



**DOWNTOWN DEVELOPMENT AUTHORITY  
BOARD OF DIRECTORS REGULAR MEETING  
WEDNESDAY, APRIL 26, 2023 – 3:00 P.M.**

**BOARD MEMBERS PRESENT:** Marvin Beatty  
David Blaszkiewicz  
Nicole Sherard-Freeman  
Melvin Hollowell  
Richard Hosey (3:07)  
James Jenkins  
John Naglick  
Steve Ogden

**BOARD MEMBERS ABSENT:** Charles Beckham  
Austin Black  
Ehrlich Crain  
Donald Rencher

**OTHERS PRESENT:** Bryan Aman (Related)  
Jake Austermann (Plante Moran)  
Thomaesa Bailey  
Kenyetta Bridges (DEGC/DDA)  
Andrew Cantor (Related)  
Rian English (ODM)  
Sean Gray (DEGC/DDA)  
David Howell (DEGC/DDA)  
Lanard Ingram (DEGC/DDA)  
Kaci Jackson (DEGC/DDA)  
Kevin Johnson (DEGC/DDA)  
Paul Kako (DEGC/DDA)  
Jennifer Kanalos (DEGC/DDA)  
Glen Long (DEGC/DDA)  
Rebecca Navin (DEGC/DDA)  
Luke Polcyn (City of Detroit, Mayor's Office)  
Peter Rhoades (CM Whitfield-Calloway's Office)  
Ed Saenz (ODM)  
Julie Schneider (City of Detroit, HRD)  
Sierra Spencer (DEGC/DDA)  
JoMeca Thomas (DEGC/DDA)  
Brian Vosburg (DEGC/DDA)



**MINUTES OF THE DOWNTOWN DEVELOPMENT AUTHORITY  
BOARD OF DIRECTORS REGULAR MEETING  
DETROIT ECONOMIC GROWTH CORPORATION  
500 GRISWOLD, SUITE 2200, DETROIT, MI 48226  
WEDNESDAY, APRIL 26, 2023 – 3:00 P.M.**

**GENERAL**

**Call to Order**

Chair Sherard-Freeman called the regular meeting of the Downtown Development Authority Board of Directors to order at 3:05 p.m. Roll call was conducted, and a quorum was established.

**GENERAL**

**ADMINISTRATIVE**

Ms. Kanalos introduced Ms. Spencer to the board and explained what her role will be with respect to Board Administration. Ms. Spencer thanked the board, and the board offered their welcome.

**Approval of Minutes**

Ms. Sherard-Freeman asked if there were any additions, deletions, or corrections to the minutes of the February 22, 2023, Regular Board meeting. Hearing none, the Board took the following action:

Mr. Jenkins made a motion approving the February 22, 2023 minutes, as written.  
Mr. Hollowell seconded the motion. All were in favor with none opposed.  
DDA Resolution Code 23-04-02-653 was unanimously approved.

**Receipt of Treasurer's Reports**

Mr. Naglick reviewed the Treasurer's Report of Receipts and Disbursements for the month of December 2022.

Mr. Naglick asked Mr. Long where excess funds are invested and what interest rate is being enjoyed on those investments. Mr. Long explained that the excess funds were



managed by the City up until a few years ago when DDA staff was asked to manage the excess funds. Mr. Long added that the excess funds are still kept in the same low-risk accounts that they were when the city was responsible for the funds.

Mr. Jenkins asked Mr. Long if he had an idea on what range the interest rate was earning. Mr. Naglick restated the question to Mr. Long adding that the average interest rate is about 4%. Mr. Long agreed that the rate would be around 4% and noted he did not have an exact figure prepared.

Mr. Naglick thanked Mr. Long and concluded the review of December 2022 Treasurer's Report. Mr. Naglick asked if there were any more questions.

Hearing none, Ms. Sherard-Freeman called for a motion.

Mr. Hollowell made a motion to approve the Treasurer's Report of Receipts and Disbursements for the month of December 2022, as presented. Mr. Jenkins seconded the motion. All were in favor with none opposed.  
DDA Resolution Code 23-04-03-541 was unanimously approved.

Mr. Naglick reviewed the Treasurer's Report of Receipts and Disbursements for the month of January 2023. Mr. Naglick called for questions regarding the report.

Mr. Ogden asked Mr. Long to clarify if the improvement in parking receipts was due to transient or monthly parking. Mr. Glen responded that the improvement was due to transient parking.

Ms. Sherard-Freeman asked if there were any more questions. Hearing none, she called for a motion.

Mr. Hosey made a motion to approve the Treasurer's Report of Receipts and Disbursements for the month of January 2023, as presented. Mr. Ogden seconded the motion. All were in favor with none opposed.  
DDA Resolution Code 23-04-03-542 was unanimously approved.

Mr. Naglick reviewed the Treasurer's Report of Receipts and Disbursements for the month of February 2023. Mr. Naglick called for questions regarding the report.

Ms. Sherard-Freeman hearing no questions called for a motion.

Mr. Jenkins made a motion to approve the Treasurer's Report of Receipts and Disbursements for the month of February 2023, as presented. Mr. Hosey seconded the motion. All were in favor with none opposed.  
DDA Resolution Code 23-04-03-543 was unanimously approved.



Mr. Naglick reviewed the Treasurer's Report of Receipts and Disbursements for the month of March 2023. Mr. Naglick called for questions regarding the report. Mr. Naglick concluded that due to the tax captures the DDA is in great financial standing. Mr. Long agreed with Mr. Naglick.

Ms. Sherard-Freeman asked if there were any more questions. Hearing none, she called for a motion.

Mr. Hollowell made a motion to approve the Treasurer's Report of Receipts and Disbursements for the month of March 2023, as presented. Mr. Blaszkiewicz seconded the motion. All were in favor with none opposed. DDA Resolution Code 23-04-03-544 was unanimously approved.

## **PROJECTS**

### **AFFORDABLE HOUSING LOANS – REQUEST FOR AMENDMENT TO DISTRICT DETROIT LOAN REQUIREMENTS**

Mr. Howell and Mr. Polcyn advised that in January 2023, the DDA Board of Directors approved three loans up to an aggregate amount of \$23.7 million under the DDA's Housing, Office, Retail Development and Absorption Fund's Affordable Housing Program Parameters to support affordable housing included in the residential projects planned as part of the District Detroit Development by Related Olympia Predevelopment Company, LLC ("**Developer**").

Specifically, the following loans were approved, subject to the Developer's agreement to reserve at least 20% of the residential rental units for households making 50% of AMI or less in each of the below projects and other terms set forth in the Board's approval (each, a "**Loan**" and collectively, the "**Loans**") as follows:

- **2250 Woodward** – \$10,900,000 for new construction of a 20-story multi-family housing tower, with first-floor retail, facing the Fox Theatre, expected to include 287 residential units, of which 20% (58 units) would be affordable at 50% AMI or below.
- **2205 Cass** – \$8,804,000 for new construction of 18 story multi-family housing tower with first-floor retail, located across from the planned University of Michigan Detroit Center for Innovation, expected to include 261 residential units, of which 20% (54 units) would be affordable at 50% AMI or below.
- **408 Temple** – \$4,061,000 for historic rehabilitation of former American / Fort Wayne Hotel located in the Cass Park district, with first-floor retail, expected to include 131 residential units, of which 20% (27 units) would be affordable at 50% AMI or below.



The March 28, 2023, Detroit City Council resolution approving the “Community Benefits Provision for Tier 1 Development Projects – District Detroit Development” included a request that the DDA Board consider incorporating parameters into the Loans requiring the Developer to prioritize Detroit residents for the affordable units on the following basis: (1) first priority for Detroit residents of 10 years or longer; (2) second priority for Detroit residents of 5 years or longer; and (3) third priority for Detroit residents of 3 years or longer. Following consultation with the Developer and the City’s Housing and Revitalization Department (“HRD”), DDA staff recommends an amendment to the terms of each Loan to add an additional requirement that the Developer comply with the following parameters in leasing the affordable units (the “**10-5-3 Priority Parameters**”):

- Subject to all tenancy requirements and federal and state laws. , Developer shall give a priority in its affordable housing units to Detroit residents of:
  - 10 years or longer - 1st Priority
  - 5 years or longer - 2nd Priority
  - 3 years or longer - 3rd priority
- Approximately six months prior to initial opening for occupancy, Developer’s designated property manager will make applications available in person and via the internet.
  - Developer and property manager will follow an HRD-approved marketing plan to solicit applications and will market these units on any platform the City of Detroit determines.
  - The application period will remain open for a to-be-agreed period at the end of which applications will be closed to allow for review and processing.
  - From the received applications, the property manager will screen the applications for eligibility, rank the eligible applications based on the priorities expressed above, and offer the units to eligible applicants in the order of their ranking.

After units are fully occupied and later become available through attrition, units will be posted online to HRD’s housing locator website for the remaining term of the affordability agreement and the Loans, whichever is longer (approximately 30 years).

Mr. Howell and Mr. Polcyn looked to the board for questions or comments.



Chair Sherard-Freeman recalled the significant discussion that occurred at the January 11, 2023 DDA Board meeting regarding the terms of the agreement and the conditions under which loan forgiveness would be approved. Chair Sherard-Freeman asked Mr. Howell and Mr. Polcyn to explain the process involved in amending the agreement.

Mr. Polcyn explained that the fundamental mechanism for loan forgiveness remains unchanged but that the amendment will prioritize application lists based upon the length of Detroit residency.

Mr. Hollowell asked the Chair if that was the information that was requested or should the Neighborhood Advisory Council (NAC) process be discussed. Chair Sherard-Freeman confirmed that the response answered the question. Mr. Hollowell added that NAC discussions were effective and robust which resulted in answering a lot of questions from a policy perspective as to what City Council and the public would like to see as it relates to affordable housing.

Mr. Beatty commended the City and City Council, and Olympia Development of Michigan for their efforts. Mr. Beatty advised that the board needs to keep in mind that the entire downtown area needs attention. Mr. Beatty stated that the Greektown area needs development attention. He concluded that as members of the board, there is a responsibility to develop all areas of downtown.

Mr. Jenkins stated that he agrees with Mr. Beatty, and advised that all board members need to acknowledge that responsibility and begin to think about how to help Greektown.

Mr. Hosey agreed with the comment made by Mr. Beatty and stated that when news is posted about Greektown it impacts the entire downtown district.

Mr. Ogden added that perhaps looking at loans and grants to Greektown should be examined.

Mr. Hollowell proposed that the board have a discussion at another meeting and adjunct to that, the retrofit of I-375 and how should the DDA Board plan a constructive role in that process.

Ms. Sherard-Freeman agreed that this was a good idea and asked if there were any more questions or comments for Mr. Howell and Mr. Polcyn. Hearing none, a motion was called.

Mr. Hollowell made a motion to approve Affordable Housing Loans – Request for Amendment to District Detroit Loan Requirements, as presented. Mr. Jenkins seconded the motion. All were in favor with none opposed. DDA Resolution Code 23-04-93-39 was unanimously approved.



### **OTHER BUSINESS**

None.

### **PUBLIC COMMENT**

Peter Rhodes introduced himself and thanked the DDA for the affordable housing loan project. He asked that the Board please keep the Detroit Public Library in mind. He advised that the Detroit Public Library has been facing issues due to TIF's and could use more funding.

### **ADJOURNMENT**

With there being no further business to be brought before the Board, Mr. Ogden made a motion to adjourn, which was seconded by Mr. Jenkins, and Ms. Sherard-Freeman adjourned the meeting at 3:40 p.m.



**CODE DDA 23-04-02-653**

**APPROVAL OF MINUTES OF FEBRUARY 22, 2023**

**RESOLVED** that the minutes of the Regular meeting of February 22, 2023, 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.

April 26, 2023





**CODE DDA 23-04-03-541**

**RECEIPT OF TREASURER'S REPORT FOR DECEMBER 2022**

**RESOLVED**, that the Treasurer's Report of Receipts and Disbursements for the period ending December 31, 2022, as presented at this meeting, is hereby in all respects received by the Downtown Development Authority.

April 26, 2023



**CODE DDA 23-04-03-542**

**RECEIPT OF TREASURER'S REPORT FOR JANUARY 2023**

**RESOLVED**, that the Treasurer's Report of Receipts and Disbursements for the period ending January 31, 2023, as presented at this meeting, is hereby in all respects received by the Downtown Development Authority.

April 26, 2023



**CODE DDA 23-04-03-543**

**RECEIPT OF TREASURER'S REPORT FOR FEBRUARY 2023**

**RESOLVED**, that the Treasurer's Report of Receipts and Disbursements for the period ending February 28, 2023, as presented at this meeting, is hereby in all respects received by the Downtown Development Authority.

April 26, 2023



**CODE DDA 23-04-03-544**

**RECEIPT OF TREASURER'S REPORT FOR MARCH 2023**

**RESOLVED**, that the Treasurer's Report of Receipts and Disbursements for the period ending March 31, 2023, as presented at this meeting, is hereby in all respects received by the Downtown Development Authority.

April 26, 2023



**CODE DDA 23-04-93-39**

**AFFORDABLE HOUSING LOANS – REQUEST FOR AMENDMENT TO DISTRICT DETROIT LOAN REQUIREMENTS**

**WHEREAS**, in January, 2023, the DDA Board of Directors approved 3 loans up to an aggregate amount of \$23.7 million under the DDA’s Housing, Office, Retail Development and Absorption Fund’s Affordable Housing Program Parameters (the “**Program**”) to support affordable housing included in the residential projects planned as part of the District Detroit Development by Related Olympia Predevelopment Company, LLC (“**Developer**”); and

**WHEREAS**, the following loans were approved, subject to Developer’s agreement to reserve at least 20% of the residential rental units for households making 50% of AMI or less in each of the below projects and other terms set forth in the Board’s approval (each, a “**Loan**” and collectively, the “**Loans**”) as follows:

- **2250 Woodward** – \$10,900,000 for new construction expected to include 287 residential units, of which 20% (58 units) would be affordable at 50% AMI or below.
- **2205 Cass** – \$8,804,000 for new construction expected to include 261 residential units, of which 20% (54 units) would be affordable at 50% AMI or below.
- **408 Temple** – \$4,061,000 for historic rehabilitation of former American / Fort Wayne Hotel located in the Cass Park district expected to include 131 residential units, of which 20% (27 units) would be affordable at 50% AMI or below.

; and

**WHEREAS**, the March 28, 2023 Detroit City Council resolution approving the “Community Benefits Provision for Tier 1 Development Projects – District Detroit Development” included a request that the DDA Board consider incorporating parameters into the Loans requiring the Developer to prioritize Detroit residents for the affordable units on the following basis: (1) first priority for Detroit residents of 10 years or longer; (2) second priority for Detroit residents of 5 years or longer; and (3) third priority for Detroit residents of 3 years or longer; and

**WHEREAS**, DDA staff has recommended an amendment to the terms of each Loan to add an additional requirement that the Developer comply with the following parameters in leasing the affordable units (the “**10-5-3 Priority Parameters**”):

- Subject to all tenancy requirements and federal and state laws, Developer shall give a priority in its affordable housing units to Detroit residents of:



- 10 years or longer - 1st Priority
- 5 years or longer - 2nd Priority
- 3 years or longer - 3rd priority
- Approximately 6 months prior to initial opening for occupancy, Developer's designated property manager will make applications available in person and via the internet.
  - Developer and property manager will follow an HRD-approved marketing plan to solicit applications and will market these units on any platform the City of Detroit determines.
  - The application period will remain open for a to-be-agreed period at the end of which applications will be closed to allow for review and processing.
  - From the received applications, the property manager will screen the applications for eligibility, rank the eligible applications based on the priorities expressed above, and offer the units to eligible applicants in the order of their ranking.
- After units are fully occupied and later become available through attrition, units will be posted online to HRD's housing locator website for the remaining term of the affordability agreement and the Loans, whichever is longer (approximately 30 years).

; and

**WHEREAS**, the DDA Board has determined that amending the terms of the Loans to add an additional requirement that the Developer comply with the 10-5-3 Priority Parameters is consistent with the goals of the Program, the DDA Plan, and DDA's statutory purposes and is otherwise in the best interests of the DDA.

**NOW THEREFORE BE IT RESOLVED** that DDA Board hereby approves and directs DDA staff to include an amendment to the terms of each Loan to add an additional requirement that the Developer comply with the 10-5-3 Priority Parameters.

**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 DDA's Authorized Agents, shall hereafter have the authority to negotiate and execute loan documents for each Loan incorporating the 10-5-3 Priority Parameters and the terms for the Loans previously approved by the DDA Board, 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 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.

April 26, 2023