



**DOWNTOWN DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS REGULAR MEETING
WEDNESDAY, DECEMBER 1, 2021 – 3:00 P.M.**

BOARD MEMBERS PRESENT: Charles Beckham
Austin Black
David Blaszkiewicz
Ehrlich Crain
Melvin Hollowell
Richard Hosey
John Naglick
Steve Ogden
Donald Rencher
Kimberly Rustem

BOARD MEMBER ABSENT: Marvin Beatty
Michael Duggan
James Jenkins

OTHERS PRESENT: Gay Hilger (DEGC/DDA)
Malinda Jensen (DEGC/DDA)
Paul Kako (DEGC/DDA)
Matthew Kalt (Oxford Capital)
Jennifer Kanalos (DEGC/DDA)
Glen Long, Jr. (DEGC/DDA)
Lexi Mabry (DEGC/DDA)
Rebecca Navin (DEGC/DDA)
Nevan Shokar (DEGC/DDA)



**MINUTES OF THE DOWNTOWN DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS REGULAR MEETING
WEDNESDAY, DECEMBER 1, 2021
ZOOM VIRTUAL MEETING – 3:00 P.M.**

GENERAL

Vice Chair Blaszkiewicz advised that he would be stepping in to Chair the meeting for Ms. Sherard-Freeman and stated that he was pleased to inform that Donald Rencher had been appointed to the Board of Directors and welcomed him. Board members introduced themselves to Mr. Rencher.

Call to Order

Vice Chair Blaszkiewicz called the regular meeting of the Downtown Development Authority Board of Directors to order at 3:02 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 October 27, 2021 Regular Board meeting. Hearing none, he called for a motion.

Mr. Hollowell made a motion approving the October 27, 2021 minutes, as written. Mr. Brown seconded the motion. All were in favor with none opposed. DDA Resolution Code 21-12-02-640 was unanimously approved.

Receipt of Treasurer's Report

Mr. Naglick reviewed the Treasurer's Report of Receipts and Disbursements for the month of October 2021. Mr. Blaszkiewicz asked if there were any questions. Hearing none, he called for a motion.

Mr. Crain made a motion to receive the Treasurer's Report for October 2021, as presented. Mr. Ogden seconded the motion. All were in favor with none opposed. DDA Resolution Code 21-12-03-527 was unanimously approved.



PROJECTS

Book Cadillac Hotel Project – Assignment of Parking Lease

Ms. Navin advised that as the Board is aware, as additional support of the redevelopment of the Book Cadillac Hotel (the “Hotel”) and the Capital Park area, the City of Detroit Downtown Development Authority (the “DDA”) caused the construction of and now owns the parking deck located adjacent to the Hotel at 150 Michigan Avenue (the “Parking Garage”).

The DDA and Cadillac Funding Associates LLC, the current Hotel owner, (“Current Owner”) have a long-term parking lease in place pursuant to which the Current Owner leases 200 parking spaces in the Parking Garage for an initial term of 20 years, renewable thereafter for successive 5-year terms (the “Parking Lease”).

The Current Owner is finalizing a sale of the Hotel to Book Cadillac Detroit Propco, LLC (the “New Owner”), an entity controlled by Oxford Capital Group, and the parties seek to assign the Parking Lease from the Current Owner to the New Owner. The DDA’s consent to any assignment of the Parking Lease is required pursuant to Section 6(a) of the Parking Lease.

DDA staff supports the proposed assignment as it will support the long-term viability of the Hotel downtown. A resolution was included for the Board’s consideration.

Mr. Blaszkiewicz called for questions.

Mr. Crain asked if DDA was involved in discussions with the buyer regarding the other financial obligations the DDA has to the Hotel. Ms. Navin responded that the DDA has no financial obligations left with respect to the Hotel. The two or three notes and the Section 108 loan were sold. Neither the City nor DDA have outstanding debt regarding the Hotel. The one outstanding obligation with respect to the condominiums is not impacted by the sale.

Mr. Blaszkiewicz asked if there were any other questions. Hearing none, the Board took the following action:

Mr. Hollowell made a motion to approve the Book Cadillac Hotel Project Assignment of Parking Lease, as presented. Mr. Brown seconded the motion. All were in favor with none opposed.*

DDA Resolution Code 21-12-44-55 was unanimously approved.

*Board member Hosey was not present and did not vote.



ADMINISTRATION

None.

OTHER BUSINESS

Mr. Hollowell asked for an update about Rainey Hamilton's Paradise Valley project and the final financing of the project. Ms. Navin responded that at the last meeting, the Board approved a 75-day extension that will take us through January. Mr. Blaskiewicz added that the financing that was being considered by Invest Detroit had been approved. Mr. Hollowell thanked Mr. Blaskiewicz for the information and stated that is what he was asking about. Mr. Beckham, as Co-Chair of the Paradise Valley Conservancy, thanked Mr. Hollowell for the questions and thanked Mr. Blaskiewicz doubly.

PUBLIC COMMENT

None.

ADJOURNMENT

On a motion by Mr. Hosey, which was seconded by Mr. Hollowell, Mr. Blaskiewicz adjourned the meeting at 3:13 p.m.



CODE DDA 21-12-02-640

APPROVAL OF MINUTES OF OCTOBER 27, 2021

RESOLVED that the minutes of the Regular meeting of October 27, 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 Downtown Development Authority.

December 1, 2021



CODE DDA 21-12-03-527

RECEIPT OF TREASURER'S REPORT FOR OCTOBER 2021

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period ending October 31, 2021, as presented at this meeting, is hereby in all respects received by the Downtown Development Authority.

December 1, 2021



CODE DDA 21-12-44-55

BOOK CADILLAC HOTEL PROJECT – ASSIGNMENT OF PARKING LEASE

WHEREAS, as additional support of the redevelopment of the Book Cadillac Hotel (the “Hotel”) and the Capital Park area, the City of Detroit Downtown Development Authority (the “DDA”) caused the construction of and now owns the parking deck located adjacent to the Hotel at 150 Michigan Avenue (the “Parking Garage”); and

WHEREAS, the DDA and Cadillac Funding Associates LLC, the current Hotel owner, (“Current Owner”) have a long-term parking lease in place pursuant to which the Current Owner leases 200 parking spaces in the Parking Garage for an initial term of 20 years, renewable thereafter for successive 5-year terms (the “Parking Lease”); and

WHEREAS, the Current Owner is finalizing a sale of the Hotel to Book Cadillac Detroit Propco, LLC (the “New Owner”), and the parties seek to assign the Parking Lease from the Current Owner to the New Owner and the New Owner seeks to assume the obligations of the Current Owner thereunder from and after the date of such sale (the “Proposed Assignment”); and

WHEREAS, the DDA’s consent to any assignment of the Parking Lease is required pursuant to Section 6(a) of the Parking Lease; and

WHEREAS, the DDA Board has determined that approval of the Proposed Assignment in the best interests of the DDA and the Downtown District.

NOW, THEREFORE, BE IT RESOLVED, that the DDA Board of Directors hereby approves the Proposed Assignment.

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 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.

December 1, 2021