

**ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS REGULAR MEETING
TUESDAY, SEPTEMBER 12, 2017 – 8:30 A.M.**

BOARD MEMBERS PRESENT: Marsha Bruhn
Monique Claiborne
Linda Forte
Chris Jackson
Jonathan Quarles
Matthew Roling
Thomas Stallworth

BOARD MEMBERS ABSENT: Kimberly Clayson
Maurice Cox (Ex-Officio)
John Naglick (Ex-Officio)
William Ritsema

**SPECIAL DIRECTORS
PRESENT:** None

**SPECIAL DIRECTORS
ABSENT:** None

OTHERS PRESENT: Gay Hilger (DEGC/EDC)
Denise Hundley (DEGC/EDC)
Malinda Jensen (DEGC/EDC)
Jennifer Kanalos (DEGC/EDC)
Rebecca Navin (DEGC/EDC)
Mariangela Pledl (DEGC/EDC)
Martha Potere (DEGC/EDC)
Mike Rafferty (DEGC/EDC)
Will Tamminga (DEGC/EDC)
Joe Tate (DEGC/D2D)

**MINUTES OF THE ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS REGULAR MEETING
TUESDAY, SEPTEMBER 12, 2017
DETROIT ECONOMIC GROWTH CORPORATION
500 GRISWOLD, SUITE 2200 - 8:30 A.M.**

CALL TO ORDER

Noting that a quorum was present, Chairperson Forte called the Regular meeting of the Economic Development Corporation Board of Directors to order at 8:34 a.m.

GENERAL

Approval of Minutes

Ms. Forte asked if there were any additions, deletions or corrections to the minutes of the August 22, 2017 Regular Board meeting.

Hearing none, the Board took the following action:

On a motion by Ms. Claiborne, seconded by Mr. Quarles, Resolution Code EDC 17-09-02-286 was unanimously approved.

PROJECTS

CDBG Declared Disaster Recovery Award: Islandview/Greater Villages Green Stormwater Infrastructure Project--Professional Services Agreement for Survey Services with Nowak Fraus Engineers

Mr. Tamminga reported that the City of Detroit, by and through its Housing and Revitalization Department, (the "City"), has been awarded a Community Development Block Grant for Declared Disaster Recovery (CDBG-DDR) from the U.S. Department of Housing and Urban Development (HUD) in the amount of Eight Million Nine Hundred Thousand and 00/100 Dollars (\$8,900,000.00). The CDBG-DDR grant is designed to ameliorate future flooding and support the market through a number of projects and planning exercises.

With EDC board approval (#16-06-95-01), the EDC executed a sub-recipient agreement with the City and was awarded \$2,593,500.00 from the City's CDBG-DDR grant. The City has requested that the EDC undertake construction management services with respect to the Beltline Greenway project and related services. The federal funds will be used for project activities as it relates to the Islandview/Greater Villages Green Stormwater Infrastructure Project.

September 12, 2017

As part of project execution, the EDC solicited for Quotes for survey services on July 27, 2017 for survey services for the Project. The basis for EDC contract awards are based on federal procurement policies set forth in 24 CFR 85.36. More specifically, this solicitation was made pursuant to the “small purchase procedure” method of procurement per 24 CFR 85.36(d)1. EDC staff received three cost quotes to the request for quotes. The other firms responding to this RFQ were Giffels Webster Engineers, and Spalding DeDecker.

EDC staff members reviewed all the cost quotes and have determined that Nowak Fraus provided the lowest cost and most responsive quote. EDC staff recommends approval of a Professional Services Agreement with Nowak Fraus. Nowak Fraus has an office in the City of Detroit. The proposed scope of services is attached as Attachment A-1.

EDC staff recommends that the Board of Directors authorize the execution of a Professional Service Agreement with Nowak Fraus Engineers, not to exceed Sixty-Seven Thousand Dollars (\$67,000.00), to be paid out of the funds.

A resolution was included for the Board’s consideration and approval.

Mr. Jackson questioned who owns the Rogel site, the City or the church? Mr. Tamminga explained that the City sold the site to the church but hopes to regain control of the site. They are presently in negotiations. The work the EDC is doing is on behalf of the City to assist in that endeavor.

Ms. Bruhn stated that the resolution does not mention the Rogel property. Mr. Tamminga responded that it was an oversight and would be added to the resolution.

Ms. Bruhn also pointed out that the resolution references four cost proposals when Mr. Tamminga had just reported there were three. Mr. Tamminga apologized and stated that the resolution would also be amended to state three cost proposals.

Mr. Jackson advised that the Scope of Services might also need to be amended. Mr. Tamminga stated he would take another look at the Scope before entering into the agreement.

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

On a motion by Mr. Jackson, seconded by Ms. Bruhn, Resolution Code EDC 17-09-95-03, was unanimously approved, as amended.

Ms. Forte informed that there is an urgent walk on item for the Board’s consideration.

Neighborhood Retail Opportunity Study Presentation Update (For Information Only)

Ms. Potere gave a detailed PowerPoint update presentation on the findings of the Neighborhood Retail Opportunity Study and responded to Board Members’ questions. The Board thanked her for the update and requested a copy of her presentation and, when complete, full copies of the report.

September 12, 2017

North Industrial Park II: Amendment of Resolution Approving Funding Agreements with DPW and Trident-Checker, LLC to Reimburse Right-of-Way Improvements

Ms. Navin distributed a copy of a resolution that was approved by the EDC Board in February 2017 and a revised budget for the project.

As the developer finalized the budget, it became clear that there were other infrastructure and utility improvements that they were going to be making that do not qualify for Act 51 dollars. The developer worked with the Administration and determined that with respect to Act 51 dollars, the allocation would be limited to about \$750,000, and then the administration was able to identify another \$350,000 in funds managed by the Housing and Revitalization Department that could be allocated towards the non-Art 51 eligible costs.

What is being proposed today is modifications to the Resolution adopted in February to authorize EDC to accept up to \$750,000 in Act 51 dollars towards this project, and then authorization for EDC to accept up to \$350,000 in funds from the Housing and Revitalization Department that have been allocated for this project. That would bring the total for the project up to \$1.1 million, a \$100,000 increase from the amount approved by the EDC Board in February.

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

On a motion by Mr. Stallworth, seconded by Mr. Jackson, Resolution Code EDC 17-09-16-06

ADMINISTRATION

OTHER MATTERS

Mr. Stallworth raised the issue of TIF and the new legislation, and what impact that has on the city. As part of that legislation, it enabled projects to occur in neighborhoods, but there doesn't seem to be any conversation about how to get CDCs or neighborhoods involved in the application process.

Ms. Kanalos advised that there are limitations on how many transformational brownfield projects a city can have and there are also limitations statewide on how much TIF can be captured. It is a matter of having a plan and coming to the Administration, as well as the Brownfield Redevelopment Authority, to have the plan reviewed to see if it is a candidate for one of those projects. DBRA has not yet been approached with a plan for a neighborhood.

Ms. Jensen stated that education is needed. She advised that Councilmember Tate's office has asked for the administration and DEGC, through the Brownfield Redevelopment Authority, to sit down with their staff to see if we can attend a community meeting to talk about tax increment financing in general and how it can be used. That will be one way to start the process, because this is new legislation. Typically, you would have a developer who is looking for funding who would start the process.

Ms. Kanalos advised that the Brownfield Redevelopment Authority staff is always available to speak about the development tools available.

Ms. Bruhn stated that she believes there is some confusion by the public of where to begin the economic development process. Ms. Jensen explained that there are multiple doors. DEGC serves as an umbrella organization that points people in the right direction. DEGC is a well-versed resource on basically everything that is going on in the city relative to economic development.

Mr. Quarles requested a DEGC organizational chart.

PUBLIC COMMENT

ADJOURNMENT

With there being no further business, Ms. Forte adjourned the meeting at 9:40 a.m.