

MINUTES  
CITY OF FARMINGTON HILLS  
FARMINGTON HILLS CITY COUNCIL  
CITY HALL - COMMUNITY ROOM  
AUGUST 28, 2023 – 5:30PM

The study session meeting of the Farmington Hills City Council was called to order by Mayor Barnett at 5:40pm

Council Members Present: Barnett, Boleware, Bridges (arrived at 6:00pm), Knol, Massey and Newlin

Council Members Absent: Bruce

Others Present: City Manager Mekjian, City Clerk Smith, Directors Brockway, Schnackel and Skrobola and City Attorney Joppich

**DISCUSSION OF THE HAWK INNOVATION CENTER AND STRUCTURE OF MANAGEMENT**

Cristia Brockway, Director of Economic Development, stated that this evening's study session is focused on the business incubator located at The Hawk. She provided City council with a historical summary of the City's and EDC's efforts to date in creating, and ultimately attracting, the City's first participant in the incubator program. She noted that City Administration is requesting input and direction from members of City Council on the operation and management of the Incubator.

Director Brockway introduced members of the Economic Development Corporation (EDC) present at the meeting, including T.R. Carr, Chair; Susan Arlen, Chamber of Commerce; Mark Bruckey, Lawrence Tech.

T.R. Carr, Chair of the Economic Development Corporation, explained that discussion on a Hatchery has been discussed for some time and he provided a brief history of the Hatchery and how that evolved to date, including the creation of a 501c3 non-profit organization.

Mayor Barnett expressed concern that City Council never approved of the creation of this 501c3 organization that was established to manage the Hatchery. She stated that while it was discussed as one of the options, Council never approved the creation of the 501c3 but yet it seems to be moving forward in that direction and there will also be expenditures by the organization that will need to be approved.

EDC Chair Carr discussed the process for creating the 501c3 and indicated there have been no 501c3 expenditures by the City to date. He noted that offers of support for the Hatchery have come in without any advertising and he discussed the strengths of the Hatchery with Council.

Considerable discussion was held on the creation of the 501c3 and members of the Economic Development Corporation felt that in the past presentations that were made to Council, this was discussed as an option and also part of reports presented and there was also much discussion at the EDC meetings over the past several years.

EDC Member Arlen commented that synergy with the Hatchery was critical to potentially receiving MEDC grant funding.

Chair Carr added that members were present here tonight to update Council on the current status of the Hatchery and proposed next steps, which he reviewed with City Council.

Mayor Barnett reiterated her concerns with how the 501c3 was established, its current members and the appearance of having EDC members on the Board of Directors (BOD) and wanted more information on how the Board was formed, how vacancies will be filled, how it will be operated and who has oversight over the BOD.

Steve Joppich, City Attorney, explained that the city had an agreement with a company for use of the space even though the 501c3 organization was not yet in place, and that agreement established Cristia Brockway, the city's Economic Development Director, as the incubator temporary manager and a future incubator manager would be a non-profit organization or private corporation and the company was agreeing to that provision. He added that whatever direction is provided by City Council, that will be incorporated into the agreement.

Chair Carr outlined the format for the BOD of being 7-11 members with currently himself, Mark Bruckey and Lew Cantor being the 3 members as required to establish the 501c3.

Considerable discussion was held on the creation of the 501c3 organization and its formation.

Several members of Council assumed they would be proceeding with the 501c3 as outlined while others were unaware the 501c3 had been formed and wanted more information and an opportunity for City Council to weigh in on the discussion.

Jerry Ellis, Attorney for the Hatchery, added that a 501c3 organization can take up to a year to establish and that was one of the reasons they moved quickly to do so; but were shocked when they received approval within a month or two time.

Members of the Economic Development Corporation believed that the option for the 501c3 was discussed for months and was part of reports to council and discussed at many of their meetings over the past several years and therefore, thought the process was very transparent and that everyone was on the same page.

The consensus was for the proposed participation and use agreement to come back to City Council at a study session meeting on September 18, 2023 and to include the standard operating procedures, rules and procedures and information on the organization of the board of directors.

It was also the consensus in response to City Manager Mekjian, to move forward with the HAWK Hatchery with the additional information requested.

**ADJOURNMENT**

The study session meeting adjourned at 7:27pm

Respectfully submitted,



Pamela B. Smith, City Clerk