

DOWNTOWN DETROIT BUSINESS IMPROVEMENT ZONE

Board of Directors

Tuesday, August 12, 2014

8:30 a.m.

Guardian Building, Conference Room 3010

500 Griswold St.

Detroit, MI 48226

MINUTES

☒ Proposed Minutes

☐ Approved Minutes

MEETING TYPE: ☒ Regular ☐ Special

I. Call To Order

The meeting of the board of directors was called to order at 8:37 a.m. by Tricia Keith, functioning as temporary chairperson with the unanimous consent of the members of the board of directors present.

II. Roll Call

Temporary chairperson Tricia Keith asked if there were any objections to her calling the roll of the members to establish the members present for the first meeting of the board of directors. There were no objections. The following is the attendance roll for the board of directors:

George Barnes, Vice Chairperson	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Charles Beckham, Member	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Debra Dansby, Member*	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
David Di Rita, Member	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Chris Ferchill, Member	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Linda Forte, Member	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Ken Harris, Member	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Debra Homic Hoge, Member	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Richard Hosey, Treasurer	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
George Johnson, Member	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Tricia Keith, Chairperson	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Mark King, Secretary	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Steven Marquardt, Member	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Dwight Phillips, Member	<input checked="" type="checkbox"/> Present	<input type="checkbox"/> Absent
Steven Zanella, Member	<input type="checkbox"/> Present	<input checked="" type="checkbox"/> Absent

*Participated by teleconference.

Temporary chairperson Tricia Keith indicated that there were 13 members of the board of directors present, 2 members absent, and that a quorum was present.

Mr. Charlie Beckham joined the meeting at 8:41 a.m.

Other attendees:

Downtown Detroit Partnership representatives:

Eric Larson, Robert Gregory, Eric Wilson, Melanie Piana, Ryan Epstein Maryann Listman, Heather Kazmierczak, Harold Love, and Paige Shesterkin.

Apparatus Solutions:

Paul Trulik and Jennifer Bright.

Dykema Gossett

Steven Liedel and Cameron Piggott.

Rock Ventures

Vadim Avshalumov.

III. Approval of Agenda

Temporary chairperson Tricia Keith indicated that the staff of Downtown Detroit Partnership had prepared and circulated a proposed agenda for the board of director's first meeting and asked if there were any objections to adoption of the agenda. There were none. The agenda was adopted as presented and the temporary chairperson indicated that she would proceed using the agenda.

IV. Approval of Minutes

As the board of directors has not previously met, there were no minutes from prior meetings to approve.

V. Administrative Report

There were no administrative reports.

VI. Audits

There were no audits.

VII. Committee Reports

There were no committee reports.

VIII. Old Business

There were no committee reports.

IX. New Business

a. Presentation on organization of business improvement zone

Temporary chairperson Tricia Keith indicated that Downtown Detroit Partnership has asked for the opportunity to provide the board of directors with some helpful background information relating to the organization and implementation of the new Downtown Detroit Business Improvement Zone before the board of directors proceeded with the action items on the agenda. She asked if there were any objection to proceeding hearing a presentation from Robert Gregory of Downtown Detroit Partnership. There were no objections.

Robert Gregory from Downtown Detroit Partnership provided the board of directors with a presentation on the organization of the business improvement zone.

b. Resolution 2014-1 Adoption of bylaws

Temporary chairperson Tricia Keith recognized Steve Liedel of Dykema to provide a brief summary of the major provisions of the initial bylaws prepared by Dykema on behalf of the business improvement zone.

Mr. Liedel provided a brief summary of the major provisions of the proposed bylaws.

Temporary chairperson Tricia Keith asked whether there was a motion to approve the resolution providing for the adoption of by laws.

Moved by: Linda Forte

Supported by: Charles Barnes

Yes: 14 No: 0.

The resolution was adopted..

c. Resolution 2014-2 Election of chairperson

Temporary chairperson Tricia Keith asked whether there were any objections to voting on the motion to adopt the resolution providing for the election of a chairperson. There were no objections.

Debra Homic Hoge moved, without objection that the board of directors unanimously elect Tricia Keith as chairperson of the board of directors.

Mark King immediately supported the motion.

Ms. Keith indicated that she would abstain from voting.

The board of directors unanimously elected Tricia Keith as chairperson of the board of directors and the resolution was adopted, with Ms. Keith abstaining.

d. Resolution 2014-3 Election of officers

The chairperson asked if there was a motion to elect other officers. The chairperson recognized Eric Larson of Downtown Detroit Partnership (DDP), who indicated that staff at DDP had a recommendation for a balanced group of officers providing good representation of the board of directors and recommended that the board of directors consider the election of George Barnes as vice-chairperson, Mark King as secretary and Richard Hosey as treasurer.

Linda Forte moved that the board of directors elect George Barnes as vice-chairperson, Mark King as secretary, and Richard Hosey as treasurer.

Charlie Beckham supported the motion.

Yes: 14 No: 0.

The motion was approved and the resolution adopted unanimously.

e. Resolution 2014-4 Retain legal counsel

The chairperson asked for a motion to retain Dykema Gossett PLLC as legal counsel to the Detroit Downtown Business Improvement Zone and to authorize the chairperson to sign an engagement letter on behalf of the board.

Moved by: Richard Hosey
Supported by: Chris Ferchill

Yes: 14 No: 0.

The motion was approved and Resolution 2014-4 adopted.

f. Resolution 2014-5 Confirm tax-exempt status

Mr. Liedel provided an explanation about the process for obtaining recognition of the Business Improvement Zone's tax exempt status from the Internal Revenue Service..

Moved by: Mark King
Supported by: George Johnson

Yes: 14 No: 0.

The motion was approved and Resolution 2014-5 adopted unanimously.

g. Resolution 2014-6 Adopt ethics and conflict of interests policy

Moved by: David Di Rita
Supported by: Linda Forte

Yes: 14 No: 0.

The motion was approved and Resolution 2014-6 adopted unanimously.

h. Presentation on Open Meetings Act compliance

The board heard a presentation from Mr. Liedel on compliance with Michigan's Open Meetings Act. The chairperson recognized Mr. Avshalumov, who asked if meetings of the board of director meetings must take place in public buildings. Mr. Liedel responded no and explained that under Michigan's Open Meetings Act people cannot be required to show identification to attend a public meeting. Buildings with established procedures to allow members of the public to enter the building without signing in or showing identification is can comply with the comply with the Open Meetings Act, but the building need not be a public building.

i. Resolution 2014-7 Format for agenda, minutes, and resolutions

Moved by: Dwight Phillips

Supported by: Mark King

Yes: 14 **No:** 0.

The motion was approved and Resolution 2014-7 adopted.

j. Resolution 2014-8 Adopt regular meeting schedule for 2014

Moved by: David Di Rita

Supported by: Debra Homic Hoge

Yes: 14 **No:** 0.

The motion was approved and Resolution 2014-8 adopted.

k. Resolution 2014-__ Authorize Administrative Services Agreement with Detroit

Downtown, Inc.

Mr. Trulik answered a board member question regarding how the BIZ will ensure the review of independent contractors. DDI will serve as an independent contractor to the BIZ. The employees will be under DDI, not under the BIZ.

George Johnson moved that consideration of this consideration of the resolution authorizing an administrative services agreement be postponed temporarily until after the board of directors acts upon item q on the agenda relating to a notice for the FY 2014-2015 budget. The motion was supported by Debra Homic Hoge. The motion was approved 14-0. The item was postponed temporarily.

l. Resolution 2014-9 Certification of 2014 assessment calculation

Moved by: Linda Forte

Supported by: David Di Rita

Yes: 14 No: 0.

The motion was approved and Resolution 2014-9 adopted unanimously.

m. Presentation on budget

The board heard a presentation from Paul Trulik on budget matters for the Downtown Detroit Business Improvement Zone.

Mr. Gregory responded to a board member question about which entity is responsible for following up on BIZ non-payment assessments.

Mr. Gregory responded that DDI is responsible for obtaining BIZ assessment payment compliance.

Mr. Trulik responded to a board member question about the Clean Downtown program services currently paid for by voluntary donations. The Clean Downtown program is running on fumes with voluntary donations. Clean Downtown will have insufficient funds in September and October. In lieu of ending essential downtown programming, the BIZ will take over paying for programming starting September 1st.

Mr. Trulik responded to a board member question about independent contractor insurance. DDI will ensure independent contractors have insurance requirements and indicated that DDI will front costs initially.

Mr. Di Rita stated that he had heard from other downtown property owners who expect immediate service improvement impact even though the BIZ board knows the Clean Downtown is on voluntary funding fumes. DDI seeks program improvements and efficiencies to existing programming.

n. Resolution 2014-10 FY 2014-2015 budget time schedule

Moved by: Richard Hosey

Supported by: Mark King

Yes: 14 No: 0.

The motion was approved and Resolution 2014-10 adopted.

o. Presentation of recommended budget FY 2014-2015 and general appropriations act

In her capacity as chief administrative officer of the Zone, the chairperson presented the board of directors with a recommended budget and a draft general appropriations act for the 2014-2015 fiscal year. Paul Trulik provided additional information on the recommended budget and the draft general appropriations act.

p. Resolution 2014-11 Publication of FY 2014-2015 budget notice

Moved by: Linda Forte

Supported by: Mark King

Yes: 14 No: 0.

The motion was approved and Resolution 2014-11 adopted.

The Board returned to consideration of agenda item k, a resolution relating to an administrative services agreement, which had been previously postponed.

Mr. Trulik answered a board member question on the definition of reasonable expense. DDP will seek to keep miscellaneous expenses off of the DDI contract.

George Barnes moved that the resolution be approved. George Johnson supported the motion. The motion was approved 14-0 as the resolution was adopted as Resolution 2014-12.

q. Resolution 2014-13 Designation financial institution

Linda Forte recused herself from voting on this item due to her employment by Comerica Bank and left the room.

Moved by: George Johnson

Supported by: George Barnes

Yes: 13 No: 0.

The motion was approved and Resolution 2014-13 adopted.

Yes: 14 No: 0

The motion was approved and Resolution 2014-14 adopted.

X. Public Comment

Vice-Chairman George Barnes expressed his excitement for the rebirth of Detroit and the well-represented BIZ Board of Directors. He looks forward to working with everyone.

XI. Other Business

a. Discussion of Election of Executive Committee

Linda Forte returned to the room.

The board of directors discussed the establishment of an executive committee as provided under section 5.5 of the bylaws.

a. Resolution 2014-14 Election of Executive Committee

The board of directors discussed the establishment of an executive committee as provided under section 5.5 of the bylaws.

Dwight Phillips moved that the executive committee be established as provided under section 5.5 of the bylaws and moved that Deb Dansby, Debra Homic Hoge, and Steve Marquardt be elected as members of the executive committee.

Linda Forte supported the motion. The motion was approved unanimously.

XII. Adjournment

Moved by: Mark King

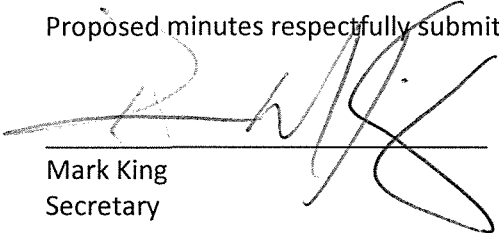
Supported by: Linda Forte

Yes: 14 No: 0.

The meeting adjourned at 10:10 a.m.

Certification of Minutes

Proposed minutes respectfully submitted,



Mark King
Secretary

17 Aug 2014

Date

Approved by the board of directors on September 25, 2014.

Mark King
Secretary

Date