Agenda
Downtown Economic Growth Authority
Board of Directors

City of Kalamazoo

Monday, May 20, 2024 3:00 PM

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

A. CALL TO ORDER/ROLL CALL

1. 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 April 15, 2024. (**Action: Motion to approve**)

D. REPORTS AND PRESENTATIONS

1. Financial Report - City of Kalamazoo, CFO, Steve Vicenzi **(Action: Motion to accept Financial Report)**

E. DISCUSSION/ACTION ITEMS

1. Downtown Economic Growth Authority Committee Formation and Governance

Policy **(Action: Adoption of Committee Formation and Governance Policy)**

F. PUBLIC COMMENTS

G. DIRECTOR COMMENTS

H. ADJOURNMENT

KALAMAZOO DOWNTOWN
ECONOMIC GROWTH
AUTHORITY

Board of Directors Regular Meeting Minutes

April 15, 2024, 3:00 p.m. |Community Planning & Economic Development, 245 N Rose Street

PRESENT: Mayor David Anderson, Curt Aardema, Kwame Gyimah, Stephanie Hinman, Susan Lindemann, Clarence Lloyd, Jessica Thompson

ABSENT: Matt Hollander, Jeff Breneman

STAFF: Paul Thuringer, Steve Vicenzi, Melisssa Combs, Jaime Marsman

OTHER: Attorney John Weiss

A. CALL TO ORDER

SWEARING IN OF NEW MEMBER
Shelby Moss, Assistant City Clerk, swore in Jessica Thompson as a member of the DDA and DEGA Boards.

DIRECTOR LINDEMANN CALLED THE MEETING TO ORDER AT 3:02 P.M

Director Lindemann read the Purpose Statement.

PRESENT: Mayor David Anderson
Curt Aardema
Jeff Breneman
Kwame Gyimah
Stephanie Hinman
Susan Lindemann
Clarence Lloyd
Jessica Thompson

ABSENT: Jeff Breneman
Matt Hollander

EXCUSED: Jeff Breneman
Matt Hollander

THE APRIL 15, 2024, ATTENDANCE INCLUDING EXCUSED AND UNEXCUSED ABSENCES ARE RECORDED.

B. ADOPTION OF FORMAL AGENDA

DIRECTOR HINMAN MOVED TO ADOPT THE APRIL 15, 2024 AGENDA AS PRESENTED. DIRECTOR LLOYD SECONDED. NO OBJECTIONS. MOTION CARRIED.

C. APPROVAL OF MINUTES

DIRECTOR AARDEMA MOVED TO APPROVE THE MARCH 18, 2024 MINUTES. DIRECTOR HINMAN SECONDED. NO OBJECTIONS. MOTION CARRIED.

D. REPORTS AND PRESENTATIONS

1. **Financial Report**

Mr. Vicenzi shared the Financial Report. He noted that several year-end adjustments have been made. Mr. Vicenzi discussed revenues and expenses, highlighting details for the Board.

Director Aardema asked which utilities are paid for through the DEGA budget. It was discussed that this included streetlights in the District, including the outlets at the base of planters, and water for the Portland Loo. Director Aardema noted that many of the outlets located at the base of planters are used for items other than their original intention.

There was discussion regarding the Mall Maintenance amount. Mr. Vicenzi noted that further discussions should take place to clarify who is responsible for what and what the proper amount should be.

Director Aardema noted the difficulty of trending forecasts for the budget report. Mr. Vicenzi stated that the longer that the City assists with the books, the better the City will be at assisting with trends and forecasts.

Director Lindemann affirmed that further discussions would occur with the Finance Committee regarding Mall Maintenance and Debt Service.

DIRECTOR AARDEMA MOVED TO ACCEPT THE FINANCIAL REPORT AS PRESENTED. DIRECTOR LLOYD SECONDED. NO OBJECTIONS. MOTION CARRIED.

2. **Committee Reports**

Events and Marketing Committee

Director Lloyd requested a clarification regarding budget numbers. Director Lloyd shared highlights from the recent meeting. Applications from organizations that are hosting events downtown are beginning to be received. The Committee is also in the process of developing structure and processes around topics such as committee development, decision-making, allocations, who the official chair is, etc. He stated that the Committee is also working on a scope of work that they hope to put out late next week to find an organization to partner with to assist with marketing the entire downtown.

It was confirmed that $103,000 is budgeted for community promotions. The budget number does not include any grants. This $103,000 can be used for any community promotion (Beats on Bates, Sidewalk Sales, etc). Director Gyimah asked for clarification on whether this was the number for event sponsorship and events. It was confirmed that this was true. Director Lindemann noted that events are being administered differently now, as the DEGA is looking to support those who are doing the events rather than doing the events themselves. Cost and time savings were noted. Director Lloyd shared an example of how the Southwest Michigan First took on Restaurant Week. Director Lindemann noted that the DEGA no longer has staff to assist with these events as they did in previous years.

Director Breneman has asked to be moved to the Finance Committee, and be removed from the Events & Marketing Committee. Director Lindemann requested information on Committee assignments. Mr. Thuringer stated that Committee assignments can be shared with the board at the next board meeting. The Chair of the Events & Marketing Committee was discussed.

Recruitment and Retention Committee

Director Aardema shared highlights of their recent meeting including. He noted that demographic information was shared at the Downtown Townhall meeting that took place recently and thanked Director Lloyd and Jerrid Burdue for their assistance and work. He noted that Director Lloyd worked closely with Discover Kalamazoo regarding data collection from the Placer software. Director Aardema shared highlights of this data which included:

- Downtown resident education levels are higher than the national average, at about 50% with a four-year degree or higher.
- It is estimated that approximately 3600 people live downtown, which may include some students.
- Income levels downtown are trailing the state and national average which may indicate that some students are also being included in the numbers.
- The two largest age groups are 18-24 and 25-34.
- He noted the trends in activity by hour and discussed the value of this information.

Director Aardema also shared information on what elements may be missing from the downtown area such as groceries, quick service restaurants, and clothing.

The Committee is working on formalizing the marketing package. They are including retailers and landlords in discussions and having incentive discussions.

Director Gyimah asked if we were being intentional about engaging with the student population. Director Lloyd noted that there are partnerships in place with businesses and WMU/K-College students to discuss this. Mr. Thuringer noted that the City is working with this group and that there is also a group of students who are looking to assist with the Downtown Dollars program. Director Aardema stated that we need to think about how to make the downtown a daily part of the life of students… how can the community plan to shift activities to the downtown area. He noted that the WMed students are already rooted here due to their facility location being downtown. The importance of bridging the physical barriers to get students safely from the campuses to the downtown area was discussed.

Board of Directors Regular Meeting Minutes

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E. DISCUSSION/ACTION ITEMS

1. **RECOMMENDATION OF DDA BOARD MEMBER REAPPOINTMENT TO MAYOR/CITY COMMISSION OF MATT HOLLANDER**

Mr. Thuringer noted that Director Hollander was serving a partial term and this will be his first full term.

DIRECTOR HINMAN MOTIONED TO RECOMMEND THE DEGA BOARD APPOINTMENT OF MATT HOLLANDER TO THE MAYOR/CITY COMMISSION. DIRECTOR AARDEMA SECONDED. ROLL CALL VOTE.

2. **Authorize the Finance Committee and DEGA Staff to expend funds up to $5,000 for contractual services and goods that have been anticipated and included in the DEGA's approved budget.**

Director Lindemann stated that the purpose of this request is to expedite purchases that are already approved. This would remove the barrier of needing to wait until the next board meeting to approve expenses that have already been budgeted. The timeliness and flexibility of this were discussed.

DIRECTOR LLOYD MOTIONED TO AUTHORIZE THE FINANCE COMMITTEE AND DEGA STAFF TO EXPEND FUNDS UP TO $5,000 FOR CONTRACTURAL SERVICES AND GOODS THAT HAVE BEEN ANTICIPATED AND INCLUDED IN THE DEGA'S APPROVED BUDGET. DIRECTOR AARDEMA SECONDED. NO OBJECTIONS. MOTION CARRIED.

3. **Extension of the Ambassador Contract**

Mr. Thuringer noted that a small change to the amendment was provided with Board packets today with the amount of the increase of $38,989.60 added to the amendment. He shared that the Ambassadors approached City staff and asked for an increase. Per their contract, they are authorized to request an increase. This contract would then go through Apil of 2025. As this is the last extension of the contract, an RFP will be put together for these services. Director Lindemann noted that an evaluation process should go alongside with the RFP process. Mr. Thuringer stated that there could be some additional grant funding that could assist with this.

DIRECTOR HINMAN MOTIONED TO ASSIGN AND APPROVE THE AMENDED AGREEMENT AND EXTENSION OF ONE-YEAR CONTRACT WITH MYDATT SERVICES IN DBA BLOCK BY BLOCK. DIRECTOR LLOYD SECONDED.

Director Aardema affirmed the good work that they do and questioned the boundaries of their work, noting the accumulation of trash and weeds at a very visible downtown location.

Director Lindemann stated that monthly reports will be available to the DDA/DEGA Board going forward. These reports had previously been provided to the Parks & Rec Department, who assists with managing the relationship. Mr. Thuringer noted that we are in the process of hiring a Downtown Coordinator who will assist with this. Director Lloyd noted that there are two needs, one is on demand and the other is anticipatory.

Director Thompson noted that the contact numbers are on the website and are also on signage for events. There was discussion about the appropriate chain of communication for events/issues.

Mayor Anderson noted that it is good to have a system for notifying the Ambassadors and also the importance of a proactive approach/view of the Downtown area. Director Thompson noted that Ambassadors have their own route and do an excellent job of cleaning, speaking with shop owners and maintenance.

It was noted that the requested increase will assist with pay increases and also the addition of another part-time person.

NO OBJECTIONS. MOTION CARRIED.

4. **2024 Beats on Bates**

Mr. Thuringer stated that the City was informed that we were behind schedule for Beats on Bates. It was, therefore, decided to bring this forward with Kim Guess who did Beats on Bates last year. The Executive Committee approved this. Mr. Thuringer requested that the motion also allow City staff to work with the Chair regarding insurance and liability requirements. It was agreed that Beats on Bates went very well last year. Ms. Guess has many of the bands tentatively booked, and moving forward will allow them to be booked fully and go forward with the upcoming season. Next year there will be an RFP for this.

DIRECTOR LLOYD MOTIONED THE BEATS ON BATES AGREEMENT IN SUBSTANTIALLY THE FORM PRESENTED AT THIS MEETING IS APPROVED WITH SUCH MODIFICATIONS NOT MATERIALLY ADVERSE TO THE DEGA APPROVED AS TO THE CONTENT, ORIGIN OR PERSON AS INFORMED BY LEGAL COUNSEL. DIRECTOR AARDEMA SECONDED. NO OBJECTIONS. MOTION CARRIED.

It was noted that the cost of this comes out of the $103,000 and the remaining $69,000 is for the remaining events.

5. **City Holiday Events**

Mr. Thuringer stated that the City approached Staff and DEGA to take over holiday events which include the Holly Jolly Trolley and Santas Workshop for a period of three years. This has historically been a downtown event. The city has been running it for the last few years, and this would be a formal agreement to that. He noted that this is similar to how Southwest Michigan First took over the responsibility of Restaurant Week.

Mr. Thuringer stated that the Board has the option to sponsor these events.

Mr. Thuringer noted that this is limited to just the two events specified. It was agreed that the more sponsorships and third-party ownership the better. The Events & Marketing Committee asked if there were other non-parade events that currently exist that would not be included in this. Capacity of the Downtown Coordinator was discussed. Mr. Thuringer stated that it is not likely that the Downtown Coordinator would be responsible for managing these holiday events. It was noted that this may open some capacity to sponsor other events.

DIRECTOR LLOYD MOTIONED TO APPROVE AND AUTHORIZE THE CITY TO CARRY OUT DEGA-RELATED HOLIDAY EVENTS FOR THE NEXT THREE YEARS, ENDING APRIL 1, 2027. DIRECTOR AARDEMA SECONED. NO OBJECTIONS. MOTION CARRIED.

F. PUBLIC COMMENTS

1. None.

G. DIRECTOR'S COMMENTS

1. Director Aardema shared information regarding bike lanes and pedestrian focused amenities. He spoke about the importance of integrating the downtown area into events that occur throughout Kalamazoo. He shared a list of events that are not currently linked to the downtown and the barriers to blending events into downtown life. He spoke of the importance of keeping City offices downtown.

H. ADJOURNMENT

DIRECTOR LINDEMANN ADJOURNED THE MEETING AT 4:15 P.M.

Downtown Economic Growth Authority
Statement of Activity
3/31/2024

Total Available Cash	**102,346**		

	2024 Adopted Budget	March	2024 YTD Actuals
Revenues			
Taxes	615,000		-
Other Revenue	-		-
Event Sponsorships	102,000		-
Transfers In	40,000		-
Charges For Services	5,000	500	2,000
Interest And Rentals	-		-
Total Revenues	**762,000**	**500**	**2,000**
Expenses			
Professional And Contractual Services	353,600	3,575	60,668
Legal Services And Fees	30,000		-
Insurance Services			-
Operating Supplies			1,660
Garbage Disposal		404	809
Repairs			-
Utilities			-
Community Promotion	103,000		-
Audit Fees	13,400		-
Tax Appeal Refunds	5,000		-
Administrative Fees	125,000	31,250	31,250
Restricted For Debt Service	-		-
Total Expenses	**630,000**	**35,229**	**94,387**
Revenues Less Expenses	**132,000**	**(34,729)**	**(92,387)**

Notes:

Long Term Debt:	
2019 Operations Loan from City	300,000
2020 Operations Loan from City	700,000

Professional And Contractual Services:	March	2024 YTD Totals
Recycling Services - BIG BELLY SOLAR LLC	3,575	10,725
Ambassador Services - BLOCK BY BLOCK	-	49,943
TOTAL	**3,575**	**60,668**

CITY OF KALAMAZOO DOWNTOWN ECONOMIC GROWTH AUTHORITY (DEGA)
(A CORRIDOR IMPROVEMENT AUTHORITY UNDER PART 6 OF ACT 57 OF 2018)
COMMITTEE FORMATION AND GOVERNANCE POLICY
May 20, 2024

1. The full DEGA Board shall create, dissolve, and define the scope of authority of all DEGA Committees on an as needed basis and shall appoint initial Committee members.

2. Committees existing at the time of adoption of this Policy shall continue to exist but shall come into compliance with this Policy upon its adoption.

3. After the initial formation of a Committee, the DEGA Executive Committee shall appoint and remove Committee Members as needed.

4. Committees may select their own Chair or Co-Chairs on an annual basis, or sooner as required, except that the full Board Treasurer shall always serve as the Chair of the Finance Committee and the full Board Chair shall always serve as the Executive Committee Chair.

5. All Committee Chairs or Co-Chairs shall be selected from existing members of the full DEGA Board and shall serve one year terms which may be renewed.

6. Committee Chairs shall work directly with the DEGA Coordinator and other staff assigned to the DEGA by the City, and shall assist the Coordinator with creating Committee agendas and scheduling.

7. Except as authority is otherwise delegated by the full Board, all Committees shall be recommending bodies whose recommendations are taken to the full Board for approval.

8. Every full Board Member shall serve on at least one Committee.

9. Committees shall make recommendations regarding Committee Member appointments to the Executive Committee annually or as needed to replace vacancies.

10. In summary: the full Board creates Committees initially and appoints initial slate of Committee Members, thereafter the Executive Committee appoints Committee Members (after recommendations are taken from existing Committee Members) annually, Committees select their own Chairs or Co-Chairs from within full Board membership (except Treasurer serves as Finance Chair and Board Chair serves as Executive Committee Chair).

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