

The background of the top half of the image is a photograph of a park. In the foreground, there is a large, circular fountain with water spraying upwards. The fountain is surrounded by a paved walkway and some greenery. In the background, there are several multi-story city buildings under a clear sky. The overall scene is bright and sunny.

City of Kalamazoo

Foundation For Excellence

City Commission Work Session
July 24, 2017

Welcome & Session Overview

THE CITY OF



James K. Ritsema
City Manager

Presentation Outputs

- Shared understanding of the legal documents required to incorporate the Kalamazoo Foundation for Excellence (FFE).
- Consideration to approve a resolution to incorporate the FFE on August 7.
- Confirm next steps and timeline for FFE incorporation.

Establishing the Foundation

Clyde J. Robinson
City Attorney

FFE: Background and Context

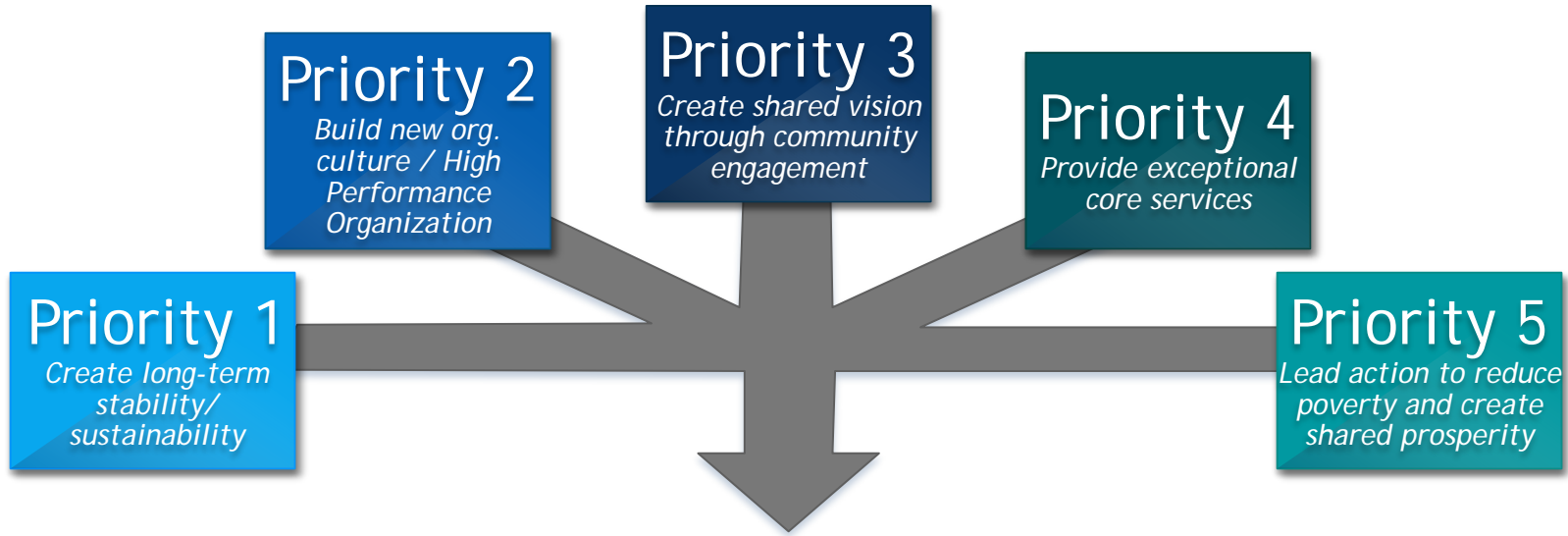
- Fulfillment of October 24, 2016, Memorandum of Understanding (MOU) resolution
- Authority and action under the Home Rule Cities Act

FFE: A Support Organization of the City

- To be organized and operated exclusively to carry out the purposes of the City of Kalamazoo.
- Shall only provide support to the City of Kalamazoo.

Articles of Incorporation: Use of Funds

- Accomplish 5 City Commission priorities



Strategic Vision: Imagine Kalamazoo 2025

Articles of Incorporation: Use of Funds

- Provide budget stability
- Aligned with Imagine Kalamazoo 2025
- Aspirational projects
 - Address generational poverty
 - Promote youth development
 - Address capital & human infrastructure

Articles of Incorporation: Board of Directors

Board of Directors – 13 members

City Directors – 5 members

- Mayor (Ex-Officio Director)
- City Manager (Ex-Officio Director)
- 2 City Commissioners (Commission Directors)
- 1 At-Large City Director (Registered Elector)

Articles of Incorporation: Board of Directors

Stakeholder Directors – 8 members

- Affinity Organizations Stakeholder
- Arts Community Stakeholder
- Business/Banking Stakeholder
- Education Stakeholder
- Faith-Based Organizations Stakeholder
- Healthcare Stakeholder
- Housing Sector Stakeholder
- Neighborhoods Stakeholder



Articles of Incorporation: Board of Directors

Establishing the Stakeholder Directors

Kalamazoo Community Foundation (KZCF):

- Responsible for coordination, identification, and selection of Stakeholders;
- Convenes stakeholder groups to select candidates by consensus; and
- Presents recommendations to the City Commission.

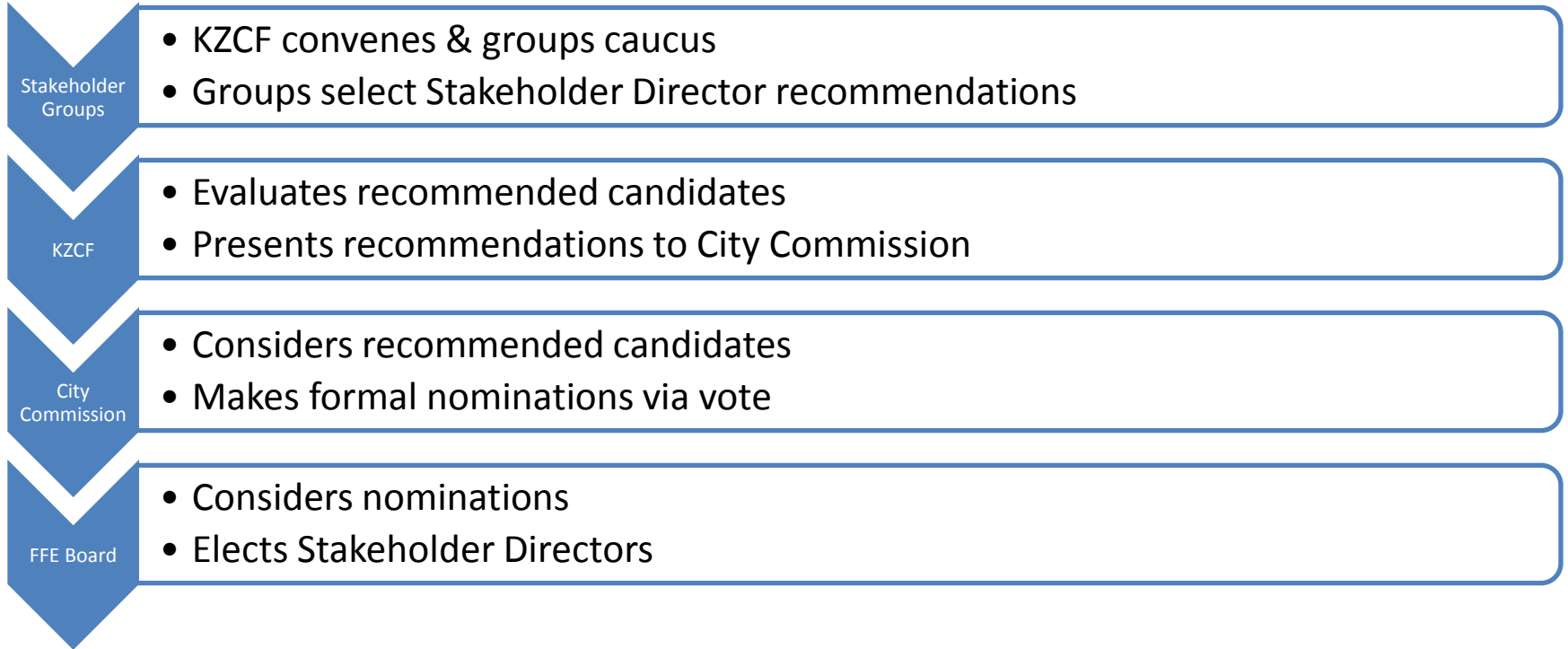
Articles of Incorporation: Board of Directors

Establishing the Stakeholder Directors

City Commission:

- Selects 2 Commissioners;
- Selects At-Large City Director;
- Considers KZCF recommendations; and
- Votes to submit formal nomination to the Board of Directors

Nomination Process: Stakeholder



Distribution of Funds

Articles of Incorporation & Bylaws

- Equal to the revenue gap created by property tax reduction
- \$4 million for budget stabilization adjusted annually
- Additional annual distribution for aspirational projects
 - Consistent with Article II and Statement of Donor Intent

FFE: Structured for Excellence

Bylaws

- Board Construction and Composition
- Annual calendar of meetings
- Funds transfers
- Funds distributions
- Annual report from City

Statement of Donor Intent

- Purpose for the creation and ongoing perpetuity for FFE.

FFE: KZCF Roles and Responsibilities

- Responsible for coordination, identification, and selection of Stakeholder Directors.
- Exploring potential for KZCF to assume responsibility of Gift Management Services:
 - Gift and pledge processing
 - Procedures for accepting gifts
 - Fundraising campaign support

FFE: Draft Resolution Language

NOW, THEREFORE, IT IS HEREBY RESOLVED that:

Pursuant to authority provided to the City of Kalamazoo as a Michigan Home Rule City, at MCL 117.4o, the Kalamazoo Foundation for Excellence is created as a nonprofit corporation organized for the public purpose to support and benefit the operation and programs of the City of Kalamazoo; and that

Mayor Bobby J. Hopewell and City Manager James K. Ritsema are authorized to sign and file all documents necessary, as the Initial Incorporators, to create and give effect to the incorporation of Kalamazoo Foundation for Excellence pursuant to the Michigan Nonprofit Corporation Act, being MCL 450.2101 *et seq.*, and that City Attorney Clyde J. Robinson is authorized as the initial Resident Agent for said nonprofit corporation.

Next Steps

THE CITY OF



James K. Ritsema
City Manager