Mr. Quarles, Resolution Code EDC 17-10-91-47 was unanimously approved.

East Riverfront Presentation

Ms. Pavelko gave a detailed PowerPoint presentation on the Plan for the East Riverfront and responded to Board Members' questions.

Ms. Forte thanked Ms. Pavelko for the informative presentation.

This item was for the Board's information and no action was taken.

ADMINISTRATION

OTHER MATTERS

PUBLIC COMMENT

ADJOURNMENT

With there being no further business, Ms. Forte adjourned the meeting at 9:07 a.m.



APPROVAL OF MINUTES OF SEPTEMBER 26, 2017 MEETING

RESOLVED, that the minutes of the Regular meeting of September 26, 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.

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**SMALL BUSINESS AND COMMERCIAL CORRIDOR REVITALIZATION PROGRAM:
AMENDMENT TO NEIGHBORHOOD MARKET RETAIL AND OPPORTUNITY STUDY**

WHEREAS, on February 17, 2017, the Board of The Economic Development Corporation (EDC) of the City of Detroit authorized a Professional Services Agreement between Streetsense Consulting, LLC (the "Consultant") and EDC for a base contract amount not-to-exceed Four Hundred Sixty-One Thousand Five Hundred and 00/100 (\$461,500) to provide work in accordance with the EDC's Request for Proposal dated December 16, 2016, together with a 5% owner's contingency (the "Contract"); and.

WHEREAS, unforeseen circumstances have arisen since the Board's approval, including additional community outreach needed for the trade area encompassing Islandview Village/The Greater Villages (IV/GV), and a request from EDC staff's colleagues in The Mayor's Office to study a second trade area around the intersection of West Vernor Highway and Clark Street, referred to henceforth as 'Mexicantown', to complement work already underway in partnership with Invest Detroit; and

WHEREAS, at Staff's request, the Consultant submitted a proposal for the additional services, as described in the attached Exhibit A (the "Additional Scope"), for an increased Contract cost of \$39,500; and

WHEREAS, Staff is requesting that (i) the Board approve an amendment to the Contract to include the Additional Scope and increase of Contract cost by \$39,500, (ii) the owner's contingency previously approved by the Board be increased to 10% (i.e., \$46,150); and (iii) a portion of such contingency in the amount of \$39,500 be allocated to the Additional Scope, with the remaining contingency reserved for other unforeseen changes; and

WHEREAS, the Board has reviewed the reviewed the Additional Scope and the above request and believes it is reasonable and in the best interests of the underlying project.

NOW THEREFORE BE IT RESOLVED, that the EDC Board of Directors hereby approves (i) an amendment to the Contract to include the Additional Scope and increase of Contract cost by \$39,500, (ii) that the owner's contingency previously approved by the Board be increased to 10% (i.e., \$46,150); and (iii) that a portion of such contingency in the amount of \$39,500 be allocated to the Additional Scope, with the remaining contingency reserved for other unforeseen changes.

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 all documents, contracts, or other papers and to take such actions as are necessary 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.

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