

Agenda

Downtown Development 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 Development 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. Parking Resolution Extension with Central City
2. Motion to Appoint 2023-2024 Slate of Officers (TBD)
3. Motion to Accept City of Kalamazoo Arborist Recommendations for Tree Species, Size, Placement Based on 2022 Agreement with Adams Outdoor and Move Forward with Planting
4. Recommended Motion from Policy & ByLaws Task Force to Adopt Updates as Presented by Council

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 3:39 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 HOLLANDER MOVED TO ADOPT THE MARCH 20, 2023 AGENDA. DIRECTOR BRENEMAN SECONDED. NO OBJECTIONS. MOTION CARRIED.

C. APPROVAL OF MINUTES

It was noted that Clarence Lloyd was listed as staff on the January 17, 2023 Minutes and it was clarified that he was attending on behalf of staff. His name will be removed from the list of staff.

DIRECTOR LINDEMANN MOVED TO APPROVE THE JANUARY 17, 2023 MINUTES WITH THE CORRECTION AS NOTED ABOVE. DIRECTOR HOLLANDER 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. Additional notes have been added to the reports, as requested, for further explanation.

A Budget Breakdown by Contract report was shared in the packet.

Mr. Vicenzi provided clarification regarding DEGA maintenance and DDA maintenance. Ms. Kik noted that the Big Belly contract in the DEGA was also closely tied to the Social District and the disposal of cups.

Director Fletcher stated that last year, a 6-month agreement was signed with the City of Kalamazoo. A new proposal is being considered.

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

E. DISCUSSION/ACTION ITEMS

1. Recommendation of DDA 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.

MAYOR ANDERSON MOTIONED TO RECOMMEND THE DDA BOARD APPOINTMENT OF CURT AARDEMA AND CLARENCE LLOYD AND THE REAPPOINTMENT OF JEFF BRENNEMAN TO THE MAYOR/CITY COMMISSION. DIRECTOR HOLLANDER SECONDED.

Director Breneman abstained from the recommendation.

NO OBJECTIONS. MOTION CARRIED. ONE ABSTENTION: DIRECTOR BRENNEMAN.

2. Committee Updates

Projects and Finance

Ms. Kik stated that there were many positive comments regarding the white lights on trees at the March 7 Town Hall meeting.

The mall lighting project is waiting for one final piece and will be installed after that comes in.

Board of Directors Regular Meeting Minutes

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

Events & Marketing

None.

Policy

None.

F. PUBLIC COMMENTS

Kathleen Widener, Spirit of Kalamazoo: Ms. Widener expressed concern regarding business recruitment & retention. She asked if there was anything that the DDA could do to assist with the multiple vacancies downtown.

G. DIRECTOR'S COMMENTS

1. Director Breneman stated that he also attended the Town Meeting and thanked the City for their assistance with more engagement with Kalamazoo Public Safety and the downtown area. He stated that he hopes that Southwest Michigan First continues to make downtown economic vitality a priority.
2. Director Fletcher affirmed that Mr. Lloyd will be an excellent asset to the Board, especially in regard to his role with Southwest Michigan First. Director Fletcher stated that there are people working on assisting with the vacancies.
3. Director Lindemann thanked Mr. Vicenzi for the changes to the financial report. She thanked the Marketing Committee for the great work that they are doing.
4. Mayor Anderson thanked everyone who attended the meeting today. He affirmed their participation as the way to continue to be involved in the downtown area and communication.

H. ADJOURNMENT

DIRECTOR FLETCHER ADJOURNED THE MEETING AT 3:57 P.M.

Downtown Development Authority

2/28/2023 Trial Balance

Assets:	2/28/2023	
Cash	\$	589,167
Receivables		26,487
		615,654
Liabilities & Equity:		
Accounts Payable		-
Deferred Revenue - Accounts Receivable		26,487
Fund Balance		589,167
	\$	615,654

	2023 Adopted Budget	2023 YTD Actuals
Revenues:		
Taxes	\$ 274,000	\$ 791
Payment In Lieu Of Taxes (Pilot)	2,000	-
Other Revenues - Mall Maintenance	59,210	-
Total Revenues	335,210	791
Expenses:		
Professional And Contractual Services	154,000	143
Legal Services And Fees	7,500	-
Audit Fees	10,000	-
Insurance Services	2,500	-
Utilities	31,000	201
Administrative Fees	125,000	-
Tax Appeal Refunds	5,000	-
Total Expenses	\$ 335,000	\$ 344
Revenues Less Expenses	210	\$ 447

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



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April 4, 2023

To the Board of Directors of the
Downtown Development Authority of the City of Kalamazoo
Kalamazoo, Michigan

We are engaged to audit the financial statements of the governmental activities, business-type activities, and the major funds of the Downtown Development 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 Development 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,

Manes Costeian PC

**CITY OF KALAMAZOO
DOWNTOWN DEVELOPMENT AUTHORITY
KALAMAZOO COUNTY, MICHIGAN**

**RESOLUTION TO APPROVE ABM PARKING SERVICES
EXPENDITURE**

Boardmember _____, supported by Boardmember _____,
moved the adoption of the following resolution:

WHEREAS, the City of Kalamazoo Downtown Development Authority (the “DDA”) was created by the Kalamazoo City Commission and operates pursuant to the authority of Act 197 of 1975, as recodified in Act 57 of 2018; and

WHEREAS, the DDA and the City of Kalamazoo (the “City”) are parties to a Restated Contract of Sublease for the City of Kalamazoo Parking System, as amended, pursuant to which the DDA has the responsibility for the operation and maintenance of the City of Kalamazoo Parking System; and

WHEREAS, on behalf of and in partnership with the DDA, Downtown Kalamazoo Incorporated d/b/a Kalamazoo Downtown Partnership (KDP) entered into a three-year parking system management contract in 2014 with ABM Parking Services d/b/a Central City Parking (ABM Management Agreement); and

WHEREAS, the term of the ABM Management Agreement was extended for two additional years beginning January 1, 2017 under its same terms; and

WHEREAS, ABM Parking Services has held its rates consistent since January 2019 and has provided services under the ABM Management Agreement on a month-to-month basis; and

WHEREAS, the DDA approved the assignment of and assumption of the rights and responsibilities under the ABM Management Agreement from KDP in 2022; and

WHEREAS, in light of organizational and structural changes affecting the management of the DDA, and the DDA's desire to focus on other economic development efforts, the DDA is currently facilitating the termination of the Restated Contract of Sublease, as amended, and the return of the City of Kalamazoo Parking System to the City; and

WHEREAS, in order to allow requisitioning and payment from the City's purchasing department, and to further facilitate the transition of the City of Kalamazoo Parking System to the City, the DDA desires to approve the expenditure of an amount not to exceed \$540,000 to support the continuation of the ABM Management Agreement for six months.

NOW, THEREFORE, BE IT HEREBY RESOLVED AS FOLLOWS:

That the Kalamazoo Downtown Development Authority approves the expenditure of an amount not-to-exceed \$540,000 and authorizes its Executive Committee, acting consistent with this resolution, to take any other action as is reasonably necessary to extend the ABM Management Agreement for six months.

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 Board of the City of Kalamazoo Downtown Development 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 DEVELOPMENT AUTHORITY OF
THE
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ARTICLE I
Purposes and Powers

Section 1: Purposes

The purpose or purposes for which the Authority is organized are as follows: To act as a downtown development 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 particularly to correct and prevent deterioration in the downtown district; to encourage historical preservation; to create and implement development plans in the district, and to promote the economic growth of the district. In furtherance of these purposes, the Authority shall have all of the powers which now or hereafter may be conferred by law on downtown development authorities organized pursuant to state law.

Section 2: Powers

As described in Section 207 of Public Act 57 of 2018, the Authority Board shall have the power or authority to:

- (a) Prepare an analysis of economic changes taking place in the downtown district;
- (b) Study and analyze the impact of metropolitan growth upon the downtown district;
- (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 downtown district;
- (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 promulgated under the Stille-DeRossett-Hale single state construction code act, 1972 PA 230, MCL 125.1501 to 125.1531;
- (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 downtown district and to promote the economic growth of the downtown district, 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 downtown district necessary to achieve the purposes of Act 197, in accordance with the powers of the Authority as granted by Act 197;
- (g) Make and enter into contracts necessary or incidental to the exercise of its powers and performance of its duties;
- (h) Acquire by purchase or otherwise, on terms and conditions and in a manner the Authority deems proper or own, convey, or otherwise dispose of, or lease as lessor or lessee, land and other property, real or personal, or rights of interests therein, which the Authority determines is reasonably necessary to achieve the purposes of this Act, and to grant or acquire licenses, easements, and options with respect thereto;

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- (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 downtown district for the 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 thereof, or facility therein, and pledge the fees, rents and charges for the payment of revenue bonds issued by the Authority;
- (k) Lease any building or property under its control, or any part thereof;
- (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) Create, operate, and fund marketing initiatives that benefit only retail and general marketing of the downtown district;
- (o) Contract for broadband service and wireless technology service in the downtown district;
- (p) Operate and perform all duties and exercise all responsibilities described in this section in a qualified township if the qualified township has entered into an agreement with the municipality under section 203(7);
- (q) Create, operate, and fund a loan program to fund improvements for existing buildings located in a downtown district to make them marketable for sale or lease. The Board may make loans with interest at a market rate or may make loans with interest at a below market rate, as determined by the Board;
- (r) Create, operate, and fund retail business incubators in the downtown district.

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.

Section 2: Number, Tenure and Qualifications

The board of directors of the Authority shall consist of eleven persons, the Mayor of the City of Kalamazoo and ten members. Not less than a majority of the members shall be persons having an interest in property located in the downtown district or officers, members, trustees, principals, or employees of a legal entity having an interest in property located in the downtown district. Not less than one of the members shall be a resident of the downtown district, if the downtown district has 100 or more persons residing within it.

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

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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 with the approval of the City Commission within thirty days to hold office for the remainder of the term so vacated.

Section 6: Removal

Pursuant to proper notice and an opportunity to be heard, a member may be removed from office for neglect of duty including nonattendance at meetings, misconduct, malfeasance, or any other good cause by a majority vote of the City Commission.

Section 7: Disclosure of Interest

- (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

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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.

ARTICLE III
Officers

Section 1: Election of Officers

The officers of the Authority shall be a Chairperson, Vice-Chairperson and Secretary-Treasurer who shall be elected at the first regular meeting and 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 other successor is designated. No terms of office created under this section shall extend beyond the term of the member designated.

Section 3: Filling of Vacancies and Removal of Officers

A vacancy may be filled by the Mayor 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.

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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 him 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 him by the Board.

Section 6: Secretary-Treasurer

The Secretary-Treasurer shall have the following duties and responsibilities:

- (a) He or she shall maintain custody of the official seal and of records, books, documents and other papers, except financial records. He or she shall attend meetings of the Board and keep a record of its proceedings;
- (b) He or she shall keep the financial records of the Authority and, together with the director, shall approve all vouchers for the expenditure of funds of the Authority;
- (c) He or she shall sign all checks, which shall be countersigned by the Chairperson, except as otherwise provided by the Board;
- (d) He or she shall perform other such duties as may be delegated to him or her by the Board;
- (e) He or she shall furnish bond in an amount as prescribed by the Board;

ARTICLE IV
Employment of Personnel

Section 1: Executive Director

The Board may employ and fix the compensation of a 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 his 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 his 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.

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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 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, at its discretion, contract with the City of Kalamazoo for all administrative, planning and legal services in support of its operations.

ARTICLE V
Meetings

Section 1: Annual Meeting

An annual meeting 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 chairman, 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, or with no notice whatever, should all be present or waive notice by consent.

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Section 4: Notice of Meeting

All meetings shall be preceded by public notice posted eighteen hours prior to the meeting in accordance with 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 twenty-four hours prior to a meeting. Any member of the Authority may request any item to be placed upon the agenda.

Section 6: Quorum and Voting

A majority of the members of the Board shall constitute a quorum for the transaction of business. The vote of majority members present at a meeting at which a quorum is present shall constitute the actions of the Board unless the vote of the larger number is required by statute or elsewhere in these rules.

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 Board shall be open to the 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 the committee shall continue as such until the next annual meeting of the members of the Authority and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such

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member shall cease to qualify as a member thereof.

Section 3: Quorum

Unless otherwise provided in the resolution of the Board designating a 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.

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

ARTICLE VIII

District Boundaries

The Authority shall exercise its powers within the downtown district of the City of Kalamazoo as designated in the ordinance establishing the Authority, as such ordinance may from time to time be amended.

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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.

Section 3: Relocation Assistance

The Authority shall be deemed an instrumentality of a political subdivision for purposes 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 shall be open to the public at all times.

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, 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