Agenda
Downtown Development 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 Development Authority Board on January 17, 2023. (**Action: Motion to approve**)

D. REPORTS AND PRESENTATIONS

1. Financial Report

E. DISCUSSION/ACTION ITEMS

1. Recommendation of DDA Board Member Nominations to Mayor/City Commission

   - Curt Aardema
   - Clarence Lloyd
   - Reappointment of Jeff Breneman

2. Committee Updates

   - Projects and Finance
   - Events & Marketing
   - Policy

F. PUBLIC COMMENTS

G. DIRECTORS' COMMENTS

H. ADJOURNMENT

CITY OF KALAMAZOO
DOWNTOWN
DEVELOPMENT
AUTHORITY

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, City Attorney Clyde Robinson, Steve Vicenzi, Jaime Marsman, Clarence Lloyd

A. CALL TO ORDER

DIRECTOR FLETCHER CALLED THE MEETING TO ORDER AT 3:00 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. DIRECTOR HOLLANDER SECONDED. NO OBJECTIONS. MOTION CARRIED.

C. APPROVAL OF MINUTES

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

Board of Directors Regular Meeting Minutes

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

D. REPORTS AND PRESENTATIONS

1. Financial Report

Mr. Vicenzi shared that a good conversation was had at the Finance Committee meeting this morning regarding the Financial Report. He noted that he hopes to add more detailed reports in the future.

Mr. Vicenzi shared highlights from the report.

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

E. DISCUSSION/ACTION ITEMS

1. Update on Chili Cook-Off & Restaurant Week

Chili Cook-Off:

Mr. Lloyd provided details on the Chili Cook-Off which will be held on January 28. Twenty-seven businesses are expected to participate. Lanyards for participation will contain information on how to vote, information on the Social District, and information on Restaurant Week. He stated that a specialized website for this event is up and running, as is social media (Facebook and Instagram).

Restaurant Week:

Restaurant Week is coming in about 30 days. There are 13 restaurants participating. Mr. Lloyd stated that the goal is for this to be bigger and better than it has ever been. He shared information regarding marketing and promotional efforts, noting that there is tiered participation this year which helps offset the marketing and promotional costs. They have a partner assisting with the robust social media production. Long Road Distillery is the sponsor for the Cocktail Competition. The Gumbo Cook-Off is on the last day of Restaurant Week.

There was discussion regarding the diversity of outreach. Mr. Lloyd noted that they are trying to reach the broadest range of people in their targeted demographic as possible with the budget that they have. Mr. Lloyd shared ways that they are getting the word out.

Director Hollander affirmed that the website looks great. Director Fletcher stated that he feels that this has been a good decision and thanked Mr. Lloyd for his good work.

2. Update on Sprinklers & Planters for Spring Go-Live

Ms. Kik stated that Wolverine is taking a look at the sprinklers, and they are getting quotes for flowers and plantings right now. Ms. Kik stated that they have also reached out to Kalamazoo In Bloom regarding flowers and plantings on the Mall, however, they do not have the capacity for the extra workload. Ms. Kik stated that she would keep the Board updated.

Mr. Fletcher suggested letting greenhouses sponsor planters on the mall. Also, KVCC's horticultural program kicked off this fall and there had been previous discussions with them regarding using the Kalamazoo Mall as a canvas for some of their work. Mr. Breneman suggested that this may be a good partnership opportunity with the Chamber.

Ms. Kik stated that there used to be a Flower Festival (1990's) and it was voted the #1 tourist destination in the State due to this. She suggested that this could be considered for the future.

3. **Discussion on Proposed Processes for:**
   - **i. Updating Bylaws**
     1. Director Fletcher stated that the Executive Committee would like to propose a task force to update the bylaws and this would be in partnership with Dickinson Wright. Attorney Wood has noted that there may be opportunities in the bylaws to be more flexible going forward.
   - **ii. Developing Policies**
     1. Director Fletcher noted that, since last year, this body is being built from the ground up. The framework is still being developed.
   - **iii. Writing Development Plan**
     1. Dickinson Wright will take the Yard & Co Strategic Plan and format it into a Development Plan. Attorney Wood indicated that this will be a low-cost item for them to execute.
   - **iv. Creating Committee Structure**
     1. Director Fletcher stated that the organizational structure can be considered as the structure of the Board is further developed.
   - **v. Recruiting & Appointing New Board Members**
     1. The goal will be to recruit members with desired skill sets.
   - **vi. Populating Committees**
     1. It was noted that there is the opportunity to bring in more people with specialized skill sets.

4. **Motion to agree to early termination of parking system lease agreement with City of Kalamazoo, in advance of 1 year notice period & delegate responsibility for determining final timeline for transition of responsibility to Executive Committee**

Director Fletcher stated that this is an action to agree to transition the responsibilities of managing the parking system back to the City in advance of the 1 year notice period as outlined in the lease agreement. There will be subsequent agreements to approve. The action today affirms that the Board recognizes that this is going to happen and agrees that the timeline for this will happen sooner than a year from now.

Director Fletcher read the motion: **Motion to agree to early termination of parking system lease agreement with City of Kalamazoo, in advance of 1 year notice period & delegate responsibility for determining final timeline for transition of responsibility to Executive Committee**

Director Fletcher noted that the final timeline is still not determined.

DIRECTOR LINDEMANN MOVED TO APPROVE THE MOTION AS READ. DIRECTOR HINMAN SECONDED.

Mr. Brown asked if there were any comments from the Parking Committee regarding this recommendation. Director Lindemann stated that the Parking Committee has struggled in the past and that the goal is for the parking system to work well. It was acknowledged that it is easier for the City to do this work rather than the DDA.

Director Breneman observed that as the City embarks on two-way street conversions, it will likely be helpful to them to be in control of the parking system as well.

Director Fletcher stated that a great deal of energy has been expended on this over the years and that this transition will allow the DDA to focus on the new Strategic Plan.

NO OBJECTIONS. MOTION CARRIED.

ROLL CALL VOTE:

Mayor David Anderson - Yes
Jeff Breneman - Yes
Carl Brown - Yes
Grant Fletcher - Yes
Stephanie Hinman – Yes
Matt Hollander - Yes
Susan Lindemann – Yes

5. Motion to adopt strategic work plan as outlined by Yard & Company

Director Fletcher noted that this has been discussed many times. He noted that the references to the parking system can be struck at this time.

DIRECTOR BROWN MOTIONED TO ADOPT THE STRATEGIC WORK PLAN AS OUTLINED BY YARD & COMPANY. DIRECTOR LINDEMANN SECONDED.

Mayor Anderson stated that he appreciates the engaging plan and looks forward to supporting it. Director Brown affirmed the great collaboration.

NO OBJECTIONS. MOTION CARRIED.

6. Motion to contract with Dickinson Wright to author DDA Development Plan & delegate responsibility for negotiating final details to Executive Committee

Director Fletcher shared the initial estimate from Dickinson Wright.

MAYOR ANDERSON MOTIONED TO CONTRACT WITH DICKINSON WRIGHT TO AUTHOR DDA DEVELOPMENT PLAN & DELEGATE RESPONSIBILITY FOR NEGOTIATING FINAL DETAILS TO EXECUTIVE COMMITTEE. DIRECTOR BRENEMAN SECONDED.

Mayor Anderson noted that Dickinson Wright also assisted the Northside Cultural Business District Authority with their TIF Plan Development and were of a huge benefit.

NO OBJECTIONS. MOTION CARRIED.

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

Director Fletcher noted that this is to manage the website and keep it updated and accurate.

DIRECTOR BRENEMAN 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 HOLLANDER SECONDED. NO OBJECTIONS. MOTION CARRIED.

8. **Motion to create 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 Fletcher noted that this would be in partnership with Dickinson Wright to ensure that the bylaws are appropriate and relevant. The hope is to have this work completed by March.

DIRECTOR LINDEMANN 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 HINMAN SECONDED.

Director Hollander noted that he would be willing to assist.

NO OBJECTIONS. MOTION CARRIED.

9. **Motion to approve and release RFQ for 2023 Summer and Fall Downtown Events, using City of Kalamazoo Purchasing Department process**
   Staff Presentation by Rebekah Kik

Ms. Kik shared a presentation and noted that a successful RFP application will maximize existing events, creating their own unique take and be able to track, analyze and communicate the impactful experience of each. Monthly reports to the board will be expected.

Ms. Kik noted that the events have been divided into Summer and Fall/Winter Events and the bidder can select to bid for one or both. Ms. Kik stated that they can utilize sub-consultants and send specific events out to other vendors.

Director Brown stated that it would be critical for an applicant to discuss how they are going to make the events representative of the whole city and not just a portion of the population. Director Breneman stated that we would need measurable outcomes of success. There was a discussion regarding measurable outputs. Mr. Breneman suggested cameras and parking ramp rates could be utilized to measure success as well as a survey component of the downtown businesses. Ms. Kik stated that the RFP could also ask applicants to give their scope of how they would measure success.

There was discussion regarding the frequency of reporting, either quarterly or monthly.

Ms. Kik asked the Board if they would like to keep the contract in effect for a 2-year period with the opportunity to extend. Director Breneman noted that it may be important to have a termination clause in the agreement after one year if the event did not work out well. Ms. Kik affirmed that termination could be in relation to the Key Performance Indicators.

There was discussion on how to leverage the energy from the many events that happen downtown which the DDA does not oversee.

Director Brown noted that the Event RFP is happening ahead of the organizational work that also needs to happen with the DDA and questioned whether a two-year contract agreement was appropriate. Director Fletcher noted that there is some historical information on the costs of past events and this could be used to determine future events. Ms. Kik stated that Fall events are mainly sponsorships. Mr. Vicenzi noted that going forward, specific information on costs will be available. Ms. Kik stated that she would check in with Deb Droppers to see if she had any historical information. Director Breneman affirmed that continuity should happen in 2023 with planning for the following years to occur.

Director Lindeman stated that we should also be thinking about how to assist those with a passion for a specific event on how to build their capacity for their event. Ms. Kik affirmed that the guidelines from the Kalamazoo Experiential Learning Center are being developed that will relate to this. These guidelines will give estimated costs and walk someone through how to do a successful event.

Director Brown stated that a third category should be added for pop-up events, giving the event management team the ability to recommend the pop-up event quarterly. This would assist with the 2024 build-out of events. Ms. Kik stated that it may be possible to allow vendors to bid on a menu of events instead of dividing them into Summer and Fall/Winter. Director Fletcher stated that it may be more impactful to offer the pop-up events as an RFQ. Ms. Kik affirmed that these pop-up events could be used to create synergy among the other events happening downtown.

Director Brown suggested forming an Events Committee that could potentially operate on a rolling basis. Ms. Kik affirmed that the pop-up events could be rolling events, however, certain seasonal events would have deadlines to apply. Projected budget ranges for 2023 events were discussed.

Timing regarding the release of the RFP was discussed. Ms. Kik noted that Beats on Bates bookings are generally provided by March. Ms. Kik stated that it takes the City 60 days to get an RFP out. Mr. Brown questioned whether an Events Committee should be formed and tasked with the RFP. Director Brown stated that he is aware of several vendors that are waiting to bid. Mr. Vicenzi affirmed that they have a list of organizations who have signed up to receive bids and that they can also send the bids to a specific list of individuals as requested as well.

DIRECTOR BRENEMAN MOTIONED 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 HOLLANDER SECONDED. NO OBJECTIONS. MOTION CARRIED.

Director Hollander thanked Ms. Kik for the work she did on the presentation.

F. PUBLIC COMMENTS

None.

G. DIRECTOR'S COMMENTS

1. Mayor Anderson recognized Director Hollander for the partnership with Hollander and Mt. Zion for the affordable housing tax credits that were awarded for the North side project.

H. ADJOURNMENT

DIRECTOR FLETCHER ADJOURNED THE MEETING AT 4:22 P.M.

Downtown Development Authority
1/31/2022 Trial Balance

		1/31/2023
Assets:		
	Cash	$ 588,687
	Receivables	26,487
		615,174
Liabilities & Equity:		
	Accounts Payable	-
	Deferred Revenue - Accounts Receivable	26,487
	Fund Balance	588,687
		$ 615,174

		2023 Adopted Budget	2023 YTD Actuals
Revenues:			
	Taxes	$ 274,000	$ -
	Payment In Lieu Of Taxes (Pilot)	2,000	-
	Other Revenues - Mall Maintenance	59,210	-
	Total Revenues	**335,210**	**-**
Expenses:			
	Professional And Contractual Services	154,000	-
	Legal Services And Fees	7,500	-
	Audit Fees	10,000	
	Insurance Services	2,500	-
	Utilities	31,000	33
	Administrative Fees	125,000	-
	Tax Appeal Refunds	5,000	-
	Total Expenses	**$ 335,000**	**$ 33**
	Revenues Less Expenses	**210**	**$ (33)**

Notes:

Pilot Details From 2022:

Rickman House	$	162
Skyrise	$	1,582

Professional And Contractual Services:
- Portland Loo Maintenance
- Mall Maintenance
- Bates Alley Maintenance
- Mowing
- General Downtown Maintenance Activities

Utilities:
- Electricity
- Natural Gas
- Water And Sewer
- Street Light Electricity

Long Term Debt Outstanding:

City Of Kalamazoo Note		459,000
City Of Kalamazoo Note - Related Tax Liability		532,864
Mavcon Note - In Negotiation	TBD	

Downtown Development Authority
Budget Breakdown by Contract
2023

DDA Contracts

Wolverine & Others	Downtown Maintenance		Annual	$ 154,000	$ 154,000
	Portland Loo Maintenance				
	Bates Alley Maintenance				
	Mall Maintenance		Annual		
	Flower Planting		Annual		
	Mowing				
Consumers Utilities	Gas & Electricity	Perpetuity	Annual	31,000	31,000
Maner Costerisan	Audit - Estimated cost, TBD with split of parking	1/1/2023	Annual	8,000	10,000
MMRMA Insurance	Board, property, and liability insurance	1/1/2023	Annual	2,500	2,500
City of Kalamazoo	Administration **(under review)**	1/1/2023	Annual	125,000	125,000
Tax Appeals	Property Tax Refunds		Annual	5,000	5,000
Dickinson Wright	Legal Services **(actual dependent on use)**		Annual	7,500	7,500
Total				**$ 333,000**	**$ 335,000**

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.

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Scott A. Borling, City Clerk