

Agenda

Downtown Economic Growth Authority

Board of Directors



City of Kalamazoo

Monday, March 18, 2024

3:00 PM

Community Planning and Economic Development - 245 N. Rose Street
Main Conference Room

A. CALL TO ORDER/ROLL CALL

1. Purpose Statement:

The purpose of this Downtown Development Authority is to halt property value deterioration and promote economic growth within its business district, to increase property value.

The purpose of this Downtown Economic Growth Authority is to correct and prevent deterioration in residential, commercial, and industrial areas, to authorize the acquisition and disposal of interests in real and personal property; to authorize the creation and implementation of development plans and development areas.

The Kalamazoo DDA and DEGA, acting in concert, have set forth the strategic objective of focusing its resources on improving “**The First 16 Feet**”, a three-dimensional volume of space including buildings **ground floor façade**, the **frontage** that exists between the façade and the common space, and the **common space** that provides access to and through the district.

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 February 19, 2024. (**Action: Motion to approve**)

D. REPORTS AND PRESENTATIONS

1. Financial Report (**Action: Motion to Accept the Financial Report as Presented**)
2. Committee Reports

3. Kalamazoo Downtown Ambassador 2023 Reports

E. DISCUSSION/ACTION ITEMS

1. Motion to Approve the 2023-2024 Slate of Officers (**Action: Motion to Approve the 2023-2024 Slate of Officers**)
Proposed Slate is as follows:
 - Chair: Susan Lindemann
 - Vice-Chair: Jeff Breneman
 - Treasurer: Stephanie Hinman
 - Secretary: Matt Hollander
2. BRA TIF Step-Aside Policy (**Action: Motion to Approve BRA TIF Step-Aside Policy**)
3. Recommendation of DEGA Board Member Nomination to Mayor/City Commission of Jessica Thompson (**Action: Motion to Recommend the DEGA Board Appointment of Jessica Thompson to the Mayor/City Commission**)

F. PUBLIC COMMENTS

G. CLOSED SESSION

1. Closed Session to consider material exempt from discussion or disclosure by state or federal statute, namely, a privileged legal opinion, under MCL 15.268(h). (**Roll Call**)

H. DIRECTOR COMMENTS

I. ADJOURNMENT

Board of Directors Regular Meeting Minutes

February 19, 2024, 3:00 p.m. | Community Planning & Economic Development, 245 N Rose Street

PRESENT: Mayor David Anderson, Curt Aardema, Jeff Breneman, Kwame Gyimah, Grant Fletcher, Matt Hollander, Clarence Lloyd

ABSENT: Stephanie Hinman, Susan Lindemann

STAFF: Paul Thuringer, Jerrid Burdue, Jaime Marsman

A. CALL TO ORDER

DIRECTOR FLETCHER CALLED THE MEETING TO ORDER AT 3:30 P.M.

PRESENT: Mayor David Anderson
Curt Aardema
Jeff Breneman
Kwame Gyimah
Grant Fletcher
Matt Hollander
Clarence Lloyd

ABSENT: Stephanie Hinman
Susan Lindemann

EXCUSED: Stephanie Hinman
Susan Lindemann

THE FEBRUARY 19, 2024, ATTENDANCE INCLUDING EXCUSED AND UNEXCUSED ABSENCES ARE RECORDED.

B. ADOPTION OF FORMAL AGENDA

DIRECTOR AARDEMA MOVED TO ADOPT THE FEBRUARY 19, 2024 AGENDA AS AMENDED. DIRECTOR HOLLANDER SECONDED. NO OBJECTIONS. MOTION CARRIED.

C. APPROVAL OF MINUTES

DIRECTOR AARDEMA MOVED TO APPROVE THE JANUARY 16, 2024 MINUTES. MAYOR ANDERSON SECONDED. NO OBJECTIONS. MOTION CARRIED.

D. REPORTS AND PRESENTATIONS

1. Financial Report

Mr. Burdue was present to go through the Financial Report. He noted that at the last meeting there

Board of Directors Regular Meeting Minutes

February 19, 2024, 3:00 p.m. | Community Planning & Economic Development, 245 N Rose Street

were questions regarding transfers in and provided further explanation. There was discussion regarding this. The gap in the Ambassador program explains some of the overall negative numbers on the actuals. Mr. Burdue stated that he would look into the Ambassador contributions further regarding funding.

It was affirmed that these are end-of-year reports, however, there is still the chance for adjustment.

It was noted that there was \$250,000 anticipated as revenue that did not come in to support the Downtown Ambassador program. Director Lloyd stated that this should be addressed with contributors. Funders for Ambassadors were discussed. It was noted that FFE also contributed in previous years, with three years committed. FFE's commitment was finalized in 2022.

Mayor Anderson expressed his frustration that there was no representative from Management Services to discuss these items.

Director Breneman stated that a written explanation should have accompanied the report to give further details and explanations.

DIRECTOR BRENEMAN MOVED TO TABLE ACCEPTANCE OF THE FINANCIAL REPORT AS PRESENTED UNTIL MARCH AND REQUESTED THE PRESENCE OF THE CHIEF FINANCIAL OFFICER. DIRECTOR HOLLANDER SECONDED. NO OBJECTIONS. MOTION CARRIED.

Director Gyimah questioned the ramifications of accepting versus approving the financial reports. Attorney Woods stated that approving indicates that the Board understands and approves of the contents which is stronger than accepting.

2. Committee Reports

Events and Marketing Committee

Director Breneman stated that the Committee met today. One of the agenda items is the RFPs that will be put out for summer events. Discussions regarding sidewalk sales and holiday events will need to be had. He noted that there is a limited budget for all of these events, as marketing is included in the budget. Sponsorships will need to be sought as this is not enough funding to do the marketing and events to live up to expectations.

Director Lloyd stated that long-term, budget constraints will need to be addressed. Moving forward with the RFP process will allow them to begin the work.

Director Gyimah questioned whether there would be issues regarding viewpoint discrimination based on approval standards. Attorney Wood stated that the Executive Committee met to discuss awarding criteria and language that would allow the Committee discretion. The goal of all events is to market and support the downtown retailers. Attorney Wood affirmed that economic development is within the DEGA's statutory authority.

Director Fletcher asked if there was a fundraising component of the agreement. Carl Brown was given the floor. He stated that the committee has worked for the past year on these issues. He

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spoke of the role of fundraising and the Committee. It was noted that these events do not have to be the sole work of the DDA, but rather the DDA can assist to partner with these events.

Director Fletcher thanked them for their work.

Recruitment and Retention Committee

Director Aardema stated that they met last week. The possibility of getting updated information from the Gibbs study was discussed. A flyer of key information is under discussion for development. The Committee will lean on Discover Kalamazoo for assistance with key metrics. This will allow the committee the ability to better communicate with possible investors. They continue to meet with retailers and landlords.

Director Lloyd stated that the goal is a retail strategy, as this would benefit the public and also allow the DEGA to make more informed decisions.

Director Gyimah stated that this study will also assist in knowing which vendors should be targeted. Ongoing conversations with stakeholders will continue.

Director Lloyd stated that we need to ensure that messaging is branded.

Director Aardema shared points of interest from other communities. He noted that zoning plays an important role as well.

E. DISCUSSION/ACTION ITEMS

1. Service Agreement Between DDA/DEGA and The City of Kalamazoo

Director Fletcher noted that there is a resolution attached to the packet. Attorney Wood stated that this is the same item that was approved at DDA.

DIRECTOR AARDEMA MOTIONED TO APPROVE THE SERVICE AGREEMENT BETWEEN THE DDA/DEGA AND THE CITY OF KALAMAZOO AS AMENDED. DIRECTOR HOLLANDER SECONDED.

Mayor Anderson questioned how the payment for this agreement amount would be split between the DDA/DEGA and stated that it could be interpreted that each Board is paying the same amount. Attorney Wood stated that there is some discussion on how this is to be split, however, she emphasized that this is one contract. Mr. Burdue stated that it is budgeted in each DDA/DEGA budget as \$125,000. The contract does not allocate who is paying what. Attorney Wood stated that it is abundantly clear that the City does not expect the DDA/DEGA to pay \$250,000 each as it is one agreement that is approved by each Board.

NO OBJECTIONS. ROLL CALL VOTE.

2. Creation and Distribution of RFPs for Summer Events, Holiday Events, and Marketing Subject to Approval in Substance by the Board Chair and in Form by Legal Counsel.

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Mr. Burdue stated that this allows the Events and Marketing Committee to put out RFPs for summer events, holidays and marketing as they feel are needed.

MAYOR ANDERSON MOTIONED FOR THE CREATION AND DISTRIBUTION OF RFPS FOR SUMMER EVENTS, HOLIDAY EVENTS, AND MARKETING SUBJECT TO APPROVAL IN SUBSTANCE BY THE BOARD CHAIR AND IN FORM BY LEGAL COUNSEL. DIRECTOR AARDEMA SECONDED. NO OBJECTIONS. MOTION CARRIED.

F. PUBLIC COMMENTS

1. Remi Harrington stated that she purchased a building at 210 Mill Street. She shared that it is important that her building remain in the DEGA district and questioned the upcoming DEGA TIF Plan changes and whether those included rezoning.
 - i. Attorney Wood stated that this Board did not send a rezoning notice, but rather a notice regarding the DEGA Development and TIF Plan. She assured Ms. Harrington that the boundaries are not being changed at this time and explained the changes that were being done.
2. Rob Peterson stated that on February 28, the Downtown Merchants are inviting Michigan Mainstreet to present. They will hear about the Main Street program - the benefits and how to implement that in Kalamazoo. The event will be held on Wednesday, February 28 at 9:00 a.m. at The Catalyst Center.
3. Carl Brown thanked everyone for their continued hard work. He thanked the Board for approval on the RFP process. He thanked City staff. He encouraged the Board to consider how we can continue to encourage collaboration among subgroups.

G. CLOSED SESSION

1. **MAYOR ANDERSON MOTIONED TO GO INTO CLOSED SESSION TO CONSIDER MATERIAL EXEMPT FROM DISCUSSION OR DISCLOSURE BY STATE OR FEDERAL STATUTE, NAMELY, A PRIVILEGED LEGAL OPINION, UNDER MCL 15.268(H). DIRECTOR AARDEMA SECONDED. NO OBJECTIONS. ROLL CALL VOTE.**

H. DIRECTOR'S COMMENTS

1. None.

I. ADJOURNMENT

DIRECTOR FLETCHER ADJOURNED THE MEETING AT 4:43 P.M.

Downtown Economic Growth Authority

1/31/2024 Trial Balance

Assets	1/31/2024	
Cash	\$	127,614
Receivables		3,235
Due From Primary Government		5,744
Taxes Receivable		
Total Assets	\$	136,593
Liabilities*		
Accounts Payable	\$	-
Deferred Taxes Receivable		-
Deferred Revenue - Accounts Receivable		3,235
Short Term Due to Primary Government		60,000
Due to State		700
Total Liabilities		63,935
Fund Balance		
Operational Fund Balance		72,658
Total Liabilities & Fund Balance	\$	136,593

	2024 Adopted Budget	January	2024 YTD Actuals
Revenues			
Taxes	\$ 615,000		\$ -
Other Revenue	-		-
Event Sponsorships	102,000		-
Transfers In	40,000		-
Charges For Services	5,000	1,575	1,575
Interest And Rentals	-		-
Total Revenues	762,000	1,575	1,575
Expenses			
Professional And Contractual Services	353,600		
Legal Services And Fees	30,000		-
Insurance Services			-
Operating Supplies			1,660
Garbage Disposal			-
Repairs			-
Utilities			-
Community Promotion	103,000		-
Audit Fees	13,400		-
Tax Appeal Refunds	5,000		-
Administrative Fees	125,000		-
Restricted For Debt Service	-		-
Total Expenses	\$ 630,000	\$ -	\$ 1,660
Revenues Less Expenses	\$ 132,000	\$ 1,575	\$ (85)

*Does not include long term debts payable



AMBASSADOR PROGRAM 2023



Kalamazoo Downtown Ambassador Program 2023

What we are doing.

Our team of Ambassadors is out on the streets of downtown Kalamazoo everyday keeping the area clean and friendly. Our cleaning operation includes, collecting trash from the trash cans, manual litter and debris removal, graffiti removal, power washing, and weeding tree beds/walkways. In the fall we collect leaves and in the winter we remove snow from crosswalk aprons, Bates Alley and around bus stops.

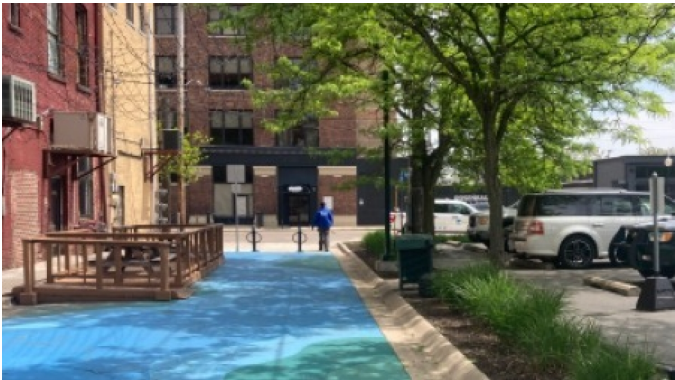
The team also works to give greetings to visitors, residents and those that work downtown and provide information and directions to those who need it both during the day while we are working on cleaning, and at night when our Hospitality Ambassador is working. Our Hospitality Ambassador will also do a Safety Escort if requested by a visitor, worker or resident of downtown.

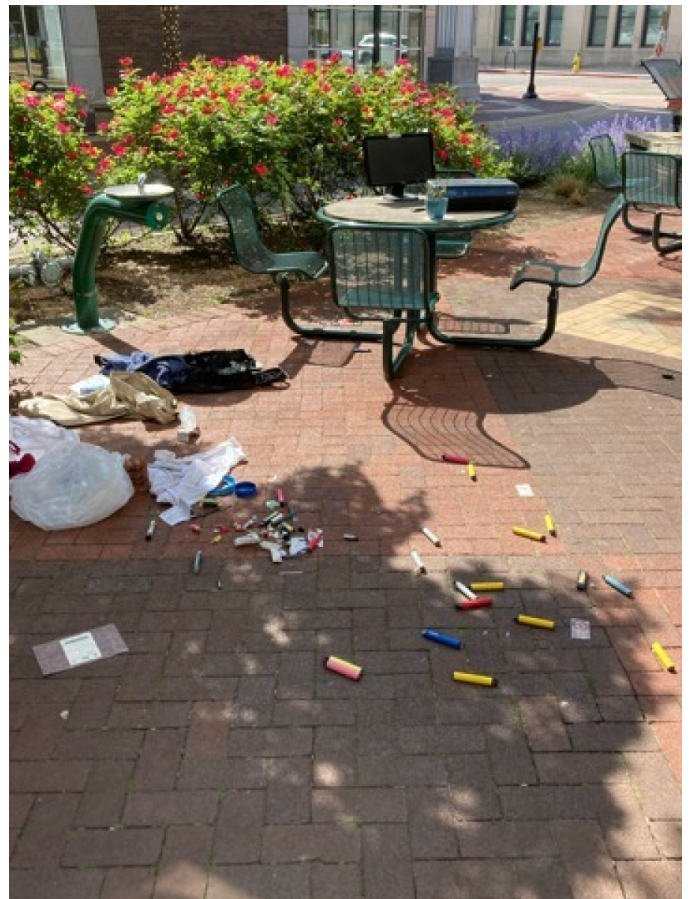
Everything the Ambassadors do is in an effort to make downtown Kalamazoo cleaner, safer, friendly and more vibrant.



Highlights







2023 STATISTICS													
	January	February	March	April	May	June	July	August	September	October	November	December	Total
CLEANING													
Abandoned Property	1	1	9	9	17	19	3	15		7	13	4	98
Biohazardous Material	10	5	2	4	4	2	10	3	2			2	44
Graffiti - Removed	7	58	51	99	30	37	56	35	22	51	8	39	493
Power Washing (hours)				16	12	4	29	12	2	9	2		86
Trash (lbs)	6550	11200	12950	9725	15250	17950	16075	15600	16475	11600	11325	10700	155400
Snow Removal (hours)	42	10	28										80
Lawn Care (hours)				13	5	3	6	9		7			43
HOSPITALITY													
Hospitality Assistance	20	18	24	48	22	22	16	16	20	9	21	21	257
Business Contact	3	3	3	2	6	2	1	2		1	1	4	28
SAFETY													
Drinking in Public	2			6	28	6	1		1		2		46
Needles Found	1		6	6	1		2	2				4	22
Panhandling - Aggressive									4	1			5
Panhandling - Passive		4	4	1	2	4	4	2	2	2	1		26
Public Defecation/Urination	1			1		3	1		1		1		8
Safety Escorts	4	5	5	11	4	2		2	1	1	4	8	47
Visible Drug Use					1				1	1	1		4
OUTREACH													
Transient	41	38	35	42	14	2	1	17			3		193
Unhoused/Sleeping	42	11	21	55	184	209	101	102	14		1	14	754

Policy Document: DEGA AND BRA AGREEMENTS

1. Purpose

This policy outlines the formal process for the Downtown Economic Growth Authority (DEGA), a Corridor Improvement Authority formed pursuant to Part 6 of Public Act 57 of 2018, as amended, to consider entering into tax increment sharing agreements with the Brownfield Redevelopment Authority (BRA) in the context of specific project support and remediation activities in downtown Kalamazoo, in a cooperative effort to enhance economic and environmental redevelopment.

2. Background

Recognizing the overlapping goals of DEGA and BRA, this policy is established to facilitate DEGA consideration, at its discretion, of tax increment sharing in certain circumstances, on a case by case basis, in favor of BRA, for targeted redevelopment projects within the designated DEGA district. A recent legislative amendment to the Brownfield Redevelopment Financing Act, Public Act 381 of 1996, as amended, expressly authorizes tax increment sharing agreements with entities like the DEGA.

3. Scope

This policy covers project support and remediation activities within the DEGA district identified for BRA management, including environmental remediation and infrastructure development. The BRA can sometimes support eligible activities and unlock resources beyond what a Corridor Improvement Authority can support and that sharing of increment foster economic growth.

4. Mechanism & Implementation

BRA staff shall inform the DEGA staff when a Developer is seeking BRA reimbursement for a proposed project on property located within the DEGA District. If DEGA agrees to consider sharing, Developer requesting reimbursement shall, in conjunction with BRA staff, present detailed information related to the project to the DEGA Board for consideration. Generally, the DEGA will receive the presentation at one Board meeting and will not vote on the sharing request until the next DEGA meeting, although DEGA may, in its discretion, vote to approve a sharing request at the same meeting at which the presentation is given. The DEGA may, in its discretion, require that a portion of the BRA administrative fee be shared with the DEGA in consideration of a sharing agreement. DEGA and BRA will, following approval from their respective Boards of Directors, memorialize any increment sharing through an interlocal agreement detailing key terms, including but not limited to, duration and commitments by the developer.

5. Compliance

Activities under this policy will comply with state laws, local ordinances, and regulations governing DEGA and BRA authority.

6. Amendments

This policy may only be amended to reflect legal, policy, or redevelopment needs, following actions by the DEGA and BRA Boards of Directors.

7. Effective Date

The policy, and any amendments hereto, shall become effective only upon approvals by DEGA and BRA Boards.

4862-2346-5132 v2 [88591-1]

**DOWNTOWN ECONOMIC GROWTH AUTHORITY
CITY OF KALAMAZOO**

RESOLUTION NO. _____

**RESOLUTION TO APPROVE THE ADOPTION OF A TAX INCREMENT
REVENUE SHARING POLICY**

WHEREAS, the Corridor Improvement Authority Act, Act 280 of the Public Acts of Michigan of 2005, as amended, MCL 125.2871 et seq., and now recodified within Public Act 57 of 2018 (the “Act”), authorized the City to establish a corridor improvement authority and to designate the boundaries of an authority corridor improvement development area provided certain criteria required by the Act had been met for the purpose of correcting and preventing deterioration in business districts, encouraging historic preservation and promoting economic growth; and

WHEREAS, on October 15, 2018, the Kalamazoo City Commission voted to create the Kalamazoo Downtown Economic Growth Authority (the “DEGA”) under the Act to allow for a new method of financing activities associated with the continued growth, maintenance, administration, and programming of downtown Kalamazoo; and

WHEREAS, the DEGA Board of Directors has the authority under the Act and in accordance with recent amendments to the Brownfield Redevelopment Authority Act, Act 381 of 1996, as amended, (“Act 381”) to, under certain circumstances, enter into agreements to share tax increment revenues; and

WHEREAS, the DEGA finds it necessary to adopt a policy to standardize the procedure and consideration of requests to share tax increment revenues during the operation and facilitation of DEGA business.

NOW, THEREFORE, BE IT HEREBY RESOLVED AS FOLLOWS:

1. That the DEGA TIF sharing policy (the “Policy”) in substantially the form attached hereto as Exhibit A is hereby approved.
2. That the DEGA authorizes and directs its Chairperson to take such further action as may be necessary or advisable in carrying out this purpose, including approving modifications as may occur in finalizing the Policy, and executing same.

3. That all resolutions or parts of resolutions in conflict herewith shall be and the same are hereby rescinded.

YEAS: Boardmembers _____

NAYS: Boardmembers _____

ABSTAIN: Boardmembers _____

ABSENT: Boardmembers _____

RESOLUTION DECLARED ADOPTED.

Dated: _____, 2024 _____
_____, Secretary

CERTIFICATION

I hereby certify that the above is a true and complete copy of a resolution adopted by the Board of Directors of the Downtown Economic Growth Authority of the City of Kalamazoo at a meeting held on _____, 2024 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: _____, 2024 _____
_____, Secretary

EXHIBIT A

Purchasing Policy

(Attached)



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

The board held two interviews to gauge interest of candidates and select those whose professional expertise and lived experience help to diversify the makeup of the board.

NOMINEE QUALIFICATIONS

Dual Board Memberships

Jessica Thompson - DDA and DEGA

Residency

Jessica Thompson is the owner of Bee Joyful Shop, a downtown business.

Term Limits

Jessica Thompson – 4 year term

Training, Experience, Education And Skills

Jessica Thompson – With a degree in marketing and business management, 20 years of retail experience and 15 years of experience in event management, Jessica has developed a deep understanding of organizational dynamics and strategic planning. She has been a small business owner in Kalamazoo for eight years and is the Coordinator of Downtown Kalamazoo Shops. Jessica has a commitment to community collaboration and promotion.

Contribution To Diversity

Jessica Thompson is a female.

NOMINATION RATIONALE

CITY CLERK'S CERTIFICATION

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

Scott A. Borling, City Clerk



City Commission Agenda Report

City of Kalamazoo

Date: **9/16/2024**

Item: **G.1.**

TO: Mayor Anderson, Vice Mayor Duncan, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: Tim Dubois, Chief Information Officer
Prepared by: John Hambright, Deputy Chief Information Officer

DATE: September 16, 2024

SUBJECT: Approval of a cooperative MIDEAL purchase with Trace 3 for Cisco's Voice Routers (Bid Ref#00000-021.151)

RECOMMENDATION:

It is recommended that the City Commission approve an order for voice routers to Trace3 through MI Deal Contract ##210000001333 in the amount of \$ \$112,850.02.

BACKGROUND:

A voice router is a specialized router that allows you to make phone calls over the internet. In order to maintain a level of call consistency, the city needs to regularly upgrade routers when they reach the end of life or end of sale. There are currently 5 voice routers meeting this criteria.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:

Good Governance- Ensuring the City organization has the capacity and resources to effectively implement the community's Strategic Vision in a way that is sustainable over the long term.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

The funds required for this contract are \$112,850.02. The funding available and estimated costs are detailed below. We are requesting the approval of this purchase using the funds below.

Description	Account	Project #	Dollar Amount
Information Technology	101-228-00.000-975.000		\$112,850.02



City Commission Agenda Report

City of Kalamazoo

Date: **9/16/2024**

Item: **G.2.**

TO: Mayor Anderson, Vice Mayor Duncan, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Prepared by: James J. Baker, PE, Public Services Director and City Engineer

DATE: September 16, 2024

SUBJECT: Approval of a Professional Service Agreement with Tetra Tech to establish a Stormwater Utility Business Plan (Bid Ref: 92500-002.0.11)

RECOMMENDATION:

It is recommended that the City Commission approve a professional service agreement with Tetra Tech for the development of a Stormwater Utility Business Plan in the amount of \$167,000.00

BACKGROUND:

Currently, the Major and Local streets funds pay for the operations and maintenance and capital improvements of stormwater assets. These stormwater assets include: curb inlets and drainage structures, manholes, storm sewer pipes, outfalls and outlet structures and large conveyance interceptors, drains, culverts and canal systems. New regulatory standards now require increased cleaning and inspection frequencies of stormwater assets, which will contribute to additional costs that are currently funded by the streets funds.

Beginning in 2017, an asset management plan for stormwater assets was created. A stormwater Utility Business Plan works in conjunction with the Asset Management Plans, Capital Improvement Plans, and Operations & Management Plans to help to identify overall sustainable funding needs and sources.

This study will examine methods to lessen the cost to the Streets funds for maintaining stormwater assets, while also looking at possible new methods to fund stormwater improvements in the future.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:

Safe Community- Creating a safe environment for living, working, and playing

Good Governance- Ensuring the City organization has the capacity and resources to effectively implement the community's Strategic Vision in a way that is sustainable over the long term.

Environmental Responsibility - A green and healthy City.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

The funds required for this contract are \$167,000.00. The funding available and estimated costs are detailed below. The funds for this agreement are available through the American Rescue Plan Act (ARPA) grant funds. We are requesting the approval of this purchase using the funds below.

Description	Account	Project #	Dollar Amount
Stormwater Condition Assessment		GRT5100004	\$167,000.00



City Commission Agenda Report

City of Kalamazoo

Date: **9/16/2024**

Item: **G.3.**

TO: Mayor Anderson, Vice Mayor Duncan, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: James J. Baker, PE, Public Services Director and City Engineer
Prepared by: Anna C. Crandall, PE, Assistant City Engineer – Water Resources

DATE: September 16, 2024

SUBJECT: Approval of a contract supplemental/change order with Balkema Site Work & Development for the Brookfield Avenue Water Main Replacement Project (Bid Ref# 91360-007.0)

RECOMMENDATION:

It is recommended that the City Commission approve a contract supplemental/change order with Balkema Site Work & Development for the Brookfield Avenue Water Main Replacement Project, in the amount of \$205,675.00.

BACKGROUND:

The Road Commission of Kalamazoo County (RCKC) planned a project to replace the Davis Creek Culverts on Springfield Avenue and Brookfield Avenue in Kalamazoo Township. Originally, it was thought that only the water main on Springfield Avenue was going to need to be relocated due to it being in the way of the new culvert and Public Service bid out the Springfield Avenue Water Main Replacement Project to coordinate that work. However, during construction of the culvert on Brookfield Avenue, it was found that the existing location of the water main is in conflict with the new culvert. Public Services has prepared a design of the water main deflection in accordance with County Drain Commission, RCKC, and EGLE requirements and requested pricing from Balkema Site Work and Development for the additional work. Balkema Site Work and Development provided a price of \$206,675.00 for this additional work. Balkema Site Work & Development has performed well on other projects and Public Services recommends approval of this contract.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:

Safe Community- Creating a safe environment for living, working, and playing

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

The funds required for this contract are \$206,675. The funding available and estimated costs are detailed below. We are requesting the approval of this purchase using the funds below.

Description	Account	Project #	Dollar Amount
Water Capital Improvement		wat0500441-04-988.000	\$206,675.00



City Commission Agenda Report

City of Kalamazoo

Date: **9/16/2024**

Item: **G.4.**

TO: Mayor Anderson, Vice Mayor Duncan, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: James J. Baker, PE, Public Services Director and City Engineer
Prepared by: Anna C. Crandall, PE, Assistant City Engineer – Water Resources

DATE: September 16, 2024

SUBJECT: Approval of a contract supplemental/change order with SWT Excavating, Inc. for the FY 23 DWSRF Contract 1 - Water System Improvements and cost share with Kalamazoo Township and the Road Commission of Kalamazoo County (Bid Ref#91244-027.0)

RECOMMENDATION:

It is recommended that the City Commission approve a contract supplemental/change order with SWT Excavating, Inc. for the FY 23 DWSRF Contract 1 - Water System Improvements and cost share with Kalamazoo Township and the Road Commission of Kalamazoo County in the amount of \$361,707.66.

BACKGROUND:

Drinking Water State Revolving Fund (DWSRF) Fiscal Year 2023 Contract 1 – Water System Improvements includes replacing approximately 3.2-miles of water main and replacing approximately 150 non-copper service lines. During Road Commission of Kalamazoo County (RCKC) right-of-way (ROW) permitting, RCKC required storm work to be completed with the water main work. This storm work is not eligible for the DWSRF funding, which is why a new purchase order is being requested with this supplemental.

Public Services requested pricing from SWT Excavating for this additional work. SWT Excavating provided a cost of \$361,707.66. Public Services finds this acceptable and recommends approval of the contract supplemental and new purchase order.

The Road Commission of Kalamazoo County (RCKC) and Kalamazoo Township are partnering to seek approval of 50% cost share for the storm sewer work scope. Approximately \$180,853.83 is proposed to be funded by the RCKC and Township cost share agreement.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:

Safe Community- Creating a safe environment for living, working, and playing

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

Discussion:

Letters have been sent to customers to notify them of the upcoming project. As the contractor is getting ready to schedule with customers in specific areas, door hangers will be delivered to notify them that it is time to schedule their inspection and/or replacement.

FISCAL IMPACT:

The funds required for this contract are \$361,707.66. The funding available and estimated costs are detailed below. We are requesting the approval of this purchase using the funds below.

Description	Account Project #	Dollar Amount
Water Capital Improvement	wat0500412-04-988.000	\$180,853.83
RCKC & K-Township Proposed Agreement		\$180,853.83



City Commission Agenda Report

City of Kalamazoo

Date: **9/16/2024**

Item: **G.5.**

TO: Mayor Anderson, Vice Mayor Duncan, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: David Boysen, Public Safety Chief
Prepared by: Ryan Tibbets, Chief of Staff

DATE: September 16, 2024

SUBJECT: Approval of a cooperative contract with AXON Enterprises for the purchase of Public Safety Records Management System (Bid Ref#00000-024.100)

RECOMMENDATION:

It is recommended that the City Commission approve a ten-year contract with AXON Enterprises, 17800 N. 85th Street, Scottsdale, Arizona, 85255 in the amount of \$999,365.83 through Sourcewell Contract #101233-AXN for Police Records Management (RMS).

BACKGROUND:

The Kalamazoo Department of Public Safety (KDPS) has utilized the same police RMS since 2004. The current RMS is at end-of-life and is not upgradeable. Police RMS, or Records Management System, is a software system used by law enforcement agencies to manage and organize a variety of records and data. These systems help police departments track and maintain information related to:

1. Incident Reports: Detailed records of reported crimes, including all relevant details about the incident, involved parties, and investigative actions.
2. Arrest Records: Information about individuals who have been arrested, including charges, booking details, and related case information.
3. Case Management: Tools for tracking the progress of investigations, case assignments, and case outcomes.
4. Traffic Reports: Records related to traffic stops, citations, and accidents.
5. Evidence Management: Tracking and managing evidence collected during investigations, including storage locations and chain of custody.

RMS systems streamline operations within a police department, improve data accuracy, and enhance the ability to share information, both within the department and with other agencies.

They also often include features for generating reports, analyzing data, and supporting decision-making processes.

KDPS staff spent a significant amount of time evaluating multiple police RMS and it was determined that the AXON Enterprises' police RMS provides the most integration with current technology operated by KDPS and is the most cost-effective option.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:

Safe Community- Creating a safe environment for living, working, and playing

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

The proposed ten-year agreement in the amount of \$999,365.83 with AXON Enterprises provides for the custom configuration of the police RMS, legacy data conversion, and cloud-based data storage. Funding for the proposed project will be through existing and requested (future) Capital Improvement Program funding (cip0200052 KDPS Records Mgmt Software Upgrade). Payments for the police RMS will not begin until the go-live date and the payment will be spread over three (3) years.

June 2026	\$378,121.95
June 2027	\$310,621.94
June 2028	\$310,621.94

Description	Account	Project #	Dollar Amount
Police Records Management			\$999,365.83



City Commission Agenda Report

City of Kalamazoo

Date: **9/16/2024**

Item: **G.6.**

TO: Mayor Anderson, Vice Mayor Duncan, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: Antonio Mitchell, Community Planning & Economic Development Director
Prepared by: Jared Chambers, Business Specialist

DATE: September 16, 2024

SUBJECT: Resolution Recommending Approval of a Social District Permit for Crafted Copper Partners LLC DBA Crafted Copper, Located at 229 E Michigan Ave.

RECOMMENDATION:

It is recommended that the City Commission adopt a resolution recommending approval of a Social District and Commons Area permit for Crafted Copper, located at 229 E Michigan Ave.

BACKGROUND:

Social Districts are "zones" approved by the municipality and the Michigan Liquor License Control Commission (MLCC) to allow consumption of alcohol in Social Districts. Social District Licensees may sell alcohol on its licensed premises in approved containers for customers to remove and consume in the Commons area. Chapter 4A "Alcoholic Beverage" ordinance amendment was approved by City Commission on August 3, 2020 to allow the creation of social districts and commons areas which are signed and operated within the regulations of the City of Kalamazoo. The City Commission adopted an initial resolution establishing the district at the same meeting as the ordinance amendment and then adopted a resolution expanding the geographic area and participating businesses of the social district on November 16, 2020.

Please see the attached document Social District Resolution with Map for:

- Resolution 20-61, dated November 16, 2020, designating Social Districts containing Common Areas and adopting a Management and Maintenance Plan.
- A map showing the boundaries of the Social District and Commons Areas.
- A Management and Maintenance Plan, which is a statutory requirement.

The district is anticipated to continue to have a positive impact on the economic condition of Downtown. Diners will be encouraged to remain downtown longer, visiting retail establishments

and other venues, injecting more dollars into the local economy. Small, locally-owned businesses, and their employees will be the primary benefactors of this program. The Social District program was originally created by the State to encourage continued economic activity in downtowns during the COVID-19 pandemic. It has been shown to be an effective and popular tool and continues to be used by many communities throughout Michigan.

Crafted Copper (Crafted Copper Partners LLC) is a newly established business that is open within the designated social district area. The MLCC requires local governmental unit approval for the social district permit for businesses that are being added to the established social district. This requires an approval by resolution by the City Commission to be sent to the MLCC.

Statement from applicant: "Crafted Copper is poised to make a significant impact on the cultural landscape of Downtown Kalamazoo with its upcoming relocation from Stadium Drive to a prime location in the heart of the city. Recognizing the area's lack of entertainment options, Crafted Copper is committed to revitalizing the downtown scene by introducing innovative attractions that cater to diverse interests and tastes. With a focus on fostering social interaction and community engagement, our new venue will serve as a dynamic hub where locals and visitors alike can come together to unwind, socialize, and create lasting memories. At the core of our relocation strategy is the implementation of mini bowling lanes and a self-pour beer and alcohol wall. These exciting features promise to inject a fresh burst of energy into the downtown area, offering a novel and engaging form of entertainment for patrons of all ages. Whether it's a friendly bowling competition with friends or the opportunity to sample a variety of beverages at one's own pace, our new offerings are designed to appeal to the diverse preferences of the Kalamazoo community."

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:

Economic Vitality - A supportive infrastructure for growing businesses and stabilizing the local economy for the benefit of all.

Inviting Public Places - Vibrant streets, exceptional parks, and welcoming activities.

COMMUNITY ENGAGEMENT:

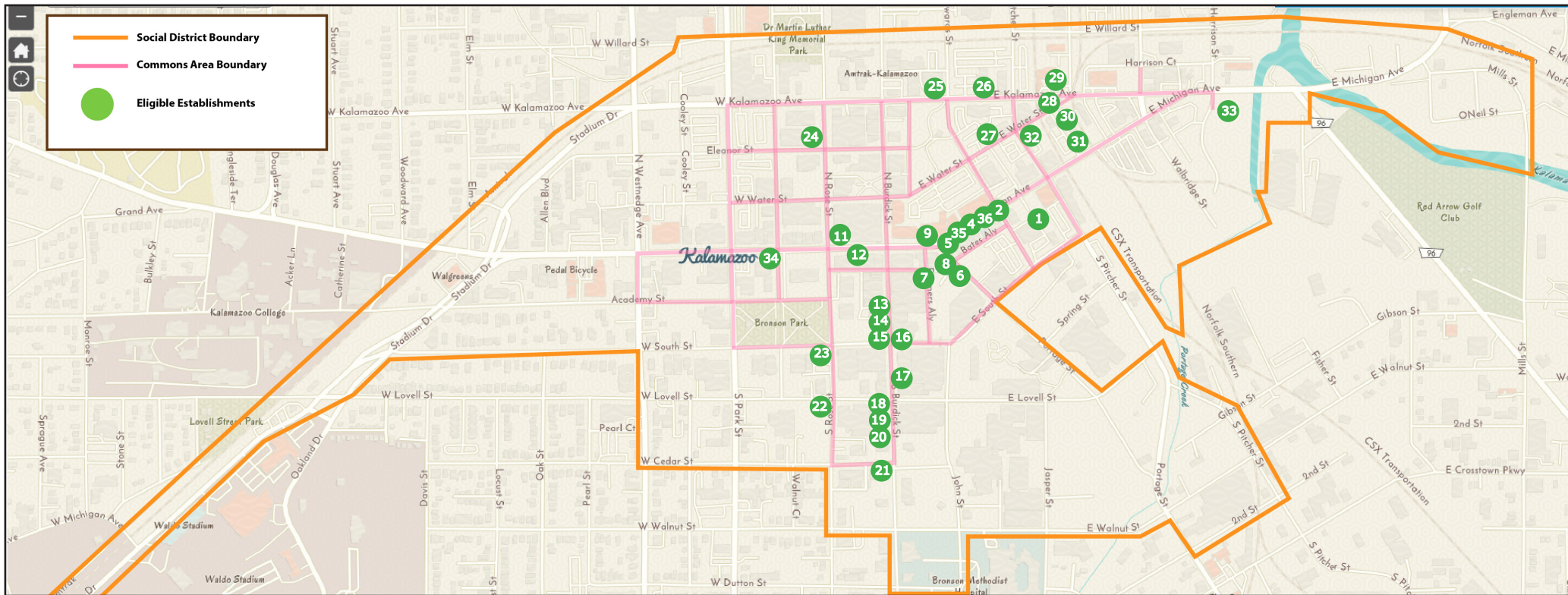
Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

The City received a fee of \$100 to process the application for this permit.

Downtown Kalamazoo Commons Area Locations



- | | | | | |
|--|--------------------------------|------------------------------------|-------------------------------------|-----------------------------------|
| 1 Entertainment District
The Gatsby
Wild Bull
District Square
Skydeck
Loft 310 | 8 LFG | 17 The Hub | 26 Shakespeare's Pub | 35 High Dive Kitchen & Bar |
| 2 Coney Island | 9 The Wine Loft | 18 The Grazing Table | 27 Kalamazoo Beer Exchange | 36 Sit and Stay Winery |
| 4 Green Top Tavern | 10 Barrio | 19 The State Theatre | 28 Water Street Coffee Joint | |
| 5 Saugatuck Brewing Co | 11 Radisson Plaza Hotel | 20 Harvey's on the Mall | 29 Bell's Brewery | |
| 6 Stamped Robin | 12 Junglebird | 21 Papa Pete's | 30 HopCat | |
| 7 Xperience | 13 Principle | 22 Factory Coffee | 31 Maru Sushi | |
| | 14 Rustica | 23 Park Club | 32 Old Dog Tavern | |
| | 15 Taco Bob's | 24 Kalamazoo Hotel Partners | 33 600 Kitchen and Bar | |
| | 16 Roca | 25 Tin Can Bar | 34 Crawlspace Comedy Theatre | |



Downtown Kalamazoo Social District and Commons Area(s)

Management and Maintenance Plan

Operation:

1. The Social District and Commons Areas shall be open for operation Sunday through Thursday from 10am to 10pm, and Friday and Saturday from 10am to midnight.
2. No tents or lighting shall be installed within the Social District or Commons Area(s) without City permission.
3. No amplified sound shall be used in the Social District or Commons Areas without City permission.
4. Umbrellas may be installed but shall not be mechanically fastened to street or sidewalk surfaces.
5. Dogs are permitted in the Social District and Commons Areas (the City's leash laws still apply, as does the obligation to pick up after your dog).

Access:

1. Pedestrian access shall be maintained to all buildings in the Social District and Commons Areas as required by the City of Kalamazoo.
2. Emergency access shall be maintained to all adjacent properties in the Social District and Commons Areas as required by the City of Kalamazoo.

Alcohol:

1. Alcoholic beverages are allowed in the Commons Area(s) only in accordance with a Social District Permit issued by the Michigan Liquor Control Commission (MLCC), any accompanying MLCC regulations, and City of Kalamazoo requirements.
2. Alcoholic beverages shall only be purchased at the licensed premises of a Social District Permit holder and must be consumed in designated Commons Areas.

Seating, Tables, and Related Furnishings:

1. The Downtown Economic Growth Authority will maintain any seating, tables, and related furnishings that have been purchased and deployed by KDP within the Social District.
2. Seating, tables, and related furnishings that have been provided by individual Social District Permit Holders shall be the sole responsibility of the Social District Permit Holders and must comply with ADA accessibility requirements. Under certain circumstances, Social District Permit holders may use public space for seating, tables, and related furnishings. Interested Social District Permit holders must contact Kalamazoo Downtown Partnership for necessary reviews and municipal approvals.
3. Related furnishings are defined as planters, fencing, spatial delineators or other elements that are deployed as part of a seating expansion within the Social District.

Signage

1. Downtown Economic Growth Authority in consultation with the City will provide signage that designates the Commons Area(s) and Commons Area(s) boundaries.
2. Existing City of Kalamazoo sign ordinances are still applicable within Social District and Commons Area(s)

Trash and Recycling:

1. Downtown Economic Growth Authority will provide temporary trash cans and/or recycling cans within Commons Area(s) and at Commons Area boundaries and will maintain these trash cans and/or recycling cans and conduct trash removal operations at these locations for the duration of the Social District and Commons Area operation so long as it is economically feasible to do so.
2. At locations where existing trash cans are already installed, Downtown Economic Growth Authority and City of Kalamazoo will continue their current maintenance and trash removal operations.

Review:

1. The Management and Maintenance Plan shall be included in any future Social District reviews conducted by the City of Kalamazoo or other entities.
2. Downtown Economic Growth Authority shall be included in any review and consulted on any revisions to the Social District and Management and Maintenance Plan.
3. Alcoholic beverages consumed in Commons Areas are required to be in designated cups per the requirements of the MLCC and the City of Kalamazoo.
4. Social District Permit holders are responsible for the sale of alcohol on their licensed premises in accordance with their individual Social District Permits and all MLCC rules and regulations, including confirming the consumer's identification and age, and prohibiting the sale of alcohol to intoxicated parties.
5. The City Manager is authorized to exclude from the Social District any premises authorized by the Michigan Liquor Control Commission under a special license during the effective period of the special license.
6. During regular patrols, Kalamazoo Department of Public Safety will monitor Commons Area(s) as assigned for compliance with MLCC and City of Kalamazoo rules and regulations.
7. Downtown Economic Growth Authority staff and/or contractors will also monitor Commons Areas and report compliance issues to the proper authorities so long as it is economically feasible to do so.
8. Additional commons areas may be considered at a future date by City Commission.



Downtown Kalamazoo Social District and Commons Area(s)

Qualified Licensees

MAP #	MAP NAME	LARA BUSI-NESS ID	ACCOUNT NAME	DBA	ADDRESS	CITY APPROVED
1	Entertainment District	140780	Piano Bar, LLC	Monaco Bay and Wild Bull	300 E Michigan Ave Kalamazoo, MI 49007-3833	8/3/2020
2	Coney Island	140871	Coney Island Lunch, Inc.	Coney Island Lunch	266 E Michigan Ave Kalamazoo, MI 49007-3910	8/3/2020
4	Green Top Tavern	248853	Green Top, LLC	N/A	250 E Michigan Ave Kalamazoo, MI 49007-3910	8/3/2020
5	Saugatuck Brewing Co.	274972	Saugatuck Brewing Company, Inc.		200 E Michigan Ave Kalamazoo, MI 49007-3961	8/3/2020
5	Saugatuck Brewing Company	265406	Saugatuck Brewing Company, Inc.		200 E Michigan Ave Kalamazoo, MI 49007-3961	11/16/20
6	Stamped Robin	248951	Bird Nest, LLC	The Stamped Robin	128 Portage St Kalamazoo, MI 49007-4802	8/3/2020
7	Xperience	275595	Guess Who's Dancing Fitness, LLC	Luxury Escapes	125 S Kalamazoo Mall Ste 106, Kalamazoo, MI 49007-4852	1/17/23
8	LFG	0262314	L.F.G. Bar LLC	L.F.G. Bar	116 Portage St Kalamazoo, MI 49007-4802	8/3/2020
9	The Wine Loft	225791	Blue Eyes Group, LLC	The Wine Loft	161 E Michigan Ave Kalamazoo, MI 49007-3926	8/3/2020
10	Barrio	279242	Kzoo Tacos, LLC	Barrio	215 E Michigan Ave, Kalamazoo, MI 49007-3909	6/3/2024
11	Radisson Plaza Hotel	132610	Greenleaf Hospitality Group, Inc.	Radisson Plaza at Kalamazoo Center	120 W Michigan Kalamazoo, MI 49007	8/3/2020
12	Junglebird	274239	Junglebird Ventures LLC		155 W Michigan Ave, Kalamazoo, MI 49007-3997	9/6/22
13	Principle	238969	Noble Experiment LLC	Principle	230 S Kalamazoo Mall Ste 100 Kalamazoo, MI 49007-4838	8/3/2020
14	Rustica	221402	Rustica LLC	Rustica	236 S Kalamazoo Mall Kalamazoo, MI 49007-4838	8/3/2020
15	Taco Bob's	232336	Bandak, Inc.	Taco Bobs	248 S Kalamazoo Mall Kalamazoo, MI 49007-4838	8/3/2020
16	Roca	272852	Clear Haze LLC	Roca	247 S Kalamazoo Mall, Kalama- zoo, MI 49007-4812	1/18/22
17	The Hub	279918	The Union, LLC	The Hub	359 N Burdick St Kalamazoo, MI 49007-3829	10/16/23
18	The Grazing Table	276254	Truly Kind, L.L.C.	468 Wine	402 S Burdick St, Kalamazoo, MI 49007-5218	9/19/22



Downtown Kalamazoo Social District and Commons Area(s)

Qualified Licensees

MAP #	MAP NAME	LARA BUSINESS ID	ACCOUNT NAME	DBA	ADDRESS	CITY APPROVED
19	The State Theatre	2775	Mardi Gras Enterprises, Inc.	Harvey's on the Mall & State Theatre	404 S Burdick St Kalamazoo, MI 49007-5218	8/3/2020
20	Harvey's on the Mall	167340	Harvey's Operating Co., LLC	Harvey's on the Mall	416 S Burdick St Kalamazoo, MI 49007-5218	8/3/20
21	Papa Pete's	6036	Julie Enterprises, Inc.	Blue Dolphin	502 S Burdick St Kalamazoo, MI 49007-5219	8/3/20
22	Factory Coffee			Factory Coffee	205 W. Lovell St, Kalamazoo, MI 49007	6/6/22
23	Park Club	8219	Park Club	Park Club	219 W South St, Kalamazoo, MI 49007-4707	11/16/20
24	Kalamazoo Hotel Partners	270005	Kzoo Hotel Partners, LLC (An Indiana Limited Liability Company)		303 N Rose St, Kalamazoo, MI 49007	11/16/20
25	Tin Can Bar	245279	Tin Can Kalamazoo, LLC		167 E Kalamazoo Ave, Kalamazoo, MI 49007-5845	11/16/20
26	Shakespeare's Pub	142634	Aloha Kalamazoo, LLC	Shakespeare's Pub	241 E Kalamazoo Ave, Kalamazoo, MI 49007-3868	11/16/20
27	Beer Exchange	224140	Beer Exchange, LLC	Beer Exchange	211 E Water St Kalamazoo, MI 49007	2/19/24
28	Water street Coffee Joint	264173	DT Water Street, LLC		315 E Water St, Kalamazoo, MI 49007-3818	11/16/20
29	Bell's Brewery	281453	New Belgium Brewing Company, Inc. DBA Bell's Brewery	Bell's Brewery	355 E Kalamazoo Ave, Kalamazoo, MI 49007-3807	11/16/20
30	Hop Cat	243660	Hopcat-Kalamazoo, LLC	HopCat	300 E Water St, Kalamazoo, MI 49007-5811	11/16/20
31	Maru Sushi	242343	Maru Kalamazoo, LLC	Maru Sushi and Grill	427 E Michigan Ave, Kalamazoo, MI 49007-3813	11/16/20
32	Old Dog Tavern	215819	Mule House, INC.	The Old Dog	402 E Kalamazoo Ave, Kalamazoo, MI 49007-3810	11/16/20
33	600 Kitchen	243415	600, LLC	600 Kitchen & Bar	600 E Michigan Ave, Kalamazoo, MI 49007-4908	11/16/20
34	Crawlspace Comedy Theatre	276591	Crawlspace Theatre Productions, L3C	Crawlspace Theater Productions L3C	315 W Michigan Ave, Kalamazoo, MI 49007-3782	6/20/23
35	High Dive Kitchen & Bar	278264	Beastro Two, LLC	High Dive Kitchen & Bar	214-224 E Michigan Ave, Kalamazoo, MI 49007	2/20/23
36	Sit and Stay Winery	283409	Sit and Stay Winery LLC		260 E Michigan Ave Kalamazoo, MI 49007	12/18/23

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City Commission Agenda Report

City of Kalamazoo

Date: **9/16/2024**

Item: **G.7.**

TO: Mayor Anderson, Vice Mayor Duncan, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: James Baker, City Engineer and Director of Public Services
Prepared by: Kerry Lyn Williams, Grants Division Manager

DATE: September 16, 2024

SUBJECT: Resolution to enter into negotiations with the Michigan Department of Transportation to potentially eliminate three railroad crossings in the downtown area, and to negotiate MDOT funding for the potential closures.

RECOMMENDATION:

Adoption of a RESOLUTION to enter into negotiations with the Michigan Department of Transportation to potentially eliminate three railroad crossings in the downtown area, and to negotiate MDOT funding for the potential closures.

BACKGROUND:

As part of our Two-Way Project work on Kalamazoo and Michigan Avenues city staff have met with MDOT Rail representatives regarding rail safety improvements. Because rail crossings impact downtown traffic flow so significantly and are a singular traffic safety concern, our discussions included the potential for the elimination of some railroad crossings in two different scenarios.

The first is a short-range plan to eliminate three low-volume crossings as we convert Kalamazoo and Michigan Avenues to two-way operations. These three crossings are at Elm Street and AMTRAK, Elm Crossover, and AMTRAK, and Water Street at WATCO/ Grand Elk. If these crossings were to be closed to car traffic, the City could receive \$250,000 for each (\$750,000 total, plus be eligible for funds from AMTRAK and other federal sources that could bring the total to approximately \$1,000,000 in Act 51 funds with no additional restrictions). Funding would also be available to cover the removal of the crossings.

The second scenario involves the potential elimination of one of the Grand Elk tracks from downtown, through the east side of the city, and ultimately, the relocation of the rail yard which is currently across Mayor's Riverfront Park. Removal of this track would potentially remove up to 80 percent of the train crossings/blockages from Michigan and Kalamazoo Avenues and open up several opportunities for redevelopment and environmental improvements. This scenario has

been a goal for many years for both the city and the railroad.

We have an opportunity to do in-depth planning for such an eventuality with funds from the Bipartisan Infrastructure Law (through a Railroad Crossing Elimination (RCE) planning grant), and the funds we could potentially receive from the closure of the three crossings noted in the short range scenario could be used as a match for the grant application, further leveraging these funds to maximize impact.

This resolution is the first step needed to enter into negotiation with MDOT Rail (see attached). Once MDOT Rail receives a resolution from the City, they will provide a written offer that details all the funds that will be provided to the city (serving as match for the RCE grant application) and the City and MDOT Rail can then enter into negotiations and conduct public input sessions.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:

Environmental Responsibility - A green and healthy City.

Economic Vitality - A supportive infrastructure for growing businesses and stabilizing the local economy for the benefit of all.

Connected City - A City networked for walking, biking, riding, and driving

Inviting Public Places - Vibrant streets, exceptional parks, and welcoming activities.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Co-lead/Empower (two-way conversation) - the community will have a chance to shape the project and give final approval.

Discussion: This is the first step in the process, allowing the city to formally begin negotiations with MDOT. Significant community engagement will occur throughout the process.

Engagement/Communication Tools: Website, surveys, forums, presentation, events.

FISCAL IMPACT:

There is no immediate fiscal impact with this resolution.

The attached resolution will allow the city to enter into negotiations with MDOT for the three railroad crossings to potentially be eliminated. Once complete, the City Commission will be asked to review and approve any agreement with MDOT. Any Act 51 Funds received by MDOT

is restricted to eligible streets activities under Act 51 but would carry no additional restrictions. Any funds offered by MDOT will also serve as match for a Railroad Crossing Elimination (RCE) grant which, if funded, would also require review and approval by City Commission.

Any grant or agreement which results from this motion will not implicate current city funding - all funds would be in addition to current approved city budgets.

CITY OF KALAMAZOO, MICHIGAN

RESOLUTION NO. 24-

**A RESOLUTION TO ENTER INTO NEGOTIATIONS WITH THE
MICHIGAN DEPARTMENT OF TRANSPORTATION TO ELIMINATE
THREE RAILROAD CROSSINGS IN THE DOWNTOWN AREA AND TO
NEGOTIATE MDOT FUNDING FOR THE CLOSURES**

Minutes of a regular meeting of the Kalamazoo City Commission held on September 16, 2024 at 7:00 p.m., local time, in the City Commission Chambers at City Hall, 241 W. South Street.

PRESENT, Commissioners:

ABSENT, Commissioners:

WHEREAS, the City of Kalamazoo has surveyed railroad crossings within the City with respect to the safety of said crossings, and

WHEREAS, the Michigan Department of Transportation has assured the City of Kalamazoo of certain funds, conditioned upon the closing of certain railroad crossings, and

WHEREAS, it appears the closing of the railroad crossings at:

- Elm Street and Elm Street Crossover at the Amtrak Railroad right of way, and
- Water Street at the WATCO/Grand Elk right of way

is in the interest of the safety and welfare of the inhabitants of the City of Kalamazoo.

IT IS HEREBY RESOLVED that: the City Manager, or his designee, is authorized to negotiate with the Michigan Department of Transportation to permanently close to all traffic on both sides of the intersection at the railroad crossings (the City of Kalamazoo reserving all utility easements and right of way appurtenant thereto) at:

- Elm Street and Elm Street Crossover at the Amtrak Railroad right of way, and
- Water Street at the WATCO/Grand Elk Railroad right of way;

BE IT FURTHER RESOLVED, that this closure be contingent upon the execution of a contract to obtain certain funding from the Michigan Department of Transportation which can be used for the costs of performing the closure and other transportation purposes within the City of Kalamazoo's jurisdiction.

The above resolution was offered by Commissioner _____ and supported by Commissioner _____.

AYES, Commissioners:

NAYS, Commissioners:

ABSTAIN, Commissioners:

RESOLUTION DECLARED ADOPTED.

CERTIFICATE

The foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Kalamazoo at a regular meeting held on September 16, 2024. Public notice was given and the meeting was conducted in full compliance with the Michigan Open Meetings Act (PA 267, 1976). Minutes of the meeting will be available as required by said Act.

Scott A. Borling, City Clerk



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

BRADLEY C. WIEFERICH, P.E.
ACTING DIRECTOR

May 25, 2023

Anthony Ladd
City of Kalamazoo
415 Stockbridge Ave
Kalamazoo, Michigan 49001

Proposed Grade Crossing Closure of Elm Street & Elm St Crossover; NI# 545466A & 545465T

Dear Anthony Ladd:

Thank you for your interest regarding the important community safety benefits which may be realized through the Michigan Department of Transportation (MDOT) Local Grade Crossing Closure Program. This letter is to confirm the available grant funding and outline the process that would need to be followed if the City of Kalamazoo (City) would elect to close the existing Amtrak (ATK) highway-railroad crossing(s) at Elm Street and/or Elm Street Crossover.

Upon review of Elm Street and Elm Street Crossover, each crossing qualifies for a state reward of **\$200,000** to be issued under state funding guidelines. As you are aware, MDOT offers a 25% multi-closure bonus in the event the City is able to close both Elm Street and Elm Street Crossover, which would increase the original state award for both crossings by 25% for a total state award of **\$250,000** each.

If the City formally confirms its interest in pursuing a closure project at Elm Street and/or Elm Street Crossover, the general commitments outlined in this letter will be finalized and compiled into an official contract between MDOT and the City, subject to formal approval by the State Administrative Board.

The contract process would be initiated upon receipt of the City's official resolution to permanently close the road(s), and the award would subsequently be disbursed as follows: upon contract execution a \$10,000 payment per crossing will be made to assist with up-front closure expenses, with the balance of the state award amounts payable upon MDOT's satisfactory inspection of the closure treatment.

To release the balance of the state awards, MDOT would need to review and confirm that vehicle traffic is prohibited from the crossing. Permanent physical barriers and/or the eradication of the roadway on each approach will suffice to prohibit vehicle traffic, and our inspection of the permanent closure action could be scheduled as soon as your forces complete the work.

The ultimate decision to close a road is always a local choice. We have support literature and a video program which is suitable for administrative or public review, and upon request, we would be pleased to make a presentation for City staff, elected officials, or members of the public, to discuss any potential closures, or to answer any questions that may arise regarding our closure program.

Anthony Ladd
City of Kalamazoo
Page 2
May 25, 2023

If you have any further questions or concerns, please contact me at (517) 897-2103. I would be happy to speak or meet with any City officials or affected residents at your convenience.

Thank you for your time and consideration regarding highway-railroad grade crossing safety issues and crossing closure projects.

Sincerely,

A handwritten signature in black ink, appearing to read "Alexis Louth". The signature is fluid and cursive, with the first name "Alexis" written in a larger, more prominent script than the last name "Louth".

Alexis Louth, Local Grade Crossing Program Analyst
Office of Rail, Rail Safety & Administration Section

cc: Amtrak



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

PAUL C. AJEGBA
DIRECTOR

November 3, 2022

Anthony Ladd
City of Kalamazoo
415 E Stockbridge Ave
Kalamazoo, Michigan 49001

Proposed Grade Crossing Closure of Water Street; USDOT NI# 544051N

Dear Anthony Ladd:

Thank you for attending the Diagnostic Study Team Reviews for Kalamazoo Avenue and discussing the possibility of closing the crossing at Water Street as a safety benefit. This letter is to confirm the available grant funding and outline the process that would need to be followed if the City of Kalamazoo (City) would elect to close the existing Grand Elk Railroad (GDLK) highway-railroad crossing at Water Street. Upon review of Water Street, the crossing qualifies for a state closure award of **\$200,000** to be issued under state funding guidelines.

Please be advised that in addition to the standard Michigan Department of Transportation (MDOT) funds available for closure projects, railroads are sometimes willing to participate in closure efforts. In the event the railroad would elect to provide closure funding and the City would choose to use those funds for transportation purposes, additional federal matching funds may be available through MDOT. The City would need to enter into a separate agreement for any GDLK closure award that may be offered.

It should be further noted that MDOT offers a 25% multi-closure bonus in the event the City identified an additional location that could be closed in conjunction with this offer. Any additional closure would be evaluated on its own site characteristics for a determination of closure value. We would need the City to provide a location and an updated traffic count for any additional closure, and we would recalibrate the total award package accordingly.

If the City formally confirms its interest in pursuing a closure project at Water Street, the general commitments outlined in this letter will be finalized and compiled into an official contract between MDOT and the City, subject to formal approval by the State Administrative Board.

The contract process would be initiated upon receipt of the City's official resolution to permanently close the road, and the award would subsequently be disbursed as follows: upon contract execution a \$10,000 payment will be made to assist with up-front closure expenses, with the balance of the state award amount payable upon MDOT's satisfactory inspection of the closure treatment.

To release the balance of the state award, MDOT would need to review and confirm that vehicle traffic is prohibited from the crossing. Permanent physical barriers and/or the eradication of the roadway on each approach will suffice to prohibit vehicle traffic, and our inspection of the permanent closure action could be scheduled as soon as your forces complete the work. Federal matching dollars for any railroad contribution will be released upon confirmation of receipt and use as described above.

Anthony Ladd; City of Kalamazoo
Page 2
November 3, 2022

The ultimate decision to close a road is always a local choice. We have support literature and a video program which is suitable for administrative or public review, and upon request, we would be pleased to make a presentation for City staff, elected officials, or members of the public, to discuss any potential closures, or to answer any questions that may arise regarding our closure program.

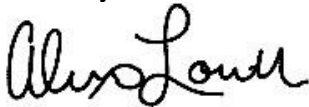
This closure offer expires six months from the date of this letter for the subject crossing.

For future informational purposes, please keep in mind that our program can also provide funding assistance for eligible grade crossing safety enhancements that may be required as part of any planned road projects. Remember, it is important to contact both the railroad and MDOT in the event any road project involves a highway-railroad grade crossing, as the placement and operation of warning devices is critical to motorist safety – and our program is here to help local communities address these types of issues.

If you have any further questions or concerns, please contact me at (517) 897-2103. I would be happy to speak or meet with any City officials or affected residents at your convenience.

Thank you for your time and consideration regarding highway-railroad grade crossing safety issues and crossing closure projects.

Sincerely,



Alexis Louth, Local Grade Crossing Program Analyst
Office of Rail, Rail Safety & Administration Section

cc: Grand Elk Railroad



City Commission Agenda Report

City of Kalamazoo

Date: **9/16/2024**

Item: **G.8.**

TO: Mayor Anderson, Vice Mayor Duncan, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: Antonio Mitchell, Director and Sharilyn Parsons, Community Development Manager
Prepared by: Julie Johnston, Community Development, Compliance Specialist II

DATE: September 16, 2024

SUBJECT: Community Homeworks Grant Allocation of CDBG Code Enforcement Repair Program to the Critical Repair Program (Bid Ref # 00000-023.60.1).

RECOMMENDATION:

To approve a transfer of \$100,000 in Community Development Block Grant funds from the Code Enforcement Repair Program to the Critical Repair Program managed by Community Homeworks. Amendment to be signed by Director Mitchell per Resolution 24-27.

BACKGROUND:

The City of Kalamazoo utilizes Community Development Block Grant (CDBG) funding on an annual basis to support the Code Enforcement team. Per the requirements of the U.S. Department of Housing and Urban Development (HUD), the city must provide accompanied services that can be expected to arrest the decline of the areas supported with CDBG code enforcement dollars. Community Development staff reached out to Community Homeworks requesting a partnership to provide these services and the Code Enforcement Repair Program (housing rehabilitation) was created.

The development of this program has taken time and effort on the part of Community Homeworks, Code Enforcement staff, and Community Development staff to ensure all HUD rules are met and the program works effectively for both organizations. This has been an important part of the development process so the activity can pass any HUD monitoring. Due to this effort, expenditure of Program Year (PY) 2022 funds under the Code Enforcement Repair activity has been at a measured pace. Therefore, PY2023 funds for the Code Enforcement Repair Program approved as part of the Action Plan process have not yet been utilized.

In contrast, the Critical Repair Program managed by Community Homeworks has been in place for many years and is successfully spending down CDBG funds in a timely manner. With PY2024 funds soon to be available (agreements with subrecipients are expected in

August/September), Community Development staff recommended to Community Homeworks an adjustment to their grant awards. PY2022 Code Enforcement Repair funding is currently being spent; PY2023 funding (\$100,000) has yet to be utilized; and PY2024 funding (\$100,000) will be available in the next month. Therefore, staff recommended that the PY2023 funding be moved from the Code Enforcement Repair Program to the PY2023 Critical Repair Program to ensure timely expenditure of funds.

This adjustment of funding does not require a substantial amendment to the Program Year 2023 Action Plan as the funds are staying in a housing rehabilitation activity. However, the city's Purchasing Manual indicates the reallocation of \$100,000 in CDBG funds from the Code Enforcement Repair Program to the Critical Repair Program managed by Community Homeworks must be approved by the City Commission. This will increase the Critical Repair Program total funding from \$200,000 to \$300,000 for Program Year 2023.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:

Complete Neighborhoods

Safe Community

Shared Prosperity

Discussion:

The Critical Repair Program supports a number of strategic vision goals as it results in the maintenance of affordable housing within the City. The activity aligns with the strategic vision in the following ways:

1. Safe Community

- **Safe Building & Housing:** Enforce regulations to ensure that homes and public spaces are structurally secure, clean, visually appealing, and promote community members' well-being.
- **Neighborhood Assistance:** Proactively reinvest in neighborhoods through support of programs to help residents fix, rehabilitate, and stabilize homes through critical home repair assistance, educational programs, and weatherization.

2. Shared Prosperity

- **Family:** Coordinate services to address basic needs and well-being, including housing and financial capability.

3. Complete Neighborhood

- **Healthy Environment:** Develop and implement long-term built environment strategies to

address health disparities with safe access to active transportation, parks and open space, fresh food, quality housing, health care, and resident services.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Community Engagement - Depth - Inform

Discussion:

The desire to maintain affordable housing within the City was a common theme of the community outreach that was completed for the Imagine Kalamazoo Master Plan 2025 and the 2019 Consolidated Plan. The Critical Repair Program supports this theme by improving the quality of housing for low- and moderate-income homeowners within the City.

FISCAL IMPACT:

The award of these funds for assistance to low- and moderate-income households will be a benefit to the City without the need for expenditure of general funds. Critical repair assistance for low-income households may mean the difference between safe and secure housing and homelessness.

Description	Account	Project #	Dollar Amount
Transfer of Funds Between Activities	299-694-13.117-807.000		-\$100,000
Transfer of Funds Between Activities	299-694-13.101-807.000		\$100,000



**Community Planning and Economic Development
Community Development Division**

245 North Rose Street, Suite 100

Kalamazoo, MI 49007

Telephone: (269) 337-8000

FAX (269) 337-8513

TO: Kaylen Humes, Deputy Director
Community Homeworks

FROM: Julie Johnston, Compliance Specialist II

DATE: August 19, 2024

SUBJECT: Notice of Grant Cancelation – PY2023 Code Enforcement Repair Program

Community Homeworks was awarded \$100,000 in Community Development Block Grant (CDBG) funds through an executed Agreement on September 11, 2023, for the Code Enforcement Repair Program.

The development of the Code Enforcement Repair program has taken time and effort on the part of Community Homeworks and the City to ensure all HUD rules are met and the program works effectively for both organizations. This has been an important part of the development process so the activity can pass any HUD monitoring.

Due to this effort, expenditure of Program Year (PY) 2022 funds has been at a measured pace. Therefore, PY2023 funds have not yet been utilized. To ensure timeliness of expenditures, both Community Homeworks and the City have agreed to reallocate the \$100,000 PY2023 funds from the Code Enforcement Repair Program to the Critical Repair Program. The Code Enforcement Repair Program will utilize PY2024 dollars once the PY2022 funds have been fully expended.

Please sign below and return a copy of this notice for the city's records.

ACCEPTANCE OF NOTICE

Receipt of the above NOTICE OF CANCELATION is hereby acknowledged by:

Date: _____

By: _____
(Signature)

Name: Kaylen Humes
Its: Deputy Director



**AMENDMENT
SUBRECIPIENT AGREEMENT
BETWEEN THE CITY OF KALAMAZOO
AND
COMMUNITY HOMEWORKS
FOR
CRITICAL HOME REPAIR PROGRAM
PROGRAM YEAR 2023**

On this ____ day of _____, 2024, the City of Kalamazoo ("City") and Community Homeworks (herein called the "Subrecipient") consent to the following amendments to the Community Development Block Grant ("CDBG") Agreement signed on September 11, 2023 for the Critical Home Repair Program ("Program").

I. SCOPE OF SERVICE

A. Principal Tasks

The Subrecipient will be responsible for administering the Critical Home Repair Program (herein called the "Program") from the date the original Agreement was signed (September 11, 2023) until June 30, 2025. The Critical Home Repair Program will provide minor and critical home repairs to stabilize and improve the physical environment of low-income households to protect health and safety. A minimum of 38 homes will receive improvements with these CDBG dollars.

B. Schedule of Tasks and Goals

Timeframe	No. of Units
By March 2024	15
By June 2024	5
By December 2024	10
By June 2025	8

Total Program Outcomes by June 30, 2025: A minimum of 38 single-family owner-occupied homes shall receive assistance. This schedule may be accelerated without prior approval from the City. However, if goals cannot be reached within the timeframe described, the Subrecipient may request an extension of this Agreement. Extensions are not guaranteed, and each request will be evaluated on its individual merits based on performance.

II. TIME OF PERFORMANCE

A. Notice to Proceed

Services of the Subrecipient shall continue until June 30, 2025 and all reporting requirements have been met by July 20, 2025. The term of this Agreement and the provisions herein shall cover any additional time period during which the Subrecipient remains in control of CDBG funds or other CDBG assets, including program income.

IV. BUDGET AND PROGRAM INCOME

A. PY2023 Budget

The project budget for the Program must be sent to the City as part of the monthly request for reimbursement as described herein. The City will review the project budgets for cost reasonableness.

It is expressly agreed and understood that the total amount to be paid by the City under this Agreement shall not exceed **\$300,000 in CDBG funds** in the following budget categories:

Direct Costs	Budget
Program Delivery*	\$60,000
Direct Activity Costs	\$240,000
Total:	\$300,000

*Program delivery will include all costs incurred to implement the Program, including staff costs for those directly carrying out the activity in addition to any equipment or supplies that are necessary for successful completion of the activity.

The Subrecipient may alter the budget line items noted in the table above by a maximum of 10 percent without City approval. Changes above 10 percent must be approved by the City prior to expenditures.

Ten percent of the funding will be retained by the City until the final report is provided and any required grant close-out procedures have been completed.

AGREEMENT AND SEVERABILITY

This Amendment constitutes a portion of the signed Agreement between the City and the Subrecipient for the use of funds received under the original Agreement signed September 11, 2023. It supersedes and amends those sections of the September 11, 2023, agreement that correspond to the above sections of this Amendment. In all other respects, the September 11, 2023, agreement will remain the same and in full force and effect.

If any provision of this Amendment is held invalid, the remainder of the Agreement shall not be affected thereby, and all other parts of the Agreement shall nevertheless be in full force and effect.

GOVERNING LAW

This Amendment is governed under applicable Michigan law.

ASSISTANCE OF COUNSEL

Both parties had the assistance of or the opportunity to consult with legal counsel in the negotiation and preparation of this Amendment. Therefore, no construction or ambiguity of this Amendment is resolved against either party.

COUNTERPARTS

This Amendment may be executed in several counterparts, each of which shall be deemed an original and all counterparts together shall constitute one and the same instrument. The exchange of copies of this Amendment and signature by personal service, email, facsimile, or other electronic means commonly in use, or any other means permitted by applicable state or federal statute shall constitute effective execution and delivery of this Amendment as to the parties and may be used in lieu of the original Amendment for all purposes. Copies shall be deemed to mean any duplicate, reproduction or similar or exact imitation of the original executed Amendment. Signatures of the parties delivered as described above shall be deemed to be their original signatures for all purposes and shall be deemed valid and binding upon the parties as if their original signatures, initials, and modifications were present on the documents in the handwriting of each party. Neither the City nor Subrecipient shall assert the statute of frauds or non-enforceability or validity of this Amendment because of facsimile or similar electronic device copies being used, and the parties specifically wave and relinquish any such defense. Each party agrees to provide an original signed document to the other upon request.

AUTHORIZED SIGNATURES

The persons signing this Amendment certify by their signatures that this Amendment has been authorized by the Parties and they are authorized to sign this Amendment on behalf of the Parties.

IN WITNESS WHEREOF, the Parties have executed this Amendment, which will be binding on the last date of signing by one of the parties to this Amendment.

COMMUNITY HOMEWORKS

Date: _____

By: _____
(Signature)

Name: Kaylen Humes
Its: Deputy Director

CITY OF KALAMAZOO

Date: _____

By: _____
(Signature)

Name: James Ritsema
Its: City Manager, ICMA-CM

APPROVED AS TO FORM FOR CITY OF KALAMAZOO:
Office of the Kalamazoo City Attorney
By: Charles Bear, Assistant City Attorney
On: 8/19/2024



City Commission Agenda Report

City of Kalamazoo

Date: **9/16/2024**

Item: **G.9.**

TO: Mayor Anderson, Vice Mayor Duncan, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Prepared by: Steve Vicenzi, CFO/Director of Management Services

DATE: September 16, 2024

SUBJECT: Approval to Update the Investment Allocation for the Perpetual Care Trust

RECOMMENDATION:

It is recommended that City Commission approve the new investment allocation recommended by the Perpetual Care Committee.

BACKGROUND:

The Perpetual Care Investment Committee is responsible for formulating and recommending to the City Commission investment policies, strategies, and guidelines for approval by the City Commission. At the August 28th meeting, they approved a recommendation to update the investment allocation for the Perpetual Care Trust with the assistance from advisors from Zhang Financial. The fund has approximately \$3.4 million in invested assets. The change reduces the number of bond funds from 5 to 2 while increasing the diversity within the portfolio as a whole. The investment mix is intended to provide steady income with a strong focus on capital preservation.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:

Good Governance- Ensuring the City organization has the capacity and resources to effectively implement the community's Strategic Vision in a way that is sustainable over the long term.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

There is no immediate impact of updating the investment allocation. The allocation is projected to improve fund investment performance in the long term.

Asset Allocation Proposal & Analysis
City of Kalamazoo
Perpetual Care Fund

August 28, 2024

- **Objective:** To improve long term returns by reallocating both current and fixed income holdings.
- **Process:** Reduce large cap exposure, increase value exposure, while re-balancing to a balanced style box composition.
- **Recommendations:**
 - We propose liquidating and reallocating 100% of Vanguard Dividend Growth (VDIGX). Prior to purchase of VDIGX in 2019 the fund had solidly outperformed its primary benchmark (US Dividend Growers) by .4% annualized for the 10-year period ending 12/31/2018. Since 2019 VDIGX has underperformed its benchmark in each year except 2022. Additionally, longtime VDIGX fund manager Don Kilbride retired at the end of 2023.
 - On the fixed income side of the portfolio, we believe we currently have significant overlap in the 5 fund funds and propose to rationalize the portfolio by moving to a 2-bond fund portfolio, equal weights of DFA Investment Grade (DFAPX) and Vanguard Core Bond (VCOBX). This change includes removing the existing Treasury Inflation Protected Securities fund DFA Inflation Protected Securities (DIPSX).
 - We recommend reducing Vanguard Total International Index (VTIAX), currently at 10%, down to 5%, with a 5% new addition to Vanguard Developed Markets (VTMGX). This change would decrease Asia Emerging exposure, while adding to North America. This is a modest decrease to the overall international stock exposure.

Respectfully submitted,
August 28, 2024

Recommendations Summary

City of Kalamazoo Perpetual Care Fund

<u>Investment</u>	<u>Type</u>	<u>Symbol</u>	<u>Current</u>	<u>Proposed</u>
Vanguard Dividend Growth Inv	MF	VDIGX	20.0%	0.0%
Vanguard 500 Index	MF	VFIAX	15.0%	30.0%
DFA US Large Cap Value I	MF	DFLVX	0.0%	5.0%
Total US Large Equity			35.0%	35.0%
DFA US Small Cap I	MF	DFSTX	5.0%	5.0%
Total Small US			5.0%	5.0%
Total US Equity			40.0%	40.0%
Vanguard Total International Stock Index	MF	VTIAX	10.0%	5.0%
Vanguard Developed Markets	MF	VTMGX	0.0%	5.0%
Total International Equity			10.0%	10.0%
Total Equity			50.0%	50.0%
Vanguard Total Bond Market Index Adm	MF	VBTLX	10.0%	0.0%
DFA Investment Grade I	MF	DFAPX	10.0%	25.0%
Vanguard Interm-Term Bond Index Adm	MF	VBILX	15.0%	0.0%
DFA Intermediate Govt Fixed-Income I	MF	DFIGX	10.0%	0.0%
DFA Inflation Protected Securities	MF	DIPSX	5.0%	0.0%
Vanguard Core Bond	MF	VCOBX	0.0%	25.0%
Total US Bonds			50.0%	50.0%
Total			100.0%	100.0%



City Commission Agenda Report

City of Kalamazoo

Date: **9/16/2024**

Item: **G.10.**

TO: Mayor Anderson, Vice Mayor Duncan, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: Steve Vicenzi, Director of Management Services/CFO
Prepared by: Stephanie Radant, Budget Manager

DATE: September 16, 2024

SUBJECT: Approval of American Rescue Plan Act Budget Amendment

RECOMMENDATION:

It is recommended that the City Commission approve the following budget amendments, detailed by fund and year, as the following:

2024 Amendments - Total Expenditures \$1,340,430

Recovery Grants and Programs Fund (Fund 235) \$52,430 for new project approvals of \$1,769,300 net of project releases of \$1,716,870.

General Fund (Fund 101) - \$1,288,000 for projects transferred from Fund 235.

2024 Amendments - Total Transfers \$2,188,000

Recovery Grants and Programs Fund (Fund 235) This amount includes new projects to be transferred and spent out of other funds of \$2,188,000.

BACKGROUND:

The City's Budget Policies adopted by the City Commission and State law require that the City's legislatively appropriated expenditures be adequate to cover actual expenditures. Based on these requirements, staff recommends the budget amendments.

The spreadsheet attached to this item details the new ARPA projects recommended for approval and projects recommended for release of funds. American Rescue Plan Act funding must be obligated by 12/31/2024. This means that local governments must place orders for property and services, or enter into contracts that require payment by that date. Once obligated, expenditures must be completed by 12/31/2026. Some projects will be spent directly utilizing ARPA funding. Other projects will be utilized under the revenue replacement category of ARPA, transferred to another fund, and obligated in the future. This allows for meeting the obligation requirement without having a contract finalized. Approving the amendments at this time is crucial to

ensuring that staff has adequate time to meet the obligation requirements.

STRATEGIC VISION ALIGNMENT:

Relevant Priority Based Budgeting Program (program name):

Annual Budget Preparation

Strategic Goal Impact:



Good Governance- Ensuring the City organization has the capacity and resources to effectively implement the community's Strategic Vision in a way that is sustainable over the long term.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

The reallocation of these funds are possible due to the release of funds from projects that are complete and the interest earned on investment from the American Rescue Plan Act funds.

CITY OF KALAMAZOO

9/16/2024 ARPA BUDGET AMENDMENT

ARPA Expenditures Transferred to Other Funds

Project Name	Amount	Primary IK2025 Goal Alignment	Project Description
DEI Strategy Planning	\$ 132,250	Strength Through Diversity	Develop a DEI strategic plan based on the MPHI assessment that was completed in 2021
GIS Mapping Improvement	74,750	Good Governance	Improving the framework of the City's GIS mapping systems which will allow improvements to the level of accuracy of future improvements to infrastructure
License Plate Readers	115,000	Safe Community	Additional funding for the License Plate Reader program.
Pedestrian Improvement Project	161,000	Connected City	Removing and replacing sidewalk sections, ramps, curbs & gutter, and other items associated with sidewalk work and share-use path work.
Portland Loo	690,000	Inviting Public Places	Providing public restroom in downtown.
Rockwell Tennis Court Conversion	115,000	Inviting Public Places	Convert tennis courts that are no longer functioning into a bike park that would allow kids and adults a safe place to learn the rules of riding and a dedicated crosswalk connecting the two sides of the park in a safe manner.
Parking System Revenue Replacement	900,000	Good Governance	Supporting public infrastructure imperative to downtown business success.
Total of Projects Transferred	\$ 2,188,000		

Direct ARPA Expenditures:

Project Name	Amount	Primary IK2025 Goal Alignment	Project Description
Childcare Business Supports	\$ 151,800	Shared Prosperity	Partnership with Southwest Child Care Resources for support of 20 home based childcare providers in the city of Kalamazoo.
HOPE Program	57,500	Good Governance	COK Sponsorship of the HOPE (Home Ownership for Public Employees) Program through KNHS.
Rx Kids	1,500,000	Shared Prosperity	Create a funding model in which the City will receive TANF funds and then match them to provide financial assistance to new parents who are at the poverty level.
Early Education Planning	60,000	Shared Prosperity	Additional funding for the early education planning project.
Total of New Projects	\$ 1,769,300		

Released Projects:

Project Name	Amount	Goal Category	Project Description
BDF Whitebox	\$ 483,079	Economic Development	Release due to difficulties providing funds to end users while meeting federal purchasing standards.
BDF Facade	555,501	Economic Development	Release due to difficulties providing funds to end users while meeting federal purchasing standards.
Tree Planting	475,221	Infrastructure	Released due to capacity limitations and ARPA timeline restriction. City also received \$1M federal forestry grant for similar work.
Street Lighting - West Michigan Fraternity Village	102,012	Infrastructure	Project completed, releasing remaining funds
Lead Paint Removal Support	21,057	Housing	Excess funding beyond project contract requirement.
Inventory Kalamazoo Data Analysis	80,000	Infrastructure	Project completed, releasing remaining funds
Total Released Funds	\$ 1,716,870		

Total Expense Amendment	\$ 1,769,300
Total Releases	\$ (1,716,870)
Net Budget Amendment	\$ 52,430
Total Transfer Amendment	\$ 2,188,000



City Commission Agenda Report

City of Kalamazoo

Date: **9/16/2024**

Item: **G.11.**

TO: Mayor Anderson, Vice Mayor Duncan, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: Steve Vicenzi, Director of Management Services/CFO
Prepared by: Stephanie Radant, Budget Manager

DATE: September 16, 2024

SUBJECT: Approval of Budget Amendments

RECOMMENDATION:

It is recommended that the City Commission approve the following budget amendments detailed by fund and year as the following:

2024 Amendments - Total Revenues \$900,000; Total Expenditures \$2,160,045

General Fund - Revenues: \$900,000 Expenditures: \$1,400,000

Economic Development Corporation - Expenditures: \$10,045

Parking System - Expenditures: \$750,000

BACKGROUND:

The City's Budget Policies adopted by the City Commission and State law require that the City's legislatively appropriated expenditures be adequate to cover actual expenditures.

Amendments to the 2024 budget require approval from the City Commission for expenditures planned in the 2024 operating budget. Based on these requirements, the City recommends the following adjustments.

GENERAL FUND (FUND 101)

Revenues: \$900,000

Expenditures \$1,400,000

Estimated increase in revenue and expense budget to recognize lease and software contracts in compliance with the new GASB standards. An additional amendment may be needed at year-end as we finalize leases and software purchases for the year.

ECONOMIC DEVELOPMENT CORPORATION (FUND 244)

Expenditures \$10,045

Increase budget to extend consulting contract for the economic development strategy. Approved

by the EDC board on August 15, 2024.

PARKING SYSTEM (FUND 514)

Expenditures \$750,000

Increase budget for critical capital repairs to parking ramps including elevators, pedestrian bridge and concrete repairs

STRATEGIC VISION ALIGNMENT:

Relevant Priority Based Budgeting Program (program name):

Annual Budget Preparation

Strategic Goal Impact:



Good Governance- Ensuring the City organization has the capacity and resources to effectively implement the community's Strategic Vision in a way that is sustainable over the long term.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

The increased expenditures requested are less than or equal to the reserve balance created through prior savings in each fund.

2024 Quarter 3 Budget Amendment					
Department	Fund #	Fund Name	Description	Revenue	Expense
Various	101	General Fund	Recognition of leases in compliance with the new GASB standard	\$ 800,000	\$ 800,000
Various	101	General Fund	Recognition of software contracts in compliance with the new GASB standard	\$ 100,000	\$ 600,000
CPED	244	Economic Development Corporation	Increase in contract with Camoin Associates for Economic Development Strategy development. Approved by the EDC board on August 15th.		\$ 10,045
CPED	514	Parking System	Increase in budget for critical capital repairs to parking ramps including elevators, pedestrian bridge and concrete repairs		\$ 750,000

		Revenue Amendment		Expense Amendment	
101	General Fund	\$	900,000	\$	1,400,000
244	Economic Developmenet Corporation	\$	-	\$	10,045
514	Parking System	\$	-	\$	750,000
TOTAL AMENDMENTS		\$	900,000	\$	2,160,045



City Commission Agenda Report

City of Kalamazoo

Date: **9/16/2024**
Item: **G.12.**

TO: Mayor Anderson, Vice Mayor Duncan, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by:
Prepared by: Steve Brown, Executive Director, The Foundation for Excellence

DATE: September 16, 2024

SUBJECT: Amendment to the Foundation for Excellence (FFE) Bylaws and Articles of Incorporation

RECOMMENDATION:

Approve removal of the Attorney General concurrence provisions from the Foundation for Excellence (FFE) Articles of Incorporation Sections IV, X, and XII and Bylaws Sections 4.02, 4.12, and 11.01(B) and related amendments outlined in the attached memorandum, and approve the signing of the waiver to approve the amendments to the FFE Bylaws and Articles of incorporation.

BACKGROUND:

The Foundation for Excellence (FFE) Board of directors unanimously approved amendments to its Articles of Incorporation and Bylaws at their regular meeting on April 22, 2024. The purpose and details of the amendments are included in the attached memorandum and special meeting notice generated by FFE counsel Miller Johnson Attorneys and signed by City Clerk Scott Borling prior to posting more than twenty-one days in advance of the FFE Board meeting as required. City Commission approval is needed to advance this process to the state level to complete this process.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:

Good Governance- Ensuring the City organization has the capacity and resources to effectively implement the community's Strategic Vision in a way that is sustainable over the long term.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

Engagement/Communication Tools
Public Notice was issued.

FISCAL IMPACT:



Kalamazoo
Foundation for
Excellence

CITY OF KALAMAZOO
FOUNDATION FOR EXCELLENCE
241 West South Street
Kalamazoo, Michigan 49007

NOTICE OF PROPOSED AMENDMENTS TO ARTICLES AND BYLAWS

The next regular meeting of the Foundation for Excellence Board of Directors will take place on April 22, 2024, at 2, in the Community Room at Mayor's River Front Park. At this meeting the Board will consider the following amendments to its Articles and Bylaws:

1. **Delete the second paragraph of Section 4.02 of the Bylaws, which reads, "The Board of Directors shall then consist of fifteen (15) members. The number of Directors may be increased or decreased only with the concurrence of the Michigan Attorney General Charitable Trust division or its successor."**

Reason: Michigan law requires a minimum of three directors. There is no statutory requirement that the Michigan Attorney General Charitable Trust division or its successor must approve an increase or decrease in the number of directors of the Board. Such language unnecessarily restricts the authority of the Board of Directors. The Michigan Attorney General did not consent to accepting such a role and has requested that the KFFE seek a court order to amend its governing documents.

2. **Add a new second paragraph of Section 4.02 of the Bylaws, to read, "The Board of Directors shall consist of at least three (3) directors. The initial number of directors shall be set at fifteen (15) directors."**

Reason: Michigan law requires a minimum of three (3) directors.

3. **Delete Section 4.12 of the Bylaws, which reads, "Increasing the Number of Directors. The number of Directors may be increased or decreased only with the concurrence of the Michigan Attorney General's Charitable Trust division or its successor."**

Reason: There is no statutory requirement that the Michigan Attorney General Charitable Trust division or its successor must approve an increase or decrease in the number of directors of the Board. Such language unnecessarily restricts the authority of the Board of Directors. The Michigan Attorney General did not consent to accepting such a role has requested that the KFFE seek a court order to amend its governing documents.

4. **Add new Section 4.12 of the Bylaws, to read, "The numbers of directors can be increased or decreased from time to time, by resolution of the**

Board, but such action by the Board shall require a vote of a majority of the entire Board and no decrease shall shorten the term of any director then in office. The number of directors may not be decreased below the minimum number of three (3) directors.”

Reason: The proposed Section 4.12 restores the authority of the Board of Directors to increase or decrease the number of directors without the approval of the Charitable Trust Section of the Michigan Attorney General.

- 5. Delete the second paragraph of Article IV of the Articles, which reads, “The Board of Directors shall then consist of fifteen (15) members. The number of Directors may be increased or decreased only with the concurrence of the Michigan Attorney General Charitable Trust division or its successor.”**

Reason: There is no statutory requirement that the Michigan Attorney General Charitable Trust division or its successor must approve an increase or decrease in the number of directors of the Board. Such language unnecessarily restricts the authority of the Board of Directors. The Michigan Attorney General did not consent to accepting such a role and has requested that the KFFE seek a court order to amend its governing documents.

- 6. Add new second paragraph to Article IV of the Articles, to read, “The Board of Directors shall consist of at least three (3) directors. The initial number of directors shall be set at fifteen (15) directors.”**

Reason: Michigan law requires a minimum of three (3) directors.

- 7. Article X shall be deleted in its entirety and replaced with the following language:**

ARTICLE X

Upon dissolution of the Corporation, the directors shall, after paying or making provision for the payment of all the liabilities of the Corporation, distribute all the assets of the Corporation to organizations chosen by the directors which are tax exempt under Section 501(c)(3) of the Internal Revenue Code. Recipient Section 501(c)(3) organizations shall be chosen by majority vote of the board of directors. Recipient organizations shall be organized, and at all times shall operate, exclusively for the benefit of, to perform the functions of, or to carry out charitable purposes similar to the charitable purpose of the Kalamazoo Foundation for Excellence.

Reason: There is no statutory requirement that the Michigan Attorney General Charitable Trust division or its successor must approve of the organizations to receive the assets of the KFFE upon dissolution. Such

language unnecessarily restricts the authority of the Board of Directors. The Michigan Attorney General did not consent to accepting such a role has requested that the KFFE seek a court order to amend its governing documents.

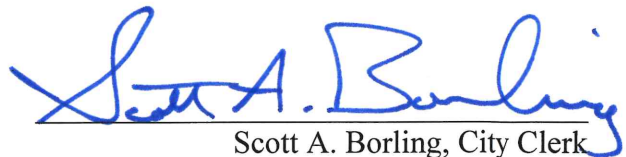
8. **Article XII shall be deleted in its entirety and replaced with the following language:**

ARTICLE XII

These Articles of Incorporation, as they now exist and as they may be further amended, may be amended upon unanimous vote of the Board of Directors and the concurrence of the City Commission. This reservation of powers to the City Commission is granted pursuant to MCL 450.2209(1)(f) and is intended to limit the discretion or powers of the Corporation's Board of Directors on those specific matters which are to be decided by the City Commission or on which the City Commission has the power to act.

Reason: There is no statutory requirement that the Michigan Attorney General Charitable Trust division or its successor must approve amendments to the KFFE's Articles. Such language unnecessarily restricts the authority of the Board of Directors. The Michigan Attorney General did not consent to accepting such a role has requested that the KFFE seek a court order to amend its governing documents.

Posted on: March 21, 2024 at 3:40 p.m.


Scott A. Borling, City Clerk

JTM

cc: Richard O. Cherry

STATE OF MICHIGAN PROBATE COURT KALAMAZOO COUNTY CIRCUIT COURT-FAMILY DIVISION	WAIVER/CONSENT	FILE NO.
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In the matter of Kalamazoo Foundation for Excellence

1. I am interested in the matter as interested party under the Bylaws.

[x] 2. I waive notice of the hearing and consent to the application/petition for _____
 Nature of application/petition and name of applicant/petitioner

Petition to Approve Amendments to FFE's Articles of Incorporation and Bylaws

and I declare that I have received a copy of this application/petition.

[] 3. I waive notice of the hearing concerning _____
 Nature of hearing

 Date

 Signature

Miller Johnson
Neil J. Marchand /s/ P73118

James K. Ritsema on behalf of the City Commission of
the City of Kalamazoo /s/

 Attorney name (type or print) Bar no.

 Name (type or print)

45 Ottawa Ave, Suite 1100
 Address

241 W. South Street
 Address

Grand Rapids, MI 49503 (616) 831-1700
 City, state, zip Telephone no.

Kalamazoo, MI 49007
 City, state, zip Telephone no.

NOTE: Do not use for waivers pursuant to MCL 700.3310.

Do not write below this line - For court use only



City Commission Agenda Report

City of Kalamazoo

Date: **9/16/2024**
Item: **G.13.**

TO: Mayor Anderson, Vice Mayor Duncan, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: Antonio Mitchell, Director, Community Planning and Economic Development
Prepared by: Erin Hahn, Community Investment Administrative Assistant, Community Planning and Economic Development

DATE: September 16, 2024

SUBJECT: Approval of a second amendment to the lease agreement with 19 Props LLC for Community Planning and Economic Development Office Space at 245 N Rose (Bid Ref#00000-024.46)

RECOMMENDATION:

It is recommended that the City Commission approve the second amendment to the lease agreement for office space for the Community Planning and Economic Development Department at 245 N Rose Street.

BACKGROUND:

On April 15th, 2024, the City Commission approved the two-year extension of the lease agreement for office space for the Community Planning & Economic Development Department at 245 N Rose Street, which is set to expire on August 31, 2026. The first amendment to the lease covered base rent, \$10 per square foot (\$10,005.55/month), but did not include the monthly operating expenses. The monthly calculated operating expenses are \$8,202.37, or \$98,428.44 annually. Operating expenses are subject to annual adjustment pursuant to section 3.4 of the original lease (August 30, 2019).

STRATEGIC VISION ALIGNMENT:

Good Governance- Ensuring the City organization has the capacity and resources to effectively implement the community's Strategic Vision in a way that is sustainable over the long term.

COMMUNITY ENGAGEMENT:

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

The monthly calculated operating expenses are \$8,202.37, or \$98,428.44 annually (\$196,856.88 total over two years). Operating expenses are subject to annual adjustment pursuant to section 3.4 of the original lease (August 30, 2019).

SECOND AMENDMENT TO LEASE AGREEMENT

The **City of Kalamazoo** ("**Tenant**") whose address is 241 W. South Street, Kalamazoo, Michigan 49007, and **19 PROPS LLC**, a Delaware limited liability company, (the "**Landlord**") whose address is 200 West Michigan Ave., Suite 201, Kalamazoo, Michigan 49007, its Manager, ("**Manager**") entered into a lease dated August 30, 2019 (the "**Lease**") which is currently scheduled to expire on August 31, 2024, for lease of the building owned by the Landlord at 245 N Rose Street, Kalamazoo, MI to the Tenant. The Lease was previously amended by agreement of the parties dated April 15, 2024.

The Landlord and the Tenant desire to amend the Lease to extend the Lease Term as follows:

1. Section 1.2(F) of the Lease entitled "**Lease Term**" is amended so that after amendment that Section reads:

Lease Term. The period of time commencing with the Turnover Date (the "**Commencement Date**") and terminating seven (7) Lease Years thereafter on August 21, 2026 (the "**Expiration Date**") unless such termination date is other than the last day of a calendar month, in which event this Lease shall terminate on the last day of the calendar month, and unless the Lease Term is extended for an additional year as provided in Section 2.1.

2. Section 2.1 of the Lease entitled "**Term**" shall commence on the Commencement Date and shall end on the Expiration Date, provided however, that the Tenant may at its option terminate the Lease on a date before the Expiration Date (the "**Early Termination Date**") upon written notice to the Landlord of early termination at least thirty days prior to the Early Termination Date. Upon the Early Termination Date:

- a. The Tenant shall surrender the Premises to the Landlord in accordance with Article 12 of this Lease, and
- b. This Lease shall be deemed terminated; provided, however, that the Tenant shall remain responsible to pay the Landlord the Base Rent and Additional Rent that would have been due under the Lease for the remainder of the Lease Term but for the termination, that being from the Early Termination Date through the Expiration Date (i.e., August 31, 2026). The monthly payments under the preceding sentence shall be made on the first day of each month in advance.

3. The following provision shall be added to the Lease as paragraph 1.1(A).

- a. **Base Rent Lease Years 6 and 7.** Base Rent to be paid by the Tenant during Lease Years 6 and 7 shall be \$10.00 per square foot, \$120,066.66 annually, and \$10,005.55 per month.

- b. **Monthly Operating Expenses.** The monthly estimated operating expenses for calendar year 2024 are - \$8,202.37 (Annual amount - \$98,428.44). Operating expenses are subject to annual adjustment pursuant to section 3.4 of the original lease dated August 20, 2019.
4. Paragraph 20.9 of the Lease shall be amended so that after amendment that paragraph reads:
- 20.9 Parking.** Tenant will have access to 43 parking spaces reserved for Tenant's use in the general parking space areas of Arcadia Parking Ramp 4 owned by the Landlord at 306 North Rose Street, Kalamazoo, Michigan. Effective September 1, 2024, the landlord will pay rent for use of the general parking spaces at the rate of \$100.00 per month per space until such time as the Tenant vacates the premises that are the subject of this lease, or on a date certain after which the Tenant will no longer use the general parking spaces upon seven days prior written notice by the Tenant to the Landlord of such date and intent.
- The parking costs/fees associated with Tenant CPED's occupancy of 245 N. Rose Street – are provided for in a separate agreement and managed by Ellis Parking. The parking costs are unrelated to premises rent or monthly operating expenses of Tenant CPED at the above address.
5. In all other respects the Lease will remain the same and is reaffirmed by the Landlord and the Tenant upon the execution of this Amendment.
6. The Landlord and the Tenant each represent and warrant to the other that the person signing this Agreement on its respective behalf has the full consent and authority of its governing body.
7. The first Amendment to Lease executed on April 15, 2024 is hereby deleted in its entirety and replaced by this Second Amendment to Lease.
8. This Amendment becomes effective on the last signature date set forth below.

IN WITNESS WHEREOF, the authorized representatives of the Landlord and the Tenant have executed this Second Amendment to the Lease Agreement dated August 30, 2019.

Dated: _____

LANDLORD:

19 PROPS, LLC, a Delaware
limited liability company

By: FLOOR 2 MANAGER LLC,
a Delaware limited liability
company

By: _____

Jeffery A. Nicholson

Its: Manager

Dated: _____

TENANT:

CITY OF KALAMAZOO, a
Michigan municipal
corporation

By: _____

James K. Ritsema

Its: City Manager

Approved as to Form for City of Kalamazoo:

Office of the City Attorney

By: Charles R. Bear

On: 08/29/2024



City Commission Agenda Report

City of Kalamazoo

Date: **9/16/2024**

Item: **G.14.**

TO: Mayor Anderson, Vice Mayor Duncan, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: Christina Anderson, Assistant City Planner/Deputy Director of CPED
Prepared by: Pete Eldridge, Zoning Administrator

DATE: September 16, 2024

SUBJECT: Approval of an Amendment to the Off-Premises Sign Agreement with Adams Outdoor Advertising to allow for the billboard being reconstructed along I-94 to be placed on a different parcel than what was in the original agreement.

RECOMMENDATION:

It is recommended that the City Commission approve the Amendment to the Off-Premises Sign Agreement with Adams Outdoor Advertising to allow for the billboard being reconstructed along I-94 to be placed on a different parcel than what was in the original agreement.

BACKGROUND:

Adams Outdoor has had a billboard on the railroad parcel adjacent to 4124 Manchester Avenue since the mid-1960's. Around August 30, 2022, straight line winds toppled this billboard.

During this same period, Economic Development staff had been working with Adams Outdoor to resolve an easement issue with a parcel purchased for redevelopment in the Northside Neighborhood. The easement in place was intended for maintaining the billboard at the corner of E. Frank Street and N. Westnedge Avenue. However, the easement language was such that it encumbered the entire parcel and needed to be amended to allow redevelopment efforts to move forward on the remaining site area adjacent to the billboard.

The original Off-Premises Sign Agreement with Adams Outdoor was introduced to the City Commission on September 5, 2023, a public hearing was held on October 2, 2023, and the agreement was approved by the City Commission on October 2, 2023. Adams Outdoor has completed the removal of the billboard at 802 N. Westnedge Avenue and terminated the easement that encumbered this parcel. In July 2024, Adams Outdoor approached CPED staff to discuss relocating the new billboard from the railroad parcel to the adjacent private property, known as 4124 Manchester Avenue. Staff informed Adams Outdoor that this action would require amendment of the original agreement.

An amendment to the original agreement was drafted and sent to Adams Outdoor. This amendment identifies the new location for the billboard and corrects an error in the parcel number provided for the railroad property. Adams Outdoor has reviewed and signed the Amendment. There will be no changes made to the original replacement billboard proposed for the railroad parcel other than relocating it to the adjacent parcel at 4124 Manchester Avenue. The zone district for 4124 Manchester Avenue is also the same as the railroad parcel, which is the Manufacturing-General Zone District (M-2).

Approval of the requested amendment will allow for the final part of the agreement to move forward, which is the reconstruction of a billboard along I-94.

STRATEGIC VISION ALIGNMENT:

Complete Neighborhoods - residential areas that support the full range of people's daily needs

Strategic Goal Impact:

Approval of this amendment will allow for the final element of the agreement to be completed. This agreement has resulted in the removal of a billboard located near residences and termination of a property easement that stalled redevelopment of the corner of N. Westnedge Avenue and E. Frank Street, which will provide more job opportunities in the area.

COMMUNITY ENGAGEMENT:

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

Appropriate Depth of Engagement

This is an amendment to the original agreement. A public hearing was held on October 2, 2023, for the original agreement.

Engagement/Communication Tools

No engagement activity required

FISCAL IMPACT:

The construction of the new billboard at 4124 Manchester Avenue will be a taxable improvement added to the parcel.

FIRST AMENDMENT TO THE OFF-PREMISES SIGN AGREEMENT BETWEEN THE CITY OF KALAMAZOO AND ADAMS OUTDOOR ADVERTISING

The **City of Kalamazoo**, a Michigan municipal corporation, 241 W. South Street, Kalamazoo, Michigan, 49007 ("the City") and **Adams Outdoor Advertising**, a Minnesota Limited Partnership, 3801 Capital City Boulevard, Lansing, Michigan 48906. ("Adams") entered into a an off-premises sign agreement effective October 13, 2023, regarding the removal of an existing off-premises sign, and the replacement of an off-premises sign that had been destroyed.

The City and Adams desire to amend the Agreement, which remains in effect, to correct the location of the sign that was destroyed and add a new location for the replacement of the destroyed sign as follows:

1. Recital 1 of the Agreement shall be amended to correct the location of the sign that was destroyed so that after amendment the Recital reads:

Adams possesses a right for the maintenance of a billboard ("off-premises sign") on a railroad parcel (parcel number RR-36-364-001) ("railroad parcel") owned by Norfolk Southern Railway Company. This parcel is on the south side of I-94 and adjacent to 4124 Manchester Road, Kalamazoo, Michigan.
2. Upon the execution of this Amendment Adams shall submit to the appropriate City department a permit application, site plan, and any other necessary documentation to obtain a permit for construction of a new off-premises sign to replace the destroyed off-premises sign on the property at 4124 Manchester Road, Kalamazoo, Michigan, parcel number 06-36-341-001. All references in the Agreement to the location of this new off-premises sign being the railroad parcel shall instead be to the property at 4124 Manchester Road, Kalamazoo, Michigan.
3. This Amendment will not be effective unless approved by the Kalamazoo City Commission before execution by the City.
4. This Amendment may be executed in several counterparts, each of which shall be deemed an original and all counterparts together shall constitute one and the same instrument. The exchange of copies of this Amendment and signature by personal service, email, facsimile, or other electronic means commonly in use, or any other

means permitted by applicable state or federal statute shall constitute effective execution and delivery of this Amendment as to the parties and may be used in lieu of the original Amendment for all purposes. Copies shall be deemed to mean any duplicate, reproduction or similar or exact imitation of the original executed Amendment. Signatures of the parties delivered as described above shall be deemed to be their original signatures for all purposes and shall be deemed valid and binding upon the parties as if their original signatures, initials, and modifications were present on the documents in the handwriting of each party. Neither the City nor Subrecipient shall assert the statute of frauds or non-enforceability or validity of this Amendment because of facsimile or similar electronic device copies being used, and the parties specifically wave and relinquish any such defense. Each party agrees to provide an original signed document to the other upon request.

5. The persons signing this Amendment certify by their signatures that this Amendment has been authorized by the Parties and they are authorized to sign this Amendment on behalf of the Parties.
6. In all other respects the Agreement, as amended, is unchanged and affirmed by the Parties.

The parties have executed this Amendment, which becomes in full force and effect on the date signed by the last of the parties to sign:

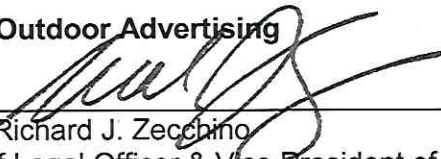
City of Kalamazoo

Date: _____

By: _____
Name: James Ritsema
Its: City Manager

Adams Outdoor Advertising

Date: 7/31/2024

By: 
Name: Richard J. Zecchino
Its: Chief Legal Officer & Vice President of Real Estate

OFF-PREMISES SIGN AGREEMENT

AGREEMENT between the **City of Kalamazoo**, a Michigan municipal corporation, 241 W. South Street, Kalamazoo, Michigan, 49007 ("the City") and **Adams Outdoor Advertising**, a Minnesota Limited Partnership, 3801 Capital City Boulevard, Lansing, Michigan 48906. ("Adams").

Recitals

1. Adams possesses a right for the maintenance of a billboard ("off-premises sign") on a railroad parcel (parcel number RR-36-267-001) ("railroad parcel") owned by CN North America. This parcel is on the south side of I-94 and adjacent to 4141 Manchester Road, Kalamazoo, Michigan.
2. Adams owned and maintained an off-premises sign on the railroad parcel until the sign was destroyed by a storm on or about August 30, 2022.
3. The railroad parcel is zoned Manufacturing Limited District (M-2), and an off-premises sign is a permitted use in that zone.
4. Adams' destroyed off-premises sign located on the railroad parcel, although a permitted use, was legally nonconforming because:
 - A. The sign did not meet the setback from another off-premises sign as required in an M-2 District;
 - B. The sign did not meet the 25-foot building setback from the property line as required in an M-2 District; and,
 - C. The number of off-premises signs located in the City of Kalamazoo prior to destruction of the railroad parcel off-premises sign (108) exceeded the number of off-premises signs permitted in the City of Kalamazoo by its zoning ordinance (99).
5. Although Adams' destroyed off-premises sign on the railroad parcel was less than the required setback from another off-premises sign, the two signs were separated by I-94, and face opposite directions.
6. Although Adams' destroyed off-premises sign on the railroad parcel did not meet the 25-foot setback from the property line required in an M-2 zone, the railroad parcel is very narrow and largely occupied by railroad tracks, and as a result, a 25-foot setback is not feasible.
7. Adams desires to replace the destroyed off-premises sign that was located on the railroad parcel.
8. Pursuant to § A9.5 of the City of Kalamazoo zoning ordinance a new off-premises sign cannot be constructed on the railroad parcel in the same location because a nonconforming use cannot be repaired or replaced if it

has been damaged or destroyed by more than 50% of its actual cash value at the time of the damage or destruction.

9. Adams has an easement to own and maintain an off-premises sign on property located at 802 N. Westnedge Ave. in the City, and currently owns and maintains an off-premises sign there ("N. Westnedge sign").
10. The property at 802 N. Westnedge is in a Live Work-1 District (LW-1) in which off-premises signs are not permitted and is therefore a nonconforming use.
11. The N. Westnedge sign, being in an LW-1 District and surrounded primarily by residential uses, is inconsistent with the intent and purpose of the City zoning ordinance and is in a less desirable location for an off-premises sign than the railroad parcel sign.
12. Consistent with the City zoning ordinance, the City desires to reduce the number of nonconforming off-premises signs.
13. In lieu of prohibiting replacement of the railroad parcel sign the City will agree to allow the destroyed railroad parcel sign to be replaced upon the condition that Adams removes the N. Westnedge sign and releases its easement to own and maintain a sign on the property at 802 N. Westnedge in the City.
14. Removal of the sign at 802 N. Westnedge and release of Adams' easement on that property will enable the property to be developed with a conforming use that is permitted in an LW-1 District.
15. Replacing the N. Westnedge sign by permitting an off-premises sign on the railroad parcel will remove a nonconforming off-premises sign from a zone where off-premises signs are not permitted and replace it with an off-premises sign in a zone where off-premises signs are permitted.
16. Replacing the N. Westnedge sign with a new, although nonconforming sign, on the railroad parcel will reduce the number of nonconforming off-premises signs and will achieve greater compliance with the City Zoning Ordinance and be more consistent with its intent and purpose than if the City forbade the replacement of the railroad parcel sign alone.

Agreement

The City and Adams, in consideration of the covenants, conditions, and agreements herein, agree as follows:

1. **Bilateral Agreement/Purpose.** This Agreement is the product of bilateral negotiations that did not arise out of an offer under MCL 125.3405 but instead represents the product of voluntary negotiations for the achievement of an objective authorized in the Michigan Zoning Enabling Act, MCL 125.3101 *et seq.*, that being: obtaining greater compliance with

the City of Kalamazoo Zoning Ordinance by reducing the number of nonconforming off-premises signs; removing a nonconforming off-premises sign from a zoning district where off-premises signs are not permitted thereby allowing development of the property where the sign is located with a permitted use; and, location of an off-premises sign in a zoning district where such signs are permitted.

2. **Public Deliberation and Approval.** The City represents and warrants to Adams that:

- A. All terms reached in the negotiation of this Agreement have been presented for public deliberations and public hearings as required by law and approved by the Kalamazoo City Commission following a public hearing;
- B. Adams has a right to rely on such representation and warranty and the City understands that Adams is relying on such; and
- C. The City will act in good faith and deliberate speed in all respects under this Agreement—including but not limited to—providing all necessary permits and approvals to Adams in a timely manner provided that Adams likewise acts in good faith and deliberate speed in all respects under this agreement—including but not limited to accurately and completely filling out all required permit applications and providing all required documentation for permit approvals.

3. **Obligations Upon Execution.** Not later than 14 days after the execution of this Agreement Adams agrees that it shall:

- A. Submit to the appropriate City department a permit application for destruction and removal of the N. Westnedge off-premises sign;
- B. Execute and record at its own expense a release of its easement over the property at 802 N. Westnedge Ave. to the City of Kalamazoo, the owner of the property, and deliver the recorded release to the City;
- C. Submit to the appropriate City department a permit application, site plan, and any other necessary documentation to obtain a permit for construction of an off-premises sign on the railroad parcel.

4. **Removal of N. Westnedge Sign.** Upon obtaining any necessary permits Adams agrees, by its employees or contractors, to remove at its own expense the N. Westnedge sign, its sign structure, electrical connections, any foundation for the sign structure, and building materials, trash and debris, from the premises at 802 N. Westnedge, Kalamazoo, Michigan, reasonably return the premises to its original condition, and return to the City any keys it has to the lock on the gate to the premises. If Adams fails or neglects to remove the N. Westnedge sign, its sign structure, electrical connections, and any foundation for the sign structure within 60 days from the date of the issuance of any necessary permits or the effective date of the Agreement, whichever is later, Adams agrees that the City, upon written 7 days' notice to Adams of its intention to do so, may, by its employees or contractors, remove the sign, sign structure, electrical connections, and foundation, and Adams shall reimburse the City for the costs of the removal within 30 days of the presentation of an invoice for such costs.

5. **Compliance with Ordinances.** Adams agrees to construct the new off-premises sign on the railroad parcel consistent with all applicable ordinances of the City of Kalamazoo (except for any variances from such ordinance noted herein) and obtain all necessary inspections and approvals during and upon completion of the construction of the sign. Construction of the sign shall be completed within one year of the date of issuance of a building permit.
6. **Non-conformance.** The new sign on the railroad parcel once constructed will be a legally nonconforming sign due to the setback non-conformances.
7. **Hold Harmless.** Adams agrees to hold the City harmless from all claims of whatsoever nature that may arise from removal of the N. Westnedge sign, its structure electrical connections, and foundation consistent with paragraph 5 of this agreement.
8. **Amendment.** This Agreement may only be amended by writing executed by both parties following presentment of the amendment for public deliberations and public hearings as required by law and approval by the Kalamazoo City Commission following a public hearing.
9. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of Michigan.
10. **Binding Effect/Assignment/Third Parties.** This Agreement is binding on and shall inure to the benefit of the parties to this Agreement and their respective successors but may not be assigned by either party. The parties do not intend to confer any benefits on any person, firm, corporation, or other entity which is not party to this Agreement.
11. **Waiver.** No failure of either party to complain of any act or omission on the part of the other party, no matter how long this same may continue, is considered as a waiver by that party to any of its rights hereunder. No waiver by either party, expressed or implied, of any breach of any provision of this Agreement is considered a waiver or a consent to any subsequent breach of this same or other provision.
12. **Authorization.** Each of the parties represents and warrants to the other that this Agreement and its execution by the individual on its behalf are authorized by the board of directors or other governing body of that party.
13. **Entire Agreement.** This Agreement supersedes all agreements previously made between the parties relating to the subject matter. There are no other understandings or agreements between them.
14. **Headings.** Headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.
15. **Notices.** Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given (a) on the same

date as the date on which such notice is delivered personally, (b) on the date that is three (3) business days after the date on which such notice is deposited in the United States mail, registered or certified mail, postage prepaid, return receipt requested, (c) on the date that is one (1) business day after the date on which such notice is sent by nationally-recognized overnight courier services (such as Federal Express or any other similar courier service), (d) on the date of delivery by facsimile transmission with electronic confirmation, and, in each case, addressed as follows:

If to Adams: Richard J. Zecchino
Chief Legal Officer and Vice President of Real Estate
3801 Capital City Boulevard
Lansing, Michigan 48906

If to the City: City Manager
City of Kalamazoo
241 W. South Street
Kalamazoo, Michigan 49008

16. **Effective Date.** This agreement will be binding on the last date of signing by one of the parties to this Agreement.

The parties have executed this Agreement on the date indicated below:

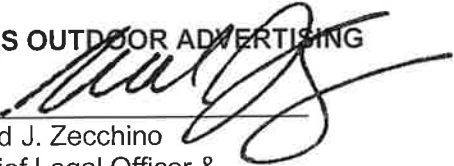
Dated: October 13, 2023

CITY OF KALAMAZOO

BY 
James K. Ritsema
Its: City Manager

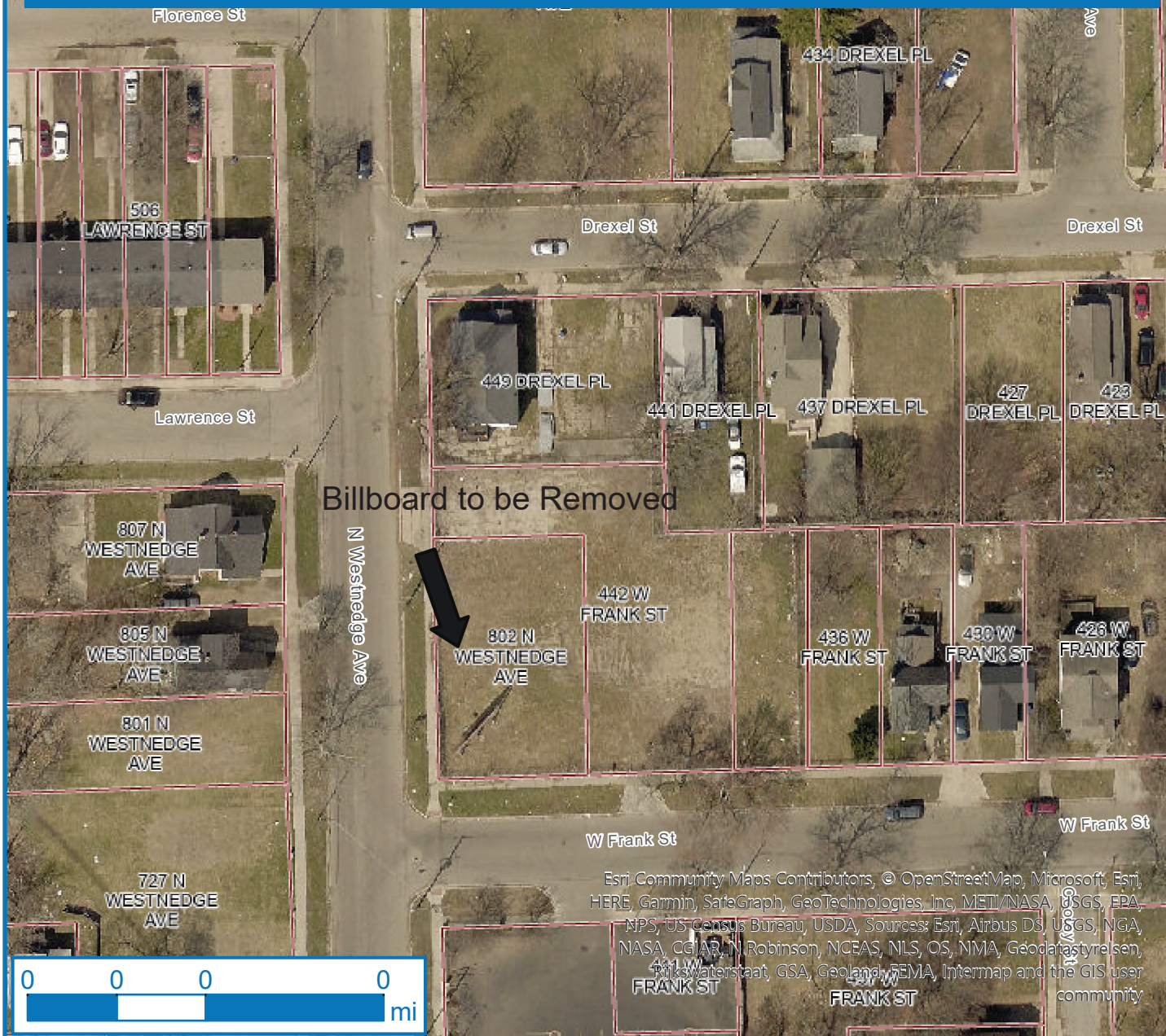
Dated: 10/9/2023

ADAMS OUTDOOR ADVERTISING

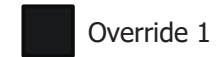
BY 
Richard J. Zecchino
Its: Chief Legal Officer &
Vice President of Real Estate



802. N. Westnedge



LEGEND



PARCEL MAP



Address

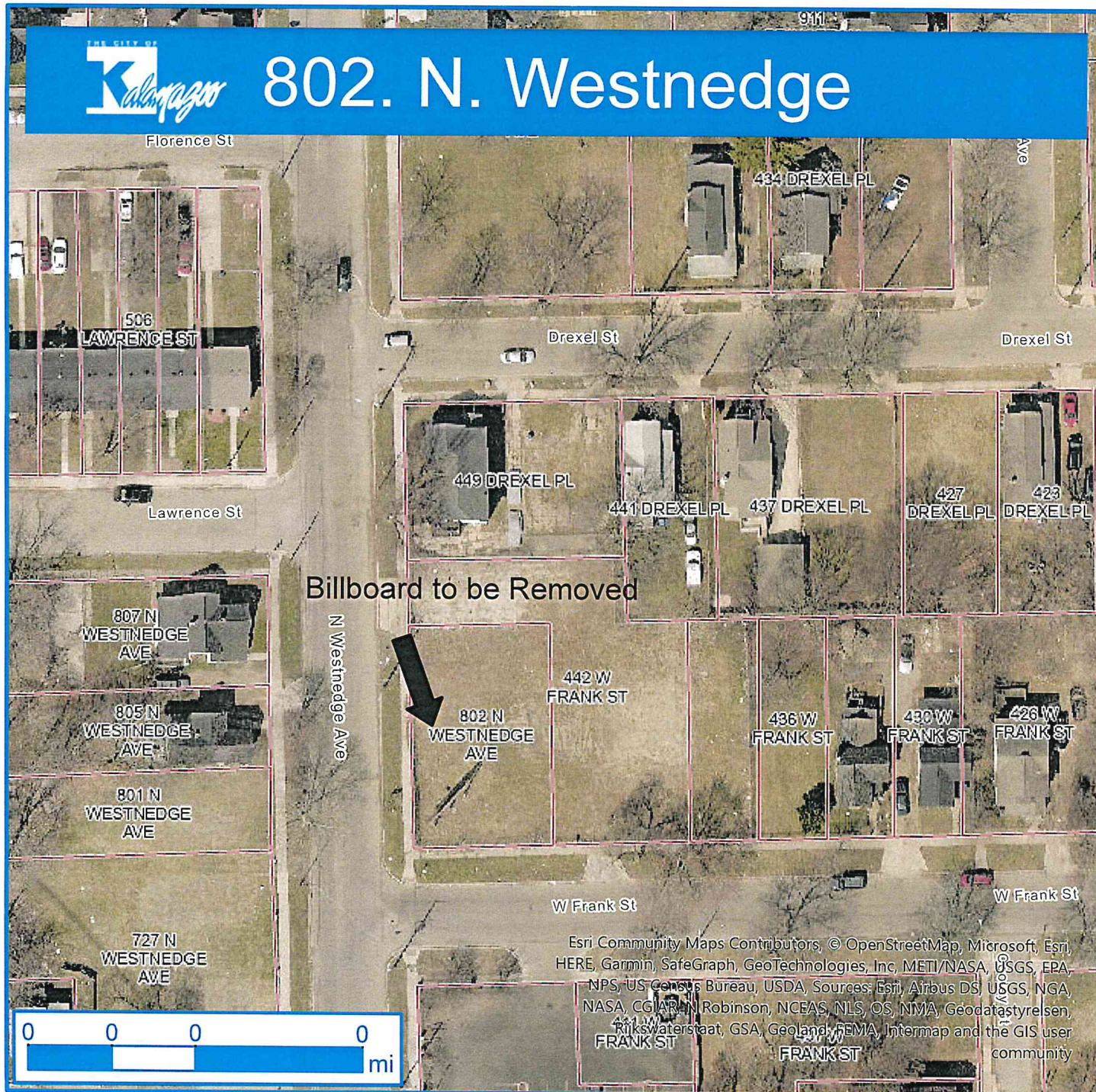
GENERAL INFORMATION



City of
Kalamazoo,
8/21/2023



802. N. Westnedge



LEGEND

 Override 1

PARCEL MAP

 Parcel

Address

GENERAL INFORMATION

 City Boundary

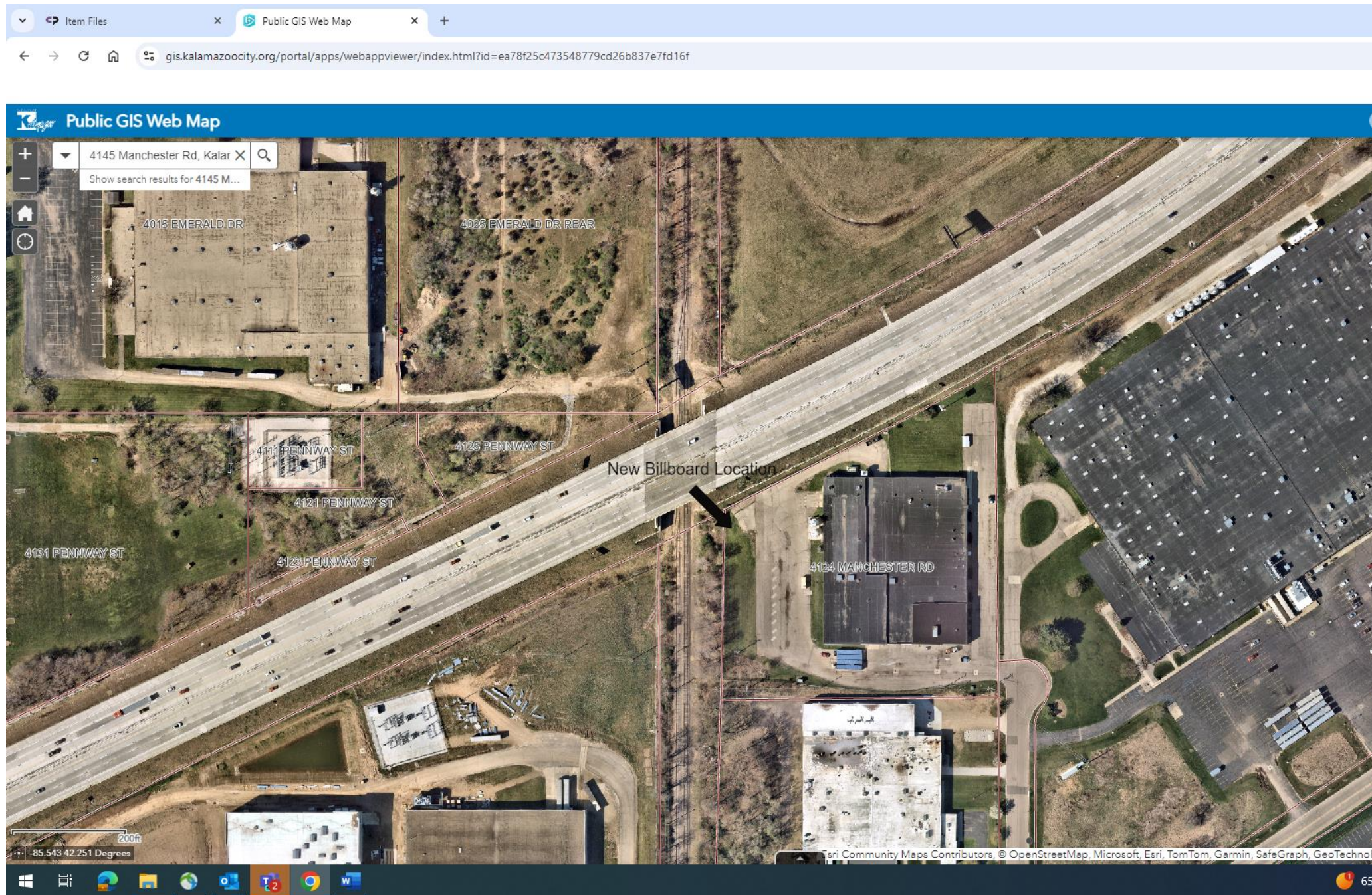


City of
Kalamazoo,
8/21/2023

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4124 Manchester Road





City Commission Agenda Report

City of Kalamazoo

Date: **9/16/2024**

Item: **G.15.**

TO: Mayor Anderson, Vice Mayor Duncan, and City Commissioners

FROM: Scott A. Borling, City Clerk

DATE: September 16, 2024

SUBJECT: Appointment to the Public Media Network Board of Directors

RECOMMENDATION:

It is recommended that the City Commission appoint **Bonnie Pfingst** as a City of Kalamazoo representative on the Public Media Network Board of Directors.

BACKGROUND:

Public Media Network (PMN) provides cable television public access and is a separate legal entity created through an Urban Cooperation Act Agreement. The current parties to this agreement are the City of Kalamazoo, City of Parchment, Kalamazoo Township, Oshtemo Township, and Comstock Township. Each of these "Member Public Agencies" has representatives on the Board of Directors, the number of which is based on the number of cable television subscribers within the jurisdiction.

Currently, the City has one open seat on the PMN Board. The Board is recommending that the City Commission appoint Bonnie Pfingst to fill this position. Ms. Pfingst resides in the City of Kalamazoo. Additional information on the qualifications for this nominee is available in the attached correspondence from PMN.

STRATEGIC VISION ALIGNMENT:

Good Governance - Ensuring the City organization has the capacity and resources to effectively implement the community's Strategic Vision in a way that is sustainable over the long term.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

There is no fiscal impact associated with these appointments.



To: Kalamazoo City Commission
Scott Borling, City of Kalamazoo Clerk

From: Public Media Network Board of Directors
Matt Schuster, Executive Director

Date: August 26, 2024

RE: Appointment to the Public Media Network Board of Directors

The City of Kalamazoo has one open seat for a representative on the Board of Directors for Public Media Network.

We are submitting the following resident of the City of Kalamazoo for appointment to this seat.

- Bonnie Pfingst

Bonnie Pfingst has a passion for communication, local content creators and public media. Her background and experience in marketing and communications, along with her network of connections in the Kalamazoo community will be helpful as PMN builds a thriving and sustainable future for community media.

Please strongly consider Bonnie Pfingst for appointment to the open seat on the Public Media Network Board of Directors. Additional information on the candidate is attached.



Tuesday, July 30, 2024

Public Media Network Board of Directors Interest Form

Please complete this form to express your interest in being considered for a position on Public Media Network's Board of Directors.

Name

Bonnie Pfingst

Email

[REDACTED]

Address

[REDACTED]

Phone Number

[REDACTED]

Why do you want to serve on the Public Media Network Board of Directors?

I have a passion for communication, local content creators and public media. I appreciate its vital role in fostering diverse local storytelling and providing access to important community programming. My experience in marketing and communications could be valuable as PMN continues to grow. Additionally, my network of connections within Kalamazoo could help secure partnerships and sponsorships to support PMN's goals. I'm excited about the opportunity to contribute my skills and dedication to ensuring PMN continues to thrive for the next generation.

What skills, lived experiences, or knowledge do you bring to the organization?

Media production

Local news, journalism

Board Governance

Outreach, marketing

Technology

Knowledge of Kalamazoo nonprofit community

Knowledge of communities whose voices have historically been excluded in media

How will you best contribute to the PMN Board of Directors?

With specific skills such as marketing and communication, strategic planning and fundraising and event planning. My people skills and network of connections can be beneficial to connect PMN with potential partners, sponsors, or volunteers. My knowledge of local issues and enthusiasm and dedication to PMN's mission would be beneficial to not only the organization but to all of Kalamazoo and Kalamazoo County.

Can you commit to monthly in-person board meetings generally on the 4th Thursday of the month at 4:30 pm, plus 1-2 additional committee meetings?

Yes



City Commission Agenda Report

City of Kalamazoo

Date: **9/16/2024**
Item: **G.16.**

TO: Mayor Anderson, Vice Mayor Duncan, and City Commissioners

FROM: David F. Anderson, Mayor
Prepared by: Scott A. Borling, City Clerk

DATE: September 16, 2024

SUBJECT: Mayor's Appointments to Boards and Commissions

RECOMMENDATION:

It is recommended that the City Commission approve the Mayor's appointment of **Katie Boertman** to the Historic District Commission for a term expiring on January 1, 2028.

BACKGROUND:

City ordinance indicates the Mayor appoints and reappoints members to the Historic District Commission (HDC). I have reviewed the attached Nomination Report from the HDC and have appointed Katie Boertman. As required by ordinance, I am requesting that the City Commission approve this appointment. The attached Nomination Report provides details of the nominee's qualifications.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:

Good Governance - Ensuring the City organization has the capacity and resources to effectively implement the community's Strategic Vision in a way that is sustainable over the long term.

Discussion

Ensuring that City boards and commissions have qualified members who are duly appointed has a significant impact on the "Insights and Analysis" and "Organizational Principles" subgoals under the Good Governance strategic goal.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Consult (two-way conversation) – the community will have a chance to react to the project through two-way conversation. Discussion: applicants for appointment to City boards and

commissions are nominated by the respective boards and commissions, with the approval of those nominations taking place at open meetings where the public has a chance to give input.

FISCAL IMPACT:

There is no fiscal impact associated with this appointment.



Advisory Boards and Commissions Appointee Nomination Report

City of Kalamazoo

03 September 2024

RECOMMENDATION

The Historic District Commission (HDC) recommends that the Mayor approve the appointment of Katie Boertman for their first full term through December 31, 2027.

SPECIAL REQUIREMENTS FOR THIS POSITION

All Historic District Commissioners are required by ordinance to have “a clearly demonstrated interest in or knowledge of historic preservation.”

SELECTION PROCESS

Applicants Considered

Only one application (Boertman) was received.

Interview Process and Final Recommendation

The commission interviewed the only applicant (Boertman) at the August 20th meeting. When the meeting began, the commission had three upcoming vacancies to fill, because two commissioners reached term limits at the end of 2023, but have continued to volunteer their time until they can be replaced. It should be noted, however, that one position on the Historic District Commission shall be filled by a graduate of an accredited school of architecture who has two years of architectural experience or who is a duly registered architect registered in Michigan if such a person is available for appointment. At the time of the vote, no architects applied. During the meeting, the commissioners recommended the appointment of Boertman with a unanimous roll call vote.

NOMINEE QUALIFICATIONS

Dual Board Memberships

Boertman is not currently serving on any other city board or commission.

Residency

Boertman resides at 3214 Winchell Avenue in the Winchell Neighborhood.

Term Limits

This would be a first appointment to the HDC for Katie Boertman. At the end of this term on December 31, 2027, they would be eligible for one re-appointment to an additional term.

Training, Experience, Education and Skills

Boertman is a Digital Marketer with a strong interest in Kalamazoo History and Mid-century architecture.

Contribution to Diversity

Boertman is a white female born in the 45-54 year age range.

NOMINATION RATIONALE

The Commission recommends the appointment of Boertman based on their interest and knowledge of history and enthusiasm for preservation.

CITY CLERK'S CERTIFICATION

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

Scott A. Borling, City Clerk



City Commission Agenda Report

City of Kalamazoo

Date: **9/16/2024**

Item: **H.1.**

TO: Mayor Anderson, Vice Mayor Duncan, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: James J. Baker, PE, Public Services Director & City Engineer
Prepared by: Justin Gish, Sustainability Planner

DATE: September 16, 2024

SUBJECT: Approval of a 20-year renewable energy contract with Consumers Energy to provide 100% renewable energy and to retire renewable energy credits (RECs) annually on the City's behalf (Bid Ref# 00000-024.86)

RECOMMENDATION:

It is recommended that the City Commission approve a 20-year renewable energy contract with Consumers Energy to provide 100% renewable energy and to retire renewable energy credits (RECs) annually on the City's behalf.

BACKGROUND:

The Community Sustainability Plan, adopted by the City Commission on June 21, 2022, established objectives to support and guide policy on many community goals. The high level objectives guide staff in work to implement the Community Sustainability Plan and include the following top six goals. Gain a better understanding of the City's municipal and community-wide GHG emissions and how to contribute to global reduction goals, Develop actionable steps for the City to reduce GHG emissions, protect and prepare residents for climate change related impacts, and act as a leader on community-wide sustainability efforts. Support collaboration of neighborhoods, businesses, institutions, and the City to realize a sustainable, resilient, and low-carbon future for Kalamazoo and the greater region and adopt an inclusive and holistic plan that addresses social equity, the environment, and the economy guided by community input and context.

Specific actions focused to reduce greenhouse gas (GHG) and carbon emissions have included the baseline carbon footprint report for all City operations and the community at large, the Public Services biodiesel program, and the EV Fleet vocational pilot implementation. The baseline carbon footprint report has identified the water and wastewater utilities as the largest carbon emitters based on energy usage to power pumps, motors and blowers used throughout these processes to provide clean safe drinking water and to protect the Kalamazoo River environment from pollution.

Following the presentation of the baseline carbon footprint report, City Staff scheduled a series of meetings with Consumers Energy to develop renewable energy alternatives to conventional power sources such as coal, natural gas and nuclear. Two potential solar sites were evaluated, but did not meet the size and power density needs of Consumers Energy and the sites were insufficient in terms of the total renewable energy needs of the City. However, Consumers Energy just introduced the large customer renewable energy program, allowing large customers to select a custom renewable energy portfolio to meet their sustainability goals.

The Consumers Energy renewable energy program allows for the City of Kalamazoo to subscribe up to 100% of each metered account's supplied energy source to be from renewable energy such as solar and wind. Subscriptions to the program help to fund continued capital investment in renewable energy sources. Enrollment into the subscription program is based on the elected annual subscription volume in kilowatt-hours (kWh) and the fixed subscription fee per kWh. Over the life of the contract, if the fixed subscription fee is less than the market value of the renewable energy generated, a savings will be realized. If the market value of renewable energy generated is less than the fixed subscription fee, the net difference is charged.

The proposed annual contract quantity (kWh) for all facilities is 42,576,823 kWh. The subscription rate is \$0.064 per kWh. The annual payment would be \$2,724,916.67 in addition to current energy rates paid averaging about \$0.094 per kWh or \$4,002,221.36 annual on metered accounts. The new total amount for electric energy for metered accounts including the existing charges and rates, plus the new renewable energy generation subscription, would be \$6,727,138.03 annually.

Energy and capacity credits issued monthly based on the market rate of renewable energy provide savings. The City will realize a savings at all annual average growth rates above 0.0% for renewable energy costs. An analysis was done looking at average annual renewable energy cost growth rates from 0% to 2.5% which could result in scenarios that range from break even to over \$6 million in present value savings.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:

]Environmental Responsibility - A green and healthy City.

Safe Community- Creating a safe environment for living, working, and playing

Good Governance- Ensuring the City organization has the capacity and resources to effectively implement the community's Strategic Vision in a way that is sustainable over the long term.

Economic Vitality - A supportive infrastructure for growing businesses and stabilizing the local economy for the benefit of all.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory

restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

The funds required for this contract are \$2,724,916.67. The funding available and estimated costs are detailed below. We are requesting the approval of this purchase using the funds below.

Description	Account	Project # Dollar Amount
City Hall	101-265-01.100-920.001	\$40,768.83
KDPS Stations	101-265-01.301-920.001	\$192,608.38
Snow Melt Systems	101-265-01.400-920.001	\$16,537.60
Downtown Maintenance & Parking	101-441-01.000-920.001	\$45,245.57
Department of Public Works	101-441-00.000-920.001	\$709.57
Parks Maintenance	101-770-00.000-920.001	\$32,229.82
Aquatics	101-755-00.000-920.001	\$6,339.20
Youth Activities	101-753-00.000-920.001	\$1,202.37
Wastewater Treatment Plant	590-542-05.000-920.001	\$1,381,326.34
Wastewater Lift Stations	590-543-06.000-920.001	\$27,703.42
Water Utilities Admin Building & Grounds	591-538-00.000-920.001	\$43,901.89
Water Pumping & Treatment	591-561-02.000-920.001	\$936,343.68

Power your organization with renewable, Michigan-made energy.

Meet your sustainability goals
and decarbonize your business.



Advantages to organizations and the environment

- ✓ Meet your customers' and investors' sustainability expectations
- ✓ Easily meet leadership's carbon reduction goals
- ✓ Improve brand reputation
- ✓ Contribute to the local community
- ✓ Get ahead of regulatory requirements
- ✓ Decrease cost of capital
- ✓ Protect the planet

In 2022 enrolled businesses have achieved¹:



170,279 metric tons of CO₂ offset



+\$5 Million in reduced energy bills

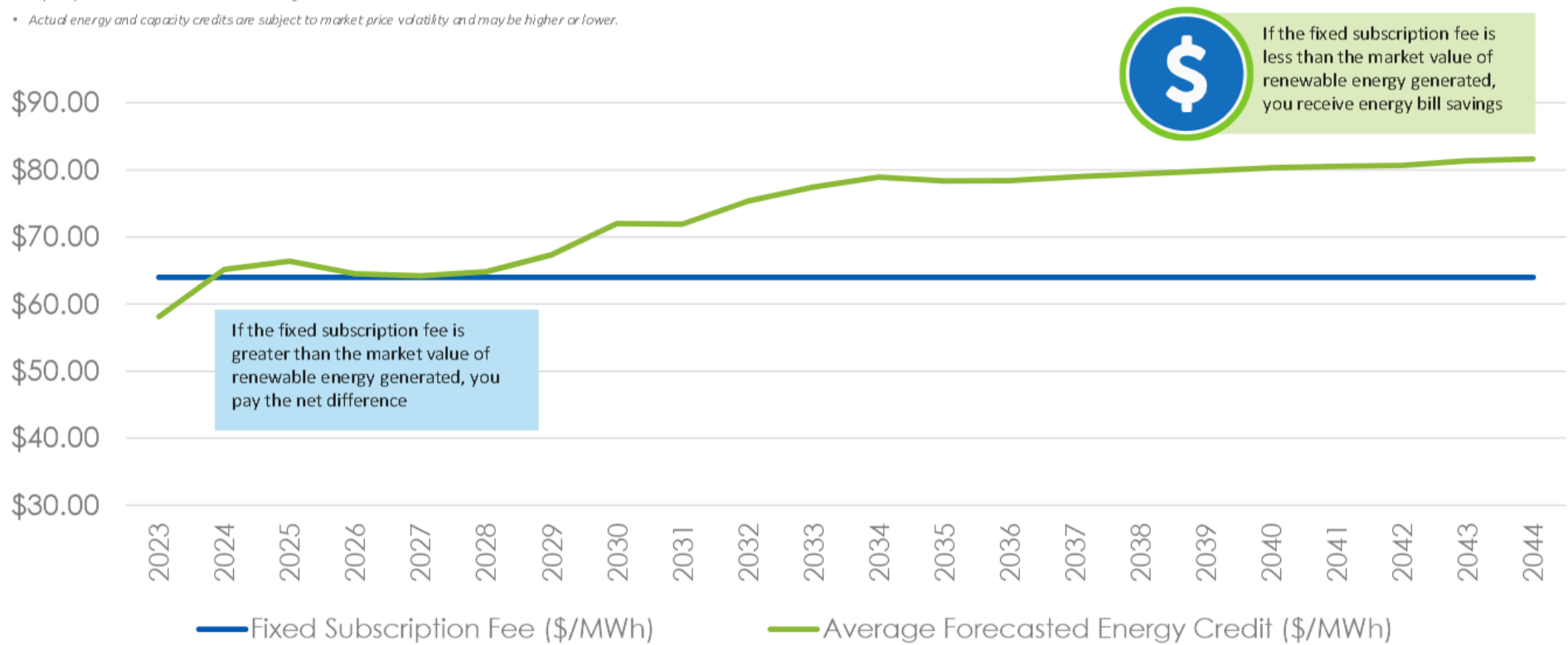
¹ Actual 2022 program year results

A Simple Renewable Energy Program process



Impact of energy market pricing

- Based on an estimated subscription fee of \$64/MWh. This fee may change once new projects are awarded.
- Forecasted energy and capacity market prices are based on market intelligence as of Dec 2022.
- Capacity credits are based on resources being valued at 75% COE.
- Actual energy and capacity credits are subject to market price volatility and may be higher or lower.



Your participation – 100% Subscription Level

Subscription Percentage: 100%	20 Years	15 Years	10 Years
kWh Subscribed (annually)	49,658,025	49,658,025	49,658,025
kWh Subscribed (contract term)	993,160,500	744,870,375	496,580,250
Subscription Payments (Present Value)	(\$33,577,182)	(\$28,879,660)	(\$22,281,902)
Estimated Energy & Capacity Credits (Present Value)	\$42,426,664	\$35,124,027	\$25,957,385
Net Savings or Premium Present Value	\$8,849,482	\$6,244,367	\$3,675,483
Carbon Avoided (Metric Tons)	414,148	310,611	207,074

Large Customer Renewable Energy Program Financial Analysis - Model Inputs

Customer: City Of Kalamazoo
 Estimated Annual Subscription Volume (kWh): 49,658,025 Subscription Level: 100%
 Estimated Subscription Fee: \$0.064 Not to Exceed Estimated Fixed Subscription Fee

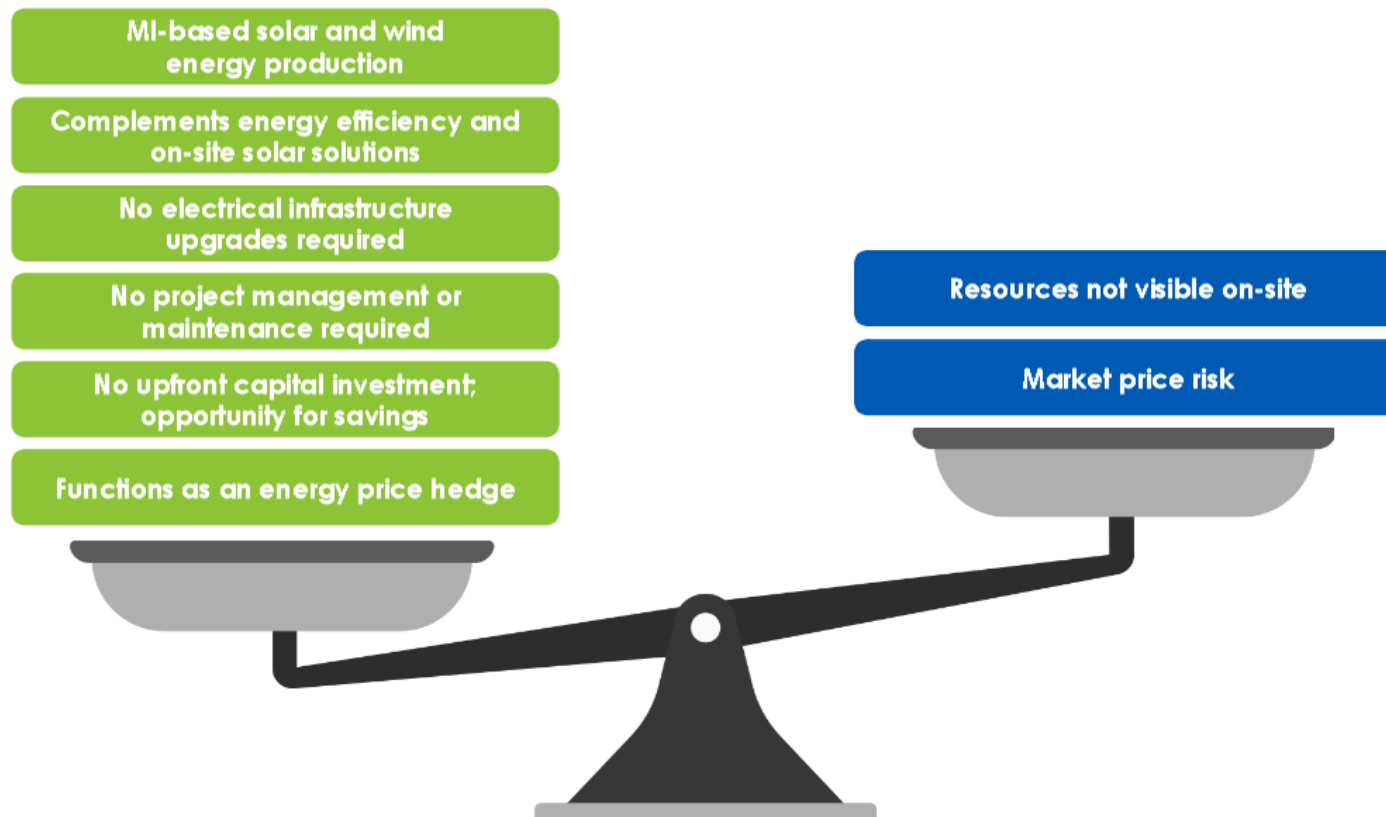
Financial Analysis - Estimated Yearly, Financial Impact of Enrollment

Year	Year	kWh Subscribed	Subscription Cost	Savings (Energy & Capacity Credits)	Annual Net Savings/(Premium)	Net Savings/(Premium) \$/kWh	Metric Tons of CO2 Avoided
1	2028	49,658,025	\$3,176,842	\$3,335,301	\$158,459	\$0.00319	20,707
2	2029	49,658,025	\$3,176,842	\$3,432,214	\$255,371	\$0.00514	20,707
3	2030	49,658,025	\$3,176,842	\$3,638,941	\$462,099	\$0.00931	20,707
4	2031	49,658,025	\$3,176,842	\$3,691,728	\$514,886	\$0.01037	20,707
5	2032	49,658,025	\$3,176,842	\$3,697,334	\$520,491	\$0.01048	20,707
6	2033	49,658,025	\$3,176,842	\$3,770,549	\$593,706	\$0.01196	20,707
7	2034	49,658,025	\$3,176,842	\$3,837,478	\$660,636	\$0.01330	20,707
8	2035	49,658,025	\$3,176,842	\$3,918,874	\$742,032	\$0.01494	20,707
9	2036	49,658,025	\$3,176,842	\$4,008,866	\$832,024	\$0.01676	20,707
10	2037	49,658,025	\$3,176,842	\$4,117,389	\$940,547	\$0.01894	20,707
11	2038	49,658,025	\$3,176,842	\$4,224,357	\$1,047,515	\$0.02109	20,707
12	2039	49,658,025	\$3,176,842	\$4,332,881	\$1,156,039	\$0.02328	20,707
13	2040	49,658,025	\$3,176,842	\$4,433,956	\$1,257,114	\$0.02532	20,707
14	2041	49,658,025	\$3,176,842	\$4,528,361	\$1,351,519	\$0.02722	20,707
15	2042	49,658,025	\$3,176,842	\$4,615,723	\$1,438,880	\$0.02898	20,707
16	2043	49,658,025	\$3,176,842	\$4,729,458	\$1,552,616	\$0.03127	20,707
17	2044	49,658,025	\$3,176,842	\$4,826,268	\$1,649,425	\$0.03322	20,707
18	2045	49,658,025	\$3,176,842	\$4,949,788	\$1,772,946	\$0.03570	20,707
19	2046	49,658,025	\$3,176,842	\$5,081,323	\$1,904,480	\$0.03835	20,707
20	2047	49,658,025	\$3,176,842	\$5,185,384	\$2,008,542	\$0.04045	20,707

Financial Summary - Estimated, Financial Impact of Contract Term Options (In Present Value)

Contract Term Length	kWh Subscribed	Subscription Cost	Savings (Energy & Capacity Credits)	Term Net Savings/(Premium)	Net Savings/(Premium) \$/kWh	Metric Tons of CO2 Avoided
20 years	993,160,500	(\$33,577,182)	\$42,426,664	\$8,849,482	\$0.00891	414,148
15 Years	744,870,375	(\$28,879,660)	\$35,124,027	\$6,244,367	\$0.00838	310,611
10 Years	496,580,250	(\$22,281,902)	\$25,957,385	\$3,675,483	\$0.00740	207,074

The benefits of our Renewable Energy Program outweigh the risks



Impact to your business

SUBSCRIPTION IS ADDED TO YOUR UTILITY BILL:

No changes will be made to your bill until the new renewable energy resource is operational. Once online, the monthly net premium/credit will begin.

You can expect to see some additional line-items added to your bill:

- Subscription Fee - Fixed fee (\$/kWh) based on the resource or resources you are subscribed
- Energy Credit - Value (\$/kWh) of renewable energy generated and sold onto the grid
- Capacity Credit - Value (\$/kWh) of capacity of the resources you are subscribed

PROGRAM SUPPORT:

On an annual basis, we provide participants with energy market forecast updates to help you manage your energy costs and adjust for any changes in energy consumption that could impact your utility budget.

May Energy Bill

Invoice:

Account Summary

Last Month's Account Balance
Payment on May 10, 2022

Balance Forward

Total amount due will be deducted from your designated account on the due date.

Payments applied after May 12, 2022 are not included.

Electric Charges

On-Peak Billing Demand kW
Trans. On-Peak Billing Demand
On-Peak Energy
Off-Peak Energy
PSCR
System Access
Max Demand kW
FCM Incentive
Power Plant Securitization
Power Factor Credit
Low-Income Assist Fund

Electric Charges

Energy Subscription
Energy Credit
Capacity Credit

Total Electric

State Sales Tax

Total Energy Charges

Amount Due:

by June 03, 2022

If you pay after the due date, a 2% late payment charge will be added to your next bill.

2024 Enrollment

- Submit your contract now to reserve your spot in the program when the next resource comes online. Timing is important as customers are enrolled on a first come first serve basis.
- Since the program is expanding based on increased customer demand, there may be a waiting period before your enrollment begins.
- Contracts need to be returned by September 30th each year to ensure new resources are sized appropriately to meet your needs.

*Organizations can enroll in the program at any time; however, contracting today reserves your spot in the program to be enrolled when capacity comes online

Our Renewable Energy Program is the right fit:



Local

Support **NEW**
renewable resources
in Michigan



Flexible

Customizable to suit
your sustainability
goals



Cost-effective

No upfront costs



Turnkey

Fully managed
renewable resources
on your behalf



City Commission Agenda Report

City of Kalamazoo

Date: **9/16/2024**

Item: **H.2.**

TO: Mayor Anderson, Vice Mayor Duncan, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: Jeff Chamberlain, AICP, Deputy City Manager
Prepared by: Patrick McVerry, CPRP, Director of Parks and Recreation

DATE: September 16, 2024

SUBJECT: Approval of a contract with Owen-Ames Kimball for the construction of the Farmers Market Multipurpose Building (Bid Ref#90900-014.0) and a budget amendment

RECOMMENDATION:

It is recommended that the City Commission approve a contract with Owen-Ames Kimball for the construction of the Farmers Market Multipurpose Building in the amount of \$5,391,592.00 and a budget amendment.

BACKGROUND:

The Farmers Market Multipurpose Building is phase 2 of the Kalamazoo Farmers Market redesign project. The building will serve as the Parks and Recreation Department's main after-school site, replacing the Youth Development Center, as well as a summer Camp Kzoo site. The building will also serve as a meeting space, have a commercial kitchen for demonstrations and cooking classes, and be able to host winter Farmer's Markets.

Funding for the project consists of grants from the Irving S. Gilmore Foundation and the State of Michigan, American Rescue Plan Act dollars, and Capital Improvement dollars. The City Commission approved the funding for the project in the 2023 budget approval.

The winning bid for this project came in slightly below budgeted estimates.

The budget amendment will be \$1,100,000 transferred from the Recovery Grants and Programs Fund (fund 235). This amount was originally included in the 2025 budget of the ARPA plan, but is necessary to be included as the contract is encumbered to meet federal obligation requirements.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:

Inviting Public Places - Vibrant streets, exceptional parks, and welcoming activities.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Consult (two-way conversation) – the community will have a chance to react to the project through a two-way conversation.

Discussion:

Planning and design for the Kalamazoo Farmer's Market project has been ongoing since 2015. Phase 1 of the project was completed in June 2022 and this phase will complete the project.

FISCAL IMPACT:

The funds required for this contract are \$5,391,592. The funding available and estimated costs are detailed below. We are requesting the approval of this purchase using the funds below.

The available budget for the Farmers Market Multipurpose Building is included in the Capital Improvement Fund from private grants, bonds, and ARPA funding.

Description	Account	Project #	Dollar Amount
Farmers Market Multipurpose Building		cip0300079	\$5,391,592



City Commission Agenda Report

City of Kalamazoo

Date: **9/16/2024**

Item: **H.3.**

TO: Mayor Anderson, Vice Mayor Duncan, and City Commissioners

FROM: Aaron Leal, City Attorney
Prepared by: Sarah R Va Hyfte, Assistant City Attorney

DATE: September 16, 2024

SUBJECT: First Reading of an Ordinance to Amend Chapter 36, Article X to Add New Section 36-290, Pedestrians in Work Zone Areas

RECOMMENDATION:

It is recommended that the City Commission offer for first reading for the ordinance amendment to Chapter 36, Article X of the Kalamazoo City Code of Ordinances by adding Section 36-290 "Pedestrians in Work Zone Areas".

BACKGROUND:

There are numerous construction projects taking place throughout the City of Kalamazoo and there are no ordinances that currently address pedestrians in work zone areas. Chapter 36 of the Kalamazoo City Code of Ordinances addresses the Traffic Code. Article X specifically addresses pedestrians and the Traffic Code. The proposed addition of Section 36-290 to Chapter 36, Article X would prohibit pedestrians from stopping, standing, walking, jogging, or traveling within a designated work zone area. Like the other sections in Article X, a violation of the proposed amendment would be a civil infraction. This amendment is being proposed to help ensure the safety of pedestrians, motorists, and construction workers in work zone areas.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:

Safe Community – Creating a safe environment for living, working, and playing.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way-conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project impact.

FISCAL IMPACT:

Nominal

CITY OF KALAMAZOO, MICHIGAN

ORDINANCE NO. __

**AN ORDINANCE TO AMEND CHAPTER 36, ARTICLE X OF THE KALAMAZOO
CODE OF ORDINANCES TO ADD SECTION 36-290
“PEDESTRIANS IN WORK ZONE AREAS”**

THE CITY OF KALAMAZOO ORDAINS:

Section 1. The Kalamazoo City Code of Ordinances Chapter 36, Article X is amended by the addition of Section 36-290, “Pedestrians in Work Zone Areas” to read as follows:

“§ 36-290. Pedestrians in Work Zone Areas.

- A. No pedestrian shall stop, stand, walk, jog, or travel in a wheelchair, on rollerblades or skates, on a skateboard, bicycle, scooter or other similar device, within a work zone area.
- B. A violation of this section shall be processed in accordance with Section 36-25.
- C. As used in this section, a “work zone area” means the area and its approaches on any state highway or city street where construction, repair, maintenance or other street-related, or highway-related work is being performed or where one or more lanes are closed to traffic.

Section 2. Repealer.

All former ordinances or parts of ordinances conflicting or inconsistent with the provisions of this ordinance are repealed.

Section 3. Severability.

If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, said portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions of this ordinance.

Section 4. Effective Date.

Pursuant to Section 13(a) of the City Charter, this ordinance shall take effect from and after 10 days from the date of its passage.

CERTIFICATE

The foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Kalamazoo at a regular meeting held on September 16, 2024. Public notice was given and the meeting was conducted in full compliance with the Open Meetings Act, (PA 267, 1976). Minutes of the meeting will be available as required by the Act, and the ordinance was duly recorded, posted and authenticated by the Mayor and City Clerk as required by the Charter of said City.

David Anderson, Mayor

Scott Borling, City Clerk



City Commission Agenda Report

City of Kalamazoo

Date: **9/16/2024**

Item: **H.4.**

TO: Mayor Anderson, Vice Mayor Duncan, and City Commissioners

FROM: Aaron Leal, City Attorney
Prepared by: Sarah R Van Hyfte, Assistant City Attorney

DATE: September 16, 2024

SUBJECT: First Reading of an Ordinance to Amend Section 22-19, Impeding Pedestrian or Vehicular Passage

RECOMMENDATION:

It is recommended that the City Commission offer for first reading for the ordinance amendment to Section 22-19 of the Kalamazoo City Code of Ordinances.

BACKGROUND:

Currently, Section 22-19 addresses impeding pedestrian or vehicular passage, but it does not address impeding passage of bicycles. The proposed amendment would not substantially change the current ordinance, but it would expand the scope of the ordinance to include bicycles. With the addition and expansion of bike lanes in the City of Kalamazoo, including bicycles in the impeding passage ordinance would help ensure the safety of bicyclists and pedestrians.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:

Safe Community – Creating a safe environment for living, working, and playing.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way-conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

Nominal

CITY OF KALAMAZOO, MICHIGAN

ORDINANCE NO. __

**AN ORDINANCE TO AMEND SECTION 22-19
TO THE KALAMAZOO CODE OF ORDINANCES**

THE CITY OF KALAMAZOO ORDAINS:

Section 1. Section 22-19 of the Kalamazoo City Code is amended to read as follows:

§ 22-19 Impeding pedestrian, bicycle, or vehicular passage.

Any person or persons who, on any street, sidewalk, or any other public place, does any act which hinders or impedes, or could hinder or impede, the passage of pedestrians, bicycles, or vehicles, and refuses to cease and desist such acts when ordered to do so by a police officer or public safety officer, or other person in charge of the property, shall be guilty of a misdemeanor.

Section 2. Repealer.

All former ordinances or parts of ordinances conflicting or inconsistent with the provisions of this ordinance are repealed.

Section 3. Severability.

If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, said portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions of this ordinance.

Section 4. Effective Date.

Pursuant to Section 13(a) of the City Charter, this ordinance shall take effect from and after 10 days from the date of its passage.

CERTIFICATE

The foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Kalamazoo at a regular meeting held on September 16, 2024. Public notice was given and the meeting was conducted in full compliance with the Open Meetings Act, (PA 267, 1976). Minutes of the meeting will be available as required by the Act, and the ordinance was duly recorded, posted and authenticated by the Mayor and City Clerk as required by the Charter of said City.

David Anderson, Mayor

Scott Borling, City Clerk

CITY OF KALAMAZOO, MICHIGAN

ORDINANCE NO. _____

AN ORDINANCE TO AMEND SECTION 22-19
TO THE KALAMAZOO CODE OF ORDINANCES

THE CITY OF KALAMAZOO ORDAINS:

Section 1. Section 22-19 of the Kalamazoo City Code is amended to read as follows:

§ 22-19 Impeding pedestrian, **bicycle**, or vehicular passage.

Any person or persons who, on any street, sidewalk, or any other ~~place open to the public~~ **place**, ~~does~~ any act which hinders or impedes, or ~~tends to~~ **could** hinder or impede, the passage of pedestrians, **bicycles**, or vehicles, and refuse to cease and desist such acts when ordered to do so by a police officer or public safety officer, or other person in charge of the property, shall be guilty of a misdemeanor.

Section 2. Repealer.

All former ordinances or parts of ordinances conflicting or inconsistent with the provisions of this ordinance are repealed.

Section 3. Severability.

If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, said portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions of this ordinance.

Section 4. Effective Date.

Pursuant to Section 13(a) of the City Charter, this ordinance shall take effect from and after 10 days from the date of its passage.

CERTIFICATE

The foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Kalamazoo at a regular meeting held on _____, 2024. Public notice was given and the meeting was conducted in full compliance with the Open Meetings Act, (PA 267, 1976). Minutes of the meeting will be available as required by the Act, and the ordinance was duly recorded, posted and authenticated by the Mayor and City Clerk as required by the Charter of said City.

David Anderson, Mayor

Scott Borling, City Clerk