

Agenda

Downtown Economic Growth Authority

Board of Directors



City of Kalamazoo

Monday, March 20, 2023

3:00 PM

The Community Room at City Hall - 241 W. South Street

A. CALL TO ORDER/ROLL CALL

B. ADOPTION OF FORMAL AGENDA

C. APPROVAL OF MINUTES

1. Approval of the minutes from the meeting of the Downtown Economic Growth Authority Board on January 17, 2023. (**Action: Motion to approve**)

D. REPORTS AND PRESENTATIONS

1. Financial Report

E. DISCUSSION/ACTION ITEMS

1. Authorize Events & Marketing Committee to recommend contractor to manage events and marketing
2. Recommendation of DEGA Board Member Nominations to Mayor/City Commission
 - Curt Aardema
 - Clarence Lloyd
 - Reappointment of Jeff Breneman
3. Committee Updates
 - Projects and Finance
 - Events & Marketing
 - Policy

F. PUBLIC COMMENTS

G. DIRECTORS' COMMENTS

H. ADJOURNMENT

Board of Directors Regular Meeting Minutes

January 17, 2023, 3:00 p.m. | Community Room, Kalamazoo City Hall

PRESENT: Mayor David Anderson, Jeff Breneman, Carl Brown, Grant Fletcher, Stephanie Hinman, Matt Hollander, Susan Lindemann

ABSENT:

STAFF: Rebekah Kik, Antonio Mitchell, Steve Vicenzi, Jaime Marsman

A. CALL TO ORDER

DIRECTOR FLETCHER CALLED THE MEETING TO ORDER AT 4:22 P.M

ROLL CALL

PRESENT: Mayor David Anderson
Jeff Breneman
Carl Brown
Grant Fletcher
Stephanie Hinman
Matt Hollander
Susan Lindemann

ABSENT:

EXCUSED:

THE JANUARY 17, 2023, ATTENDANCE INCLUDING EXCUSED AND UNEXCUSED ABSENCES ARE RECORDED.

B. ADOPTION OF FORMAL AGENDA

DIRECTOR BRENEMAN MOVED TO ADOPT THE JANUARY 17, 2023 AGENDA AS PRESENTED, WITH THE REQUEST TO MODIFY ITEM E.3 TO CREATE AD-HOC COMMITTEE TO REVIEW EVENTS RFQ. DIRECTOR BROWN SECONDED. NO OBJECTIONS. MOTION CARRIED.

Director Hollander questioned whether a Consent Agenda could be created to cover the items that were approved at the DDA meeting. It was discussed that this would be looked into, but that the DDA and DEGA items do need to remain separated.

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C. APPROVAL OF MINUTES

DIRECTOR HOLLANDER MOVED TO APPROVE THE DECEMBER 19, 2022 MINUTES. DIRECTOR LINDEMANN SECONDED. NO OBJECTIONS. MOTION CARRIED.

D. REPORTS AND PRESENTATIONS

1. Financial Report

Mr. Vicenzi shared highlights from the Financial Report. Mr. Vicenzi noted, again, the taxes receivable item.

Director Fletcher noted that the line items were discussed at the Financial Committee earlier today.

MAYOR ANDERSON MOVED TO ACCEPT THE FINANCIAL REPORT AS PRESENTED. DIRECTOR HOLLANDER SECONDED. NO OBJECTIONS. MOTION CARRIED.

E. DISCUSSION/ACTION ITEMS

- 1. Motion to approve amended contract with Maestro for webhosting & site maintenance in 2023 & delegate responsibility for negotiating final details to Executive Committee**

DIRECTOR HOLLANDER MOVED TO ADOPT THE MOTION TO APPROVE AMENDED CONTRACT WITH MAESTRO FOR WEBHOSTING & SITE MAINTENANCE IN 2023 & DELEGATE RESPONSIBILITY FOR NEGOTIATING FINAL DETAILS TO EXECUTIVE COMMITTEE. DIRECTOR BROWN SECONDED. NO OBJECTIONS. MOTION CARRIED.

- 2. Motion to create ad-hoc task force to review DEGA bylaws with support from counsel and make recommendations to Executive Committee and Board for appropriate revisions at regularly scheduled March meeting**

DIRECTOR HINMAN MOTIONED TO CREATE AN AD-HOC TASK FORCE TO REVIEW DDA BYLAWS WITH SUPPORT FROM COUNSEL AND MAKE RECOMMENDATIONS TO EXECUTIVE COMMITTEE AND BOARD FOR APPROPRIATE REVISIONS AT REGULARLY SCHEDULED MARCH MEETING. DIRECTOR LINDEMANN SECONDED. NO OBJECTIONS. MOTION CARRIED.

- 3. Motion to approve and release RFQ for 2023 Summer and Fall Downtown Events, using City of Kalamazoo Purchasing Department process and to delegate responsibility for releasing the RFP to the Executive Committee and to whomever the Executive Committee appoints to work on this in the next 30 days**

DIRECTOR BRENEMAN MOTION TO APPROVE AND RELEASE RFQ FOR 2023 SUMMER AND FALL DOWNTOWN EVENTS, USING CITY OF KALAMAZOO PURCHASING DEPARTMENT PROCESS AND TO

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DELEGATE RESPONSIBILITY FOR RELEASING THE RFP TO THE EXECUTIVE COMMITTEE AND TO WHOMEVER THE EXECUTIVE COMMITTEE APPOINTS TO WORK ON THIS IN THE NEXT 30 DAYS. DIRECTOR BROWN SECONDED. NO OBJECTIONS. MOTION CARRIED.

F. PUBLIC COMMENTS

None.

G. DIRECTOR'S COMMENTS

1. Director Hinman thanked everyone for their work.

H. ADJOURNMENT

DIRECTOR FLETCHER ADJOURNED THE MEETING AT 4:29 P.M.

Downtown Economic Growth Authority
1/31/2023 Trial Balance

Assets

1/31/2023

Cash	\$	147,563
Receivables		3,000
Due From Primary Government		14,200
Inventory		11,708
Taxes Receivable		299,986
Total Assets	\$	476,457

Liabilities & Fund Balance

Accounts Payable	\$	3,733
Deferred Taxes Receivable		299,986
Deferred Revenue - Accounts Receivable		3,000
Fund Balance		169,738
Total Liabilities & Fund Balance	\$	476,457

	2023 Adopted Budget	2023 YTD Actuals
Revenues		
Taxes	\$ 292,702	\$ -
Other Revenue	-	-
Event Sponsorships	424,500	-
Transfers In	80,000	-
Total Revenues	797,202	-
Expenses		
Professional And Contractual Services	627,800	3,575
Legal Services And Fees	7,500	-
Insurance Services	8,500	-
Operating Supplies	10,500	-
Garbage Disposal	-	-
Repairs	-	-
Utilities	-	-
Community Promotion	-	-
Audit Fees	12,900	-
Tax Appeal Refunds	5,000	-
Administrative Fees	125,000	-
Restricted For Debt Service	-	-
Total Expenses	\$ 797,200	\$ 3,575
Revenues Less Expenses	\$ 2	\$(3,575)

Informational:

Transfers In

Holiday Events Grant Given To The City, Utilized By DEGA

Inventory

Social District Cups

Professional And Contractual Services

Ambassador Contract	339,500
Big Belly Contract	42,900
Waste Disposal	6,200
Winter Events	151,000
Summer Events	55,000

Long Term Debt

City Of Kalamazoo 2019 Loan	300,000
City Of Kalamazoo 2020 Loan	700,000

**Downtown Economic Growth Authority
Budget Breakdown by Contract
2023**

DEGA Co	Contractor	Purpose	Start	Term	Annual	2023 Budget
Contract Expenses						
Springboard Research Inc. (notice of termination sent by KDP).				3 years	\$ -	\$ -
Big Belly Solar, LLC and DKI (dba KDP)	Trash Bins		12/15/2021	5 years	42,900	42,900
BestWay	Trash Removal Services		NA	Monthly	6,200	6,200
Mydatt Services, Inc. (dba Block by Block)	Ambassador Contract		5/1/2021	Annual	299,655	339,500
Maner Costerisan	Audit		1/1/2023	Annual	12,900	12,900
MMRMA Insurance	Board, property, and liability insurance		1/1/2023	Annual	8,500	8,500
City of Kalamazoo	Administration (under review)		1/1/2023	Annual	125,000	125,000
Total Contracts					\$ 495,155	\$ 535,000
General Expenses						
Tax Appeals	Property Tax Refunds				\$ 5,000	\$ 5,000
Dickinson Wright	Legal Services (actual dependent on use)				7,500	7,500
Maestro Contract	Marketing Support				12,000	12,000
Begonia Brothers	Summer Lighting - Could partially charge to holiday events				31,000	31,000
					\$ 55,500	\$ 55,500
Subtotal Contracts and General Expenses					\$ 550,655	\$ 590,500
Event Expenses						
Winter Events					Annual	2023 Budget
Begonia Brothers	Christmas and Summer Lighting				\$ 55,500	\$ 55,500
Santa's Workshop					38,500	38,200
Holly Jolly Trolley					21,000	21,000
Supplies and Admin Expenses					22,100	10,000
Winter Event Expenses					\$ 137,100	\$ 124,700
Winter Event Grant					\$ (80,000)	\$ (80,000)
Winter Event Sponsorships					(18,300)	(18,300)
Winter Event Revenues					\$ (98,300)	\$ (98,300)
Net Winter Events					\$ 38,800	\$ 26,400
Skeletour						
Expenses					\$ 36,000	\$ 36,000
Sponsorships					(36,000)	(36,000)
Net Skeletour Expenses					\$ -	\$ -
Other Events						
Other Event Expenses	Sidewalk Sales, Beats on Bates, Autos & Eats				\$ 46,000	\$ 46,000
Other Event Revenues					(18,000)	(18,000)
Net Other Events					\$ 28,000	\$ 28,000
Total Event Expense Budgets					\$ 219,100	\$ 206,700
Total Event Revenues Expected					(152,300)	(152,300)
Net Event Budgets					\$ 66,800	\$ 54,400
Total Expenses					\$ 769,755	\$ 797,200
2023 DEGA Budget					\$ 797,200	\$ 797,200



Advisory Boards and Commissions Appointee Nomination Report

City of Kalamazoo

RECOMMENDATION

It is recommended that the City Commission approve the following appointments (and/or reappointments) to the Downtown Development Authority and Downtown Economic Growth Authority Boards:

SPECIAL REQUIREMENTS FOR THIS POSITION

At least 5 members of the 9 person board must have an interest in property located in the downtown district. At least one of the members shall be a resident of the downtown district.

SELECTION PROCESS

Applicants Considered

Clarence Lloyd

Curt Aardema

Interview Process and Final Recommendation

Clarence Lloyd

Curt Aardema

Re-appointment of Jeff Breneman

NOMINEE QUALIFICATIONS

Dual Board Memberships

Clarence Lloyd - DDA and DEGA

Curt Aardema - DDA and DEGA

Re-appointment of Jeff Breneman – DDA and DEGA

Residency

Clarence Lloyd is a Downtown resident. Fulfilling the board-required residency requirement.

Curt Aardema is employed at AVB the company that owns 400 Rose development.

Jeff Breneman fills an at-large seat.

Term Limits

Clarence Lloyd 3/31/2027 – 4 year term

Curt Aardema 3/31/2026 – partial term

Re-appointment of Jeff Breneman - 3/31/2026 (last term)

Training, Experience, Education And Skills

Clarence Lloyd – Executive Director of the Chamber at Southwest Michigan First. Served on many Downtown boards and has knowledge of finance, economic markets, and business

relationships. Serves as a critical conduit to business activities across the county and will add great value to the downtown marketing & events, and Business Recruitment and Retention strategies.

Curt Aardema – Served on many city boards and has an interest in historic preservation and is employed at American Village Builders. Knowledge of development, construction, and economic markets. Curt has deep knowledge of downtown business activities and first-hand experience managing the needs of small businesses, within the context of development projects. He has also been involved in the planning and execution of multiple downtown events. Curt will add critical value to the downtown marketing & events, and Business Recruitment and Retention strategies.

Jeff Breneman – Vice President for Government Relations at Western Michigan University. He provides in-depth knowledge of federal and state governments, large global businesses, higher education institutions, municipalities and community development activities.

Contribution To Diversity

Clarence Lloyd is an African American male.

NOMINATION RATIONALE

CITY CLERK'S CERTIFICATION

The nominee's qualifications regarding dual board memberships, residency, and term limits have been reviewed and verified by the City Clerk's Office.

Scott A. Borling, City Clerk