

Kalamazoo City Commission Work Session

Kalamazoo Foundation For Excellence
Memorandum of Understanding

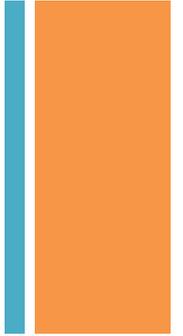
October 24, 2016

Meeting Outcomes

- Review Memorandum of Understanding (MoU)
- Requested action to approve MoU for the proposed Kalamazoo Foundation For Excellence (FFE)



Kalamazoo Foundation For Excellence

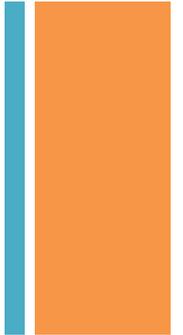


A new model to:

- Stabilize the budget
- Reduce property taxes
- Provide new funding for aspirational projects
- Last for generations



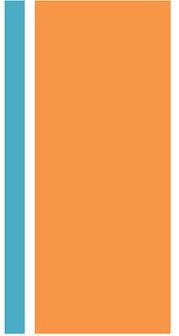
Principles



- A model built on trust and a legacy of philanthropy
 - Everyone can be a philanthropist; give back to the community
- Investment in our community as envisioned by our citizens and Imagine Kalamazoo 2025
- Provide tax relief for residents & businesses
- Create shared prosperity and end generational poverty
- Invest in our youth



Kalamazoo Foundation For Excellence



3-Year Funding Commitment (\$ millions)

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>TOTAL</u>
Stabilize the Budget*	--	3.8	3.8	7.6
Reduce the Tax Rate to 12 mills	10.9	10.9	10.9	32.7
Aspirational Investments	<u>10.0</u>	<u>10.0</u>	<u>10.0</u>	<u>30.0</u>
	20.9	24.7	24.7	70.3

* Assumes \$2.0M annual savings from consolidated dispatch beginning in 2018

Kalamazoo Foundation For Excellence Timeline

JULY 28, 2016

Foundation For Excellence introduced. Direction given to pursue model.

OCTOBER 24, 2016

Review MOU outlining principles and agreement between lead donors and City.

JANUARY 1, 2017 - JUNE 30, 2019

Capital campaign begins to raise \$70.3 million and fully endow FFE.

OCTOBER 24, 2016 - AUGUST 31, 2017

Development of FFE and approval by City Commission; creation of legal FFE entity

JUNE 30, 2019

Foundation for Excellence fully endowed

2016

2017

2018

2019

APRIL - SEPTEMBER 2017

Aspirational projects presented to City Commission for approval with \$10M budget amendment.

DECEMBER 1, 2018

FY2019 Budget transmittal including property tax rate reduction to 12 mills and aspirational projects.

DECEMBER 1, 2016

FY 2017 Budget transmittal including property tax rate reduction to 12 mills.

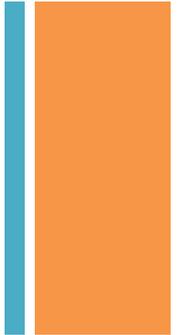
DECEMBER 1, 2017

FY 2018 Budget transmittal including property tax rate reduction to 12 mills and aspirational projects.



FFE Timeline

Through June 30, 2019



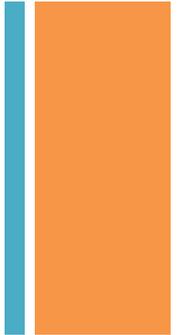
Milestones:

- | | |
|----------|--|
| 07/28/16 | FFE Introduced |
| 10/24/16 | Review MoU |
| 12/01/16 | FY2017 Budget transmittal including property tax reduction to 12 mills |
| Before | |
| 09/30/17 | Mid-year budget amendment |
| 12/1/17 | FY2018 Budget transmittal including property tax reduction to 12 mills and aspirational projects |



FFE Timeline

Through June 30, 2019



Key Outcomes:

Before August 31, 2017

- Development and creation of FFE

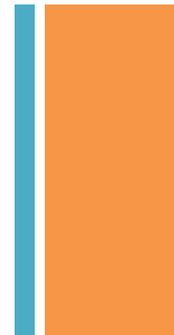
Through June 30, 2019

- Capital Campaign for \$70.3 million and endowment



Development of the FFE

Outline of Next Steps: Documents



1. Incorporation as a Non-Profit with the State of Michigan
2. Preparation of Bylaws
3. Internal Revenue Service Filings
4. Development & Adoption of Internal Policies



imagine kalamazoo 2025

Plan It!

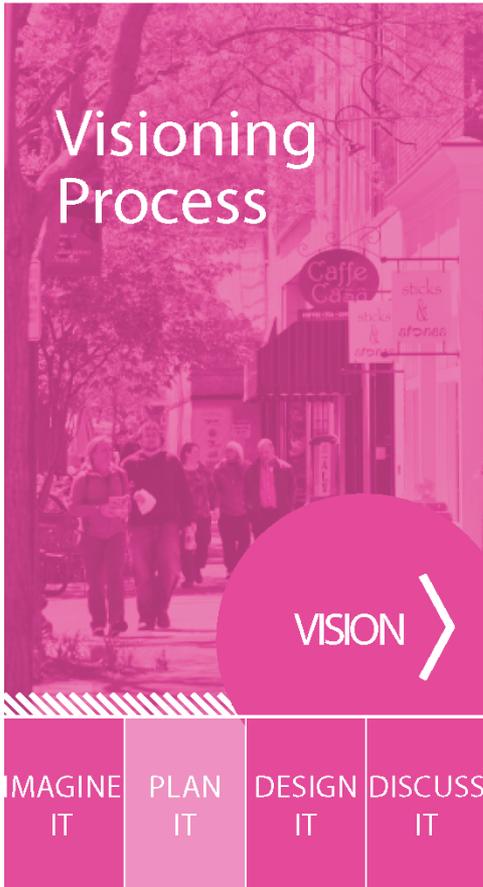
A hands on creative workshop to inform the 2025 Strategic Vision & Master Plan Update

**Thursday, October 27th 5:30pm to 7:30pm
St. Joseph's Church at 936 Lake Street**

Dinner will be served & Children's activities will be available!
La cena será servida y actividades de los niños estará disponible
interpretación español disponibles en cada mesa.

Next meeting to be announced soon! Visit our website at: www.imaginekalamazoo.com

Come and be a part of making decisions about a shared vision for Kalamazoo that improves quality of life for ALL.



VISION

IMAGINE IT PLAN IT DESIGN IT DISCUSS IT

we are here

City of Kalamazoo Community Planning & Development
for more information call: 269-337-8044
or visit www.imaginekalamazoo.com for event information and directions

Para mas informacion llame at 269-337-8044,
City of Kalamazoo Planning and Development o visita nuestra pagina
web a www.imaginekalamazoo.com para mas informacion sobre el evento.

Discussion