

# Agenda

## Downtown Economic Growth Authority

### Board of Directors



City of Kalamazoo

**Monday, April 17, 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 March 20, 2023. (**Action: Motion to approve**)

**D. REPORTS AND PRESENTATIONS**

1. Financial Report
  1. Financial Report
  2. Audit Letter

**E. DISCUSSION/ACTION ITEMS**

1. Block By Block Resolution Extension
2. Treystar Presentation Regarding BRA Plan at 215 W Michigan Ave
3. Motion to Appoint 2023-2024 Slate of Officers (TBD)
4. Recommended Motion from Policy & ByLaws Task Force to Adopt Updates as Presented by Council
5. Events and Marketing Committee Update
6. Presentation from Sara Tanis with KVCC Horticulture

7. Presentation for Downtown Placemaking Projects and Budgets - Rebekah Kik

**F. PUBLIC COMMENTS**

**G. DIRECTORS' COMMENTS**

**H. ADJOURNMENT**

## Board of Directors Regular Meeting Minutes

March 20, 2023, 3:00 p.m. | Community Room, Kalamazoo City Hall

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

**ABSENT:** Stephanie Hinman

**STAFF:** Rebekah Kik, Paul Thuringer, Steve Vicenzi, Jaime Marsman

### 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  
Matt Hollander  
Susan Lindemann

**ABSENT:** Stephanie Hinman

**EXCUSED:** Stephanie Hinman

**THE MARCH 20, 2023, ATTENDANCE INCLUDING EXCUSED AND UNEXCUSED ABSENCES ARE RECORDED.**

### B. ADOPTION OF FORMAL AGENDA

**DIRECTOR LINDEMANN MOVED TO ADOPT THE MARCH 20, 2023 AGENDA. DIRECTOR BROWN SECONDED. NO OBJECTIONS. MOTION CARRIED.**

### C. APPROVAL OF MINUTES

**DIRECTOR LINDEMANN MOVED TO APPROVE THE JANUARY 17, 2023 MINUTES. DIRECTOR BRENNEMAN SECONDED. NO OBJECTIONS. MOTION CARRIED.**

# Board of Directors Regular Meeting Minutes

March 20, 2023, 3:00 p.m. | Community Room, Kalamazoo City Hall

## D. REPORTS AND PRESENTATIONS

### 1. Financial Report

Mr. Vicenzi shared the Financial Reports from January. Additional notes have been added to the reports, as requested, for further explanation.

It was noted that a Budget Breakdown by Contract was also included in the packet. Mr. Vicenzi stated that the Block by Block contract is up for renewal and numbers may vary depending on renewal rates.

The Events Report was discussed. It was noted that this report is broken down by event and includes all known events.

The Board thanked Mr. Vicenzi for the financial reports.

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

## E. DISCUSSION/ACTION ITEMS

### 1. Authorize Events & Marketing Committee to recommend contractor to manage events and marketing.

Director Fletcher stated this motion is intended to support the Marketing & Events Committee that was created in January. This group was tasked with coordinating experts in the field and those who are active in the downtown space to ensure that the work is executed well, incorporating as many voices as possible in that work.

Director Brown stated that this work includes several members of the community including Kim Guess, Jennifer Hudson-Prenkert, and Clarence Lloyd. It was noted that there needs to be a central point of contact for events downtown. It is also important to be able to break the events up into smaller budgets in order to allow specialized events to happen.

This is a budgetary request at this point, as it is unlikely that there is a singular contractor who is the correct solution. The committee can then identify individual contractors that best fit the individual event. Director Breneman noted that this cannot be delayed another month as much of the planning for events needs to begin in the very near future.

Director Fletcher noted the costs that the DEGA has already spent on events and asked if the Committee had a recommendation. It was agreed that, for Spring/Summer events, the range would be: \$55,000-\$60,000. The conversation would be ongoing in looking at holiday events and obtaining sponsorships for those as well.

**MAYOR ANDERSON MOTIONED TO AUTHORIZE THE MARKETING COMMITTEE TO SPEND UP TO \$60,000 TO CARRY OUT THE TRADITIONAL SUMMER EVENTS. DIRECTOR LINDEMANN SECONDED.**

## Board of Directors Regular Meeting Minutes

March 20, 2023, 3:00 p.m. | Community Room, Kalamazoo City Hall

Grant applications would go through the City. Sponsorships could be done in partnership with a vendor and are expected to be part of the agreement. Ms. Kik stated that the City would apply for grants on behalf of the DEGA, which is what the funders are expecting as the City is the contracted entity. Contracts will be carried out through City processes.

Mayor Anderson questioned how we can ensure that everyone is being engaged appropriately.

Director Breneman stated that the group has agreed that the historical events will continue this year with re-evaluation and planning for future events in 2024.

**NO OBJECTIONS. MOTION CARRIED.**

### **2. Recommendation of DEGA Board Member Nomination to Mayor/City Commission**

- i. **Curt Aardema**
- ii. **Clarence Lloyd**
- iii. **Reappointment of Jeff Breneman**

Director Fletcher shared information regarding both nominees for the two vacant board seats. Both are very active and engaged participants in the downtown area and were also very active in the planning work with Yard & Co last year. The Appointee Nomination report was included with the packet.

**DIRECTOR HOLLANDER MOTIONED TO RECOMMEND THE DEGA BOARD APPOINTMENT OF CURT AARDEMA AND CLARENCE LLOYD AND THE REAPPOINTMENT OF JEFF BRENEMAN TO THE MAYOR/CITY COMMISSION. DIRECTOR BROWN SECONDED.**

Director Fletcher noted that this leaves no vacant seats. There are 9 seats on the board at the present. Director Fletcher noted that Mr. Brown is serving until his seat is filled, but that seat must be filled by a downtown resident.

Director Breneman abstained from the recommendation.

**NO OBJECTIONS. MOTION CARRIED. ONE ABSTENTION: DIRECTOR BRENEMAN.**

### **3. Committee Updates**

#### **Projects and Finance**

Director Fletcher noted that a meeting will be held soon with the Kalamazoo Valley Horticulture program and they will explore options regarding design and planting on the mall with the hope that they will be able to develop plans. Ms. Kik stated that the City has a new landscape coordinator as well and will be assisting with the plantings once the plan is obtained.

## Board of Directors Regular Meeting Minutes

March 20, 2023, 3:00 p.m. | Community Room, Kalamazoo City Hall

### Events & Marketing

Director Brown stated that they are excited to get to work.

### Policy

Director Fletcher stated that they received the first recommended changes from the attorneys. Development Plan recommendations have also been received. The hope is to have Attorney Woods present next month to share the draft plan.

### F. PUBLIC COMMENTS

**Heather Holmer, Rocket Fizz:** Ms. Holmer emphasized the importance of a central point of contact in regard to events and plans for the summer. She expressed concern that communication with businesses has decreased and stated that businesses would welcome the opportunity to participate in communication. It was clarified for Ms. Holmer that Maestro is in charge of the website. Director Fletcher stated that anyone who would like to participate in the Events & Marketing Committee should contact Director Brown or Director Breneman.

**Jennifer Hudson-Prenkert:** Ms. Hudson-Prenkert is a member of the Marketing & Events Committee. She affirmed that the communication work is ongoing and expressed her willingness to be a representative to communicate with the business community.

### G. DIRECTOR'S COMMENTS

1. Director Breneman noted that the reason for authorizing the spending for the Events & Marketing Committee at this time is to have a person/organization that can assist with the desired communication as reflected in the public comments.
2. Director Brown thanked everyone for the community support and for participating in the meeting today. He noted that the DEGA Board is still in the learning curve of how to manage this due to the recent transition.

### H. ADJOURNMENT

**DIRECTOR FLETCHER ADJOURNED THE MEETING AT 3:39 P.M.**

**Downtown Economic Growth Authority**  
**2/28/2023 Trial Balance**

**Assets**

|                             | 2/28/2023         |
|-----------------------------|-------------------|
| Cash                        | \$ 143,075        |
| Receivables                 | 2,975             |
| Due From Primary Government | 14,200            |
| Inventory                   | 11,708            |
| Taxes Receivable            | 292,508           |
| <b>Total Assets</b>         | <b>\$ 464,466</b> |

**Liabilities & Fund Balance**

|                                             |                   |
|---------------------------------------------|-------------------|
| Accounts Payable                            | \$ -              |
| Deferred Taxes Receivable                   | 292,508           |
| Deferred Revenue - Accounts Receivable      | 2,975             |
| Fund Balance                                | 168,983           |
| <b>Total Liabilities &amp; Fund Balance</b> | <b>\$ 464,466</b> |

|                                       | 2023 Adopted Budget | 2023 YTD Actuals |
|---------------------------------------|---------------------|------------------|
| <b>Revenues</b>                       |                     |                  |
| Taxes                                 | \$ 292,702          | \$ -             |
| Other Revenue                         | -                   | -                |
| Event Sponsorships                    | 424,500             | 150              |
| Transfers In                          | 80,000              |                  |
| <b>Total Revenues</b>                 | <b>797,202</b>      | <b>150</b>       |
| <b>Expenses</b>                       |                     |                  |
| Professional And Contractual Services | 627,800             | 4,355            |
| 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           | -                   |                  |
| <b>Total Expenses</b>                 | <b>\$ 797,200</b>   | <b>\$ 4,355</b>  |
| <b>Revenues Less Expenses</b>         | <b>\$ 2</b>         | <b>\$(4,205)</b> |

**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 |



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April 4, 2023

To the Board of Directors of the  
Downtown Economic Growth Authority of the City of Kalamazoo  
Kalamazoo, Michigan

We are engaged to audit the financial statements of the governmental activities and the major fund of the Downtown Economic Growth Authority of the City of Kalamazoo (the Authority) for the year ended December 31, 2022. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

Our Responsibility under U.S. Generally Accepted Auditing Standards and *Government Auditing Standards*

As stated in our engagement letter dated October 3, 2022, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we will consider the internal control of the Authority. Such considerations will be solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will also perform tests of the Authority's compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit.

Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free from material misstatement.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Generally accepted accounting principles provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to the management's discussion and analysis, and budgetary comparison information, which supplement the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

### Planned Scope, Timing of the Audit, and Other

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

We expect to begin our year-end audit procedures in April 2023 and issue our report on or before June 30, 2023. Aaron M. Stevens, CPA, is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

This information is intended solely for the use of the Board of Directors and management of the Downtown Economic Growth Authority of the City of Kalamazoo and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*Maney Costerian PC*

**CITY OF KALAMAZOO  
DOWNTOWN ECONOMIC GROWTH AUTHORITY  
(A CORRIDOR IMPROVEMENT AUTHORITY)  
KALAMAZOO COUNTY, MICHIGAN**

**RESOLUTION TO APPROVE EXPENDITURE IN AN AMOUNT  
NOT-TO-EXCEED \$339,500 IN FURTHERANCE OF A ONE-YEAR  
EXTENSION OF BLOCK BY BLOCK AGREEMENT FOR DOWNTOWN  
AMBASSADORS**

Boardmember \_\_\_\_\_, supported by Boardmember \_\_\_\_\_,  
moved the adoption of the following resolution:

**WHEREAS**, the City of Kalamazoo Downtown Economic Growth Authority (a Corridor Improvement Authority) (the “DEGA”) was created by the Kalamazoo City Commission pursuant to the authority of Act 280 of 2005, as recodified in Act 57 of 2018, and operates pursuant to the authority of Part 6 of Act 57 of 2018; and

**WHEREAS**, the DEGA previously entered into a Service Agreement with Downtown Kalamazoo Incorporated d/b/a the “Kalamazoo Downtown Partnership,” a Michigan nonprofit corporation whereby the Kalamazoo Downtown Partnership agreed to provide certain services in support of the DEGA; and

**WHEREAS**, the Kalamazoo Downtown Partnership, on behalf of and in partnership with the DEGA, entered into an Agreement for Environmental Maintenance and Supplemental Safety Services dated September 7, 2021 with MYDATT SERVICES, INC d/b/a Block by Block (“Agreement”) under which Block by Block agreed to, among other things, provide uniformed downtown ambassadors to perform certain cleaning, hospitality, and safety functions within the downtown, all as described in the Agreement (“Ambassador Services”); and

**WHEREAS**, the Agreement sets forth a guaranteed flat rate for the initial one-year term and three subsequent one-year renewal terms upon mutual written agreement of the parties in an

amount not to exceed \$299,654.98 for the provision of the Ambassador Services and sets forth separate rates and terms for such additional services provided under the Agreement at the customer's request; and

**WHEREAS**, the DEGA has budgeted sufficient funds (\$339,500) to maintain the Ambassador Services and desires to renew the Agreement for a subsequent one-year term and, as may be deemed necessary or agreeable to Block by Block, to undertake to formally assume the Agreement in its own name.

**NOW, THEREFORE, BE IT HEREBY RESOLVED AS FOLLOWS:**

That the City of Kalamazoo Downtown Economic Growth Authority (a Corridor Improvement Authority) approves the expenditure of an amount not-to-exceed \$339,500 and authorizes its Executive Committee to, consistent with this resolution, take any other action as is reasonably necessary to renew the Agreement for an additional one-year term.

YEAS: Boardmembers \_\_\_\_\_  
\_\_\_\_\_

NAYS: Boardmembers \_\_\_\_\_

ABSTAIN: Boardmembers \_\_\_\_\_

ABSENT: Boardmembers \_\_\_\_\_

**RESOLUTION DECLARED ADOPTED.**

Dated: April 17, 2023

\_\_\_\_\_  
\_\_\_\_\_, Secretary

## CERTIFICATION

I hereby certify that the above is a true and complete copy of a resolution adopted by the City of Kalamazoo Downtown Economic Growth Authority (a Corridor Improvement Authority) at a meeting held on April 17, 2023, and that public notice of said meeting was given pursuant to, and in compliance with, Act 267 of the Public Acts of Michigan of 1976, as amended.

Dated: April 17, 2023

\_\_\_\_\_  
\_\_\_\_\_, Secretary

**RESTATED BYLAWS OF THE DOWNTOWN ECONOMIC GROWTH AUTHORITY OF THE  
CITY OF KALAMAZOO**

**ARTICLE I**  
**Purposes and Powers**

**Section 1:**       Purposes

The purposes for which the Authority is organized are to act as a corridor improvement authority in accordance with Act 57 of the Public Acts of 2018, as amended, and as such statute may from time to time be amended; including, in particular, to correct and prevent deterioration in the development area; to encourage historical preservation; to create and implement improvement plans in the development area; and to promote the economic growth within the development area. In furtherance of these purposes, the Authority shall have all of the powers which now or hereafter may be conferred by law on corridor improvement authorities organized pursuant to State law.

**Section 2:**       Powers

As described by statute, the Authority Board shall have the power or authority to:

- (a) Prepare an analysis of economic changes taking place in the development area;
- (b) Study and analyze the impact of metropolitan growth upon the development area;
- (c) Plan and propose the construction, the renovation, repair, remodeling, rehabilitation, restoration, preservation or reconstruction of a public facility, an existing building, or a multiple-family dwelling unit which may be necessary or appropriate to the execution of a plan which, in the opinion of the Board, aids in the economic growth of the development area;
- (d) Plan, propose, and implement an improvement to a public facility within the development area to comply with the barrier-free design requirements of the state construction code;
- (e) Develop long-range plans, in cooperation with the agency which is chiefly responsible for planning in the municipality, designed to halt the deterioration of property values in the development area and to promote the economic growth of the development area, and take such steps as may be necessary to persuade property owners to implement the plans to the fullest extent possible;
- (f) Implement any plan of development in the development area necessary to achieve the purposes of Act 280 of 2005 or successor acts, in accordance with the powers of the Authority as granted by state law;
- (g) Make and enter into contracts necessary or incidental to the exercise of its powers and performance of its duties;
- (h) On terms and conditions and in a manner and for consideration the Authority considers proper or for no consideration, acquire by purchase or otherwise, or own, convey, or otherwise dispose of, or lease as lessor or lessee, land and other property, real or personal, or rights or interest in the property, that the Authority determines is reasonably necessary to achieve the purposes set forth by Act 57 of the Public Acts of 2018, as amended, and to grant or acquire licenses, easements, and options with respect thereto;
- (i) Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair and operate any building, including multiple-family dwellings, and any necessary or desirable appurtenances thereto, within the development area for the

**RESTATED BYLAWS OF THE DOWNTOWN ECONOMIC GROWTH AUTHORITY OF THE  
CITY OF KALAMAZOO**

use, in whole or in part, of any public or private person or corporation, or a combination thereof;

- (j) Fix, charge and collect fees, rents and charges for the use of any building or property under its control or any part of the facility, building or property, and pledge the fees, rents and charges for the payment of revenue bonds issued by the Authority;
- (k) Lease, in whole or in part, any facility, building, or property under its control;
- (l) Accept grants and donations of property, labor, or other things of value from a public or private source;
- (m) Acquire and construct public facilities;
- (n) Conduct market research and public relations campaigns, develop, coordinate, and conduct retail and institutional promotions, and sponsor special events and related activities;
- (o) Contract for broadband service and wireless technology service in a development area;
- (p) Receive private property from the City of Kalamazoo, acquired pursuant to Public Act 149 of 1911, MCL 213.21 et seq. for the purpose of transfer to the Authority for use in an approved development, on terms and conditions deemed appropriate by the Authority, and the taking, transfer, and use shall be considered necessary for public purposes and for the benefit of the public;
- (q) Take any other action as is allowed by law.

**Section 3:**      Qualified Development Area Powers

In a qualified development area, the Board may, in addition to the powers enumerated in Section 2, do one or more of the following:

- (a) Perform any necessary or desirable site improvements to the land, including, but not limited to, installation of temporary or permanent utilities, temporary or permanent roads and driveways, silt fences, perimeter construction fences, curbs and gutters, sidewalks, pavement markings, water systems, gas distribution lines, concrete, including, but not limited to, building pads, storm drainage systems, sanitary sewer systems, parking lot paving and light fixtures, electrical service, communication systems, including broadband and high-speed Internet, site signage, and excavation, backfilling, grading of site, landscaping and irrigation, within the development area for the use, in whole or in part, of any public or private person or business entity or a combination of these;
- (b) Incur expenses and expend funds to pay or reimburse a public or private person for costs associated with any of the improvements described in subsection (a) above;
- (c) Make and enter into financing arrangements with a public or private person for the purposes of implementing the Board's powers described in this section, including, but not limited to, lease-purchase agreements, land contracts, installation sales agreements, sale-leaseback agreements, and loan agreements.

**RESTATED BYLAWS OF THE DOWNTOWN ECONOMIC GROWTH AUTHORITY OF THE  
CITY OF KALAMAZOO**

**ARTICLE II**  
Board of Directors

**Section 1:**      General Powers

The Authority shall be under the supervision and control of a Board of Directors who may exercise all powers provided in Act 57 of the Public Acts of 2018 and any successor statute.

**Section 2:**      Number, Tenure and Qualifications

The Board of Directors of the Authority shall consist of nine persons, the Mayor of the City of Kalamazoo and eight additional people. The Board members shall be appointed for a term of four years except that of members first appointed, two shall be appointed for one year, two for two years, two for three years, and two for four years. At least five of the members shall be persons having an ownership or business interest in property located in the development area. At least one of the members shall be a resident of the development area or of an area within 1/2 mile of any part of the development area.

**Section 3:**      Selection of Board Members

The Mayor of the City of Kalamazoo with the approval of the City Commission shall appoint the members of the Board. Subsequent Board members shall be appointed in the same manner as the original appointments at the expiration of each member's term of office. Before assuming the duties of office, a member shall qualify by taking and subscribing to the constitutional oath of office.

**Section 4:**      Compensation of Members

Members of the Board shall serve without compensation, but shall be reimbursed for actual and necessary expenses.

**Section 5:**      Expiration of Term, Continuation in Office, Reappointment, and Filling  
Vacancies

Members whose terms of office have expired shall continue to hold office until a successor has been appointed. If a vacancy is created by the death, resignation or removal of a member, a successor shall be appointed by the Mayor with the approval of the City Commission within thirty days to hold office for the remainder of the term so vacated.

**Section 6:**      Removal

After having been given notice and an opportunity to be heard, a member may be removed from office for cause by a majority vote of the City Commission. Cause may include neglect of duty, nonattendance at meetings, misconduct, or malfeasance.

**Section 7:**      Conduct/Disclosure of Interest

**RESTATED BYLAWS OF THE DOWNTOWN ECONOMIC GROWTH AUTHORITY OF THE  
CITY OF KALAMAZOO**

- (a) A Board member or employee shall not engage in a business transaction by which the individual may profit from their official position with the Authority or benefit from confidential information which the individual has obtained or may obtain by reason of his or her position with the Authority.
- (b) A Board member who has a conflict of interest regarding any matter before the Authority shall disclose his or her interest prior to the Authority taking any action with respect to the matter which disclosure shall become a part of the record of the Authority's official proceedings. Further, except as provided herein, any member making such disclosure shall then refrain from participating in the Authority's decision-making process relative to such matter.
- (c) A conflict of interest occurs when a Board member's financial or personal interests conflict with their responsibility to impartially act in the best interests of the Authority. Personal interests include direct interests as well as those of family, friends, or other organizations a person may be involved with or have an interest in (for example, as a shareholder). It also includes a conflict between a Board member's duty as a member of the Authority Board and another duty that the member has (for example, to another entity as an employee, principal or director). A conflict of interest may be actual, potential, or perceived and may be financial or non-financial. An apparent conflict of interest exists whenever circumstances are such that a Board member or a Board member's family may appear to be in a position to benefit, either financially or personally, from the position the person holds as a Board member, such as by being privy to information not generally available to the general public or it appears the member may be unable to make impartial decisions due to outside relationships or other activities, such as when a person may appear to have an unfair advantage because of his or her relationship to a Board member.
- (d) A Board member shall not be a party, directly or indirectly to a contract between, nor directly or indirectly solicit a contract between the Authority and (1) him or herself; (2) any business entity of which he or she is a partner, member, officer, director, trustee, or employee; (3) any corporation in which he or she is a stockholder owning more than 1% of the total outstanding stock of any class if the stock is not listed on a stock exchange, or stock with a present market value that exceeds \$25,000 if the stock is listed on a stock exchange, or of which he or she is a director, officer, or employee; or (4) any trust of which he or she is a beneficiary or trustee. Provided however, the prohibition contained in this subsection shall not apply to a Board member if he or she discloses his or her pecuniary interest in the contract to the Board, such disclosure is made a matter of record in the official proceedings of the Authority Board before any discussion and decision on the proposed contract, and if the contract is approved by not less than 2/3 of the full membership of the Board without the vote or participation of the member making the disclosure.

**Section 8:**     Indemnification

Any member of the Board, or an officer or employee of the Authority, shall be indemnified or reimbursed by the Authority for reasonable expenses incurred in connection with any claim, liability, judgment or settlement as a result of acts or omission by them while acting in the course and scope of their duties on behalf of and in the best interests of the Authority.

## **RESTATED BYLAWS OF THE DOWNTOWN ECONOMIC GROWTH AUTHORITY OF THE CITY OF KALAMAZOO**

Provided, however, that no person shall be indemnified or reimbursed as to any matter in which he or she is adjudged to have been grossly negligent, engaged in willful misconduct, or criminally liable. Further, any award of punitive damages cannot be indemnified by the Authority as a matter of law and public policy.

### **ARTICLE III**

#### **Officers**

##### **Section 1:** Election of Officers

The officers of the Authority shall be a Chairperson, Vice-Chairperson, Secretary, and Treasurer, provided however, the Board may consolidate the offices of Secretary and Treasurer. Officers shall be elected at the first regular meeting of the Board and at each annual meeting thereafter.

##### **Section 2:** Term of Office

Officers shall serve a term of one (1) year or any part thereof as may be determined, and until his or her successor is designated. Officers are eligible to serve successive terms. However, no terms of office created under this section shall extend beyond the Board term of the member designated.

##### **Section 3:** Filling of Vacancies and Removal of Officers

A vacancy may be filled by action of the Board for the unexpired portion of the term. An officer may be removed by the Board whenever in its judgement the best interest of the Authority would be served.

##### **Section 4:** Chairperson

The Chairperson shall preside at meetings of the Board and shall do and perform such other duties as may be from time to time assigned to the office by the Board.

##### **Section 5:** Vice-Chairperson

The Vice-Chairperson shall perform the duties of the Chairperson in the Chairperson's absence and such other duties as shall from time to time be assigned to the office by the Board.

##### **Section 6:** Treasurer

The Treasurer shall have the following duties and responsibilities:

- (a) Keep the financial records of the Authority and, together with the executive director, shall approve all vouchers for the expenditure of funds of the Authority;
- (b) Sign all checks, which shall be countersigned by the Chairperson, except as otherwise provided by the Board;

**RESTATED BYLAWS OF THE DOWNTOWN ECONOMIC GROWTH AUTHORITY OF THE  
CITY OF KALAMAZOO**

- (c) Perform other duties as may be delegated to the office by the Board;
- (d) Furnish bond in an amount as prescribed by the Board.

**Section 7:** Secretary

The Secretary shall have the following duties and responsibilities:

- (a) Maintain custody of the official seal and of records, books, documents and other papers, not required to be maintained by the Treasurer;
- (b) Attend meetings of the Board and keep, or cause to be kept, a record of its proceedings;
- (c) Perform other duties as may be delegated to the office by the Board.

**ARTICLE IV**

**Employment of Personnel**

**Section 1:** Executive Director

The Board may employ and fix the compensation of an Executive Director, subject to the approval of the City Commission. The director shall serve at the pleasure of the Board. A member of the Board is not eligible to hold the position of director. Before entering upon the duties of office, the director shall take and subscribe to the constitutional oath. The director shall be the chief executive officer of the Authority. Subject to the approval of the Board, the director shall supervise, and be responsible for, the preparation of plans and the performance of the functions of the Authority in the manner authorized by Act 57 of the Public Acts of 2018, as amended. The director shall attend the meetings of the Board, and shall render to the Board and to the City Commission a regular report covering the activities and financial condition of the Authority. If the director is absent or disabled, the Board may designate a qualified person as acting director to perform the duties of the office. Before entering upon the duties of office, the acting director shall take and subscribe to the oath as required of the director. The director shall furnish the Board with information or reports governing the operation of the Authority as the Board requires. The director shall furnish bond in an amount as prescribed by the Board.

**Section 2:** Legal Counsel

The Board may retain legal counsel to advise the Board in the proper performance of its duties. The legal counsel shall represent the Authority in actions brought by or against the Authority.

**Section 3:** Other Personnel

The Board may employ and fix the compensation of other personnel deemed necessary by the Board to assist the executive director and the officers in carrying out their duties.

**Section 4:** Employee Benefits

The employees of the Authority shall be eligible to participate in municipal retirement

## **RESTATED BYLAWS OF THE DOWNTOWN ECONOMIC GROWTH AUTHORITY OF THE CITY OF KALAMAZOO**

and insurance programs as if they were civil service employees, except that the employees of the Authority are not civil service employees.

### **Section 5:**     Contracts for Employee Services

The Authority may, in its discretion, contract with the City of Kalamazoo or any another qualified and responsible entity for administrative, planning and legal services in support of its operations.

## **ARTICLE V** Meetings

### **Section 1:**     Annual Meeting

An annual meeting of the Board shall be held in March of each calendar year. The election of officers shall occur at the annual meeting. If the election of officers should not occur on the day designated, or any adjournment thereof, the Board shall cause the election to be held at a regular or special meeting of the Board within ninety days of the annual meeting.

### **Section 2:**     Regular Meetings

Regular meetings of the Board shall be held at a time and place to be set by the Board. At each regular meeting, all expense items of the Authority shall be publicized. The financial records shall always be open to the public.

### **Section 3:**     Special Meetings

Special meetings shall be held whenever called by direction of the chairperson, executive director, Mayor of the City of Kalamazoo, or any two (2) members of the Board on eighteen (18) hours written notice of the time and place of the meeting.

### **Section 4:**     Notice of Meeting

All special meetings shall be preceded by public notice posted at least eighteen hours prior to the meeting in accordance with the Michigan Open Meetings Act, being Act 267 of the Public Acts of 1976, as amended.

### **Section 5:**     Agenda

The Executive Director shall prepare the agendas for all meetings and send them to the Authority members at least eighteen hours prior to a meeting. Any member of the Board may request any item to be placed upon the agenda.

### **Section 6:**     Quorum and Voting

Any five members of the Board shall constitute a quorum for the transaction of business.

## **RESTATED BYLAWS OF THE DOWNTOWN ECONOMIC GROWTH AUTHORITY OF THE CITY OF KALAMAZOO**

The vote of a majority of members present at a meeting at which a quorum is present shall constitute the action of the Board unless the vote of a larger number is required by statute or elsewhere in these Bylaws.

### **Section 7:** Rules of Order

Robert's Rules of Order Newly Revised will govern the conduct of all meetings.

### **Section 8:** Open Meetings

All regular and special meetings of the Authority Board shall be open to the public and held in a place available to the general public in accordance with Public Act 267 of 1976.

## **ARTICLE VI** Advisory Committees

### **Section 1:** Advisory Committees

The Board, by resolution adopted by a majority of the members present at any meeting, may designate and appoint one or more committees to advise the Board. Except as otherwise provided in such resolution, there shall be fewer than 5 board members on such committee though non-members may also serve on such committee. The Chairperson shall appoint the members and select the committee chairperson. Any member may be removed by the person or persons authorized to appoint such member whenever in their judgement the best interests of the Authority shall be served by such removal.

### **Section 2:** Term of Office

Each member of an advisory committee shall continue as such until the next annual meeting of the members of the Authority and until a successor is appointed, unless the committee is sooner terminated, the member is removed from the committee, or the member ceases to qualify as a member thereof.

### **Section 3:** Quorum

Unless otherwise provided in the resolution of the Board designating an advisory committee, a majority of the whole committee shall constitute a quorum and the acts of a majority of the members present at a meeting at which a quorum is present shall be the acts of the committee.

### **Section 4:** Scope of Authority

Advisory committees shall only be capable of making recommendations to the full Board concerning its exercise of authority. Advisory committees shall not act so as to deprive the full Board of the opportunity to consider a matter nor act in a manner to effect public policy.

**RESTATED BYLAWS OF THE DOWNTOWN ECONOMIC GROWTH AUTHORITY OF THE  
CITY OF KALAMAZOO**

**ARTICLE VII**

Fiscal Year, Adopting of Budget, Financial Reports

**Section 1:**      Fiscal Year

The fiscal year of the Authority shall begin on January 1st and end on December 31st of each year, or such other fiscal year as may hereafter be adopted by the City.

**Section 2:**      Adoption of Budget

The Board shall annually prepare a budget and shall submit it to the City Commission on the same date that the proposed budget for the City is required by the city charter to be submitted to the City Commission. The Board shall not finally adopt a budget for any fiscal year until the budget has been approved by the City Commission. The Board may, however, temporarily adopt a budget in connection with the operation of any improvements which have been financed by revenue bonds when required to do so by the ordinance authorizing the revenue bonds.

**Section 3:**      Audit and Financial Reports

The Authority shall submit financial reports to the City Commission at the same time and on the same basis as departments of the City are required to submit reports. The Authority shall be audited annually by the same independent auditors auditing the City and copies of the audit report shall be filed with the City Commission.

**ARTICLE VIII**

District Boundaries

The Authority shall exercise its powers within the downtown corridor improvement qualified development area of the City of Kalamazoo as designated in the resolution establishing the Authority, as such resolution may from time to time be amended.

**ARTICLE IX**

Miscellaneous

**Section 1:**      Offices

The Authority may have such offices as the Board may determine, or the affairs of the Authority may require from time to time.

**Section 2:**      Corporate Seal

The Board shall adopt a corporate seal for the Authority.

**Section 3:**      Relocation Assistance

The Authority shall be deemed an instrumentality of a political subdivision for purposes

**RESTATED BYLAWS OF THE DOWNTOWN ECONOMIC GROWTH AUTHORITY OF THE  
CITY OF KALAMAZOO**

of Act 227 of the Public Acts of 1972, being MCL 213.321 et seq.

**Section 4:** Books and Records

The Authority shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board and committees having any of the powers of the Board, and shall keep at the principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Authority prepared, owned, used, in the possession of, or retained by the board in the performance of an official function are subject to the Freedom of Information Act, 1976 PA 442, MCL 15.231 et seq.

**ARTICLE X**

Amendments to Bylaws

**Section 1:** Amendments

The Board shall have power to make, alter or amend the bylaws in whole or in part by 2/3 vote of its members, with written copies of the proposed changes having been given at the next preceding regular or special meeting.

**Section 2:** Effective Date

These bylaws shall become effective upon approval by the Board.

Approved by the City Commission of the City of Kalamazoo on \_\_\_\_\_.

\_\_\_\_\_  
Scott A. Borling, City Clerk