



**ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS REGULAR MEETING
TUESDAY, APRIL 27, 2021 – 9:00 A.M.**

BOARD MEMBERS PRESENT: Linda Forte
Damon Hodge
Clifford Brown
Marsha Bruhn
Thomas Stallworth
Kimberly Clayson
Chris Jackson
Kwaku Osei

BOARD MEMBERS ABSENT: Jonathan Quarles
John Naglick (Ex-Officio)
Katy Trudeau (Ex-Officio)

**SPECIAL DIRECTORS
PRESENT:** None

**SPECIAL DIRECTORS
ABSENT:** Frank Taylor
Jon Newton

OTHERS PRESENT: Jennifer Kanalos (DEGC/EDC)
Cora Capler (DEGC/EDC)
Malinda Jensen (DEGC/EDC)
Paul Kako (DEGC/EDC)
Pierre Batton (DEGC/EDC)
Kevin Johnson (DEGC/EDC)
Glen Long (DEGC/EDC)
Kelly Shovan (DEGC/EDC)
Kaci Jackson (DEGC/EDC)
Rebecca Navin (DEGC/EDC)
Mariangela Pledl (DEGC/EDC)



**MINUTES OF THE ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS REGULAR MEETING
APRIL 27, 2021
HELD VIA ZOOM VIRTUAL MEETING
9:00 A.M.**

GENERAL

Call to Order

Chairperson Forte called the meeting of the Economic Development Corporation Board of Directors to order at 9:02 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 March 30, 2021 Special Board meeting. Hearing none, Ms. Forte called for a motion:

Mr. Stallworth made a motion approving the minutes of the March 30, 2021 Special Board meeting, as presented. Mr. Hodge seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Brown, Ms. Clayson, Mr. Hodge, Mr. Jackson, Mr. Osei, Mr. Stallworth, and Ms. Forte

Nays: None.

EDC Resolution Code 21-04-02-344 was approved.

Receipt of Treasurer's Report

Ms. Shovan reviewed the Treasurer's Report of Receipts and Disbursements for the month of March 2021. With there being no questions or discussion, Ms. Forte called for a motion.

Mr. Brown made a motion approving the March 2021 Treasurer's Report, as presented. Mr. Hodge seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Brown, Ms. Clayson, Mr. Hodge, Mr. Jackson, Mr. Osei, Mr. Stallworth, and Ms. Forte

Nays: None.

EDC Resolution Code 21-04-03-262 was approved.



PROJECTS

Small Business and Commercial Corridor Revitalization Program: Amendment Number 6 for City of Detroit Contract Number 6000226 to Fund Amended and Restated Subrecipient Agreement

Ms. Pledl presented the Small Business and Commercial Corridor Revitalization Program: Amendment Number 6 for City of Detroit Contract Number 6000226 to Fund Amended and Restated Subrecipient Agreement.

As the Board is aware, at the request of the City of Detroit (the “City”) Mayor’s Office and Housing and Revitalization Department (“HRD”), the Economic Development Corporation of the City of Detroit (“EDC”), is administering small business and commercial corridor revitalization programs known as Motor City Match and Motor City Re-Store (collectively, the “Programs”).

The Programs are currently implemented, in part through general fund funding from the City pursuant to subrecipient agreements. In January 2021, the current subrecipient agreement (contract number 6000226) (the “Agreement”) was amended to expire on June 30, 2021 to continue to support the Programs.

In order to continue the Programs, subject to City Council approval, HRD has agreed to increase the total value of the Agreement by \$1,000,000.00. This increase will be memorialized by Amendment No, 6 to the Agreement and the additional funding will be utilized for reimbursement of Program costs accrued from February through April 2021, staffing costs, technical assistance for Motor City Match businesses, marketing expenses for the Programs’ businesses to drive foot traffic and Program delivery costs.

EDC staff recommended the EDC Board of Directors approve the requested contract amendment. A resolution was attached for the Board’s consideration.

Mr. Hodge asked if there are any updates regarding the renewal or extension of the Programs. Mr. Batton stated that the City of Detroit released a Request for Proposal (RFP) for the administration of the next year of the Programs and that the deadline for responses to the RFP is Friday, April 30, 2021 and that EDC Staff will be submitting a response to the RFP this week.

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

Mr. Brown made a motion approving the Small Business and Commercial Corridor Revitalization Program: Amendment Number 6 for City of Detroit Contract Number 6000226 to Fund Amended and Restated Subrecipient Agreement, as presented.



Mr. Stallworth seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Brown, Ms. Clayson, Mr. Hodge, Mr. Jackson, Mr. Osei, Mr. Stallworth, and Ms. Forte

Nays: None.

EDC Resolution Code 21-04-91-115 was approved.

Authorization to Extend Due Diligence Period for 1977 Woodbridge

Ms. Jackson presented the Authorization to Extend Due Diligence Period for 1977 Woodbridge.

In July 2019, the City of Detroit Economic Development Corporation (the “EDC”) authorized the execution of a development agreement (the “Agreement”) with Biltmore Development Group, LLC (the “Developer”) for the redevelopment of the buildings located at 1977 Woodbridge (the “Property”) in support of the development in the East Riverfront district. Pursuant to the terms of the Agreement, Developer was to purchase the Property for \$500,000 and develop it into a minimum 4,757 square foot commercial space with proposed uses to include a cigar bar with a small office space and two-chair barbershop. Construction of this \$1,500,000 project was slated to begin in Spring 2021 and be completed within 12 months following commencement.

Due to the COVID-19 pandemic, however, development plans were delayed as the Developer was not able to complete the necessary due diligence of the Property within the 90-day inspection period provided for in the Agreement. Pursuant to the terms of the Agreement, Developer was able to extend the due diligence period by an additional 90 days upon notice to EDC, however the Developer needs additional time to complete necessary due diligence. Specifically, Developer is working on finalizing the design drawings and the project financing with its lender. Additionally, the Developer anticipates submitting an abatement request by June of 2021 to begin construction late summer/early fall.

Developer remains committed to completing the project and is requesting an additional extension to the inspection period to complete the due diligence as stated above. EDC staff remains supportive of the project and is seeking the Board’s approval to grant an additional 60-day extension for the inspection period, which will result in the inspection period ending on May 8, 2021. Further, in connection with the 60-day extension of the inspection period, the timeline to close on the purchase the Property will be reduced by 60 days to occur within 215 days of the conclusion of the Inspection Period.

A draft resolution was prepared for the Board’s consideration.



Mr. Hodge asked if the Developer has sufficient funds to complete the due diligence and if the delay is solely due to COVID. Ms. Jackson confirmed that the Developer has sufficient funds to complete the due diligence and that the delay is solely due to COVID.

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

Ms. Clayson made a motion approving the Authorization to Extend Due Diligence Period for 1977 Woodbridge, as presented. Mr. Hodge seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Brown, Ms. Clayson, Mr. Hodge, Mr. Jackson, Mr. Osei, Mr. Stallworth, and Ms. Forte

Nays: None.

EDC Resolution Code 21-04-52-16 was approved.

ADMINISTRATION

Ms. Jensen asked for clarification on who made the motion to approve the minutes of the March 30, 2021 Special Meeting of the EDC Board. Mr. Stallworth stated that he made the motion to approve the minutes of the March 30, 2021 Special Meeting of the EDC Board. Mr. Hodge stated that he seconded Mr. Stallworth's motion to approve the minutes of the March 30, 2021 Special Meeting of the EDC Board.

OTHER MATTERS

Mr. Stallworth asked if the Charter Revision Commission's proposed revisions to the City Charter for the City of Detroit pose any concerns for the EDC. Ms. Navin stated that EDC Staff has reviewed all of the Charter Revision Commission's proposed revisions to the City Charter for the City of Detroit and there are some items that are concerning and may affect the EDC as well as some other public authorities of the City and responses to the proposed revisions were drafted and provided to the City's Administration. Mr. Stallworth and Ms. Forte inquired if time could be scheduled to review the concerns that were raised regarding the proposed revisions. Ms. Navin stated that the concerns could be discussed at an upcoming EDC Board meeting.

PUBLIC COMMENT

None.

ADJOURNMENT

On a motion by Mr. Hodge, which was seconded by Ms. Clayson, Ms. Forte adjourned the meeting at 9:16 a.m.



CODE EDC 21-04-02-344

APPROVAL OF MINUTES OF MARCH 30, 2021 SPECIAL MEETING

RESOLVED, that the minutes of the special meeting of March 30, 2021 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.

April 27, 2021



CODE EDC 21-04-03-262

RECEIPT OF TREASURER'S REPORT FOR MARCH 2021

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period ending March 31, 2021, as presented at this meeting, is hereby in all respects accepted as action of the Economic Development Corporation.

April 27, 2021



CODE EDC 21-04-91-115

**SMALL BUSINESS AND COMMERCIAL CORRIDOR REVITALIZATION PROGRAM:
AGREEMENT AMENDMENT NUMBER 6 FOR CITY OF DETROIT CONTRACT
NUMBER 6000226 TO REPLENISH FUNDING FOR AMENDED AND RESTATED
SUBRECIPIENT AGREEMENT**

WHEREAS, at the request of the City of Detroit (the “City”) Mayor’s Office and Housing and Revitalization Department (“HRD”), the Economic Development Corporation of the City of Detroit (“EDC”), is administering small business and commercial corridor revitalization programs known as Motor City Match and Motor City Re-Store (collectively, the “Programs”); and

WHEREAS, the Programs are implemented, in part, through general fund funding from the City pursuant to subrecipient agreements; and

WHEREAS, the current subrecipient agreement (contract number 6000226) (the “Agreement”) expires on June 30, 2021; and

WHEREAS, to continue the Programs, subject to City Council approval, HRD has requested that the total value of the Agreement be increased by \$1,000,000.00; and

WHEREAS, the EDC Board of Directors has determined that the requested amendment is appropriate and otherwise consistent with the EDC’s statutory purposes.

NOW, THEREFORE, BE IT, RESOLVED, the requested amendment to increase the value of the Agreement by \$1,000,000.00 is hereby approved.

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 an amendment to the Agreement and all other documents, contracts, or papers, and take all actions, necessary or appropriate to implement the provisions and intent of this resolution on behalf of the EDC.

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.

April 27, 2021



CODE EDC 21-04-52-16

EAST RIVERFRONT PROJECT PLAN AUTHORIZATION TO EXTEND DUE DILIGENCE PERIOD FOR 1977 WOODBRIDGE

WHEREAS, in July 2019, the City of Detroit Economic Development Corporation (the “EDC”) authorized the execution of a development agreement (the “Agreement”) with Biltmore Development Group, LLC (the “Developer”) for the redevelopment of the buildings located at 1977 Woodbridge (the “Property”); and

WHEREAS, due to the COVID-19 pandemic, development plans were delayed as the Developer was not able to complete the necessary due diligence of the Property within the 90-day inspection period provided for in the Agreement; and

WHEREAS, Developer utilized a 90-day extension of the inspection period as provided for in the Agreement, however the Developer needs additional time to complete necessary due diligence; and

WHEREAS, Developer and EDC staff is seeking the Board’s approval to extend the inspection by an additional 60 days, amending the Inspection Period to a period of 240 days following the Effective Date of the Agreement, and reducing the closing period by 60 days to occur within 215 days following the conclusion of the Inspection Period.

NOW, THEREFORE, BE IT RESOLVED that the EDC Board of Directors hereby approves the extension of the inspection period and authorizes the negotiation and the execution of an amendment to the Agreement consistent with this resolution, together with the same such terms and conditions deemed reasonable by EDC’s counsel and Authorized Agents.

BE IT FURTHER RESOLVED that any two officers, any two of the Authorized Agents or any one of the Officer and any one of the Authorized Agents of the EDC, shall hereafter have the authority to negotiate and execute an amendment to the agreement and 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 EDC.

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, 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.

April 27, 2021