



**ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS REGULAR MEETING
TUESDAY, NOVEMBER 10, 2020 – 9:00 A.M.**

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

BOARD MEMBERS ABSENT: Kimberly Clayson
Arthur Jemison (Ex-Officio)
John Naglick (Ex-Officio)

**SPECIAL DIRECTORS
PRESENT:** None

**SPECIAL DIRECTORS
ABSENT:** None

OTHERS PRESENT: Cora Capler (DEGC/EDC)
Gay Hilger (DEGC/EDC)
Malinda Jensen (DEGC/EDC)
Kevin Johnson (DEGC/EDC)
Paul Kako (DEGC/EDC)
Jennifer Kanalos (DEGC/EDC)
Glen Long (DEGC/EDC)
Andrew Lucco (DEGC/EDC)
Alexis Mabry (DEGC/EDC)
Rebecca Navin (DEGC/EDC)
Betsy Palazzola (City of Detroit)
Orza Robertson (DEGC/EDC)
Kelly Shovan (DEGC/EDC)



**MINUTES OF THE ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS REGULAR MEETING
NOVEMBER 10, 2020
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 9:01 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 13, 2020 Regular Board meeting. Hearing none, Ms. Forte called for a motion:

Mr. Hodge made a motion approving the minutes of the October 13, 2020 Regular Board meeting, as presented. Mr. Osei seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Brown, Ms. Bruhn, Mr. Hodge, Mr. Jackson, Mr. Osei, Mr. Quarles and Ms. Forte.

Nays: None.

EDC Resolution Code 20-11-02-338 was approved.

Receipt of Treasurer's Report

Ms. Shovan reviewed the Treasurer's Report of Receipts and Disbursements for the month of September 2020 for the benefit of the Board. Ms. Forte called for questions. Hearing none, the Board took the following action:

Mr. Brown made a motion approving the September 2020 Treasurer's Report, as presented. Mr. Hodge seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Brown, Ms. Bruhn, Mr. Hodge, Mr. Jackson, Mr. Osei, Mr. Quarles and Ms. Forte.

Nays: None.

EDC Resolution Code 20-11-03-256 was approved.

PROJECTS

Motor City Match: Recommendation to Update Previously Approved Awardee Address

Mr. Lucco reported that since June 1, 2015, the EDC's Motor City Match program began accepting applications for the Business Owner "Cash" Award Track. The "Cash" Award Track awards



businesses who have a business plan, a secured space, and funds available to invest in their project a grant up to \$100,000 to assist in the business' project.

Upon submission of an application for the "Cash" Award Track, selected awardees are required to identify the location of their business. Four awardees, Slyde, the Millionairess LLC, Poppies/Rose's Fine Food, and Toss & Sauce (each an "Awardee" and collectively, the "Awardees"), have changed their locations since the EDC Board's approval of an award to each Awardee. The EDC board approved The Millionairess LLC's "Cash" award on April 24, 2018, Poppies/Rose's Fine Food's "Cash" award on October 30, 2018, and Toss and Sauce's "Cash" award on February 25, 2020. The EDC board also approved Slyde's "Cash" award on January 25, 2016 and a subsequent location change and an extension of the award on March 26, 2019.

In order for the Awardees to complete their project and use the funding under their respective "Cash" grant awards, EDC staff recommends that the Awardees' business addresses be updated in accordance with the following:

Awardee	Round	Original Location	New Location
Slyde	2	3700 3 rd Avenue, Detroit, MI 48201 (Midtown, District 6)	7960 Kercheval, Detroit, MI 48214 (West Village, District 5)
The Millionairess LLC	11	19434 Livernois, Detroit, MI 48221 (Avenue of Fashion, District 2)	19481 Livernois, Detroit, MI 48221 (Avenue of Fashion, District 2)
Poppies/Rose's Fine Foods	13	1400 Van Dyke, Detroit, MI 48214 (West Village, District 5)	8045 Linwood, Detroit, MI 48206 (Russell Woods, District 5)
Toss & Sauce	17	19163 Livernois, Detroit, MI 48221 (Avenue of Fashion, District 2)	18763 Livernois, Detroit, MI 48221 (Avenue of Fashion, District 2)

A resolution approving the staff's recommendation to update the Awardee business addresses as stated was included for the Board's consideration.

M. Forte called for questions.

Mr. Hodge asked about the status of the businesses and if they were open now. Mr. Lucco stated none are currently open. Slide plans to open within 60 to 90 days. They have been testing the waters with pop-ups. The Millionairess owns their building and will take a bit longer to open in about 4 to 6 months. Rose's plans to open within 90 days and Toss & Sauce in 4 to 6 months. The deadline for distributions from the Motor City Match Program is the end of the year and that is why the businesses are applying now to make sure their project gets moving.

Mr. Quarles asked about the status of the Motor City Match Program. Mr. Lucco responded that he does not have a lot of new information to share. The program currently runs through January 31, 2021 and they are in talks with the City regarding a potential extension of the program as it



currently exists or possibly a modification of the Program. Mr. Batton added that there possibly could be a short-term extension until decisions are made about the program. We are hopeful there will be another extension.

With there being no other questions, Ms. Forte called for a motion.

Mr. Jackson made a motion approving the update of business addresses of Motor City Match Awardees, as presented. Ms. Bruhn seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Brown, Ms. Bruhn, Mr. Hodge, Mr. Jackson, Mr. Osei, Mr. Quarles and Ms. Forte.

Nays: None.

EDC Resolution Code 20-11-91-112 was approved.

Jos Campau Greenway Construction Project: Request to Amend Professional Construction Administration Contract with Smith Group for the Jos Campau Greenway Construction Project

Mr. Robertson advised that his two contracts before the Board were Amendments related to the same project and he would like to review them both and then take questions from the Board. Ms. Forte advised him to proceed.

Mr. Robertson reported that in May of 2019, staff of the Economic Development Corporation of the City of Detroit (“EDC”) entered into a contract with Smithgroup for contract administration services (the “Services”) for the Joseph Campau Greenway Project (the “Project”) that follows the historic Jos Campau Right-of-Way. The execution of the agreement for the performance of the Services was authorized pursuant to delegation of authority by the EDC Board of Directors Resolutions EDC #18-10-01-204.

The Project begins at the intersection of Joseph Campau Avenue and East Vernor Highway and continues for approximately one mile south to the intersection of West Jefferson Avenue and Jos Campau. A future phase of the Project will extend the greenway further south to the Detroit Riverwalk.

The initial procurement for the Services was for the completion of Phase I (Robert Bradby to Jefferson Ave) and Phase II (Vernor to Robert Bradby) of the Project. The initial contract amount for the performance of the Services totaled \$33,500.00.

Phase I of the Project has been completed, however SmithGroup has encountered a number of delays driven largely by City changes and delays, including design issues, DWSD infrastructure not identified on initial drawings, contractor superintendent issues as well as delays resulting from the construction of the property between Jefferson and Lafayette that abuts the Plaza. These unforeseen circumstances have caused SmithGroup exhaust their entire budget on Phase I.

EDC staff is seeking to amend Smith Group’s contract to increase the contract value which will allow for the completion of Phase II of the Project. Smith Group proposed a not to exceed amount of Thirty-Seven Thousand Seven Hundred and 00/100 (\$37,700.00) Dollars.



EDC staff requested the EDC Board of Directors authorize an amendment to the Professional Services Agreement with SmithGroup to provide the requested Services as expressed in Exhibit A attached to the resolution for the not to exceed price of \$37,700.00.

EDC staff also recommended that an owner's contingency of approximately ten percent (10%) of the contract value or \$3,770.00 be established to be dispersed upon the authorization of any two Officers, or any one of the Officers and any of the Authorized Agents or any two Authorized Agents of the EDC.

Jos Campau Greenway Construction Project: Request to Amend Professional Construction Engineering & Inspection Contract with Mannik Smith Group for the Jos Campau Greenway Construction Project

Mr. Robertson stated that In March of 2019 the Board of Directors of the Economic Development Corporation of the City of Detroit ("EDC") authorized EDC staff to enter into a contract with Mannik Smith Group to perform Construction Engineering and Inspection Services (the "Services") for the Jos Campau Greenway project (the "Project"). The Project is a joint venture with The City of Detroit Housing Revitalization Department ("HRD"). The initial procurement for the Services was for the completion of Phase I (Robert Bradby to Jefferson Ave) and Phase II (Vernor to Robert Bradby) of the Project. The initial contract amount for the performance of the Services totaled \$261,800.00 and a contingency in the amount of \$26,180.00 was approved by the EDC Board of Directors and has been fully utilized.

Phase I of the Project has been completed, however Mannik Smith Group has encountered a number of delays driven largely by City changes and delays, including design issues, DWSD infrastructure not identified on initial drawings, contractor superintendent issues as well as delays resulting from the construction of the property between Jefferson and Lafayette that abuts the Plaza - all of which has caused Mannik Smith Group to add staff as well as manage the reconstruction of parts of the Project.

EDC staff is seeking to amend Mannik Smith Group's contract to increase the contract value which will allow for the completion of Phase II of the Project. Mannik Smith Group proposed a not to exceed amount of One Hundred Forty Thousand and 00/100 (\$140,000.00) Dollars.

EDC staff requested the EDC Board of Directors authorize an amendment to the Professional Services Agreement with Mannik Smith Group to allow for the continued performance of the Services originally approved by the EDC Board of Directors for the not to exceed price of \$140,000.00.

EDC staff also recommended that an owner's contingency of approximately ten percent (10%) of the contract value or \$14,000.00 be established to be dispersed upon the authorization of any two Officers or any one of the Officers and any of the Authorized Agents or any two Authorized Agents of the EDC.

A resolution was included for the Board's consideration.



Ms. Forte called for questions regarding the two contract amendments presented by Mr. Robertson.

Mr. Brown expressed that Banyon has other funds approved through EDC and asked if this larger relationship has been used to ensure that this is a distributive relationship where everybody wins. Mr. Brown also asked who is managing the project day to day. He added that as a real estate developer, two things stood out that concerned him. The first is that there is a dynamic relationship between a contractor and an architect, and they are always pointing fingers at each other when something is wrong, and typically they are both in some way at fault and asked who is managing the project.

Mr. Robertson stated that he has been working closely with HRD and they are fully aware of their project and design issues going forward. There were also issues doing two projects butted up next to each other with simultaneous construction going on, which created delays. Those issues were unavoidable.

Mr. Robertson advised that Mannik Smith Group is performing construction engineering and inspection services and is what he would call the defacto project managers. They are running the project and control every aspect of the schedule, construction meetings, payouts and things of that nature, and they have the first-line relationship with the construction contractor, Z Group. Smith Group is the architect/designer of the project. They address any design issues that come up with the project.

Mr. Brown suggested that there may be a problem with how Mannik Smith is managing the project. Mr. Robertson said that he understood what Mr. Brown was saying but that really wasn't the case and explained the many delays that were encountered out in the field. Mr. Brown said that Mr. Robertson's explanation and clarification makes complete sense and is a universal experience that is normal and reasonable and thanked Mr. Robertson for his detailed explanation.

Mr. Brown asked what the anticipated completion date is for the project. Mr. Robertson answered that Phase I is complete. Phase II is scheduled to be completed by December 2021 and will likely be completed by the summer of 2021.

Ms. Bruhn stated that there is a Scope included for the Smith Group contract but there was not one included for the Mannik Smith Group. Mr. Robertson apologized for not including the Scope of Services and advised that there were no changes to the scope of either contract.

Ms. Bruhn said that she appreciated Mr. Brown's questions and the explanation given because she was concerned with the large increases in the contracts.

Mr. Brown expressed that he appreciated the work that Mr. Robertson is doing and suggested that, going forward, possibly something could be put in the contract about the DWSD drawings and not being sure of what will be encountered when digging starts. The contract could include a bit of a bump if it requires a redraw, but with a maximum amount so that what we planned for is not significantly different than the final amount.



Ms. Forte commented that DWSD is a sister-type organization and disclosed that she is on the Board. Mr. Forte stated that it seems like there needs to be a conversation about the drawings that we receive, and a second check done before getting in the ground.

Mr. Brown said that DWSD is a considerable problem and it is recognized by most developers.

Ms. Forte asked if there were any other questions. Hearing none, she called for a motion to approve both amendments:

Mr. Brown made a motion approving the Joseph Campau Greenway Construction Project Amendment to the Smith Group contract and the Mannik Smith Group contract, as presented. Mr. Jackson seconded the motion. A roll call vote was conducted with the following result:

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

Nays: None.

EDC Resolution Codes 20-11-95-10 and 20-11-95-11 were approved.

ADMINISTRATION

None.

OTHER MATTERS

None.

PUBLIC COMMENT

None.

ADJOURNMENT

On a motion by Ms. Bruhn, seconded by Mr. Osei, Ms. Forte adjourned the meeting at 9:37 a.m.



CODE EDC 20-11-02-338

APPROVAL OF MINUTES OF OCTOBER 13, 2020 REGULAR MEETING

RESOLVED, that the minutes of the regular meeting of October 13, 2020 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 10, 2020



CODE EDC 20-09-03-256

RECEIPT OF TREASURER'S REPORT FOR SEPTEMBER 2020

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period ending September 30, 2020, as presented at this meeting, is hereby in all respects accepted as action of the Economic Development Corporation.

November 10, 2020



CODE EDC 20-11-91-112

MOTOR CITY MATCH: PREVIOUSLY APPROVED AWARDEE RECOMMENDATION TO CHANGE ADDRESS AND TO EXTEND AWARD DEADLINE

WHEREAS, the following businesses have been previously awarded a Motor City Match “Cash” Grant during various award rounds: Slyde, The Millionairess LLC, Poppies/Rose’s Fine Food, and Toss & Sauce (collectively, the “Awardees”); and

WHEREAS, Motor City Match Cash Awardees are required to identify the location of their business prior to the EDC Board’s approval of their cash award; and

WHEREAS, the Awardees have updated their business location whereby the Slyde will now be located at 7960 Kercheval, The Millionairess LLC will now be located at 19481 Livernois, Poppies/Rose’s Fine Food will now be located at 8045 Linwood, and Toss & Sauce will now be located at 18441 Livernois; and

WHEREAS, EDC staff recommends the approval of the updated Awardee business locations, allowing Awardees to utilize the previously awarded “Cash” grant awards.

THEREFORE, BE IT RESOLVED the EDC Board of Directors approves the updated Awardee addresses as stated herein.

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.

November 10, 2020



CODE EDC 20-11-95-10

CDBG DECLARED DISASTER RECOVERY AWARD: JOS CAMPAU GREENWAY CONSTRUCTION PROJECT--REQUEST TO AMEND CONSTRUCTION ADMINISTRATION CONTRACT WITH SMITH GROUP

WHEREAS, EDC was contracted by the City of Detroit (the “City”) to construct the Jos Campau Greenway construction project (the “Project”) which will complement the existing efforts to further establish the City’s greenway network and will provide critical connections from Detroit neighborhoods to key Detroit destinations; and

WHEREAS, EDC staff determined that it is necessary to obtain Construction Administration Services to perform the scope of work described in Exhibit A attached hereto; and

WHEREAS, on May 30, 2019 the EDC staff entered into an agreement with SmithGroup (the “Agreement”) pursuant to delegation of authority by the EDC Board of Directors Resolutions EDC #18-10-01-204 for the performance of Construction Administration Services for the Project (the “Services”); and

WHEREAS, due to unforeseen issues and delays, EDC staff is requesting that the EDC Board of Directors approve additional funding to allow SmithGroup to continue to perform the Services and complete the Project; and

WHEREAS, SmithGroup will provide the Services for the Project at a not-to exceed amount of Thirty-Seven Thousand Seven Hundred and 00/100 (\$37,700.00) Dollars; and

WHEREAS, the EDC Board determined that the staff recommendation is reasonable and consistent with the scope of work for the Project.

NOW, THEREFORE BE IT RESOLVED that the EDC Board of Directors hereby authorizes the negotiation and execution of an amendment to the Agreement to perform the Services in a manner consistent with the scope of work attached hereto as **Exhibit A** for the not to exceed amount of Thirty Seven Thousand Seven Hundred and 00/100 (\$37,700.00) Dollars.

BE IT FURTHER RESOLVED that the EDC Board of Directors hereby authorizes establishment of an owner’s contingency in the amount of Three Thousand Seven Hundred Seventy and 00/100 (\$3,770.00) Dollars to address requirements for unforeseen conditions and to be expended at the direction of any two Officers or any one of the Officers and any of the Authorized Agents or any two Authorized Agents of the EDC.

BE IT FURTHER RESOLVED that the EDC Board of Directors hereby authorizes any two Officers, or any one of the Officers and any of the Authorized Agents or any two Authorized Agents of the EDC to negotiate and execute any and all documents necessary to implement the



provisions and intent of this resolution, including but not limited to change orders for use of owner's contingency funds.

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.

November 10, 2020



EXHIBIT A – Scope of Services

SmithGroup shall perform the following Services at the costs identified below:

- Construction administrative support to the EDC and the CEI. Provide clarification to the design elements, layout confirmations, orientation selections and other detailed design components identified in the construction documents and special provisions.
- Coordinate and lead the identification and selection of the wireless security connection system from Jefferson Avenue to the Security Command Center at Rivard Plan.
- Assist the EDC and the CEI as appropriate in the coordination of the security system including the verification that the security system components meet the special provision requirements. Coordinate testing requirements for the fiber optic system as appropriate.
- Assist the EDC and the CEI as appropriate in the coordination of the electrical service being provided by DTE as an allowance.
- Review and approve shop drawings, samples, and other data that the contractor is required to submit, but only for conformance with the design concept of the project and compliance with the information provided in the Construction Documents. Such reviews and approvals or other action will not extend to means, methods, techniques, sequences or procedures of construction, or to safety precautions and programs incident thereto.
- Issue necessary interpretations and clarifications of the Construction Documents for the preparation of bulletins and change orders.
- Review and approve plant materials via photographs prior to shipping and at delivery to the project site, and confirm placement and installation of plant materials, site furnishings, fixtures and equipment.
- Make visits to the site at intervals appropriate to the various stages of construction in order to observe the progress and quality of the various aspects of the contractor's work.
- Attendance at regularly scheduled project meetings. Project meetings will be scheduled to coincide with the site visits.
- Answering Request for Information (RFI)
- Issue necessary interpretations and clarifications to the Special Provisions as required.
- Conduct an initial site review at the completion of construction to determine if the work is substantially complete and assist the CEI consultant in preparing a punch list of uncompleted or unacceptable work items. Upon notice that all punch list items are complete, a final site review will be held to determine if the completed work is acceptable.
- Assist the CEI as appropriate in the monthly pay application review to confirm completion of pay items.
- One (1) set of reproducible record drawings showing significant field changes in the Work made during construction. A set of digital copies of all design drawings will be provided to the contractor to document the construction changes and



modifications that occur during the course of construction. The record drawings will be prepared to include the information and markups provided by the contractor.

CONSTRUCTION PERIOD SERVICES	Hours	Design Fee
DWSD stormwater system engineering	24	\$3,120
Ph. 2 Construction Administrative Support to EDC and CEI	50	\$6,500
RFI's, Submittals, Bulletins, Etc.	32	\$4,160
Security System Integration	24	\$3,120
Site Visits / Construction Coordination Meetings / Punch List	48	\$6,240
Environmental Remediation Coordination and Drawing Revisions	30	\$3,900
Record Drawings Based on Contractor Provide Markups	42	\$5,460
SUBTOTAL	250	\$32,500

OPTIONAL SERVICES	Hours	Design Fee
Larned Speed Table Revisions (Survey, Const. & Grading Plan Revisions)	40	\$5,200
SUBTOTAL	40	\$5,200

GRAND TOTAL	290	\$37,700
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CODE EDC 20-11-95-11

CBDG DECLARED DISASTER RECOVERY AWARD: JOS CAMPAU GREENWAY CONSTRUCTION PROJECT--REQUEST TO AMEND PROFESSIONAL CONSTRUCTION ENGINEERING & INSPECTION CONTRACT WITH MANNIK SMITH GROUP

WHEREAS, EDC has been contracted by the City of Detroit (the "City") to construct the Jos Campau Greenway construction project (the "Project") which will complement the existing efforts to further establish the City's greenway network and will provide critical connections from Detroit neighborhoods to key Detroit destinations; and

WHEREAS, on March 26, 2019 the EDC Board of Directors authorized the execution of an agreement (the "Agreement") with Mannik Smith Group for the provision of Construction Engineering & Inspection services (the "Services"); and

WHEREAS, due to unforeseen issues and delays, EDC staff is requesting that the EDC Board of Directors approve additional funding to allow Mannik Smith Group to continue to perform the Services and complete the Services for the Project; and

WHEREAS, Mannik Smith Group will provide the remaining Services for the Project at a not-to-exceed amount of One Hundred Forty Thousand and 00/100 (\$140,000.00) Dollars; and

WHEREAS, the EDC Board determined that the staff recommendation is reasonable and consistent with the scope of work for the Project.

NOW, THEREFORE BE IT RESOLVED that the EDC Board of Directors hereby authorizes the negotiation and execution of an amendment to the Agreement to perform the Services for the Project in a manner consistent with the scope of work previously approved by the EDC Board of Directors at an amount not to exceed amount of One Hundred Forty Thousand and 00/100 (\$140,000.00) Dollars.

BE IT FURTHER RESOLVED that the EDC Board of Directors hereby authorizes establishment of an owner's contingency in the amount of Fourteen Thousand and 00/100 (\$14,000.00) Dollars to address requirements for unforeseen conditions and to be expended at the direction of any two Officers or any one of the Officers and any of the Authorized Agents or any two Authorized Agents of the EDC.

BE IT FURTHER RESOLVED that the EDC Board of Directors hereby authorizes any two Officers, or any one of the Officers and any of the Authorized Agents or any two Authorized Agents of the EDC to negotiate and execute any and all documents necessary to implement the provisions and intent of this resolution, including but not limited to change orders for use of owner's contingency funds.



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.

November 10, 2020