

**BATTLE CREEK DOWNTOWN DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS
Monday, January 27th, 2020**

MEMBERS PRESENT: Ross Simpson, Edward Guzzo, Cody Newman, John Godfrey, Kim Carter, Rebecca Fleury, Kyra Wallace
Ex-Officio: Commissioner Susan Baldwin

ABSENT: Paul Conkey, Commissioner Kate Flores, Nelson Karre

OTHERS PRESENT: Ted Dearing, Linda Morrison, John Hart and Sarah McGinnis

Call to order: Mr. Guzzo called meeting to order at 3:32pm.

Approval of Minutes:

MOTION: Mr. Godfrey moved that the Battle Creek Downtown Development Authority Board of Directors approve the meeting minutes from October 28th, 2019 with changes. Ms. Baldwin supported the motion. Unanimously approved.

Welcome and Introductions:

Welcome Mark Kettner from Rehmann. Mark leads Rehmann's Government, Not-For-Profit and Higher Education Industry Group, which serves over 700 clients in the industry with financial statement audits, single audits, and managed business services.

FY 2019 Audit Presentation – Mark Kettner:

Mr. Kettner stated that the DDA audit has a clean or unmodified opinion, which is the highest level of opinion available from a CPA on audited financial statements. He noted the DDA Bonds and discussed the length of years to pay them in full. Mr. Guzzo asked if we should be adding more to fund balance each year in case of intergovernmental changes that could occur throughout the year. There was discussion about fund balance targets and annual budgeted revenues over expenditures.

MOTION: Ms. Carter moved that the Battle Creek Downtown Development Authority Board of Directors approve the FY 2019 audited financial statements as presented. Mr. Godfrey supported the motion. Unanimously approved.

FY 2019 Annual Report:

Ms. Morrison reviewed the annual report, which is a summary of the audited financial statements. The State of Michigan has changed the form thus the presentation looks different than in prior years.

MOTION: Ms. Baldwin moved that the Battle Creek Downtown Development Authority Board of Directors approve the annual report as presented. Mr. Godfrey supported the motion. Unanimously approved.

Interim Financial statements:

Ms. Morrison reviewed the interim financial statements. Revenue is over expenditures. The \$2.8 Million-debt service payment will not be paid until May 2020. The State payment was received in October and was \$66,437 more than expected.

MOTION: Ms. Baldwin moved that the Battle Creek Downtown Development Authority Board of Directors approve the interim financial statements as presented. Mr. Godfrey supported the motion. Unanimously approved.

Land Option:

Mr. Dearing discussed a new mixed income housing project next to Voces on Michigan Ave. Requesting the DDA approve sale of the City owned properties to the land developer. There will be a purchase agreement to follow.

MOTION: Ms. Carter moved that the Battle Creek Downtown Development Authority Board of Directors approve and support in principal the sale of DDA-owned parcels 7400-00-028-0 and 7400-00-029-0 to Upholdings with a sale price to be negotiated between .20 and .25 a square foot pending the approval of a purchase option/agreement and development agreement agreed to by both parties. Mr. Godfrey supported the motion. Unanimously approved.

Project Report – Ted Dearing/John Hart:

Real Estate Improvement Fund: The new map is available to view. There has been a change in the original agreement. There have been some procedural changes from the State of Michigan. MEDC has requested the disbursement placed in an account to distribute. The expenses has changed from 2.5 million to 2.0 million.

MOTION: Ms. Baldwin moved that the Battle Creek Downtown Development Authority Board of Directors approve the updated agreement as presented. Mr. Godfrey supported the motion. Unanimously approved.

Battle Rock: The project is moving forward. Feb 28th is the CRP funding deadline. The process is nearly complete and construction should begin in 2020.

McCamlly Plaza Hotel: BCU is pursuing legal action against the owners of the hotel. The property will remain closed for now.

Milton Tower: The Milton has received its occupancy and people are moving in. there will be a Grand Opening in April 2020.

Other:

- Mr. Hart mentioned working on Passport Pay for downtown parking. An app would let you pay for parking without using a meter system. Conversations will continue to handle the downtown parking issues.
- The City is having the first BBQ Festival on Feb 22nd at Kellogg Arena from 3p-7p.

Member/Citizen Comments: None

Adjourn: 4:42pm