



**ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS REGULAR MEETING
TUESDAY, AUGUST 13, 2019 – 8:30 A.M.**

BOARD MEMBERS PRESENT: Clifford Brown
Marsha Bruhn
Damon Hodge
Jonathan Quarles
Thomas Stallworth

BOARD MEMBERS ABSENT: Maurice Cox (Ex-Officio)
Kimberly Clayson
Linda Forte
Chris Jackson
John Naglick (Ex-Officio)
Kwaku Osei

**SPECIAL DIRECTORS
PRESENT:** None

**SPECIAL DIRECTORS
ABSENT:** None

OTHERS PRESENT: Gay Hilger (DEGC/EDC)
Althea Jackson (City Bureau Documenter)
Ross Jones (WXYZ)
Paul Kako (DEGC/EDC)
Jennifer Kanalos (DEGC/EDC)
Andrew Lucco (DEGC/EDC)
Rebecca Navin (DEGC/EDC)
Sarah Pavelko (DEGC/EDC)
Mariangela Pledl (DEGC/EDC)
Donald Rencher (City of Detroit)
Orza Robertson (DEGC/EDC)
R. Rodario (WXYZ)



**MINUTES OF THE ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS REGULAR MEETING
TUESDAY, AUGUST 13, 2019
DETROIT ECONOMIC GROWTH CORPORATION
500 GRISWOLD, SUITE 2200
8:30 A.M.**

CALL TO ORDER

Noting that a quorum was present, Vice Chairperson Quarles called the Regular meeting of the Economic Development Corporation Board of Directors to order at 8:33 a.m.

GENERAL

Approval of Minutes

Mr. Quarles asked if there were any additions, deletions or corrections to the minutes of the July 23, 2019 Regular Board meeting. Hearing none, the Board took the following action:

On a motion by Ms. Bruhn, seconded by Mr. Stallworth, Resolution Code EDC 19-08-02-318 was unanimously approved.

PROJECTS

Mr. Quarles skipped to Project Item II.

Motor City Match: Approval of Exception to Program Eligibility Requirements

Mr. Lucco advised that on February 26, 2019, the EDC Board of Directors approved Motor City Match ("MCM") Round 14 Business Awards, including the below cash award:

KRISPY ADDICTS L.L.C.

Owners: Dhafir Hasan

Location: 19434 Livernois, Detroit, MI

Grant: \$25,000

Description: Krispy Addicts is a men's retail street wear clothing boutique that specializes in graphic design t-shirts, denim jeans and jackets, hoodies, sweatshirts from exclusive brands as well as its own signature clothing brand. The store will carry accessories including hats, sneakers, belts and urban artwork. Krispy Addicts will reach out to young artists from the local community and allow them to showcase their artwork for sale, leveraging the brick and mortar location to expand an existing online store. Krispy Addicts is a **minority-owned business**.

Total Expected Investment: \$70,000



The owner of the above business is employed by the City of Detroit as a Building Inspector in the City's Buildings, Safety Engineering and Environmental Department ("BSEED"). In his role as a Building Inspector for BSEED, neither Mr. Hasan nor his colleagues and superiors at BSEED have any role in the decision-making for awards under the MCM Program or are in a position to influence such awards. Further, neither Mr. Hasan nor, to our knowledge, anyone at BSEED possesses, or is in a position to possess, any insider information regarding the MCM decision-making process.

Mr. Hasan has agreed to execute an appropriate recusal which acknowledges such employment could be perceived as a conflict, as well as the possibility that an actual conflict could arise in the future, and that he agrees to recuse himself from any involvement in any matters which concern the MCM program which may come before BSEED.

EDC counsel has reviewed the foregoing and is of the opinion that Mr. Hasan's receipt of a MCM award does not present an actual conflict of interest. As such, EDC staff recommends the Board's approval of an exception to the Program Guideline's eligibility requirements for the above business awardee.

A resolution was included in the Board material for consideration.

With there being no questions or discussion, the Board took the following action:

On a motion by Mr. Stallworth, seconded by Mr. Hodge, Resolution Code EDC 19-08-91-99 was unanimously approved.

Mr. Quarles acknowledged new Board member Clifford Brown and welcomed him to the Board.

Motor City Re-Store: Amendment to Recommendations for Round 7 Awards

Ms. Pledl, stepping in for Mr. Eugene-Lewis, reported that on June 25, 2019, the EDC Board of Directors approved Round 7 awards for Motor City Re-Store (EDC 19-06-91-92). In that approval, 6 design awards were approved, and 9 construction awards were approved. However, in preparing the awardee paperwork, staff discovered that one intended construction award was inadvertently omitted from the resolution approved by the Board.

In order to correct this inadvertent omission, EDC staff recommends to the Board the approval of the following Construction Award, as part of the Round 7 Motor City Re-Store awards.

Nemo's Bar and Grill

Estimated Construction Award: \$25,000

Owners: Patrick Springstead

Location: 1384 Michigan Ave., in Corktown (District 6)

Description: Nemo's Bar and Grill has been a part Corktown since the beginning and is evolving with the changing neighborhood. To this day Nemo's is still the Detroit Classic!



Project Scope: Awnings and canopies, door repair or replacement, signage, tuckpointing and masonry repairs, window repair or replacement, window glazing.

A resolution was included for the Board's consideration.

With there being no questions or discussion, the Board took the following action:

On a motion by Mr. Stallworth, seconded by Mr. Hodge, Resolution Code EDC 19-08-91-98 was unanimously approved

ADMINISTRATION

Election of Treasurer

Ms. Kanalos advised that the Officer position of Treasurer of the EDC Board of Directors is vacant. Staff proposed that the Chairperson open the floor to nominations.

Mr. Quarles asked for nominations to the position of Treasurer, and Mr. Stallworth stated that he would volunteer. Ms. Bruhn made a motion to nominate Mr. Stallworth, and Mr. Hodge seconded the motion.

With there being no discussion, the Board took the following action:

On a motion by Ms. Bruhn, seconded by Mr. Hodge, resolution Code EDC 19-08-01-207 was unanimously approved.

Mr. Quarles thanked Mr. Stallworth for stepping up and volunteering.

OTHER MATTERS

PUBLIC COMMENT

ADJOURNMENT

On a motion by Mr. Hodge, seconded by Ms. Bruhn, Mr. Quarles adjourned the meeting at 8:43 a.m.



CODE EDC 19-08-02-318

APPROVAL OF MINUTES OF JULY 23, 2019 REGULAR MEETING

RESOLVED, that the minutes of the Regular meeting of July 23, 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 Economic Development Corporation.

August 13, 2019



CODE EDC 19-08-91-99

MOTOR CITY MATCH: APPROVAL OF EXCEPTION TO PROGRAM ELIGIBILITY REQUIREMENTS

WHEREAS, On February 26, 2019, the EDC Board of Directors approved Motor City Match (“MCM”) Round 14 Business Awards, including the below cash award:

KRISPY ADDICTS L.L.C.

Owners: Dhafir Hasan

Location: 19434 Livernois, Detroit, MI

Grant: \$25,000

Description: Krispy Addicts is a men's retail street wear clothing boutique that specializes in graphic design t-shirts, denim jeans and jackets, hoodies, sweatshirts from exclusive brands as well as its own signature clothing brand. The store will carry accessories including hats, sneakers, belts and urban artwork. Krispy Addicts will reach out to young artists from the local community and allow them to showcase their artwork for sale, leveraging the brick and mortar location to expand an existing online store. Krispy Addicts is a **minority-owned business**.

Total Expected Investment: \$70,000

WHEREAS, the owner of the above business is employed by the City of Detroit as a Building Inspector in the City’s Buildings, Safety Engineering and Environmental Department (“BSEED”); and

WHEREAS, in his role as a Building Inspector for BSEED, neither Mr. Hasan nor his colleagues and superiors at BSEED have any role in the decision-making for awards under the MCM Program, or are in a position to influence such awards and does not possess, or is in a position to possess, any insider information regarding the MCM decision-making process; and

WHEREAS, Mr. Hasan has agreed to execute an appropriate recusal which acknowledges such employment could be perceived as a conflict, as well as the possibility that an actual conflict could arise in the future, and that he agrees to recuse himself from any involvement in any matters which concern the MCM program which may come before BSEED; and

WHEREAS, EDC counsel has reviewed the foregoing and is of the opinion that Mr. Hasan’s receipt of an MCM award does not present an actual conflict of interest; and

WHEREAS, the EDC staff has requested that the EDC Board approve an exception to the eligibility requirements MCM Program Guidelines for the above business awardee; and



WHEREAS, the EDC Board has determined that the staff recommendation is reasonable and consistent with the Motor City Match program; and

NOW, THEREFORE, BE IT RESOLVED, that the EDC Board of Directors, hereby approves an exception to the MCM Program Guidelines, allowing Mr. Hasan to receive MCM program support, including the above-referenced cash award.

BE IT FURTHER RESOLVED, that the EDC Board of Directors, hereby reaffirms its February 2019 approval of a \$25,000 cash award for Krispy Addicts LLC, as described above.

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 or appropriate 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 the execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

August 13, 2019



CODE EDC 19-08-01-207

ADMINISTRATION: ELECTION OF TREASURER

RESOLVED that Thomas Stallworth is hereby elected to serve as Treasurer of the Board of Directors of the Economic Development Corporation of the City of Detroit:

August 13, 2019