

City of Detroit



Downtown Development Authority

500 Griswold, Suite 2200, 22nd Floor

Detroit, Michigan 48226

Phone: 313 963 2940

Fax: 313 963 8839

CODE DDA 18-05-02-606

APPROVAL OF MINUTES OF MARCH 14, 2018

RESOLVED, that the minutes of the Regular meeting of March 14, 2018 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 Downtown Development Authority.

May 9, 2018

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**DOWNTOWN DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS REGULAR MEETING
WEDNESDAY, MARCH 28, 2018 – 3:00 P.M.**

BOARD MEMBERS PRESENT:

Marvin Beatty
Charles Beckham
Austin Black
Ehrlich Crain
Sonya Delley
James Jenkins
John Naglick
Steve Ogden

BOARD MEMBERS ABSENT:

David Blaszkiewicz
Michael Duggan
Richard Hosey
David Massaron
Vacancy (Melvin Hollowell)

OTHERS PRESENT:

Joe Guziewicz (Bedrock)
Gay Hilger (DEGC/DDA)
Malinda Jensen (DEGC/DDA)
John Lauve (Public)
Glen Long, Jr. (DEGC/DDA)
Chris McClain (Citizen Detroit)
Sarah Pavelko (DEGC/DDA)

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**MINUTES OF THE DOWNTOWN DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS REGULAR MEETING
WEDNESDAY, MARCH 28, 2018
DETROIT ECONOMIC GROWTH CORPORATION
500 GRISWOLD STREET, SUITE 2200 – 3:00 P.M.**

GENERAL

Call to Order

Noting that a quorum was present, Mr. Naglick, Treasurer and Acting Chair, called the Regular meeting of the Downtown Development Authority Board of Directors to order at 3:02 p.m.

Approval of Minutes

Mr. Naglick questioned whether there were any additions, deletions or corrections to the minutes of the March 14, 2018 Regular Board meeting. Hearing none, the Board took the following action:

On a motion by Mr. Ogden, seconded by Mr. Beatty, Resolution Code DDA 18-03-02-605 was unanimously approved.

Receipt of Treasurer's Report

Mr. Long reviewed the Treasurer's Report of Receipts and Disbursements for the Month of February 2018 for the benefit of the Board and responded to questions. Subsequent to the discussion, the Board took the following action:

On a motion by Mr. Beatty, seconded by Ms. Delley, Resolution Code 18-03-03-481 was unanimously approved.

PROJECTS

Proposed Fourth Amendment to Development Agreement between Rosko Development Company LLC and the DDA

Ms. Pavelko advised that in September 2010, the DDA and Rosko Development Company LLC, an affiliate of Bedrock Real Estate Services, ("Rosko") entered into a First Amended and Restated Development Agreement (as amended from time to time, the "**Development Agreement**") relating to the development of, among other properties, the site of the former Hudson building (the "**Site**"). In December 2017, Rosko closed on the Site and commenced demolition of the sub-surface parking garage on the Site.

Given the complexity of the Site and the project design, Rosko has requested an extension of the construction completion date set forth in the Development Agreement from December 2020 to

December 2022. This extended construction completion date is also consistent with the construction schedule in Rosko's Transformative Brownfield Plan which was approved by the Detroit Brownfield Redevelopment Authority and Detroit City Council in Fall, 2017 and is scheduled to be considered by the Michigan Strategic Fund in Spring, 2018.

A resolution was included for the Board's consideration.

Ms. Pavelko introduced Mr. Joe Guziewicz, Vice President of Construction for Bedrock. Mr. Guziewicz provided an informative PowerPoint presentation on the project, explaining changes that have been made to the original design, discussed the timeline of the development and responded to Board members' questions.

Mr. Ogden described the Transformation Brownfield TIF and how it works for the Board's information and responded to Board members' questions.

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

On a motion by Mr. Jenkins, seconded by Ms. Delley, Resolution Code DDA 18-03-112-16 was approved, with Mr. Beatty and Mr. Ogden abstaining.

ADMINISTRATION

Report of Actions Taken Under the Delegation of Authority Resolution

Ms. Jensen reviewed the four contracts signed that were less than \$50,000 each during January, February and March 2018. Staff responded to Board members' questions about the contracts.

Mr. Jenkins requested that staff provide him with a list of the Detroit headquarter-based contractors that are solicited for quotes.

PUBLIC COMMENT

Mr. Naglick called for public comment and advised that they would be given two minutes.

Mr. John Lauve of Holly, Michigan stated the following:

"We had a third Tiger Ticket meeting and we didn't have a quorum, unfortunately. I just have a little summary here. Detroit Wayne County Stadium Authority has a Tiger Ticket kids program. I'd like to see the tickets say that so it gives credit to what is involved here. It should say adult only when accompanied by at least three kids and that it's not for sale. It is not going to be during school hours. Last year they were short by 11,000 tickets. They don't mention how many adults received tickets. And they don't tell how many kids got the tickets. This year they were short 15,000 tickets. So that is 26,000 leftovers. So you add the leftovers with another 50,000, they've got to come up with 76,000 tickets. You don't just forget about them. It should be a follow-up obligation in the least. Because for Ilittch you don't have to do that kind of thing. Well this is an obligation and how this is dealt with is an indication of what kind of supervision is done over at this congregation that they have. We gave a million dollars over to Diggs to do that job. I'd be willing to take over this assignment with the expenses and I'd get the job done. The number one problem in Michigan is education. We are at the bottom of the United States. We are working on some kind of mass transit problem."

Mr. Naglick advised Mr. Lauve that his two minutes were up and thanked him for his comments.

OTHER MATTERS

Mr. Crain updated the Board on the Tigers Ticket Donation Program Committee meeting which took place on March 20 but did not have a quorum.

ADJOURNMENT

With there being no other business to be brought before the Board, Mr. Naglick adjourned the meeting at 3:58 p.m.

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March 28, 2018

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CODE DDA 18-03-03-481

RECEIPT OF TREASURER'S REPORT FOR FEBRUARY 2018

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period ending January 31, 2018, as presented at this meeting, is hereby in all respects received by the Downtown Development Authority.

March 28, 2018

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CODE DDA 18-03-112-16

**RESOLUTION AUTHORIZING FOURTH AMENDMENT TO DEVELOPMENT AGREEMENT
BETWEEN ROSKO DEVELOPMENT COMPANY LLC AND THE DDA**

WHEREAS, in September 2010, the DDA and Rosko Development Company LLC, an affiliate of Bedrock Real Estate Services, ("**Rosko**") entered into a First Amended and Restated Development Agreement (as amended from time to time, the "**Development Agreement**") relating to the development of, among other properties, the site of the former Hudson building (the "**Site**"); and

WHEREAS, in December 2017, Rosko closed on the Site and commenced demolition of the sub-surface parking garage on the Site; and

WHEREAS, Rosko has requested an extension of the construction completion date set forth in the Development Agreement from December 2020 to December 2022, which is also consistent with the construction schedule in Rosko's Transformative Brownfield Plan; and

WHEREAS, the DDA Board of Directors has determined that it is in the best interests of the DDA and the project to amend the Development to extend the timeline as requested (the "**Fourth Amendment**").

NOW, THEREFORE, BE IT RESOLVED, that the DDA Board of Directors does hereby authorize the negotiation and execution of the Fourth Amendment setting forth the extended timeline described above, upon terms deemed appropriate by staff and counsel and otherwise not inconsistent with the terms described herein.

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

BE IT FINALLY RESOLVED that all of the acts and transactions of any Officer or Authorized Agent of the DDA, in the name and on behalf of the DDA, 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.

March 28, 2018