



**DOWNTOWN DEVELOPMENT AUTHORITY  
BOARD OF DIRECTORS REGULAR MEETING  
WEDNESDAY, JANUARY 27, 2021 – 3:00 P.M.**

**BOARD MEMBERS PRESENT:** Marvin Beatty  
David Blaszkiewicz  
Charity Dean  
Melvin Hollowell  
Richard Hosey  
James Jenkins  
John Naglick  
Steve Ogden

**BOARD MEMBERS ABSENT:** Austin Black  
Ehrlich Crain  
Sonya Delley  
Michael Duggan

**OTHERS PRESENT:** Dennis Archer, Jr. (Randolph Capital Partners)  
Cora Capler (DEGC/DDA)  
Charlotte Fisher (DEGC/DDA)  
Amanda Hanlin (DEGC/DDA)  
Gay Hilger (DEGC/DDA)  
Malinda Jensen (DEGC/DDA)  
Kevin Johnson (DEGC/DDA)  
Paul Kako (DEGC/DDA)  
Glen Long, Jr. (DEGC/DDA)  
Kurt Nagl (Crain's Detroit Business)  
Rebecca Navin (DEGC/DDA)  
Nevan Shokar (DEGC/DDA)



**MINUTES OF THE DOWNTOWN DEVELOPMENT AUTHORITY  
BOARD OF DIRECTORS REGULAR MEETING  
WEDNESDAY, JANUARY 27, 2021  
ZOOM VIRTUAL MEETING – 3:00 P.M.**

**GENERAL**

**Call to Order**

Vice Chair Blaszkiewicz called the regular meeting of the Downtown Development Authority Board of Directors to order at 3:07 p.m. Roll call was conducted, and a quorum was established.

**Approval of Minutes**

Mr. Blaszkiewicz asked if there were any additions, deletions or corrections to the minutes of the December 16, 2020 Regular Board meeting. Hearing none, the Board took the following action:

Mr. Ogden made a motion approving the December 16, 2020 minutes, as written. Mr. Hollowell seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Beatty, Mr. Hollowell, Mr. Hosey, Mr. Jenkins, Mr. Naglick, Mr. Ogden, and Mr. Blaszkiewicz.

Nays: None.

DDA Resolution Code 21-01-02-631 was approved.

**Receipt of Treasurer's Report for November and December 2020**

Treasurer Naglick reviewed the Treasurer's Report of Receipts and Disbursements for the months of November and December 2020 and responded to questions. Subsequent to the discussion, Mr. Blaszkiewicz called for a motion.

Mr. Hollowell made a motion approving the Treasurer's Reports for November and December 2020, as presented. Mr. Ogden seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Beatty, Mr. Hollowell, Mr. Hosey, Mr. Jenkins, Mr. Naglick, Mr. Ogden, and Mr. Blaszkiewicz.

Nays: None.

DDA Resolution Codes 21-01-03-516 and 21-01-03-517 were approved.

Mr. Ogden requested that before the meeting concludes, the Board receive an update on the meeting with the Tigers. Mr. Hollowell stated that he agreed with the request.



## **PROJECTS**

### **Amendment to the Development Agreement for 1407 & 1427 Randolph**

Mr. Shokar shared a PowerPoint presentation of the development plan (attached) and advised that in April 2017, the City of Detroit Downtown Development Authority (the “DDA”) entered into a development agreement (as amended, the “Agreement”) with Gotham Capital Partners, LLC (“Gotham”) for the redevelopment of properties located at 1407 & 1427 Randolph (collectively, the “Properties”). With the Board’s approval, Gotham assigned the Agreement to Randolph Capital Partners, LLC (“Developer”) and the Developer closed on the Properties in January, 2020.

Pursuant to the terms of the Agreement, the Developer was required to close on construction financing within 6 months following acquisition closing and complete construction of the improvements within twelve (12) months of commencement. Due to the COVID-19 global pandemic, the Developer invoked the force majeure clause of the Agreement, and Developer and DDA staff agreed that a six-month extension of post-closing milestones and obligations was reasonable and warranted.

Following the onset of the pandemic, the development team faced a reluctance by lenders for office and retail loans. As a result, they have discussed terms with multiple lenders including First Independence Bank, Fifth Third Bank, Chemical Bank, PNC, and Level One Bank. Once Developer identified Level One Bank as its preferred lender, previously obtained diligence materials such as survey, appraisal, environmental reports, etc. were deemed stale and needed to be updated to meet the bank’s requirements. Developer has obtained a written loan commitment from Level One Bank and believes they can close within sixty days on the construction financing.

Developer has requested, and DDA staff supports, a further extension of the date by which Developer must close on its construction financing to March 31, 2021 and the date by which construction completion must occur to the date that is six (6) months following the construction financing closing.

A draft resolution was included in the Board material for consideration.

Mr. Shokar advised that the Developer, Dennis Archer, Jr., is available to answer Board Members’ questions.

Mr. Hollowell made a motion to approve the Amendment to the Development Agreement for 1407 and 1427 Randolph. Mr. Jenkins seconded the motion.

Mr. Blaszkievicz called for discussion.



Mr. Ogden asked if the mix for the uses has changed. Mr. Archer replied that it is the same mix--first floor will be hospitality/retail class in 1407, and in 1427, the first two floors will be hospitality/retail. The remainder of buildings will be office, which is consistent with the other proposal. Mr. Archer added that the submission was originally Gotham Capital Partners and it is now Randolph Capital Partners. The name wasn't changed on the PowerPoint presentation. Ms. Navin stated that the name in the resolution is correct.

Mr. Hollowell commented that September completion is exciting. Mr. Archer advised that he will be occupying three floors himself, and some commercial is going in. His current lease is month-to-month, so he is anxious to move.

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

Mr. Hollowell made a motion approving the Amendment to the Development Agreement for 1407 and 1427 Randolph, as presented. Mr. Jenkins seconded the motion. A roll call vote was conducted with the following result:

Ayes: Mr. Beatty, Ms. Dean, Mr. Hollowell, Mr. Hosey, Mr. Jenkins, Mr. Naglick, Mr. Ogden, and Mr. Blaszkiewicz.

Nays: None.

DDA Resolution Code 21-01-110-60 was approved.

## **OTHER BUSINESS**

Ms. Jensen stated that she wanted to address Mr. Ogden's and Mr. Hollowell's earlier request for an update regarding the status of the meeting with the Tigers. Ms. Jensen explained that they have a new structure in place with the Tigers Foundation and we are working with them to help them get acclimated. Based on notes from the last discussion, we would invite them to come back to the Board to give an update within the first quarter of this year. We do not have a definitive date set yet.

Mr. Ogden stated that he understands the need for maintenance each year, but because there were no fans at Comerica this year, was the same amount of dollars needed for maintenance and repairs. Ms. Navin advised that the disbursement reported in the Treasurer's Report earlier was reimbursement of repairs and maintenance for 2019 that this Board approved. The request for 2020 is expected sometime in the first quarter and the request is expected to be consistent with that of LCA, like modifications and additional equipment in this COVID environment to reduce touchpoint to comply with MLB.

## **ADMINISTRATION**

None.



## **PUBLIC COMMENT**

None.

## **ADJOURNMENT**

On a motion by Mr. Hollowell, seconded by Mr. Jenkins, Mr. Blaszkiewicz adjourned the meeting at 3:24 p.m.



**CODE DDA 21-01-02-631**

**APPROVAL OF MINUTES OF DECEMBER 16, 2020**

**RESOLVED** that the minutes of the Regular meeting of December 16, 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 Downtown Development Authority.

January 27, 2021



**CODE DDA 21-01-03-516**

**RECEIPT OF TREASURER'S REPORT FOR NOVEMBER 2020**

**RESOLVED**, that the Treasurer's Report of Receipts and Disbursements for the period ending November 30, 2020, as presented at this meeting, is hereby in all respects received by the Downtown Development Authority.

January 27, 2021



**CODE DDA 21-01-03-517**

**RECEIPT OF TREASURER'S REPORT FOR DECEMBER 2020**

**RESOLVED**, that the Treasurer's Report of Receipts and Disbursements for the period ending December 31, 2020, as presented at this meeting, is hereby in all respects received by the Downtown Development Authority.

January 27, 2021



**CODE DDA 21-01-110-60**

**PARADISE VALLEY BUSINESS & ENTERTAINMENT DISTRICT: AMENDMENT TO DEVELOPMENT AGREEMENT FOR 407 AND 1427 RANDOLPH**

**WHEREAS**, in April 2017, the City of Detroit Downtown Development Authority (the “DDA”) entered into a development agreement (the “Agreement”) with Gotham Capital Partners, LLC (“Gotham”) for the redevelopment of properties located at 1407 & 1427 Randolph (collectively, the “Properties”); and

**WHEREAS**, with the Board’s approval, Gotham assigned the Agreement to Randolph Capital Partners, LLC (“Developer”) and the Developer closed on the Properties in January, 2020; and

**WHEREAS**, due to the COVID-19 global pandemic, the Developer invoked the force majeure clause of the Agreement, and Developer and DDA staff agreed that a six-month extension of post-closing milestones and obligations was reasonable and warranted; and

**WHEREAS**, Developer has requested, and DDA staff supports, a further extension of the date by which Developer must close on its construction financing to March 31, 2021 and the date by which construction completion must occur to the date that is six (6) months following the construction financing closing;

**WHEREAS**, the DDA Board has determined that approval of the proposed extension is in the best interests of the DDA.

**NOW, THEREFORE, BE IT RESOLVED**, that the DDA Board of Directors hereby approves the proposed extension for construction financing and construction completion date referenced above.

**BE IT FURTHER RESOLVED** that any two Officers, any two of the Authorized Agents of the DDA, or any one of the Officers and any one of the Authorized Agents of the DDA, shall hereafter have the authority to negotiate and execute an amendment to the Agreement in accordance with the proposed extension and other modifications to the Agreement as deemed appropriate by such Authorized Agents and counsel which are not inconsistent with this resolution and do not alter the substance of the Agreement and/or the proposed extension.



**BE IT FURTHER RESOLVED** that any two Officers, any two of the Authorized Agents of the DDA, or any one of the Officers and any one of the Authorized Agents of the DDA, shall hereafter have the authority to negotiate and execute 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 DDA.

**BE IT FINALLY RESOLVED** that all of the acts and transactions of any Officer or Authorized Agent of the DDA, in the name and on behalf of the DDA, 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.

January 27, 2021

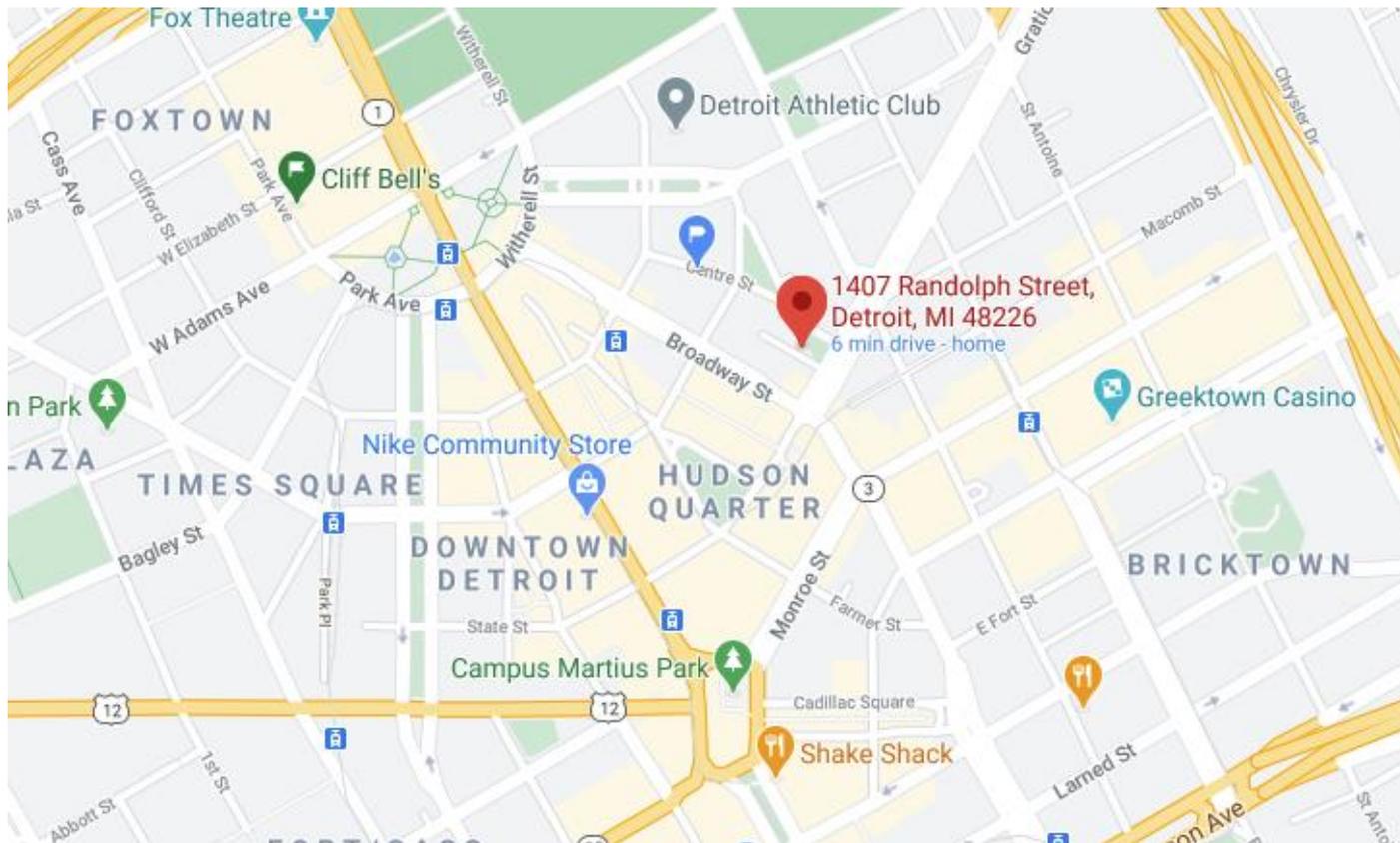


# **1407 & 1427 Randolph**

**Gotham Capital Partners, LLC**

DDA Board Meeting  
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## Location Map



## Redevelopment Plan



- \$2.3 million Rehab (connecting 1407 + 1420 Randolph St)
- Top two floors office
- Ground floor retail
- Closed on Jan 2020
- Submitted for an OPRA certificate
- Delay due to changing lender requirements

## DDA Request

- Extension until March 31, 2021 to close on construction financing
- Six months from construction financing closing to be COMPLETE with redevelopment