



**ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS SPECIAL MEETING
TUESDAY, DECEMBER 7, 2021 – 9:00 A.M.**

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

BOARD MEMBERS ABSENT: Marsha Bruhn
Antoine Bryant (Ex-Officio)
John Naglick (Ex-Officio)

**SPECIAL DIRECTORS
PRESENT:** None

**SPECIAL DIRECTORS
ABSENT:** None

OTHERS PRESENT: Mike Essian (American Community Developers)
Gay Hilger (DEGC/EDC)
Kevin Johnson (DEGC/EDC)
Paul Kako (DEGC/EDC)
Jennifer Kanalos (DEGC/EDC)
Rebecca Navin (DEGC/EDC)
Betsy Palazzola (HRD)
Orza Robertson (DEGC/EDC)
Lexi Shaw (DEGC/EDC)
Ray Simpson (Council Member Sheffield's Office)



**MINUTES OF THE ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS SPECIAL MEETING
DECEMBER 7, 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 9:00 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 November 23, 2021 Regular Board meeting. Hearing none, Ms. Forte called for a motion.

Mr. Quarles made a motion approving the minutes of the November 23, 2021 Regular Board meeting, as written. Mr. Stallworth seconded the motion. All were in favor with none opposed.

EDC Resolution Code 21-12-02-355 was unanimously approved.

PROJECTS

Tiger Stadium Redevelopment Project Plan: Amendment to Development Agreement with American Community Developers

Ms. Navin advised that, as the Board is aware, pursuant to EDC Resolution 20-03-76-29, in May, 2020, the Economic Development Corporation of the City of Detroit (“**EDC**”) entered into a development agreement with Left Field 2020 Limited Dividend Housing Association L.L.C. (an affiliate of American Community Developers, Inc.) (“**Developer**”) for the redevelopment of the last EDC-owned parcel at the former Tiger Stadium Site (the “**Development Agreement**”). Per the terms of the Development Agreement, Developer will purchase the parcel located at 2610 Cochrane (the “**Property**”) and develop multi-family housing consisting of at least 100 units, including a minimum of 48 affordable units (the “**Project**”). The Project is a key component to the City’s CHOICE Neighborhood Implementation Grant from the U.S. Department of Housing and Urban Development (HUD).



In preparation for closing on the Property, EDC staff and the Developer determined certain amendments that would be necessary to reflect the current Project plans, as described below (the “**Proposed Amendments**”):

Closing Date (Current): 12/3/2021

Closing Date (Proposed): 12/31/2021

Project Requirements (Current): A minimum of 100 units, including 88 apartments and 12 townhomes.

Project Requirements (Proposed): A minimum of 100 apartment units, 60 of which will be included in the building to be constructed on Parcel A in the attached Exhibit A (“**Building A**”) and 40 of which will be included in the building to be constructed on Parcel B in the attached Exhibit A (“**Building B**”).

Financial Closing (Current): At Closing.

Financial Closing (Proposed):

- For Building A (to be financed using Low Income Housing Tax Credits), by 3/31/2021
- For Building B, by 12/31/2022

Construction Completion (Current): 24 months after commencement

Construction Completion (Proposed):

- For Building A, no change (estimated completion of 12/31/2023)
- For Building B, by 6/30/2025

A resolution was included for the Board’s consideration.

Ms. Navin informed that Mr. Mike Essian of American Community Developers is available to answer questions.

Ms. Forte asked if there was a motion. Mr. Stallworth made a motion, which was supported by Mr. Hodge.

Ms. Forte called for questions/comments/discussion.

Mr. Brown asked Mr. Essian what the issue was with the townhomes. Mr. Essian replied that it was determined that the townhomes along the service drive were not desirable due to setbacks and parking requirements. The Community is very sensitive to the number of parking spaces provided and we wanted to get to a one-to-one ratio. The townhomes were eating up a lot of the space and in order to get parking spaces on the site, they were too close to the service drive. The compromise was to have six townhome-style units with three bedrooms in the two-toned building.

Mr. Stallworth asked for clarification of the map that was displayed of the location of the two buildings. Mr. Essian displayed the map and clarified the location.



Mr. Stallworth asked about the PAL site and parking and stated that on his last trip to the area, parking was tight. Ms. Navin advised that PAL received a variance from BZA and PAL is working toward securing the appropriate number of parking spaces in the area.

Mr. Brown asked if the ACD site has a one-to-one parking ratio and meets the requirements. Mr. Essian responded that it does.

Ms. Forte asked if there were other comments/questions. Hearing none, the Board took the following action:

Mr. Stallworth made a motion to approve the Amendment to Development Agreement with American Community Developers, as presented. Mr. Hodge seconded the motion. All were in favor with none opposed. EDC Resolution Code 21-12-76-30 was unanimously approved.

Authorization to Amend Sub-Recipient Agreement for Completion of the Mayor Dennis W. Archer Greenway, Formerly the Joseph Campau Greenway Project

Mr. Robertson advised that in June of 2016, the Board of Directors of the Economic Development Corporation (“EDC”) authorized the negotiation and execution of a sub-recipient agreement for \$2.6 Million with the City of Detroit (the “City”), using Community Development Block Grant for Declared Disaster Recovery (“CDBG-DDR”) funds from the U.S. Department of Housing and Urban Development (“HUD”) to undertake construction management services with respect to the Beltline Greenway and other projects requested by the City and contemplated by the CDBG-DDR grant. The City’s original expenditure deadline for the entire \$8.9 million grant was March 2018, however the City subsequently received an extension from HUD to December 31, 2019.

Under the prior sub-recipient agreement, the City requested that EDC undertake the construction of the Joseph Campau Greenway, now known as the Mayor Dennis W. Archer Greenway (the “Greenway”), which entails the renovation of an off-street walkway which runs north and south from East Vernor Highway on the north and Jefferson Avenue on the south. On March 26, 2019, the EDC Board previously approved a construction contract with Z Contractors, Inc. for the construction of the Greenway, with Phase 2 conditioned upon the receipt of additional funding from the City. Using CDBG-DDR, the EDC previously completed the first phase of construction of the Greenway project, from Jefferson to Robert Brady Drive.

In September 2020, in order to commence and complete Phase 2 of the Greenway, which runs from Robert Brady Drive to Vernor Highway, the EDC Board authorized the negotiation and execution of a new sub-recipient agreement between the EDC and the City (the “Agreement”), which utilized Community Development Block Grant funds from



HUD. The Agreement has an initial term which expires on December 31, 2021 and a total amount of compensation payable to the EDC equal to \$1,674,424.58.

Thereafter, in June 2021, in order for the EDC to continue the construction of the Greenway through its contractors, the EDC and the City executed an amendment to the Agreement which extended the term of the Agreement to June 30, 2022, increased the amount of compensation payable to the EDC to \$1,885,186.59, and authorized the City to make certain back payments to the EDC for prior costs incurred by the EDC's contractors.

As of today, most of the construction work on the Greenway has been completed, except for final landscaping to be added along the Greenway. Due to the fact that the 2021 construction season is coming to a close, and in order to allow the EDC to properly complete the outstanding work, the EDC requests approval of an amendment to the Agreement the as follows: (i) the term of the Agreement will be extended to September 30, 2022 and (ii) the amount of compensation payable under the Agreement will be increased to an amount not to exceed Two Million Three Hundred Thirty-Five Thousand One Hundred Eighty Six and 59/100 (\$2,335,186.59) Dollars for the payment of outstanding costs including, but not limited to, landscape work, construction management costs, and other project closeout costs (collectively, the "Modified Terms").

EDC staff requested that the EDC Board authorize the execution of an amendment to the Agreement in accordance with the Modified Terms. A resolution was included for the Board's consideration.

Ms. Forte asked if there was a motion. Mr. Brown made a motion, which was supported by Mr. Jackson.

Ms. Forte called for questions/comments/discussion.

Mr. Brown asked for clarification of what the increase was for. Mr. Robertson advised that there were some issues during COVID and an additional contract had to be issued. From a project perspective, Mr. Robertson stated that he doesn't anticipate any significant cost overruns.

Mr. Jackson asked Mr. Robertson to provide the Board with information on the total dollars spent with Detroit-based businesses, minority business and women owned businesses on the entire project. Mr. Robertson stated that he would get that information and provide it to the Board.

Ms. Navin advised that there is a discrepancy in the extension date on the memo and the date on the resolution and asked for clarification. Ms. Palazzola advised that the extension date should be September 30, 2022.



Mr. Hodge asked what the incremental costs were specifically for. Ms. Betsy Palazzola, project manager from the City's Housing & Revitalization Department, stated that they had a lot of difficulties in Phase One infrastructure and construction that led to time delays and cost increases, and in the time that it has taken to do the project, costs have gone up significantly and it was necessary to grant the contractor a one-time cost increase to reconcile the difference between Phase One and Phase Two costs.

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

Mr. Brown made a motion to approve the Amendment to Sub-Recipient Agreement for the Completion of Dennis W. Archer Greenway, as amended. Mr. Jackson seconded the motion. All were in favor with none opposed.

EDC Resolution Code 21-12-95-10 was unanimously approved, as amended.

ADMINISTRATION

None.

OTHER MATTERS

Mr. Johnson thanked the EDC Board and staff for their hard work keeping the projects moving through the year.

PUBLIC COMMENT

None.

ADJOURNMENT

On a motion by Ms. Clayson, seconded by Mr. Osei, Ms. Forte adjourned the meeting at 9:31 a.m.



CODE EDC 21-12-02-355

APPROVAL OF MINUTES OF NOVEMBER 23, 2021 REGULAR MEETING

RESOLVED, that the minutes of the Regular meeting of November 23, 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.

December 7, 2021



CODE EDC 21-12-76-30

TIGERS STADIUM REDEVELOPMENT PROJECT PLAN: AMENDMENT TO DEVELOPMENT AGREEMENT WITH AMERICAN COMMUNITY DEVELOPERS

WHEREAS, in May, 2020, the Economic Development Corporation of the City of Detroit (“**EDC**”) entered into a development agreement (the “Development Agreement”) with Left Field 2020 Limited Dividend Housing Association L.L.C. (an affiliate of American Community Developers, Inc.) (“**Developer**”) for the redevelopment of the EDC-owned parcel at 2610 Cochrane (the “**Property**”) into multi-family housing consisting of at least 100 units, including a minimum of 48 affordable units (the “**Project**”); and

WHEREAS, in preparation for closing on the Property, EDC staff and the Developer determined certain amendments that would be necessary to reflect the current Project plans, as described below (the “**Proposed Amendments**”):

Closing Date (Current): 12/3/2021

Closing Date (Proposed): 12/31/2021

Project Requirements (Current): A minimum of 100 units, including 88 apartments and 12 townhomes.

Project Requirements (Proposed): A minimum of 100 apartment units, 60 of which will be included in the building to be constructed on Parcel A in the attached Exhibit A (“Building A”) and 40 of which will be included in the building to be constructed on Parcel B in the attached Exhibit A (“Building B”).

Financial Closing (Current): At closing.

Financial Closing (Proposed):

- For Building A (to be financed using Low Income Housing Tax Credits), by 3/31/2021
- For Building B, by 12/31/2022

Construction Completion (Current): 24 months after commencement

Construction Completion (Proposed):

- For Building A, no change (estimated 12/31/2023)
- For Building B, by 6/30/2025

WHEREAS, the Board has reviewed the Proposed Amendments, determined that the Proposed Amendments are consistent with the EDC’s goal of redeveloping the Tiger Stadium Site and is otherwise appropriate and consistent with the EDC’s statutory purposes.



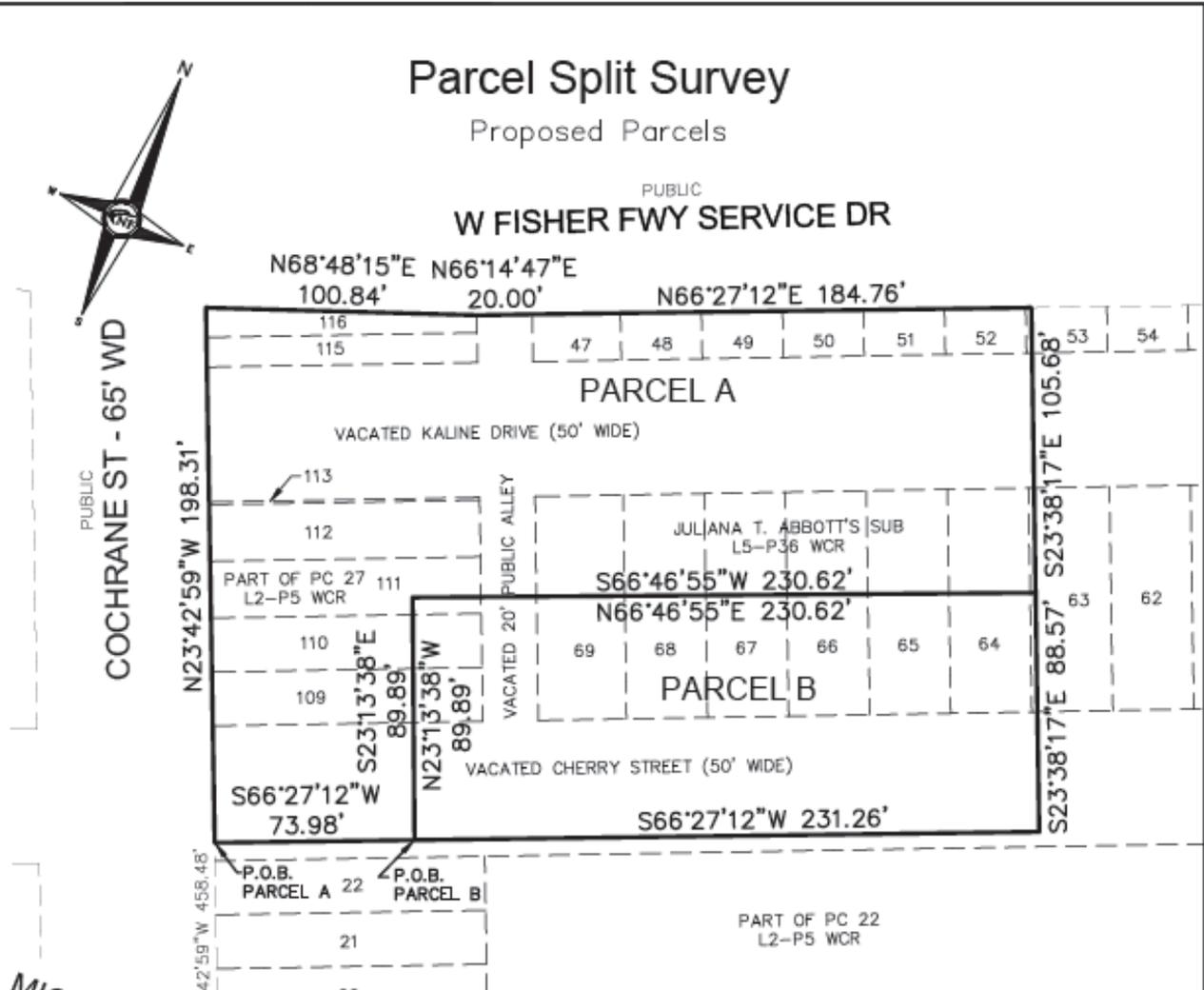
NOW, THEREFORE, BE IT, RESOLVED, that the Proposed Amendments are hereby approved.

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 an amendment to the Development Agreement consistent with the Proposed Amendments, 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.

December 7, 2021

EXHIBIT A





CODE EDC 21-12-95-10

AUTHORIZATION TO AMEND SUB-RECIPIENT AGREEMENT FOR COMPLETION OF THE MAYOR DENNIS W. ARCHER GREENWAY, FORMERLY THE JOSEPH CAMPAU GREENWAY PROJECT

WHEREAS, the Economic Development Corporation of the City of Detroit (the “EDC”) undertook the construction of the first phase of the Joseph Campau Greenway, now known as the Mayor Dennis W. Archer Greenway (the “Greenway”), which entails the renovation of an off street walkway which runs north and south from East Vernor Highway on the north Jefferson Avenue on the south, pursuant to a July 2016 sub-recipient agreement with the City of Detroit (the “City”), funded by the City’s Community Development Block Grant for Declared Disaster Recovery from the U.S. Department of Housing and Urban Development (“HUD”); and

WHEREAS, on March 26, 2019, the EDC Board previously approved a construction contract with Z Contractors, Inc. for the construction of the Greenway, with Phase 2 conditioned upon the receipt of additional funding from the City; and

WHEREAS, in September 2020, in order to commence and complete Phase 2 of the Greenway, the EDC Board authorized the negotiation and execution of a new sub-recipient agreement between the EDC and the City (the “Agreement”), which utilized Community Development Block Grant funds from HUD; and

WHEREAS, in June 2021, in order for the EDC to continue the construction of the Greenway through its contractors, the EDC and the City executed an amendment to the Agreement which extended the term of the Agreement to June 30, 2022, increased the amount of compensation payable to the EDC to \$1,885,186.59, and authorized the City to make certain back payments to the EDC for prior costs incurred by the EDC’s contractors

WHEREAS, and in order to allow the EDC to properly complete the outstanding work, the EDC requests approval of an amendment to the Agreement as follows: (i) the term of the Agreement will be extended to September 30, 2022 and (ii) the amount of compensation payable under the Agreement will be increased to an amount not to exceed Two Million Three Hundred Thirty-Five Thousand One Hundred Eighty Six and 59/100 (\$2,335,186.59) Dollars (collectively, the “Modified Terms”).

WHEREAS, EDC staff requests that the Board authorize the execution of an amendment to Agreement in accordance with the Modified Terms; and

WHEREAS, the EDC Board has reviewed the matter and believes that approving the Modified Terms is in the best interests of the promotion of economic development in the City of Detroit and is otherwise consistent with the EDC’s statutorily mandated purposes; and



NOW, THEREFORE, BE IT RESOLVED, that the EDC Board of Directors of hereby authorizes the execution of an amendment to the Agreement in accordance with the Modified terms and such other changes which are deemed necessary by counsel or Authorized Agents of the EDC and which do not alter the intent of this resolution.

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 an amendment to the Agreement consistent with the Modified Terms and any and all other agreements, documents, contracts, or other papers necessary or to take any actions necessary 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.

December 7, 2021