

KALAMAZOO FOUNDATION FOR EXCELLENCE BOARD OF DIRECTORS

MINUTES

Meeting of September 13, 2021

A meeting of the Kalamazoo Foundation of Excellence (KFFE) Board on ~~September 14, 2020~~ September 13, 2021 held by video conference in accordance with Public Act 254 of 2020 amending the Michigan Open Meetings Act, MCL 15.261 *et seq.* was called to order by Acting President Ritsema at 2:03 pm.

Board members present: Ritsema, Anderson, Hess, Urban, Calderon-Huezo, Carrel, Lonberg, Miller, A. Taylor, C. Taylor, Washington, and Hopewell.

Board member absent: Hoffman

Also present were Legal Counsel/Recording Secretary Clyde J. Robinson, Deputy City Manager Laura Lam, FFE Manager Steve Brown, City Chief Financial Officer Steve Vicenzi, Community Planning and Economic Development Director Rebekah Kik, Parks & Recreation Director Sean Fletcher, Grant Specialist Kerry Lyn Williams, Community Investment Manager Antonio Mitchell, and Neighborhood Business & Special Project Coordinator Melody Daacon.

The minutes of the Board Meeting held April 26, 2021, were moved for approval by Director Carrel and seconded by Director C. Taylor. There being no further discussion, the motion was approved by unanimous voice vote.

Reports and Communications were received regarding the following four items:

Endowment Gift Acceptance

FFE Manager Brown reported on the anonymous gift of \$400 million to be received in 10 equal installments beginning in 2021. Eleanor Huston of CCS Fundraising reported that the announcement of the pledge received national coverage. She also reported on the Ambassador activities engaged in by Board members over the summer to share with the public a better understanding of the role and purpose of the FFE. Director Washington moved and Director Miller seconded a motion to approve the acceptance of the pledge. By unanimous voice vote the motion was adopted.

Director Hess, reflecting concerns presented to her from residents inquired about the Youth Mobility program as an avenue to address the shortfall in school bus drivers, and the elimination of bus routes by the Kalamazoo Public Schools. Mr. Brown indicated that Metro Transit is also currently experiencing bus driver shortages and that the program is not indicted to operate to get students to school.

Director Hopewell expressed concerns regarding the promotion of the FFE versus promoting the City given that the FFE was created to assist the City. He suggested that future outreach efforts include sharing the Imagine Kalamazoo 2025 goals, strategies, and projects with the explanation of how the FFE is assisting the City in their achievement.

Endowment Report, 2021 Second Quarter

Chief Financial Officer Steve Vicenzi presented a report on the status of the FFE fund through the second quarter of 2021. The fund is performing well due to a robust domestic stock market, 22% net of manager fee since its inception. With the anticipated increase to the fund due to the \$40 \$400 million pledge, the Investment Committee overseeing the fund may recommend a change from the current asset mix of 50% equities/50% fixed income to a 70% equity/ 25% fixed income/ 5% real property mix. He also commented that the existence of the fund and its anticipated growth has resulted in a significant improvement in the City's S&P bond rating. Motion by Director Urban, seconded by Director Hess to accept the Endowment Report; motion approved by unanimous voice vote.

Staff Report on Selected Program Updates

Mr. Mitchell and Ms. Daacon reported on Economic Development initiatives and efforts over the past year in helping small Kalamazoo based businesses through the COVID-19 crisis.

Parks & Recreation Director Fletcher presented on the improvements to the Farmers' Market which are expected to be completed by May 2022. Director Urban inquired about the status of the bike trail abutting the Farmers' Market property and was informed the project was complete. Director Hopewell inquired about using site as a solar power demonstration project. Mr. Fletcher indicated that the energy footprint of the site is very low, but that efforts are being explored to become energy self-sufficient.

CPED Director Kik provided updates on City/FFE efforts to address the issue of Affordable Housing. Over the life of the program initiatives that have been funded in whole or in part with FFE money, particularly the City partnership with the Local Initiative Support Corporation (LISC) and the Continuum of Care has engaged in new builds, renovation and rehabilitation of both single and multifamily housing units, resulting in a total of 150 new homes and 500 multifamily units. Director Kik presented an overview of the work to grow wealth through home-ownership through the Pathways to Home project.

Draft 2022 FFE Budget Memo

Mr. Brown and Ms. Williams presented information on the proposed 2022 FFE budget and the transmittal memo to the City Commission. The proposed budget for FY 2022 is \$25, 458,673 of which \$13,128,265 covers the reduction in the City's millage rate, which provides tax relief to property owners, \$4,370,908 for budget stabilization to make up for State revenue sharing shortfalls, and \$7,959,500 for aspirational activities. The aspirational activities to be funded in 2022 focus on neighborhood infrastructure, youth development, and shared prosperity efforts/economic development efforts.

Following the presentations, the Board took up the resignation of President Angela Graham-Williams and the filing of the officer vacancy. Director Hess moved and Director Washington seconded to accept the resignation of Director Graham-Williams. By unanimous voice vote, the motion was approved. Acting President Ritsema inquired about the pleasure of the Board in addressing officer vacancy created by the resignation of Director Graham-Williams. Director Carrel moved that Director Calderone-Huezo become President for the remainder of the vacated term until the Annual Meeting in April 2022; Director Lonberg seconded. By unanimous voice vote, the motion

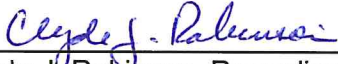
was approved. Director Calderone-Huezo deferred taking over chairing the meeting until the next FFE Board meeting.

Acting President Ritsema inquired as to whether any Public Comments had been received; he was informed that there were none. Acting President Ritsema asked if there were any Board Member Comments. Director Calderone-Huezo expressed her gratitude to the members of the Board for electing her President.

Upon the motion by Director C. Taylor, the meeting was adjourned by Acting President Ritsema at 3:56 pm.

Minutes Drafted: September 16, 2021

Minutes Approved as Corrected: October 25, 2021


Clyde J. Robinson, Recording Secretary