



**ECONOMIC DEVELOPMENT CORPORATION  
BOARD OF DIRECTORS REGULAR MEETING  
TUESDAY, SEPTEMBER 10, 2024 – 9:00 A.M.**

**BOARD MEMBERS PRESENT:**

Kwaku Osei  
Damon Hodge  
Chris Jackson  
Kimberly Clayson  
Marsha Bruhn

**BOARD MEMBERS ABSENT:**

Clifford Brown  
Thomas Stallworth  
Linda Forte  
Antoine Bryant (Ex-Officio)  
John Naglick (Ex-Officio)

**SPECIAL DIRECTORS  
PRESENT:**

None.

**SPECIAL DIRECTORS  
ABSENT:**

None.

**OTHERS PRESENT:**

Jennifer Kanalos (DEGC/EDC)  
Sierra Spencer (DEGC/EDC)  
Glen Long, Jr. (DEGC/EDC)  
Rebecca Navin (DEGC/EDC)  
Nasri Sobh (DEGC/EDC)  
Kelly Shovan (DEGC/EDC)  
Kevin Johnson (DEGC/EDC)  
Medvis Jackson (DEGC/DEGC)  
Madison Schillig (DEGC/EDC)  
JoMeca Thomas (DEGC/EDC)  
Sidni Smith (DEGC/EDC)  
Lanard Ingram (DEGC/EDC)  
Derrick Headd (DEGC/EDC)  
Julie Schneider (City of Detroit)  
Hassan Beydoun



**MINUTES OF THE ECONOMIC DEVELOPMENT CORPORATION  
BOARD OF DIRECTORS REGULAR MEETING  
DETROIT ECONOMIC GROWTH CORPORATION  
500 GRISWOLD, SUITE 2200, DETROIT, MI 48226  
TUESDAY, SEPTEMBER 10, 2024 – 9:00 A.M.**

**GENERAL**

**Call to Order**

Noting that a quorum was present, Board Vice Chair Osei called the regular meeting of the Economic Development Corporation Board of Directors to order at 9:09 a.m.

**Approval of Minutes**

Mr. Osei asked if there were any additions, deletions, or corrections to the minutes of the August 27, 2024, regular Board meeting. Hearing none, Mr. Osei called for a motion.

Ms. Bruhn made a motion to approve the minutes of the August 27, 2024, regular Board meeting, as written. Mr. Hodge seconded the motion. All were in favor with none opposed.

EDC Resolution Code 24-09-02-385 was unanimously approved.

**Receipt of Treasurer's Report**

Ms. Shovan reviewed the Treasurer's Report of Receipts and Disbursements for the month of July 2024. Mr. Osei called for questions. Hearing none, Mr. Osei called for a motion.

Mr. Hodge made a motion to approve the Treasurer's Report of Receipts and Disbursements for the month of July 2024, as presented. Ms. Clayson seconded the motion.

EDC Resolution Code 24-09-03-301 was unanimously approved.

**PROJECTS**

**New Motor City Match General Fund Scope and Budget**

Ms. Schillig explained that as the Board is aware, Motor City Match (MCM) has been operating since July 2022 pursuant to an ARPA-funded sub-recipient agreement (the "ARPA Contract") with the City of Detroit (the "City"). Under the ARPA Contract, funding had to be allocated by June 30,



2024 and must be expended by June 30, 2025. Accordingly, the last round of MCM awardees under the ARPA Contract was approved by the EDC Board in June 2024.

To continue MCM, the City of Detroit's FY 2024-2025 budget approved by the Mayor and Detroit City Council in April 2024 included a \$2,500,000 general fund allocation for MCM as part of the City's Housing and Revitalization Department (HRD) budget. MCM staff and HRD have agreed upon the scope and budget attached as Exhibit A for MCM for FY 24-25 (the "Scope and Budget").

Under the Scope and Budget MCM will continue to operate 4 tracks consistently, Plan / Launch, Develop, Design and Cash. In addition to those 4 tracks, there will be one round of CVI awards to complete our prior commitment of 2 CVI rounds for \$150,000 in funding to CVI participants. MCM will continue to serve Detroit residents and Detroit based businesses in establishing their businesses, finding the correct location for their business model, assisting with design documents and providing gap funding in the form of grants. In addition, a set amount of Technical Assistance will be provided to Plan / Launch, Develop and Design awardees, with Cash awardees receiving Financial Assistance awards. CVI participants are eligible for both Technical Assistance and Financial Assistance.

While the basic structure and format of the program will remain the same, there will be amended program guidelines that will come before the board prior to the first awards under the new contract.

A resolution approving a contract with the City for \$2.5 million of General Fund dollars as stated herein was attached for the Board's consideration.

Mr. Osei called for questions.

Mr. Jackson asked for a comparison between the budget being discussed and the previous year's budget. Ms. Schillig stated that the new budget is about half of the previous year's budget, which included American Rescue Plan Act (ARPA) funds.

Mr. Jackson asked what the operating budget was before ARPA funds were introduced. Ms. Schillig explained that only two (2) rounds of Motor City Match had been run using general fund dollars. Ms. Navin added that she estimated the budget was around two million two hundred fifty thousand dollars (\$2,250,000).

Mr. Hodge asked if any changes to the program were being anticipated. Ms. Schillig stated that with the budget reduction, the overall cash grant budget would be reduced, so there would be closer scrutiny of the projects as the program became more competitive. Ms. Schillig continued that the hope is to keep the grant amounts similar, which may change the number of awardees, but it depends on any given round and what the needs are at that time.

Ms. Bruhn asked what rationale had been provided by the City Council to proceed with the reduction of the budget. Ms. Navin explained that in July of 2022, when Motor City Match began receiving ARPA funds, the capacity of the program was significantly increased. Ms. Navin



continued that now that the ARPA funding has ended and the program is utilizing General Fund dollars, the budget for the program must be decreased to accommodate the various other programs that also utilize the City's General Fund.

Mr. Jackson asked if any other funding sources on the State or Federal level had been considered to fund the Motor City Match program. Ms. Schillig stated that because of the budget cut, the "Restore" and "Façade" would not continue, but that initial conversations had begun with possible funding sources in the hopes that these tracks could be relaunched.

Mr. Osei called for further questions. Hearing none, Mr. Osei called for a Motion to approve the New Motor City Match General Fund Scope and Budget.

Mr. Hodge made a motion to approve the New Motor City Match General Fund Scope and Budget, as presented. Mr. Jackson seconded the motion. All were in favor with none opposed.

EDC Resolution Code 24-09-91-153 was unanimously approved.

### **UDAG: Operation Get Down – Recoverable Grant Proposal**

Ms. Navin stated that as the board may be aware, in late 2023, Operation Get Down Inc. ("OGD") closed its temporary shelter in the former Northeastern branch YMCA at 10100 Harper Ave (the "Building"). The Building is currently listed for sale, and the City's Housing and Revitalization Department ("HRD") has issued an Request for Proposals in order to facilitate the sale and renovation of the Building for the continued purpose of providing transitional housing services to Detroit's housing insecure populations.

As the Building is a potential target for scrappers, vandalism and squatters, OGD requires assistance with carrying costs, including utility and other expenses necessary for maintaining an on-site presence at the property until the Building is sold for redevelopment. As the Building is owned by OGD, HRD is unable to use city or other grant dollars at its disposal to assist with these costs. HRD has approached the Economic Development Corporation of the City of Detroit ("EDC") regarding a grant to OGD for the purpose of paying carrying costs.

Pursuant to the terms of certain transfer agreements between the City of Detroit, acting through its Community and Economic Development Department, now known HRD, and the EDC, the EDC is in possession of certain funds through the Urban Development Action Grant program ("UDAG"). These UDAG proceeds were received by the EDC as repayments of loans and/or other advances made by the EDC using UDAG grants and/or proceeds of UDAG grants. As such, these proceeds are now available for certain economic development purposes, subject to the provisions of the original UDAG grants and transfer agreements.



EDC staff proposes a recoverable grant of up to \$100,000 (the “Grant”) to OGD on the terms described in the attached Exhibit A (the “Grant Terms”) using UDAG funds. Per the terms of the UDAG transfer agreements, the Grant is subject to the approval of the Director of HRD.

A resolution was attached for the Board’s consideration, and Ms. Navin stated that Ms. Schneider from the City’s Housing and Revitalization Department (“HRD”) was available to answer questions.

Mr. Osei asked about the building's square footage. Ms. Schneider stated she was unsure of the specific square footage but that the building was extremely large, featuring five (5) floors and two (2) gyms.

Mr. Hodge asked for an estimate of how long the recoverable grant would sustain the building. Ms. Navin responded that the estimation was June 2025. Mr. Hodge asked if the plan was for a buyer to acquire the property. Ms. Navin stated that the estimate was based on the premise that a buyer would be identified.

Mr. Jackson stated that there are many large, abandoned buildings in Detroit and questioned what would happen in a year if a buyer was unwilling to buy the property, considering the significant renovations needed to rehabilitate the building. Mr. Jackson continued that he has communicated with two (2) business owners on Livernois Street who have had their businesses disrupted and would like funding to be provided for the area instead of an abandoned property.

Mr. Hodge asked if a Request for Proposal (RFP) had been issued for the building by HRD and, if so, what is being asked of the new purchaser. Mr. Hodge stated that Mr. Jackson raised some great points and questioned whether the goal was to redevelop the building or achieve its previous uses. Ms. Schneider stated that HRD put out an RFP for the building seeking a buyer who could help facilitate the mission of providing housing to individuals experiencing homelessness. Ms. Schneider continued that HRD would offer acquisition and pre-development costs, and HRD would utilize their funds as long as the proposed use is eligible. Ms. Schneider added that once the building is fully redeveloped, it would produce the repayment of the one hundred thousand dollars (\$100,000) if it is fully expended. Ms. Schneider concluded that potential purchasers have been interested in the building, which makes her feel confident that there will be competitive offers.

Mr. Osei asked when the RFP was set to expire. Ms. Schneider stated that it would expire in about two (2) weeks and that the potential buyer would need to provide carrying costs and take over security for the building.

Mr. Hodge asked what the redevelopment costs are estimated to be. Ms. Schneider stated that while she could not provide a full estimate, but based on her walkthroughs of the property, the building would need to be rehabilitated and is not ready for renovations at this time.



Mr. Jackson stated that it was comforting to know that HRD had funds set aside for the developer's selection.

Mr. Osei asked for confirmation about this, stating that he believed that it was stated that HRD has funds set aside to support acquisition and redevelopment but not to reimburse the EDC.

Ms. Schneider stated that the agreement is that any cost related to keeping the lights on in the building and keeping the property secure would be reduced from a negotiated purchase price, and whatever entities need to be reimbursed would be reimbursed.

Mr. Jackson clarified that the EDC would be ineligible for reimbursement if no buyer were secured for the building.

Mr. Osei asked if it would be possible to consider the grant and meet again in two weeks after the RFP expires to decide, given that the RFP date is only two (2) weeks out. Ms. Schneider stated that DTE Energy authorized that the lights be shut off at the property over a month ago, and a settlement had been negotiated while different funding sources were found. Ms. Schneider added that she had exhausted the city's options and feared there would be very limited time.

Mr. Osei called for further questions. Hearing none, Mr. Osei called for a Motion to approve the UDAG: Operation Get Down – Recoverable Grant Proposal.

Mr. Jackson made a motion to approve the UDAG: Operation Get Down – Recoverable Grant Proposal, as presented. Mr. Hodge seconded the motion. All were in favor with none opposed.

EDC Resolution Code 24-09-84-15 was unanimously approved.

## **ADMINISTRATION**

Ms. Kanalos introduced Sidni Smith to the Board as the Data Analyst for the Board Administration team. Ms. Kanalos stated that as reporting for Tax Increment Financing wraps up, Ms. Smith would track various Board items and their data, including EDC items.

Mr. Osei welcomed Ms. Smith to the team.

## **OTHER MATTERS**

Mr. Jackson asked if staff could provide an update on the Streetscape program for Livernois and Dexter Street.

Mr. Hodge stated that he believed that COVID-19 had interrupted the Livernois streetscape plan but would like to know if this was the main reason for its interruption. He also stated that while



there is value in the Streetscape program, he does not want it to jeopardize the existing businesses in the area.

Mr. Osei asked that staff update what happened with the Livernois program and whether it could be replicated for Dexter Streetscape and other future Streetscapes that will happen.

Ms. Spencer stated that staff would research the matter and provide an update to the Board.

### **PUBLIC COMMENT**

None.

### **ADJOURNMENT**

With there being no other business to come before the Board, Ms. Forte adjourned the meeting at 9:37 a.m.



CODE EDC 24-09-02-385

## **APPROVAL OF MINUTES OF AUGUST 27, 2024, REGULAR MEETING**

**RESOLVED**, that the minutes of the regular meeting of August 27, 2024, 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.

September 10, 2024





**CODE EDC 24-09-03-301**

**RECEIPT OF TREASURER'S REPORT FOR JULY 2024**

**RESOLVED**, that the Treasurer's Report of Receipts and Disbursements for the period ending July 31, 2024, as presented at this meeting, is hereby in all respects accepted as action of the Economic Development Corporation.

September 10, 2024



**CODE EDC 24-09-91-153**

**NEW MOTOR CITY MATCH GENERAL FUND SCOPE AND BUDGET**

**WHEREAS**, Motor City Match (MCM) has been operating since July 2022 pursuant to an ARPA-funded sub-recipient agreement (the “ARPA Contract”) with the City of Detroit (the “City”) pursuant to which funding had to be allocated by June 30, 2024 and must be expended by June 30, 2025; and

**WHEREAS**, the City of Detroit’s FY 2024-2025 budget approved by the Mayor and Detroit City Council in April 2024 included a \$2,500,000 general fund allocation for MCM as part of the City’s Housing and Revitalization Department (HRD) budget; and

**WHEREAS**, MCM staff and HRD have agreed upon the scope and budget attached as Exhibit A for MCM for FY 24-25 (the “Scope and Budget”); and

**WHEREAS**, EDC staff recommends that the EDC Board of Directors authorize the execution of a contract with the City for the Scope and Budget for FY 24-25 to continue operation of MCM; and

**WHEREAS**, the EDC Board of Directors has determined that staff’s recommendation is appropriate and in the best interests of the EDC and MCM.

**THEREFORE, BE IT RESOLVED**, that the EDC Board of Directors authorizes the acceptance of funding for MCM and the negotiation and execution of a contract with the City for the Scope and Budget, in a form deemed acceptable to HRD and EDC’s counsel.

**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 said contract and 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.

September 10, 2024



## **EXHIBIT A**

### **Scope and Budget**

#### **Economic Development Corporation (EDC) of the City of Detroit**

##### **Motor City Match General Fund**

The EDC is undertaking the following activities to increase economic activity and physical revitalization of commercial areas through the City of Detroit:

#### **1. Motor City Match program**

- a. The EDC utilizes a variety of approaches to encourage new businesses to locate in commercial corridors throughout the city, including small business competitions, target marketing to potential prospects, assistance navigating city processes, and local business community capacity building support. These efforts will be targeted to Detroit based neighborhood-serving businesses that can drive the economy and growth of the city while ensuring Detroiters have access to jobs, and goods and services.

Specifically, the EDC will continue to undertake these activities through the Motor City Match (MCM) Program, Motor City Match connects the best buildings in Detroit with the best new or expanding businesses, while also providing competitive grants, loans, technical assistance and counseling to both building owners and businesses.

Applications are accepted on a quarterly basis for business owners looking to start to start a new business in Detroit or expand their business to a second location in Detroit and building owners who want to market their vacant properties to new tenants. The competitive nature of the program allows multiple stakeholders to participate in the selection process and allocate scarce resources to the most impactful and feasible projects.

The EDC expects to serve 150 businesses over 4 tracks per year. Of those businesses, the program anticipates that up to 105 will be Technical Assistance awardees and up to 45 will receive Financial Assistance Awards in the form of a cash grant. In addition, up to 10 awards are expected to be made to participants in the City's Community Violence Intervention (CVI) programs, including technical assistance and/or financial assistance. The breakdown of expected awardees can be seen in the Motor City Match Awards Per Round Table on the next page.

Motor City Match aims to create approximately 50 jobs for low-to-moderate income Detroiters. EDC expects at least 10 businesses to open in year one, with at least 20 opening in year two of the program. General Fund dollars will support the



administration, staffing, software, marketing, legal, web services, technical assistance and grant assistance provided by the Motor City Match Program.

**Motor City Match Awards Per Round**

Award Type	Track	Awardees Per Round	Total Awardees
Technical Assistance	Plan / Launch	Up to 15	45
	Develop	Up to 15	45
	Design	Up to 5	15
	CVI	Up to 5	5
Financial Assistance	Cash	Up to 15	45
	CVI	Up to 5	5
	<b>Total</b>	Up to 65	160

**Budget**

<b>MCM GF Budget 2024-2015</b>	
<b>Administration &amp; Personnel</b>	<b>General Fund</b>
Staff Personnel	\$ 490,000
Compliance/Legal	\$ 60,000
Web Service Provider	\$ 30,000
Events & Marketing	\$ 60,000
<b>Business Technical Assistance</b>	
Technical Assistance	\$ 600,000



<b>Business Grants</b>	
Financial Assistance	\$ 1,260,000
<b>Grant Total</b>	<b>\$ 2,500,000</b>



**CODE EDC 24-09-84-15**

**UDAG: OPERATION GET DOWN – RECOVERABLE GRANT PROPOSAL**

**WHEREAS**, in late 2023, Operation Get Down Inc. (“OGD”) closed its temporary shelter in the former Northeastern branch YMCA at 10100 Harper Ave (the “Building”), which Building is currently listed for sale and for which the City’s Housing and Revitalization Department (“HRD”) has issued an Request for Proposals in order to attempt to facilitate the sale and renovation of the Building for the continued purpose of providing transitional housing services to Detroit’s housing insecure populations; and

**WHEREAS**, due to funding restraints at HRD, HRD has requested that the Economic Development Corporation of the City of Detroit (“EDC”) assist OGD with carrying costs, including utility and other expenses necessary for maintaining an on-site presence at the property until the Building is sold for redevelopment; and

**WHEREAS**, pursuant to the terms of certain transfer agreements between the City of Detroit, acting through its Community and Economic Development Department, now known HRD, and the EDC, the EDC is in possession of certain funds through the Urban Development Action Grant program (“UDAG”), which proceeds are available for certain economic development purposes, subject to the provisions of the original UDAG grants and transfer agreements; and

**WHEREAS**, EDC staff proposes a recoverable grant of up to \$100,000 (the “Grant”) to OGD on the terms described in the attached Exhibit A (the “Grant Terms”) using UDAG funds, which Grant is subject to the approval of the Director of HRD, pursuant to the UDAG transfer agreements; and

**WHEREAS**, the EDC Board of Directors has reviewed the Grant Terms and determined it is consistent with the EDC’s statutory purposes and in the best interest of the EDC.

**NOW, THEREFORE, BE IT, RESOLVED**, that the provision of a Grant consistent with the Grant Terms is hereby approved, subject to the approval of the Director of HRD.

**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 the Grant in accordance with the Grant Terms, 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.

September 10, 2024



## EXHIBIT A

### Proposed Recoverable Grant Terms

**Donor:** The Economic Development Corporation of the City of Detroit (EDC)

**Grantee:** Operation Get Down, Inc.

**Amount:** Not to Exceed \$100,000

**Permitted Uses** – Utilities and Carrying Costs at 10100 Harper Avenue

1. Partial payment of outstanding utility bills in order to secure payment plan / retain utilities (Estimated \$45,000 to DTE for gas and electric; payment to Comcast TBD).
2. Payment of certain utilities through closing (i.e., gas, electric, internet)
3. Payment of certain other carrying costs (e.g., on-site occupancy/security)

**Conditions:**

- Payments for utilities may be made directly to utility companies at EDC's election
- For any payments made to Grantee, proof of approved expenditures may be required
- Payments may be discontinued in the event utilities are turned off and/or property is left unoccupied
- Grant will be repaid to EDC upon closing of the sale of the property from property sale proceeds
- Subject to EDC Board approval, expected by 9/10/2024 and HRD Director approval (for use for recycled UDAG loan proceeds)
- All terms will be set forth in grant agreement between EDC and Grantee