



**LOCAL DEVELOPMENT FINANCE AUTHORITY
BOARD OF DIRECTORS SPECIAL MEETING
MONDAY, JULY 2, 2024
9:00 A.M.**

BOARD MEMBERS PRESENT:

Terrance Adams
Linda Forte
Damon Hodge
Machion Jackson
James Jenkins III
Katrina McCree

BOARD MEMBER ABSENT:

Furquan Ahmed
Derek J. Dickow

OTHERS PRESENT:

Jennifer Kanalos (DEGC/LDFA)
Glen Long (DEGC/LDFA)
Kevin Johnson (DEGC/LDFA)
Sierra Spencer (DEGC/LDFA)
Rebecca Navin (DEGC/LDFA)



**MINUTES OF THE LOCAL DEVELOPMENT FINANCE AUTHORITY
BOARD OF DIRECTORS SPECIAL MEETING
MONDAY, JULY 2, 2024
DETROIT ECONOMIC GROWTH CORPORATION
9:00 A.M.**

GENERAL

Call to Order

Chairperson Ms. Forte called the special meeting of the LDFA Board of Directors to order at 9:07 a.m.

Roll call was conducted, and a quorum was established.

Approval of Minutes

Ms. Forte asked for the members to review the minutes of the October 24, 2023, Regular Board meeting and called for questions. Hearing none, Ms. Forte called for a motion:

Ms. McCree made a motion approving the minutes of the October 24, 2023, Regular Board meeting, as presented. Mr. Hodge seconded the motion. All were in favor, and none opposed. Ms. Jackson was not present for the vote.

LDFA Resolution Code 24-07-02-65 was unanimously approved.

Acceptance of Treasurer's Report

Treasurer's Report – October - May 2024

Mr. Long presented the Treasurer's Report of Receipts and Disbursements for the months of October through May 2024.

Ms. Forte asked if there were any questions or discussion. Hearing none, he called for a motion.

Mr. Hodge made a motion to accept the Treasurer's Report for October through May 2024, as presented. Mr. Jenkins seconded the motion. All were in favor, and none opposed. Ms. Jackson was not present for the vote.

LDFA Resolution Code 24-07-03-57 was unanimously approved.

ADMINISTRATION

Approval and Adoption of the 2024-2025 Budget

Ms. Kanalos reviewed the LDFA budget for FY 2024-2025.

Ms. Forte called for questions or comments. Hearing none, the Board took the following action:

Ms. McCree made a motion to accept the LDFA Budget for FY 2024-2025. Mr. Hodge seconded the motion. All were in favor, and none opposed.



LDFA Resolution Code 24-07-01-168 was approved.

Amendment/Extension to the FY 2024-2025 LDFA/DEGC Professional Services Agreement

Ms. Kanalos stated 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 2023 to extend its term to June 30, 2024.

The Board was able to review Exhibit A, which was the FY 2024-2025 Extension to the LDFA/DEGC Professional Services Agreement Extension and a resolution approving the proposed Amendment.

Ms. Forte called for questions or comments. Hearing none, the Board took the following action:

Mr. Jenkins made a motion to approve the DEGC/LDFA Contract for FY 2024-2025. Mr. Adams seconded the motion. All were in favor, and none opposed.

LDFA Resolution Code 24-07-01-169 was approved.

Ms. McCree asked how long the extension would be for. Ms. Kanalos responded the extension would expire on June 30, 2025. Ms. Kanalos further explained that this agreement is extended annually with Board approval as opposed to extending the agreement for any further time span.

Schedule of Regular LDFA Board Meetings for FY 2024-2025

Ms. Kanalos advised that included in the Board material for review and approval is a resolution adopting a schedule indicating dates of the EDC Board’s regular meetings for the fiscal year 2024-2025. The meeting will be held as follows:

October 22, 2024

June 24, 2025

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

Mr. Hodge made a motion approving the LDFA Schedule of Regular Board Meetings for FY 2024-25 as presented. Ms. Jackson seconded the motion. All were in favor with none opposed.

LDFA Resolution Code 24-07-01-170 was unanimously approved.

Election of Officers

Ms. Kanalos advised that pursuant to provisions of the Local Development Finance Authority (LDFA’s) bylaws, election of Officers of the Board of Directors is required annually.

The current officers are as follows:

Linda Forte, Chairperson



Machion Jackson, Vice Chairperson
James Jenkins, Secretary
Furquan Ahmed, Treasurer

Staff proposes that the Chairperson open the floor to nominations.

Ms. Forte called for a motion for nominations.

Mr. Hodge made a motion to nominate and elect the current slate of officers. Ms. McCree seconded the motion. All were in favor with none opposed.

LDFA Resolution Code 24-07-01-171 was unanimously approved.

PROJECTS

None.

OTHER MATTERS

None.

PUBLIC COMMENT

None.

ADJOURNMENT

With there being no other business to be brought before the Board, on a motion by Mr. Hodge, seconded by Mr. Jackson, Ms. Forte Adjourned the meeting at 9:14 a.m.



CODE LDFA 24-07-02-65

APPROVAL OF THE LDFA MINUTES OF OCTOBER 24, 2023

RESOLVED, that the minutes of the Special meeting of October 24, 2023, 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.

July 2, 2024



CODE LDFA 24-07-03-57

ACCEPTANCE OF TREASURER'S REPORT FOR OCTOBER THROUGH MAY 2024

RESOLVED, that the Treasurer's Report of Receipt's and Disbursement for October 2023 through May 2024, as presented at this meeting, is hereby in all respects ratified and approved as action of the Local Development Finance Authority.

July 2, 2024



CODE LDFA 24-07-01-168

ADMINISTRATION: APPROVAL AND ADOPTION OF FY 2024-2025 LDFA OPERATING BUDGET AND APPROVAL OF FY 2024-2025 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 9, 2024, LDFA staff submitted the attached LDFA operating budget for FY 2023-2024 (the "24-25 Operating Budget") to City Council for approval prior to its adoption by the LDFA Board; and

WHEREAS, on May 21, 2024, the City Council approved the LDFA operating budget for FY 2024-2025 attached as Exhibit A (the "24-25 Operating Budget"); and

WHEREAS, staff has also submitted to the LDFA Board for approval the LDFA program budget for FY 2024-2025 attached as Exhibit B (the "24-25 Program Budget").

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the LDFA hereby approves and adopts the FY 24-25 Operating Budget.

BE IT FURTHER RESOLVED, that the Board of Directors of the LDFA hereby approves and adopts the FY 24-25 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.

July 2, 2024

**LOCAL DEVELOPMENT FINANCE AUTHORITY
OPERATING BUDGET
JULY 1, 2024 TO JUNE 30, 2025**

	Budget June 30, 2024	Proposed Budget June 30, 2025
<u>REVENUE</u>		
REVENUES RELEASED CURRENT YEAR	0	0
INTEREST/OTHER INCOME	5,000	5,000
TOTAL OPERATING REVENUE	5,000	5,000
Transfer (to) from Prior Year Operating Fund Balances	150,000	150,000
TOTAL TRANSFERS (TO) FROM FUND BALANCES	150,000	150,000
TOTAL REVENUE	155,000	155,000
<u>EXPENSES</u>		
DETROIT ECONOMIC GROWTH CORPORATION	125,000	125,000
MAINTENANCE/OTHER	30,000	30,000
TOTAL OPERATING EXPENSES	155,000	155,000
Operating Surplus/(Shortfall)	0	0
(Increase)/Decrease in Reserve	0	0
NET SURPLUS/(SHORTFALL)	0	0

**LOCAL DEVELOPMENT FINANCE AUTHORITY
PROGRAM BUDGET
JULY 1, 2024 TO JUNE 30, 2025**

	Budget June 30, 2024	Proposed Budget June 30, 2025
<u>REVENUE</u>		
UCCA Phase 3	0	0
MEDC Grant*	<u>0</u>	<u>0</u>
TOTAL PROJECT REVENUE	0	0
* A grant of \$6,950,000 for the Riverfront Park, UCCA, and Woodward Streetscapes was received in 2003-04.		
Tax Increment Receipts	0	0
Bond Interest Income	<u>0</u>	<u>0</u>
TOTAL BOND REVENUE	0	0
Transfer (to) from Prior Year Program Fund Balances	<u>397,500</u>	<u>397,500</u>
TOTAL TRANSFERS (TO) FROM FUND BALANCES	397,500	397,500
TOTAL REVENUE	<u>397,500</u>	<u>397,500</u>
* A grant of \$6,950,000 for the Riverfront Park, UCCA, and Woodward Streetscapes was received in 2003-04.		
<u>EXPENSES</u>		
PROJECT EXPENSES		
Riverfront	360,000	360,000
UCCA	37,500	37,500
Smart Zone	<u>0</u>	<u>0</u>
TOTAL PROJECT EXPENSES	<u>397,500</u>	<u>397,500</u>
BOND/TIF EXPENSES		
Debt Service	0	0
Trustee Fees	<u>0</u>	<u>0</u>
TOTAL BOND EXPENSES	0	0
TOTAL EXPENSES	<u>397,500</u>	<u>397,500</u>
Program Surplus/(Shortfall)	0	0
(Increase)/Decrease in Reserve	<u>0</u>	<u>0</u>
NET SURPLUS/(SHORTFALL)	<u>0</u>	<u>0</u>



CODE LDFA 24-07-01-169

ADMINISTRATION: EXTENSION TO THE FY 2024-2025 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 Extension of the FY 2024-2025 LDFA/DEGC Professional Services Agreement to June 30, 2025 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 2024-2025 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.

July 2, 2024

**AMENDMENT/EXTENSION OF PROFESSIONAL SERVICES AGREEMENT
LDFA ENGAGEMENT OF DEGC**

THIS AMENDMENT/EXTENSION NO. 30, made effective as of the 1st day of July, 2024 by and between the City of Detroit Local Development Finance Authority (the “LDFA”), a Michigan Public Corporation, and the Detroit Economic Growth Corporation (the “DEGC”), a Michigan Non-Profit Corporation.

WITNESSETH

WHEREAS, in 1995, a Professional Services Agreement (the “Agreement”), as amended, was entered into between the LDFA and the DEGC; and

WHEREAS, the Agreement will expire pursuant to its term on June 30, 2024 unless extended in accordance with Section 12 of the Agreement; and

WHEREAS, Section 12 of the Agreement provides that the Agreement may be renewed annually for the period beginning July 1 and ending June 30 of the next following year, from year to year, upon continued appropriation of funding by the Board of Directors of the LDFA; and

WHEREAS, Section 5 of the Agreement, as amended, provides that the “LDFA agrees to pay DEGC annually for the performance of the services hereunder in an amount not to exceed the sum of ONE HUNDRED TWENTY-FIVE THOUSAND and 00/100 (\$125,000.00) DOLLARS, payable in equal monthly installments of Ten Thousand Four Hundred Sixteen and 67/100 (\$10,416.67) Dollars; and

WHEREAS, by resolution at its meeting on , 2024, the Board of Directors of the LDFA authorized the extension of the Agreement for the period beginning July 1, 2024 and ending June 30, 2025, in the amount of One Hundred Twenty-Five Thousand (\$125,000.00) Dollars, subject to approval by the City Council of the City of Detroit of the fiscal year 2024-2025 budget of the LDFA; and

NOW, THEREFORE, the parties hereto agree as follows:

1. Pursuant to Section 12 of the Agreement, the term of the Agreement shall be extended for the period beginning July 1, 2024 and ending June 30, 2025.
2. The responsibility for implementing the services to be performed by DEGC under this Agreement shall reside with the President of DEGC, and he or she shall report as requested to the Board of Directors of LDFA. The President of DEGC may designate, and shall identify in writing to the LDFA, one or more staff of DEGC to supervise the performance by DEGC of its obligations under this Agreement and to keep LDFA informed of DEGC’s performance of its obligations under the Agreement. In addition to any “director” appointed by the LDFA Board of Directors under Section 6(1) of the Act, the President of the DEGC and/or his or her designated staff may execute documents on behalf of the LDFA, as its “authorized agent”.

3. The amount of compensation to be paid by the LDFA to the DEGC pursuant to Section 5 during this period of extension shall be the sum of One Hundred Twenty-Five Thousand and 00/100 (\$125,000.00) Dollars, payable in equal monthly installments of Ten Thousand Four Hundred Sixteen and 67/100 (\$10,416.67) Dollars. Furthermore, LDFA shall pay DEGC for services performed for or on behalf of LDFA 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.
4. Except as modified above, the terms, conditions and covenants of the Agreement shall remain in full force and effect as set forth therein.

IN WITNESS WHEREOF, the parties hereto have caused this extension to be signed by and through their respective duly authorized officers and/or representatives as of the day and year first above written.

CITY OF DETROIT
LOCAL DEVELOPMENT FINANCE 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 LDFA

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CODE LDFA 24-07-01-170

ADMINISTRATION: SCHEDULE OF REGULAR LDFA BOARD MEETINGS FOR FY 2024-2025

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, 2024 and ending June 30, 2025. Unless otherwise posted, such meetings will be held the fourth Tuesday of October and June at **10:00 a.m.** in the offices of the Detroit Economic Growth Corporation, 500 Griswold Street, Suite 2200, as follows:

October 22, 2024

June 24, 2025

July 2, 2024



CODE LDFA 24-07-01-171

ADMINISTRATION: ELECTION OF OFFICERS

RESOLVED, that the following are hereby elected as Officers of the Board of Directors of the Local Development Finance Authority:

<u>Linda Forte</u>	Chairperson
<u>Machion Jackson</u>	Vice Chairperson
<u>James Jenkins</u>	Secretary
<u>Furquan Ahmed</u>	Treasurer

July 2, 2024