



**ECONOMIC DEVELOPMENT CORPORATION
FINANCE COMMITTEE MEETING
TUESDAY, MAY 28, 2024 – 9:00 A.M.**

MEMBERS PRESENT: Linda Forte
Damon Hodge
Kwaku Osei

MEMBER ABSENT: Thomas Stallworth

OTHERS PRESENT: Jennifer Kanalos (DEGC/EDC)
Glen Long (DEGC/EDC)
Rebecca Navin (DEGC/EDC)
Nasri Sobh (DEGC/EDC)
Ashley Dreyer (DEGC/EDC)
Sierra Spencer (DEGC/EDC)
Kelly Shovan (DEGC/EDC)
David Howell (DEGC/EDC)
Medvis Jackson (DEGC/EDC)
Will



**MINUTES OF THE ECONOMIC DEVELOPMENT CORPORATION
FINANCE COMMITTEE MEETING
TUESDAY, MAY 28, 2024 – 9:00 A.M.
DETROIT ECONOMIC GROWTH CORPORATION
500 GRISWOLD, SUITE 2200, DETROIT, MI 48226**

CALL TO ORDER

Chairperson Forte called the meeting of the Finance Committee of the Economic Development Corporation to order at 9:19 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 24, 2023 Finance Committee meeting. Hearing none, the Committee took the following action:

Mr. Hodge made a motion approving the minutes of the October 24, 2023 Finance Committee meeting, as written. Mr. Osei seconded the motion. All were in favor with none opposed.

The minutes of the October 24, 2023 Finance Committee meeting were approved.

PROJECTS

EDC Budget for FY 2024-2025

Ms. Kanalos shared the EDC operating budget for FY 2024-2025 which was attached as Exhibit A.

The EDC Finance Committee was asked to recommend the adoption of the EDC operating budget for FY 2024-2025 to the EDC Board of Directors.

Ms. Forte called for questions.

Mr. Hodge asked if the variance between the proposed budget and the actual budget for Motor City Match could be explained. Mr. Long explained that more staff time was needed because of some staff overlapping, and therefore a projected total was given. Mr. Long added that there is variance on both the expense and revenue sides and is a part of the American Rescue Plan Act (ARPA) contract. Mr. Long concluded that more funds were spent administratively but the net effect on the EDC was negligible.

Ms. Forte called for further discussion. Hearing none, she called for a motion.

Mr. Osei made a motion to approve the EDC Budget for FY 2024-2025, as presented. Mr. Hodge seconded the motion. All were in favor with none opposed.



ADMINISTRATION

None.

OTHER MATTERS

Mr. Osei raised some questions about when ARPA funds need to be fully spent, how the DEGC plans to spend the remaining funds, and how the already spent ARPA funds were used.

Mr. Long responded that all ARPA funds for Motor City Match are projected to be spent by June 30, 2025. Mr. Long stated that to date six million dollars (\$6,000,000.00) of the funds have been spent. Mr. Long stated that three million dollars (\$3,000,000.00) of that total was spent as cash grants, six hundred thousand dollars (\$600,000.00) was spent on restore grants, five hundred thousand dollars (\$500,000.00) was spent on technical assistance and about one million six hundred dollars (\$1,600,000.00) was spent administratively, and any funds left over had been spent on events such as Motor City Match awards. Mr. Long advised that he is comfortable with where the ARPA spending is currently.

PUBLIC COMMENT

None.

ADJOURNMENT

On a motion by Mr. Osei, seconded by Mr. Hodge, Ms. Forte adjourned the meeting at 9:25 a.m.

ECONOMIC DEVELOPMENT CORPORATION OF THE CITY OF DETROIT
OPERATING BUDGET
JULY 1, 2024 TO JUNE 30, 2025

	Projected Total June 30, 2024	Budget June 30, 2024	Variance	Proposed Budget June 30, 2025
<u>REVENUE</u>				
City of Detroit	800,000	800,000	0	800,000
TSF From Waterfront Reclamation	300,000	300,000	0	300,000
TSF From Motor City Match/Restore	1,113,630	900,000	213,630	1,000,000
TSF From Projects for DEGC Legal	118,921	180,000	(61,079)	180,000
TSF From Casino Development Fund	350,000	350,000	0	350,000
TSF From Recycled Project/Loan Funds	550,000	550,000	0	550,000
TSF From Other Projects	141,376	150,000	(8,624)	50,000
Other Revenue & Service Fees	63,900	25,000	38,900	45,000
	<u>3,437,827</u>	<u>3,255,000</u>	<u>182,827</u>	<u>3,275,000</u>
TOTAL REVENUE	<u>3,437,827</u>	<u>3,255,000</u>	<u>182,827</u>	<u>3,275,000</u>
<u>EXPENSES</u>				
Detroit Economic Growth Corp	800,000	800,000	0	800,000
Detroit Economic Growth Corp Special Proj	600,000	600,000	0	600,000
Other Projects Administrative Fees	1,255,006	1,050,000	(205,006)	1,050,000
Green Grocer Program	525,000	525,000	0	0
Legacy Business Program	0	0	0	500,000
DEGC Legal Services	143,554	200,000	56,446	200,000
Legal Services	30,964	10,000	(20,964)	40,000
Audit	30,000	30,000	0	35,000
NMDC/Miscellaneous	25,445	40,000	14,555	50,000
	<u>3,409,969</u>	<u>3,255,000</u>	<u>(154,969)</u>	<u>3,275,000</u>
TOTAL EXPENSES	<u>3,409,969</u>	<u>3,255,000</u>	<u>(154,969)</u>	<u>3,275,000</u>
Operating Surplus/(Shortfall)	27,857	0	27,857	0
Debt Service	0	0	0	0
(Increase)/Decrease in Reserve	(27,857)	0	(27,857)	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET SURPLUS/(SHORTFALL)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>