

**BATTLE CREEK DOWNTOWN DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS**

Monday April 26, 2021, 3:30 PM
Meeting VIA ZOOM

MEMBERS PRESENT: Kim Carter, Paul Conkey, Rebecca Fleury, Edward Guzzo, Nelson Karre, Cody Newman, Ross Simpson, Kyra Wallace
Ex-Officio: Commissioner Boonikka Herring and Commissioner Carla Reynolds

ABSENT: John Godfrey

OTHERS PRESENT: Ted Dearing, Linda Morrison, John Hart, Jessica VanderKolk, Sarah VanWormer, Romy Kochan (Gringas Global), Shabaka Gibson (Battle Creek Unlimited)

Call to order: Vice Chair Guzzo called meeting to order at 3:33 pm.

Welcome and Introductions: Members, through roll call, noted the location from which they were attending. Kyra Wallace - attending from Clark County Nevada; all others from Battle Creek, Michigan.

Approval of Minutes:

MOTION: Mr. Karre moved that the Battle Creek Downtown Development Authority Board of Directors approve the meeting minutes from January 25, 2021 with the correction of the February 1, 2020 to February 1, 2021 in Funding Requests – a. Hollander Development. Mr. Simpson supported the motion. Unanimously approved.

FY 2022 Budget detail item:

- a. Included in the proposed FY 2022 budget is a \$50,000 item for the Milton commercial lease incentive program. Romy Kochan from Gringas Global discussed the BC Strong Business Program and its history and how the lease incentive program proposed to be funded by the DDA meets a need to bring tenants to the Milton and will be administrated by the Battle Creek Community Foundation. This program includes a six-year goal for commercial tenants to be non-dependent on this program. Romy addressed questions presented by the board.

Financials:

- a. **Interim financial statements through March 31, 2021** – Revenue Services Director Linda Morrison presented the interim financial statements for the nine months ended March 31, 2021. Preliminary property tax reconciliation for the year ended 6/30/21 is complete and the categorization of funds passed through the State for personal property tax elimination is the cause of the large variances in the categories of general revenues. The largest expenditure for the DDA is debt service which will occur in June, thus the favorable bottom line revenues over expenditures of \$2,905,614.

MOTION: Mr. Karre moved that the Battle Creek Downtown Development Authority Board of Directors accept the March 31, 2021 interim financial statement. Mr. Newman supported. Unanimously approved

- b. **FY 2021 Budget Amendment** – Revenue Services Director Linda Morrison presented the proposed budget amendment for the year ending 6/30/21. The categorization of revenue is the primary budget adjustment as well as adjusting the budget to the estimated actual year-end numbers. Administrative costs are proposed to increase to cover the first part (with the second coming next fiscal year) of attorney assistance with a review of the DDA plan. Ted Dearing's 4/26/21 memo gives further details of the requested amendment.

MOTION: Mr. Karre moved that the Battle Creek Downtown Development Authority Board of Directors approve the June 30, 2021 amendment to the budget. Mr. Simpson supported. Unanimously approved.

- c. **FY 2022 Budget Adoption** – Revenue Services Director Linda Morrison presented the proposed annual budget for the year ended June 30, 2022. The personal property tax replacement formula used by the State is slated to change for this fiscal year. The impact of the change is unknown, and staff will be watching this revenue source closely. Mr. Dearing's 4/26/21 memo gives further details of the downtown special projects expenditures. There

are no allocations of American Rescue Plan Act (ARPA) federal dollars in this FY 2022 DDA budget or the City's proposed budget which will be discussed at a May 6, 2021 workshop with the City Commission. Bottom line revenues (\$4,543,080) equal expenditures and projected fund balance at 6/30/22 is \$1,249,149.

Mr. Karre and Mr. Newman voluntarily recused themselves from the FY 2022 budget adoption vote due to client interests.

MOTION: Mr. Simpson moved that the Battle Creek Downtown Development Authority Board of Directors approve the fiscal year 2022 annual budget. Mr. Guzzo supported. Unanimously approved.

80 W. Michigan Lease (Suite B):

Mr. Dearing provided history of the kitchen incubator and discussed the current tenant's participation in programs intended to assist small businesses to be successful. This one-year lease is modeled after the original lease at the current rate and is retroactive to March 1, 2021. The board discussed the need for re-evaluation of the lease towards the end of the lease term.

MOTION: Mr. Simpson moved that the Battle Creek Downtown Development Authority Board of Directors approve the lease for 80 W. Michigan – Suite B as presented. Mr. Guzzo supported. Unanimously approved.

Project Updates:

Scooter Ordinance
McCamly Hotel Presentation
River Restoration
VanBuren Lot RFQ

Member/Citizen Comments: There were no citizen comments. Member discussion included updates on downtown properties and the DDA plan document. The upcoming review of the plan document with the assistance of an attorney is hoped to identify focus points and priorities. Looking to shape the future and formulate a plan in collaboration with other stakeholders. The board is looking for an identification of who those stakeholders are as the DDA plan review progresses.

Adjourn: 5:11 pm