

**RESTATED BYLAWS OF THE DOWNTOWN ECONOMIC GROWTH AUTHORITY OF THE
CITY OF KALAMAZOO**

ARTICLE I

Purposes and Powers

Section 1: Purposes

The purposes for which the Authority is organized are to act as a corridor improvement authority in accordance with Act 57 of the Public Acts of 2018, as amended, and as such statute may from time to time be amended; including, in particular, to correct and prevent deterioration in the development area; to encourage historical preservation; to create and implement improvement plans in the development area; and to promote the economic growth within the development area. In furtherance of these purposes, the Authority shall have all of the powers which now or hereafter may be conferred by law on corridor improvement authorities organized pursuant to State law.

Section 2: Powers

As described by statute, the Authority Board shall have the power or authority to:

- (a) Prepare an analysis of economic changes taking place in the development area;
- (b) Study and analyze the impact of metropolitan growth upon the development area;
- (c) Plan and propose the construction, the renovation, repair, remodeling, rehabilitation, restoration, preservation or reconstruction of a public facility, an existing building, or a multiple-family dwelling unit which may be necessary or appropriate to the execution of a plan which, in the opinion of the Board, aids in the economic growth of the development area;
- (d) Plan, propose, and implement an improvement to a public facility within the development area to comply with the barrier-free design requirements of the state construction code;
- (e) Develop long-range plans, in cooperation with the agency which is chiefly responsible for planning in the municipality, designed to halt the deterioration of property values in the development area and to promote the economic growth of the development area, and take such steps as may be necessary to persuade property owners to implement the plans to the fullest extent possible;
- (f) Implement any plan of development in the development area necessary to achieve the purposes of Act 280 of 2005 or successor acts, in accordance with the powers of the Authority as granted by state law;
- (g) Make and enter into contracts necessary or incidental to the exercise of its powers and performance of its duties;
- (h) On terms and conditions and in a manner and for consideration the Authority considers proper or for no consideration, acquire by purchase or otherwise, or own, convey, or otherwise dispose of, or lease as lessor or lessee, land and other property, real or personal, or rights or interest in the property, that the Authority determines is reasonably necessary to achieve the purposes set forth by Act 57 of the Public Acts of 2018, as amended, and to grant or acquire licenses, easements, and options with respect thereto;
- (i) Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair and operate any building, including multiple-family dwellings, and any necessary or desirable appurtenances thereto, within the development area for the

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use, in whole or in part, of any public or private person or corporation, or a combination thereof;

- (j) Fix, charge and collect fees, rents and charges for the use of any building or property under its control or any part of the facility, building or property, and pledge the fees, rents and charges for the payment of revenue bonds issued by the Authority;
- (k) Lease, in whole or in part, any facility, building, or property under its control;
- (l) Accept grants and donations of property, labor, or other things of value from a public or private source;
- (m) Acquire and construct public facilities;
- (n) Conduct market research and public relations campaigns, develop, coordinate, and conduct retail and institutional promotions, and sponsor special events and related activities;
- (o) Contract for broadband service and wireless technology service in a development area;
- (p) Receive private property from the City of Kalamazoo, acquired pursuant to Public Act 149 of 1911, MCL 213.21 et seq. for the purpose of transfer to the Authority for use in an approved development, on terms and conditions deemed appropriate by the Authority, and the taking, transfer, and use shall be considered necessary for public purposes and for the benefit of the public;
- (q) Take any other action as is allowed by law.

Section 3: Qualified Development Area Powers

In a qualified development area, the Board may, in addition to the powers enumerated in Section 2, do one or more of the following:

- (a) Perform any necessary or desirable site improvements to the land, including, but not limited to, installation of temporary or permanent utilities, temporary or permanent roads and driveways, silt fences, perimeter construction fences, curbs and gutters, sidewalks, pavement markings, water systems, gas distribution lines, concrete, including, but not limited to, building pads, storm drainage systems, sanitary sewer systems, parking lot paving and light fixtures, electrical service, communication systems, including broadband and high-speed Internet, site signage, and excavation, backfilling, grading of site, landscaping and irrigation, within the development area for the use, in whole or in part, of any public or private person or business entity or a combination of these;
- (b) Incur expenses and expend funds to pay or reimburse a public or private person for costs associated with any of the improvements described in subsection (a) above;
- (c) Make and enter into financing arrangements with a public or private person for the purposes of implementing the Board's powers described in this section, including, but not limited to, lease-purchase agreements, land contracts, installation sales agreements, sale-leaseback agreements, and loan agreements.

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ARTICLE II
Board of Directors

Section 1: General Powers

The Authority shall be under the supervision and control of a Board of Directors who may exercise all powers provided in Act 57 of the Public Acts of 2018 and any successor statute.

Section 2: Number, Tenure and Qualifications

The Board of Directors of the Authority shall consist of nine persons, the Mayor of the City of Kalamazoo and eight additional people. The Board members shall be appointed for a term of four years except that of members first appointed, two shall be appointed for one year, two for two years, two for three years, and two for four years. At least five of the members shall be persons having an ownership or business interest in property located in the development area. At least one of the members shall be a resident of the development area or of an area within 1/2 mile of any part of the development area.

Section 3: Selection of Board Members

The Mayor of the City of Kalamazoo with the approval of the City Commission shall appoint the members of the Board. Subsequent Board members shall be appointed in the same manner as the original appointments at the expiration of each member's term of office. Before assuming the duties of office, a member shall qualify by taking and subscribing to the constitutional oath of office.

Section 4: Compensation of Members

Members of the Board shall serve without compensation, but shall be reimbursed for actual and necessary expenses.

Section 5: Expiration of Term, Continuation in Office, Reappointment, and Filling Vacancies

Members whose terms of office have expired shall continue to hold office until a successor has been appointed. If a vacancy is created by the death, resignation or removal of a member, a successor shall be appointed by the Mayor with the approval of the City Commission within thirty days to hold office for the remainder of the term so vacated.

Section 6: Removal

After having been given notice and an opportunity to be heard, a member may be removed from office for cause by a majority vote of the City Commission. Cause may include neglect of duty, nonattendance at meetings, misconduct, or malfeasance.

Section 7: Conduct/Disclosure of Interest

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- (a) A Board member or employee shall not engage in a business transaction by which the individual may profit from their official position with the Authority or benefit from confidential information which the individual has obtained or may obtain by reason of his or her position with the Authority.
- (b) A Board member who has a conflict of interest regarding any matter before the Authority shall disclose his or her interest prior to the Authority taking any action with respect to the matter which disclosure shall become a part of the record of the Authority's official proceedings. Further, except as provided herein, any member making such disclosure shall then refrain from participating in the Authority's decision-making process relative to such matter.
- (c) A conflict of interest occurs when a Board member's financial or personal interests conflict with their responsibility to impartially act in the best interests of the Authority. Personal interests include direct interests as well as those of family, friends, or other organizations a person may be involved with or have an interest in (for example, as a shareholder). It also includes a conflict between a Board member's duty as a member of the Authority Board and another duty that the member has (for example, to another entity as an employee, principal or director). A conflict of interest may be actual, potential, or perceived and may be financial or non-financial. An apparent conflict of interest exists whenever circumstances are such that a Board member or a Board member's family may appear to be in a position to benefit, either financially or personally, from the position the person holds as a Board member, such as by being privy to information not generally available to the general public or it appears the member may be unable to make impartial decisions due to outside relationships or other activities, such as when a person may appear to have an unfair advantage because of his or her relationship to a Board member.
- (d) A Board member shall not be a party, directly or indirectly to a contract between, nor directly or indirectly solicit a contract between the Authority and (1) him or herself; (2) any business entity of which he or she is a partner, member, officer, director, trustee, or employee; (3) any corporation in which he or she is a stockholder owning more than 1% of the total outstanding stock of any class if the stock is not listed on a stock exchange, or stock with a present market value that exceeds \$25,000 if the stock is listed on a stock exchange, or of which he or she is a director, officer, or employee; or (4) any trust of which he or she is a beneficiary or trustee. Provided however, the prohibition contained in this subsection shall not apply to a Board member if he or she discloses his or her pecuniary interest in the contract to the Board, such disclosure is made a matter of record in the official proceedings of the Authority Board before any discussion and decision on the proposed contract, and if the contract is approved by not less than 2/3 of the full membership of the Board without the vote or participation of the member making the disclosure.

Section 8: Indemnification

Any member of the Board, or an officer or employee of the Authority, shall be indemnified or reimbursed by the Authority for reasonable expenses incurred in connection with any claim, liability, judgment or settlement as a result of acts or omission by them while acting in the course and scope of their duties on behalf of and in the best interests of the Authority.

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Provided, however, that no person shall be indemnified or reimbursed as to any matter in which he or she is adjudged to have been grossly negligent, engaged in willful misconduct, or criminally liable. Further, any award of punitive damages cannot be indemnified by the Authority as a matter of law and public policy.

ARTICLE III
Officers

Section 1: Election of Officers

The officers of the Authority shall be a Chairperson, Vice-Chairperson, Secretary, and Treasurer, provided however, the Board may consolidate the offices of Secretary and Treasurer. Officers shall be elected at the first regular meeting of the Board and at each annual meeting thereafter.

Section 2: Term of Office

Officers shall serve a term of one (1) year or any part thereof as may be determined, and until his or her successor is designated. Officers are eligible to serve successive terms. However, no terms of office created under this section shall extend beyond the Board term of the member designated.

Section 3: Filling of Vacancies and Removal of Officers

A vacancy may be filled by action of the Board for the unexpired portion of the term. An officer may be removed by the Board whenever in its judgement the best interest of the Authority would be served.

Section 4: Chairperson

The Chairperson shall preside at meetings of the Board and shall do and perform such other duties as may be from time to time assigned to the office by the Board.

Section 5: Vice-Chairperson

The Vice-Chairperson shall perform the duties of the Chairperson in the Chairperson's absence and such other duties as shall from time to time be assigned to the office by the Board.

Section 6: Treasurer

The Treasurer shall have the following duties and responsibilities:

- (a) Keep the financial records of the Authority and, together with the executive director, shall approve all vouchers for the expenditure of funds of the Authority;
- (b) Sign all checks, which shall be countersigned by the Chairperson, except as otherwise provided by the Board;

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- (c) Perform other duties as may be delegated to the office by the Board;
- (d) Furnish bond in an amount as prescribed by the Board.

Section 7: Secretary

The Secretary shall have the following duties and responsibilities:

- (a) Maintain custody of the official seal and of records, books, documents and other papers, not required to be maintained by the Treasurer;
- (b) Attend meetings of the Board and keep, or cause to be kept, a record of its proceedings;
- (c) Perform other duties as may be delegated to the office by the Board.

ARTICLE IV

Employment of Personnel

Section 1: Executive Director

The Board may employ and fix the compensation of an Executive Director, subject to the approval of the City Commission. The director shall serve at the pleasure of the Board. A member of the Board is not eligible to hold the position of director. Before entering upon the duties of office, the director shall take and subscribe to the constitutional oath. The director shall be the chief executive officer of the Authority. Subject to the approval of the Board, the director shall supervise, and be responsible for, the preparation of plans and the performance of the functions of the Authority in the manner authorized by Act 57 of the Public Acts of 2018, as amended. The director shall attend the meetings of the Board, and shall render to the Board and to the City Commission a regular report covering the activities and financial condition of the Authority. If the director is absent or disabled, the Board may designate a qualified person as acting director to perform the duties of the office. Before entering upon the duties of office, the acting director shall take and subscribe to the oath as required of the director. The director shall furnish the Board with information or reports governing the operation of the Authority as the Board requires. The director shall furnish bond in an amount as prescribed by the Board.

Section 2: Legal Counsel

The Board may retain legal counsel to advise the Board in the proper performance of its duties. The legal counsel shall represent the Authority in actions brought by or against the Authority.

Section 3: Other Personnel

The Board may employ and fix the compensation of other personnel deemed necessary by the Board to assist the executive director and the officers in carrying out their duties.

Section 4: Employee Benefits

The employees of the Authority shall be eligible to participate in municipal retirement

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and insurance programs as if they were civil service employees, except that the employees of the Authority are not civil service employees.

Section 5: Contracts for Employee Services

The Authority may, in its discretion, contract with the City of Kalamazoo or any another qualified and responsible entity for administrative, planning and legal services in support of its operations.

ARTICLE V
Meetings

Section 1: Annual Meeting

An annual meeting of the Board shall be held in March of each calendar year. The election of officers shall occur at the annual meeting. If the election of officers should not occur on the day designated, or any adjournment thereof, the Board shall cause the election to be held at a regular or special meeting of the Board within ninety days of the annual meeting.

Section 2: Regular Meetings

Regular meetings of the Board shall be held at a time and place to be set by the Board. At each regular meeting, all expense items of the Authority shall be publicized. The financial records shall always be open to the public.

Section 3: Special Meetings

Special meetings shall be held whenever called by direction of the chairperson, executive director, Mayor of the City of Kalamazoo, or any two (2) members of the Board on eighteen (18) hours written notice of the time and place of the meeting.

Section 4: Notice of Meeting

All special meetings shall be preceded by public notice posted at least eighteen hours prior to the meeting in accordance with the Michigan Open Meetings Act, being Act 267 of the Public Acts of 1976, as amended.

Section 5: Agenda

The Executive Director shall prepare the agendas for all meetings and send them to the Authority members at least eighteen hours prior to a meeting. Any member of the Board may request any item to be placed upon the agenda.

Section 6: Quorum and Voting

Any five members of the Board shall constitute a quorum for the transaction of business.

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The vote of a majority of members present at a meeting at which a quorum is present shall constitute the action of the Board unless the vote of a larger number is required by statute or elsewhere in these Bylaws.

Section 7: Rules of Order

Robert's Rules of Order Newly Revised will govern the conduct of all meetings.

Section 8: Open Meetings

All regular and special meetings of the Authority Board shall be open to the public and held in a place available to the general public in accordance with Public Act 267 of 1976.

ARTICLE VI
Advisory Committees

Section 1: Advisory Committees

The Board, by resolution adopted by a majority of the members present at any meeting, may designate and appoint one or more committees to advise the Board. Except as otherwise provided in such resolution, there shall be fewer than 5 board members on such committee though non-members may also serve on such committee. The Chairperson shall appoint the members and select the committee chairperson. Any member may be removed by the person or persons authorized to appoint such member whenever in their judgement the best interests of the Authority shall be served by such removal.

Section 2: Term of Office

Each member of an advisory committee shall continue as such until the next annual meeting of the members of the Authority and until a successor is appointed, unless the committee is sooner terminated, the member is removed from the committee, or the member ceases to qualify as a member thereof.

Section 3: Quorum

Unless otherwise provided in the resolution of the Board designating an advisory committee, a majority of the whole committee shall constitute a quorum and the acts of a majority of the members present at a meeting at which a quorum is present shall be the acts of the committee.

Section 4: Scope of Authority

Advisory committees shall only be capable of making recommendations to the full Board concerning its exercise of authority. Advisory committees shall not act so as to deprive the full Board of the opportunity to consider a matter nor act in a manner to effect public policy.

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ARTICLE VII

Fiscal Year, Adopting of Budget, Financial Reports

Section 1: Fiscal Year

The fiscal year of the Authority shall begin on January 1st and end on December 31st of each year, or such other fiscal year as may hereafter be adopted by the City.

Section 2: Adoption of Budget

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

Section 3: Audit and Financial Reports

The Authority shall submit financial reports to the City Commission at the same time and on the same basis as departments of the City are required to submit reports. The Authority shall be audited annually by the same independent auditors auditing the City and copies of the audit report shall be filed with the City Commission.

ARTICLE VIII

District Boundaries

The Authority shall exercise its powers within the downtown corridor improvement qualified development area of the City of Kalamazoo as designated in the resolution establishing the Authority, as such resolution may from time to time be amended.

ARTICLE IX

Miscellaneous

Section 1: Offices

The Authority may have such offices as the Board may determine, or the affairs of the Authority may require from time to time.

Section 2: Corporate Seal

The Board shall adopt a corporate seal for the Authority.

Section 3: Relocation Assistance

The Authority shall be deemed an instrumentality of a political subdivision for purposes

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of Act 227 of the Public Acts of 1972, being MCL 213.321 et seq.

Section 4: Books and Records

The Authority shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board and committees having any of the powers of the Board, and shall keep at the principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Authority prepared, owned, used, in the possession of, or retained by the board in the performance of an official function are subject to the Freedom of Information Act, 1976 PA 442, MCL 15.231 et seq.

ARTICLE X
Amendments to Bylaws

Section 1: Amendments

The Board shall have power to make, alter or amend the bylaws in whole or in part by 2/3 vote of its members, with written copies of the proposed changes having been given at the next preceding regular or special meeting.

Section 2: Effective Date

These bylaws shall become effective upon approval by the Board.

Approved by the City Commission of the City of Kalamazoo on _____.

Scott A. Borling, City Clerk