



**LOCAL DEVELOPMENT FINANCE AUTHORITY
BOARD OF DIRECTORS REGULAR MEETING
TUESDAY, JUNE 23, 2020
9:30 A.M.**

BOARD MEMBERS PRESENT: Derek Dickow
Linda Forte
Damon Hodge
Arthur Jackson
Machion Jackson
James Jenkins III

BOARD MEMBER ABSENT: Irma Clark-Coleman
Furquan Ahmed
Katrina McCree
Mariann Sarafa
Vacancy

OTHERS PRESENT: Cora Capler (DEGC/LDFA)
Malinda Jensen (DEGC/LDFA)
Paul Kako (DEGC/LDFA)
Jennifer Kanalos (DEGC/LDFA)
Glen Long (DEGC/LDFA)
Rebecca Navin (DEGC/LDFA)



**MINUTES OF THE LOCAL DEVELOPMENT FINANCE AUTHORITY
BOARD OF DIRECTORS REGULAR MEETING
TUESDAY, JUNE 23, 2020
DETROIT ECONOMIC GROWTH CORPORATION
ZOOM VIRTUAL MEETING – 9:30 A.M.**

GENERAL

Call to Order

Chairperson Forte called the Regular meeting of the LDFA Board of Directors to order at 9:32 a.m. Roll call was conducted, and a quorum was established.

Approval of Minutes

Ms. Forte asked if there were any additions, deletions or corrections to the minutes of the October 22, 2019 Regular Board meeting. Hearing none, the Board took the following action:

Mr. Hodge made a motion approving the minutes of the October 22, 2019 Regular Board meeting, as presented. Mr. Dickow seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Dickow, Mr. Hodge, Mr. Jackson, Ms. Jackson, Mr. Jenkins, and Ms. Forte.

Nays: None.

LDFA Resolution Code 20-06-02-57 was approved.

Acceptance of Treasurer's Report

Mr. Long reviewed the Treasurer's Report of Receipts and Disbursements for the months of October 2019 through June 2020 for the benefit of the Board.

With there being no questions or discussion, Ms. Forte called for a motion.

Mr. Dickow made a motion to accept the Treasurer's Report for the months of October 2019 through June 2020, as presented. Mr. Hodge seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Dickow, Mr. Hodge, Mr. Jackson, Ms. Jackson, Mr. Jenkins, and Ms. Forte.

Nays: None.

LDFA Resolution Code 20-06-03-45 was approved.

ADMINISTRATION

Director's Report

Ms. Kanalos reported that on October 21, 1998, the Local Development Finance Authority (the "LDFA") issued its 1998 Series A Tax Increment Tax Exempt Bonds of par amount of \$52,205,000.00. After the appropriate deduction for underwriter's discount, debt service reserve and cost of issuance, the net amount of \$45,461,044.14 was paid to the City of Detroit as



additional reimbursement for the City's identifiable public facilities expenditures of \$118,745,000.00.

The LDFA to date, through the issuance of its 1991 Series A Bonds, the 1997 Series A-B-C Bonds and the 1998 Series A Bonds, has reimbursed the City a total amount of approximately \$99,000,000.00, leaving a balance of unreimbursed City expenditures of approximately \$19,745,000.00.

With respect to LDFA's SmartZone District, LDFA received an Eight Million Nine Hundred Fifty Thousand & 00/100 Dollars (\$8,950,000.00) core communities grant, from the Michigan Economic Development Corporation to be allocated as follows:

| | <u>Amount Allocated</u> | <u>Amount Disbursed</u> |
|--|-------------------------|-------------------------|
| • Wayne State University Research and Technology Park. | \$ 2,000,000.00 | \$2,000,000.00 |
| • Tricentennial Park Through SDNR | 4,000,000.00 | 3,640,377.17 |
| • WSU Cultural Center | 1,500,000.00 | 1,462,138.05 |
| • Downtown Development Authority | 1,450,000.00 | 1,450,000.00 |

LDFA staff prepared its Year 2018 2604 Report (formerly T-1101). This report is submitted to the Michigan Department of Treasury in accordance with the provisions of the Pubic Act 57 of 2018 "PA 57"), formerly the LDFA Act 281 of Michigan Acts 1986, as amended, to justify the LDFA's capture of School Tax Increment Revenues.

LDFA staff completed the LDFA's annual report for Fiscal Year End 2019, which was submitted to the City Council and to the Michigan Department of Treasury, in accordance with Section 911 of PA 57.

LDFA staff also published the following documents on the LDFA webpage of the Detroit Economic Growth Corporation website, per the requirements of Section 910 of Public Act 57 of 2018:

- Minutes of all board meetings
- Annual budget
- Annual audit
- Second Amended and Restated Jefferson Conner Tax Increment Financing and Development Plan
- List of current contracts related to the management of the LDFA
- An updated synopsis of activities of the LDFA

In addition to the above requirements, Section 910 of PA 57 requires that two public informational meetings be held annually. LDFA staff held its first two public informational meetings, in



conjunction with the Detroit Downtown Development Authority and the Eight Mile Woodward Corridor Improvement Authority, on July 24, 2019 and on December 3, 2019.

Finally, the LDFA's Continuing Disclosure Annual Report was submitted to Nationally Recognized Municipal Securities Information Repositories and the State Information Repository in January 2020.

This report was for information only and no Board action was taken.

Approval and Adoption of FY 2020-2021 Budget

Ms. Kanalos stated that Public Act 281 of 1986, as repealed and replaced by Act 57 of the Public Acts of 2018 and as it may be amended from time to time, requires the LDFA Director to submit a budget for the operation of the City of Detroit Local Development Finance Authority (the "LDFA") to the City Council for its approval prior to adoption by the LDFA Board.

On May 28, 2020, LDFA staff submitted the LDFA operating budget for FY 2020-2021 (the "20-21 Operating Budget") to City Council for approval prior to its adoption by the LDFA Board.

On June 9, 2020, the City Council approved the LDFA budget, which is being submitted to the LDFA Board for adoption.

Staff is also seeking LDFA Board approval of the LDFA program budget for FY 2020-2021 (the "20-21 Program Budget").

A resolution approving and adopting the FY 20-21 Operating Budget and approving the FY 20-21 Program Budget was included in the Board material for consideration and approval.

With there being no questions, Ms. Forte called for a motion.

Mr. Hodge made a motion for Approval and Adoption of FY 2020-2021 LDFA Budget, as presented. Ms. Jackson seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Dickow, Mr. Hodge, Mr. Jackson, Ms. Jackson, Mr. Jenkins, and Ms. Forte.

Nays: None.

LDFA Resolution Code 20-06-01-150 was approved.

Amendment/Extension to the FY 2020-2021 LDFA/DEGC Professional Services Agreement

Ms. Kanalos reported that in July 1995, the City of Detroit Local Development Finance Authority (the "LDFA") entered into a Professional Services Agreement (the "Agreement") with the Detroit Economic Growth Corporation (the "DEGC") for provision by the DEGC of administrative services on behalf of the LDFA. This Agreement was last amended in July 2019 to extend its term to June 30, 2020.



Included in the Board material as Exhibit A is the FY 2020-2021 Amendment/Extension to the LDFA/DEGC Professional Services Agreement Extension (the “Amendment”) and a resolution approving the proposed Amendment/Extension.

With there being no questions, Ms. Forte called for a motion.

Mr. Hodge made a motion accept the Amendment/Extension to the FY 2020-2021 LDFA/DEGC Professional Services Agreement, as presented. Mr. Dickow seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Dickow, Mr. Hodge, Mr. Jackson, Ms. Jackson, Mr. Jenkins, and Ms. Forte.

Nays: None.

LDFA Resolution Code 20-06-01-151 was approved.

Schedule of LDFA Regular Meetings for FY 2020-2021

Ms. Kanalos advised that included in the Board material was a resolution adopting a schedule indicating dates for the LDFA Board’s Regular meetings for the fiscal year 2020-2021. Unless otherwise posted, such meetings will be held the fourth Tuesday of October and June at **9:30 a.m.** in the offices of the Detroit Economic Growth Corporation, 500 Griswold Street, Suite 2200, as follows:

October 27, 2020

June 22, 2021

With there being no objections to the proposed meeting dates, Ms. Forte called for a motion.

Ms. Jackson made a motion accept the Schedule of LDFA Regular Meetings for FY 2020-2021, as presented. Mr. Hodge seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Dickow, Mr. Hodge, Mr. Jackson, Ms. Jackson, Mr. Jenkins, and Ms. Forte.

Nays: None.

LDFA Resolution Code 20-06-01-152 was approved.

PROJECTS

None.

OTHER MATTERS

None.

PUBLIC COMMENT

None.

ADJOURNMENT



500 Griswold, Suite 2200
Detroit, MI 48226

With there being no other business to be brought before the Board, on a motion by Mr. Hodge, seconded by Mr. Dickow, Ms. Forte adjourned the meeting at 9:49 a.m.



CODE LDFA 20-06-02-57

APPROVAL OF THE LDFA MINUTES OF OCTOBER 22, 2019

RESOLVED, that the minutes of the Regular meeting of October 22, 2019 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 Local Development Finance Authority.

June 23, 2020



CODE LDFA 20-06-03-45

ACCEPTANCE OF TREASURER'S REPORT FOR OCTOBER 2019 THROUGH MAY 2020

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for October 2019 through May 2020 as presented at this meeting, is hereby in all respects ratified and approved as action of the Local Development Finance Authority.

June 23, 2020



CODE LDFA 20-06-01-150

ADMINISTRATION: APPROVAL AND ADOPTION OF FY 2020-2021 LDFA OPERATING BUDGET AND APPROVAL OF FY 2020-2021 LDFA PROGRAM BUDGET

WHEREAS, Public Act 281 of 1986, as repealed and replaced by Act 57 of the Public Acts of 2018 and as it may be amended from time to time, requires the LDFA Director to submit a budget for the operation of the City of Detroit Local Development Finance Authority (the “LDFA”) to the City Council for its approval prior to adoption by the LDFA Board; and

WHEREAS, on May 28, 2020 LDFA staff submitted the attached LDFA operating budget for FY 2020-2021 (the “20-21 Operating Budget”) to City Council for approval prior to its adoption by the LDFA Board; and

WHEREAS, on June 9, 2020, the City Council approved the LDFA operating budget for FY 2020-2021 attached as Exhibit A (the “20-21 Operating Budget”); and

WHEREAS, staff has also submitted to the LDFA Board for approval the LDFA program budget for FY 2020-2021 attached as Exhibit B (the “20-21 Program Budget”).

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the LDFA hereby approves and adopts the FY 20-21 Operating Budget.

BE IT FURTHER RESOLVED, that the Board of Directors of the LDFA hereby approves and adopts the FY 20-21 Program Budget.

BE IT FINALLY RESOLVED, that all of the acts and transactions of any Officer, Authorized Agent or the Director of the LDFA in the name and on behalf of the LDFA, 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 23, 2020



CODE LDFA 20-06-01-151

ADMINISTRATION: AMENDMENT/EXTENSION TO THE FY 2020-2021 LDFA/DEGC PROFESSIONAL SERVICES AGREEMENT

WHEREAS, the City of Detroit Local Development Finance Authority (the “LDFA”) entered into a Professional Services Agreement (the “Agreement”) with the Detroit Economic Growth Corporation (the “DEGC”) for provision by the DEGC of administrative services on behalf of the LDFA; and

WHEREAS, the Agreement is extended from year to year, subject to appropriation of funds by the LDFA Board of Directors and in an amount as the Board of the LDFA and the DEGC shall mutually agree upon in writing.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the LDFA hereby authorizes the Amendment/Extension of the FY 2020-2021 LDFA/DEGC Professional Services Agreement to June 30, 2021 in substantially the form attached hereto as Exhibit A, together with such changes recommended or required by counsel for either party.

BE IT FURTHER RESOLVED, that any LDFA Officer, LDFA Director, or Authorized Agent is hereby authorized by the LDFA Board of Directors to execute the Amendment/Extension of the FY 2020-2021 LDFA/DEGC Professional Services Agreement.

BE IT FINALLY RESOLVED, that all of the acts and transactions of any Officer, Authorized Agent or the Director of the LDFA in the name and on behalf of the LDFA, 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 23, 2020



CODE LDFA 20-06-01-152

ADMINISTRATION: SCHEDULE OF REGULAR LDFA BOARD MEETINGS FOR FY 2020-2021

RESOLVED, that the Board of Directors of the Local Development Finance Authority (the “LDFA”) hereby adopts the following as its schedule of regular meetings for its fiscal year beginning July 1, 2020 and ending June 30, 2021. Unless otherwise posted, such meetings will be held the fourth Tuesday of October and June at **9:30 a.m.** in the offices of the Detroit Economic Growth Corporation, 500 Griswold Street, Suite 2200, as follows:

October 27, 2020

June 22, 2021

June 23, 2020