



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

BOARD MEMBERS PRESENT: Clifford Brown
Marsha Bruhn
Linda Forte
Damon Hodge
Chris Jackson
Kwaku Osei
Jonathan Quarles

BOARD MEMBERS ABSENT: Antoine Bryant (Ex-Officio)
Kimberly Clayson
John Naglick (Ex-Officio)
Thomas Stallworth

**SPECIAL DIRECTORS
PRESENT:** None

**SPECIAL DIRECTORS
ABSENT:** None

OTHERS PRESENT: Gay Hilger (DEGC/EDC)
David Howell (DEGC/EDC)
Kaci Jackson (DEGC/EDC)
Malinda Jensen (DEGC/EDC)
Kevin Johnson (DEGC/EDC)
Paul Kako (DEGC/EDC)
Jennifer Kanalos (DEGC/EDC)
Glen Long (DEGC/EDC)
Rebecca Navin (DEGC/EDC)



**MINUTES OF THE ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS REGULAR MEETING
NOVEMBER 9, 2021 – 9:00 A.M.
ZOOM VIRTUAL MEETING**

GENERAL

Call to Order

Chairperson Forte called the Regular meeting of the Economic Development Corporation Board of Directors to order at 9:01 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 26, 2021 Regular Board meeting. Hearing none, Ms. Forte called for a motion.

Mr. Osei made a motion approving the minutes of the October 26, 2021 Regular Board meeting, as written. Mr. Brown seconded the motion. All were in favor with none opposed.

EDC Resolution Code 21-11-02-353 was unanimously approved.

PROJECTS

Proposed EDC Loan Fund Loan Request for Woodborn Partners, LLC

Ms. Jensen informed that Mr. David Howell, Director of Economic Development and Investment Services will be leading the presentation and project review today.

Mr. Howell reported that Woodborn Partners is a Detroit-based development firm led by Cliff Brown, who is seeking to develop three parcels located in Southwest Detroit on 0.7 acres. The addresses of the parcels are 2420 Bagley, 1725 and 1729 16th Street. Mr. Howell gave a brief recap of the project details and stated that he is here to answer any additional questions the Board may have.

Ms. Forte advised that this project was presented by Ms. Jackson in quite a bit of detail at the last meeting. The reason why it is being brought back today is because the Board's own Cliff Brown is a principal of this project and there was a waiting period before the Board could vote. It has been reviewed by the Finance Committee and the Committee recommended approval.



Mr. Brown advised that he was recusing himself from the vote.

Mr. Forte asked if there were any other questions/comments.

Ms. Navin stated she had one quick comment. For the record, there has been an update on the name of the Borrower. A special purpose entity, Bagley & 16th LLC, was formed by Woodborn partners, and the Borrower's name has been updated on the term sheet since the last presentation to reflect this change. Ms. Forte asked if there were any other changes. Ms. Navin answered that there were not.

Ms. Forte called for a motion.

Mr. Quarles made a motion to approve the EDC Loan Fund Request for Woodborn Partners, LLC, as presented. Mr. Osei seconded the motion.

A roll call vote was taken with all in favor, none opposed and one abstention.

Resolution Code EDC 21-11- 84-14 was approved, with Mr. Brown abstaining.

ADMINISTRATION

None.

OTHER MATTERS

None.

PUBLIC COMMENT

None.

ADJOURNMENT

On a motion by Mr. Hodge, seconded by Mr. Osei, Ms. Forte adjourned the meeting at 9:08 a.m.



CODE EDC 21-11-02-353

APPROVAL OF MINUTES OF OCTOBER 26, 2021 REGULAR MEETING

RESOLVED, that the minutes of the Regular meeting of October 26, 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.

November 9, 2021



CODE EDC 21-11-84-14

UDAG RECYCLED FUNDS: PROPOSED EDC LOAN FUND LOAN REQUEST FOR WOODBORN PARTNERS, LLC

WHEREAS, Woodborn Partners, LLC (the “Developer”) seeks to redevelop three vacant parcels located at 2420 Bagley, 1725 16th and 1729 16th St. (collectively, the “Property”) into an estimated \$21.1 million mixed use development (the “Project”); and

WHEREAS, to facilitate the development of the Project, the Developer is seeking financing from the Economic Development Corporation of the City of Detroit (“EDC”) in the form of a loan in the amount not to exceed \$1,111,400.00 (the “Loan”); and

WHEREAS, a portion of the Loan in an amount not to exceed \$911,400.00 will be funded through proceeds the EDC has received from a pay-off on a prior loan made by the EDC, which have been designated by the City of Detroit Housing and Revitalization Department to be used for this Project, and the remaining \$200,000.00 of the Loan will be funded from the EDC Casino Development Loan Fund; and

WHEREAS, EDC staff has reviewed the Borrower’s financial documentation and proposes the following terms and conditions for the Loan to the Borrower:

Borrower Name:	Bagley + 16th LLC (special purpose entity formed by Woodborn Partners, LLC)
Loan Amount:	Not to exceed \$1,111,400.00
Interest Rate:	4%
Term	120 months, amortized over 30 years
Repayment:	The Loan will be evidenced by and payable through two promissory notes. Promissory Note “A” will be in the amount of \$200,000 with interest only payments due each month for 24 months followed by principal and interest payments due each month through maturity. Promissory Note “B” will be in an amount not to exceed \$911,400 with interest only payments due each month for 36 months followed by principal and interest payments due each month through maturity. Remaining principal and interest will be due at maturity.
Security:	Subordinated Lien position on all business assets, Assignment of Leases and Rents, Subordinated Mortgage on the Property. EDC’s security interest will be



subordinated to that of the senior lender and pari passu with the MSF and Invest Detroit.

Guaranty: Personal Guaranty of Clifford Brown, in which EDC will be subordinated to senior lender.

Conditions: Satisfactory review and acceptance of standard due diligence items. Binding commitments for all project loans. Execution of mutually agreeable loan documents. Borrower will provide itemized schedule and use of funds. Issuance of a Loan Policy of Title Insurance at closing.

; and

WHEREAS, EDC staff presented the Loan terms to the EDC Finance Committee which recommends the approval of the Loan in accordance with the terms stated herein; and

WHEREAS, the EDC Board of Directors has considered the proposed Loan and determined that the Loan, as proposed, is consistent with the EDC's goal of administering funds for business development initiatives and is consistent with the EDC's statutory purposes.

NOW, THEREFORE BE IT RESOLVED that the provision of a Loan consistent with the terms provided herein 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 the Loan, together with such other terms and conditions that are determined by such Authorized Agents and/or Officers to be customary or appropriate and not inconsistent with this resolution, and to negotiate and execute 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.

October 26, 2021 (TABLED)
November 9, 2021