

## ODWNA Association Meeting Minutes

**Date:** Wednesday, January 17, 2024

**Place:** Third Christian Reformed Church, 2400 Winchell Ave, Kalamazoo, MI

**Board Members:**

**Present:** Chris Shook, President; Rachel Bennett, Treasurer; Christopher Bovid, Secretary; Peter Kushner, Past President; Barb Miller; Christine Chadderdon; Stephanie Watkins, Paul Scott

**Excused:** Diana Morton-Thompson, Vice-President; Eric Boersma

**In Attendance:** Approximately 18 people (includes Board members)



- I. Meeting called to order by Chris Shook, President; 7:02 PM
  - A. Announcements:
    - i. Reminder that the ODWNA has a website ( winchellneighborhood.org ) with lots of information and sign-up for the monthly ODWNA eNews.
    - ii. At the City Commission Listening Session last week, Laura Lam (City of Kalamazoo COO) took notes and provided them to the ODWNA and they have now been posted to the ODWNA website.
      1. Commissioner Decker talked about compiling traffic information; if/when the ODWNA receives that it will be posted to the ODWNA website as well.
- II. MINUTES – November 15, 2023 (Chris Bovid, Secretary)
  - A. Minutes from the 11/15/2023 ODWNA meeting are posted on the ODWNA website and some printed copies available for review in the back of the room. Please email the Board of Directors with any questions.
- III. CITY OF KALAMAZOO – Dept. of Public Safety Community Policing Officer Bagley
  - A. States that there is not much to update the ODWN about as thankfully crime in this neighborhood is typically low. There have been some isolated incidents with people breaking into storage units at Winchell Way Apartments last month, although that appears to have ceased.
  - B. If you are warming your cars in the morning, remember to lock your car doors.
  - C. On Winchell Avenue yesterday there was a house fire that brought a lot of emergency vehicles to the scene.
  - D. Other than those items the neighborhood is and has remained fairly quiet.
  - E. Chris Shook thanked Officer Bagley for attending and presenting information.
- IV. TREASURER'S REPORT - (Rachel Bennett, Treasurer)
  - A. Copies of the ODWNA Profit and Loss Statement and Balance Sheet through December 2023 are available for review in the back of the sanctuary.
  - B. ODWNA Checking Account Balance as of 12/31/2023 was \$7,771.52 with no income or expenses in the month of December.
- V. FEATURED SPEAKER – ODWNA SPEAKER SERIES: Steven Brown, Executive Director of the Kalamazoo Foundation For Excellence ("FFE") - *Mission, History, Priorities, Impact*
  - A. Introduction of Steven Brown by Barb Miller, FFE Secretary
  - B. Steven Brown is presenting the FFE via the content on its website
    - i. The FFE was founded in 2016 after Blue Ribbon Panel was convened to try to fix the revenue problems in the City of Kalamazoo after a lot of its industrial base left the area and some of the structural racism built into the society over decades was manifesting
    - ii. Based on the premise of the Kalamazoo Promise, there was an idea to fund a \$500 Million endowment, the earnings of which could be used to pay for a series of costs:
      1. Lower property taxes (by 38%)
      2. Fill structural deficit
      3. Investments in community projects to make changes to build the future for Kalamazoo
      4. To date over \$160 million dollars has been invested in the City of Kalamazoo by the FFE
      5. It supports the goals of the City of Kalamazoo and seeks to empower the residents of Kalamazoo
      6. The FFE is a typical 501(c)(3) but is a "type 3" foundation that can only give its money to the City of Kalamazoo
        - a. The FFE does not accept direct applications for funds
        - b. \$.98 of every dollar the FFE spends goes toward projects – the other goes toward overhead (Steve is the only employee of the FFE)
        - c. The FFE motto is to be very lean, very focused
          - i. Imagine Kalamazoo 2025 is the City's strategic vision and Master Plan.
          - ii. As a supporter of the City, the FFE supports the City in realizing that Master Plan. The FFE does not have its own vision separate from the Master Plan.
          - iii. The FFE focuses on economic vitality, environmental sustainability, and youth development.
        - d. The FFE has a 15-member board of directors.
          - i. That is the group that runs the governance structure.
          - ii. 21 meetings per year

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- iii. FFE is subject to the Freedom of Information Act and the Open Meetings Act
- iv. Meetings used to be streamed during COVID but that has ended.
- v. Different than a private foundation in that private foundations are very closed and not open for review.
- vi. There are City government projects in society that municipalities typically don't do with social equity focuses but that the FFE is able to fund for the City.
- iii. The challenges raised to the creation of the FFE were:
  - 1. What if this endeavor is just wealthy donors pulling strings with local government?
  - 2. What if the City squanders the funds?
    - a. First, if there was going to be backdoor/untoward influence, making a \$500 million donation to an endowment splashed across national news would not be the way to do it.
    - b. Second, there is so much transparency (open meetings, real time data, director oversight, etc.) that it would be nearly impossible to be underhanded.
- C. Review of website
  - i. Apply to be on the Board! It is a simple application.
  - ii. To date there has been \$80.3 million dollars in Tax Savings realized for City of Kalamazoo taxpayers due to FFE funds to the City.
  - iii. \$50.3 million in Community Projects funded by the FFE
  - iv. \$30 million in budget stabilization
  - v. Discussion ensued regarding FFE processes
  - vi. Review of Community Stories
  - vii. Investment Dashboard (interactive) powered by Microsoft's "B.I."
    - 1. Collects data and allows FFE to map its investments using G.I.S. on a non-static basis
    - 2. Shows how Property Tax Reduction by neighborhood
      - a. In the Oakland Drive-Winchell Neighborhood, \$8.02 million in tax reductions to date
    - 3. The City of Kalamazoo has so many infrastructure projects that need funding and the FFE is a source for those funds that many other foundations would be incompatible with.
    - 4. FFE is helping to set up the City to be successful in perpetuity.
    - 5. The endowment is invested in the long term global economy. Earnings have to be very prudently used in the right proportion on the projects described on the FFE website.
  - viii. Next steps:
    - 1. Ideally the website will in the future be able to show per capita and per geographic unit investment information
    - 2. Ideally the FFE will see people attracted to the City
    - 3. Can we have a growing economy with a shrinking population? If trying to make the City more vibrant, need to confront what that looks like.
    - 4. FFE is now building 100 housing units per year.
    - 5. The FFE provides "Gap financing" for housing units. An example of Gap Financing would be selling a house for \$180,000 but it costs \$250,000 to initially build it (if it is a quality house). Someone has to take that loss. That is "gap" financing that the FFE takes on.
  - ix. ImagineKalamazoo.com –
    - 1. Contains much information on City projects
    - 2. Typically such projects are not seen in cities
  - x. Steve thanked Barb Miller for her service (she is now term limited out) on the FFE Board
  - xi. Steve noted that Board Service can be tedious and seem like a big commitment. The FFE attempts to make it pleasant and useful. The current open seats are for an "education" and an "at-large" member that do not fall within the other desired background categories on the board. Steven would love to see someone in the trades, for example. There are four meetings per year of about two hours per meeting. Send anyone interested to the FFE to apply!
- D. Q&A with attendees:
  - i. An attendee asked if most of the residents of Kalamazoo realize how great the FFE is. Steve responded that Vaughn Washington said he still goes into classrooms and finds some teachers don't know what the FFE even is. FFE's data shows that 50% of people are aware of the FFE, 7% have been involved directly (per the last survey). The FFE tries to lead humbly but wants the City to be front and center. Being out front can be counterproductive for charitable foundations. Those who do know about the FFE seem to have come to terms with it.
  - ii. An attendee asked for an example of some tension with the City. Steven described the "special request process" used to fund projects. Departments send in applications due around May of each year. They are elaborate, costed proposals with impact statements. Those are scored by a committee of City staff using criteria from Imagine Kalamazoo. Those are rank ordered and balanced across departments.

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That internal process is at the City and then the FFE looks at the list and matches it with available funds to come up with a draft budget presented to the FFE Board of Directors. Then FFE takes that to the City Commission without asking for any action. Critiques are then incorporated into the budget. It goes back to the FFE Board and recommends it to the City Commission. Then the grant is an integral part of the City of Kalamazoo's budget approval. But we are a democracy, we elect officials, they have passions for specific things that conflict with City staff and/or FFE parameters. That tension can be that someone has an idea ("pet project") that has to be worked with by City staff to see the same challenge but that what is a specific solution might not be a good thing to fund, so perhaps new proposals can be developed and potentially funded.

- iii. An attendee asked whether a project like the sports arena that is to be built is one of the tension-building items with the City. Steven says at the last minute the organization that wanted to develop the sports arena decided to fund it entirely privately so it is not an issue for the FFE/City. Even so, there are still challenges with that to the extent that while it is the developers' money, it is still every resident's city and downtown.
- iv. An attendee asked about the Blue Ribbon Panel being created when the City was insolvent to the tune of \$18-20 million per year. Does the FFE have any formalized incentives to help make the City solvent in a certain number of years (or incentives to help keep it insolvent)? Steven says that generally, the City does not have to have a balanced budget but the City of Kalamazoo does usually get there over time. The operating reserve allows cash on hand and is a cushion required by statute but also would make the City uninsurable without a reserve. The budget stabilization that the FFE offers is partially to make sure the operating reserve remains solvent. An insolvent city would be like the City of Detroit where there is no cash on hand to pay immediate debts. The City of Kalamazoo was never that bad but it was in a vicious cycle whereas now it is in a positive cycle. Steven says it depends on how one looks at it: on one hand, the City of Kalamazoo is quite old and is therefore dying every day due to entropy (e.g., old clay water pipes in the ground). That said, they don't all collapse at once or require replacement all at once. It is a balancing act to pay for infrastructure updates over time. Through the leverage of the funding offered to the City for budget stabilization, the FFE needs to seek to have the City become more efficient. Due to the downsizing that happened in 2008 though, the City was already cut to the bone and had so few staff that it became inefficient and bids/contractors were required to do work previously done more cost effectively by City staff.
- v. An attendee asked if multi-year projects are funded if budgets are determined every year? The FFE has much more flexibility but the "choke point" is really the City with its annual budget. For a multi-year project the FFE would just fund it all at once and pay it out periodically. Bonds are better solutions for really long term municipal projects.
- vi. An attendee asks if there are any aspirational projects that are long term that are FFE funded when the funded project could just stop after time? The FFE can leverage City Parks & Rec to be able to do those types of programs that could go away but there is a balance of working with the City in trying to fund a program and have it tail feather out rather than just end abruptly at the conclusion of FFE funding for that project.
- vii. An attendee indicated that their family was attracted to the City of Kalamazoo as part of the 'big city exodus' and that the Imagine Kalamazoo Master Plan was a big part of it bringing them here, including having it be a walkable, bike-able city, which is what many people love about big cities. The attendee asked what influence the FFE has in supporting higher density and/or mixed income, mixed use spaces (e.g., more dense than 1700 square foot houses). Steven says that density is really a land use question and that use and zoning are esoteric parts of community planning and development that have gone full in on community engagement and blending that with best practices. For example, it is no longer fashionable to build detached houses in town. That all comes up through the City's planning department. Were that not the case, the FFE could set its goals differently and push those with the City but it has not had to do that. There are other issues to consider though. For example, with respect to the Vine neighborhood, you cannot pull down an old house and put up a four-plex. Development issues require a lot of examination because if a decision turns out to be the wrong decision, it is going to be a wrong decision that exists for a very long time (e.g., 100 years). So land use questions are difficult and the City has very talented staff to work on those issues. You can't please everyone all the time.
- viii. If anyone is part of a fraternal organization, etc., reach out to Steven and he is happy to give a presentation to them as well.

## VI. BUSINESS ITEMS

- A. City of Kalamazoo Dept. of Community Planning & Development – ODWNA Communications with Nolan Bergstrom (Stephanie Watkins, ODWNA At-Large Director)
  - I. Nolan Bergstrom is now our main point of contact at the City for 2024 projects in lieu of Jae Slaby.
  - II. Two of the projects previously approved by the ODWNA Board were not approved by the City due to the way alternative funding is available for those other projects.
    - i. Maple Street traffic calming is happening but not with Neighborhood project funds.

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- ii. Sidewalks west of Rambling Road can happen eventually but will not be done with Neighborhood project funds.
- B. Neighborhood Quick Win Projects Update (Stephanie Watkins, ODWNA At-Large Director)
  - I. The Quick Win program will be different in 2024
  - II. Rather than providing funding to the neighborhood boards of directors to use for projects, Quick Win projects this year will be resident-led with a rubric to be given from the City to provide a narrative, establish milestones, require a full plan, etc.
- C. Constitution Review Committee Update (Chris Shook, ODWNA President)
  - I. The Committee has completed its work on preparing suggested amendments to the ODWNA Constitution.
  - II. Those suggested amendments have been submitted to Chris Bovid (attorney) and Todd Ellis (registered parliamentarian) for their respective reviews and comments for the Board to further consider.
  - III. Once the Board has reviewed the suggested amendments and legal/procedural reviews, the Board will work on a final proposed set of amendments to the Constitution that will ultimately go before the membership to vote to approve or not.
- D. Woods Lake Association (Chris Bovid)
  - I. The Michigan Dept. of Environment, Great Lakes, & Energy (EGLE)'s chloride study of Woods Lake continues (note the red ball in the middle of the lake with monitors attached to its cable underneath). The Kalamazoo Dept. of Parks & Recreation's water quality study of Woods Lake also continues. Any questions may be directed to Chris Bovid at [cbovid@gmail.com](mailto:cbovid@gmail.com) as president of the Woods Lake Association.
  - II. Whether the City of Kalamazoo Dept. of Parks & Rec's "Winter Golf Classic" on Woods Lake takes place will depend on the thickness of the lake ice and how warm / rainy it is in the next couple weeks.
- VII. An attendee asked when association dues become payable each year. Rachel answered that the ODWNA fiscal year is October 1 through September 30 each year.
- VIII. At-Large Director Christine Chadderdon indicated that the City of Kalamazoo is hosting a "neighborhood association board member retreat" that several of the ODWNA board members are planning to attend. If anyone has questions about the retreat, please speak with ODWNA board members Christine Chadderdon or Rachel Bennett or Stephanie Watkins or Diana Morton-Thompson.
- IX. Chris Shook, ODWNA President, thanked Steven for his presentation and all those who attended and adjourned the meeting at 8:22 PM.

Respectfully Submitted,  
Christopher Bovid, ODWNA Secretary