

DOWNTOWN DEVELOPMENT AUTHORITY
GOVERNANCE COMMITTEE
Monday, May 13, 10:00am
400 Boardman Avenue, 2nd Floor Conference Room, Traverse City, MI 49684
www.dda.downtowntc.com

Information and minutes are available from the DDA CEO, 303 East State Street, Suite C, Traverse City, MI 49684, (231) 922-2050. If you are planning to attend the meeting and are handicapped requiring special assistance; please notify the DDA CEO as soon as possible.

1. Election of Chairperson
2. Committee Roles & Responsibilities
3. DDA By Laws
4. Next Steps
5. Public Comment
6. Adjournment

Any interested person or group may address the Leadership Team on any agenda item when recognized by the presiding officer or upon request of any Leadership Team member. Also, any interested person or group may address the Leadership Team on any matter of concerning the Lower Boardman River not on the Agenda during the agenda item designated Public Comment. The comment of any member of the public or any special interest group may be limited in time. Such limitation shall not be less than three minutes unless otherwise explained by the presiding officer, subject to appeal by the Leadership Team.

Office of the Downtown Development Authority, 303 E. State Street, Traverse City, MI 49684 (231) 922-2050



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Memorandum

To: Governance Committee: Harry Burkholder, Coco Champagne,
Mike Jackson, Steve Constanin

From: Jean Derenzy, DDA CEO

Date: May 10, 2019

Attached is the Governance Committee Roles and Responsibilities which the DDA approved at their March board meeting. Understanding that the Committee will not be able to tackle all of the documents, practices etc. I am suggesting to prioritize the responsibilities and put together a realistic timetable to accomplish.

I certainly appreciate your work on this committee and look forward to seeing you on Monday.

Should you have any questions prior to the meeting, feel free to call or email.

**Traverse City Downtown Development Authority (DDA)
Board of Directors
Governance Committee – Roles & Responsibilities
March 4, 2019**

Pursuant to the DDA Board's by-laws, the Governance Committee is a standing committee of the DDA Board of Directors. The Governance Committee is charged with oversight, review and recommendations regarding board operations to enhance the quality and future viability of the Board. The Governance Committee has the following roles and responsibilities:

1. Meet at least quarterly and provide meeting minutes to the full Board of Directors.
2. Lead the board in regularly reviewing and updating its understanding of its roles, responsibilities, and expectations of individual board members.
3. Serve as the planning and review team for organizational strategic planning activities.
4. Assess on an on-going basis the current and anticipated needs for board composition.
5. Develop and recommend the following documents, practices, and policies; conduct annual review of all these items and make recommendations for any updates that may be needed.
 - a. Board Committee job descriptions;
 - b. Board Code of Conduct Policy;
 - c. Board Conflict of Interest Policy and annual statement for signing;
 - d. Qualifications & Characteristics Grid for consideration of potential new board members, including knowledge, attributes, skills, abilities, influence, background, etc.;
 - e. Board Orientation and Operating Manual;
 - f. New member on-boarding process including but not limited to an orientation session for all new board members;
 - g. Board on-going education process, including protocol, content, and schedule;
 - h. Board annual self-assessment protocol and tool;
 - i. A general Board-CEO Roles and Responsibility Policy, distinguishing the respective roles, responsibilities, and relationships;
 - j. Grievance Policy;
 - k. Board process and format for conducting an annual performance and compensation review of the CEO;
 - l. Any other board policies as needed.
6. Establish and conduct reviews of the Employee Compensation Plan, including wages and fringe benefits, every other year and make recommendations to the Board for any adjustments.

7. Review the DDA Board's by-laws annually and make recommendations for any changes if needed.
8. Assist the CEO in planning and implementing board retreats as desired.
9. Regularly review the board's practices and status regarding member participation, confidentiality, attendance and conduct, and provide any recommendations as needed to enhance board effectiveness.
10. Any other periodic or regular Board Governance matters as desired by the Board of Directors.

RULES GOVERNING THE TRAVERSE CITY DOWNTOWN DEVELOPMENT AUTHORITY

ARTICLE I. PURPOSES AND POWERS

The purpose or purposes for which the Authority is organized are as follows: To act as a Downtown Development Authority in accordance with Act 197 of the Public Acts of 1975, as amended, including, but not limited to: to correct and prevent deterioration in the Downtown Development District, to encourage historic preservation, to create and implement development plans, and to promote economic growth. In furtherance of these purposes, the Authority shall have all of the powers which now or hereafter may be conferred by law on Authorities organized under Act 197, Public Acts of 1975, as amended; and Public Law 91-646, being the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

ARTICLE II. BOARD

Section 1. General Powers

The Authority shall be under the supervision and control of a board.

Section 2. Number, Tenure and Qualifications.

The Board of the Authority shall consist of twelve persons, the Chief Executive Officer of the City of Traverse City and eleven members. The 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 a majority of the members shall be persons having an interest in property located in the downtown district. At least one of the members shall be a resident of the downtown district if it has one hundred or more persons residing within it. The term of office shall begin on the date of the annual organizational meeting of the Traverse City Downtown Development Authority in September.

Section 3. Selection of Board Members.

The Chief Executive Officer of the City of Traverse City with the advice and consent 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, and may be provided recognition in the form of a gift, such as a plaque, valued at no more than \$100.

Section 5. Expiration of Term, Continuation in Office, Reappointment and Filling of 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 advice and consent of the City Commission within thirty days to hold office for the remainder of the term so vacated.

Section 6 Removal.

Pursuant to proper notice and an opportunity to be heard, a member may be removed from office for neglect of duty including nonattendance at meetings, misconduct, malfeasance, or any other good cause by a majority vote of the City Commission. Removal of a member is subject to review by the circuit court.

Section 7. Disclosure of Interest.

A board member who has a direct interest in any matter before the Authority shall disclose his 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, any member making such disclosure shall then refrain from participating in the Authority's decision-making process relative to such matter.

ARTICLE III.
OFFICERS

Section 1. Officers.

The officers of the Authority shall be a Chairperson, Vice-Chairperson, Secretary and Treasurer.

Section 2. Removal of Officers.

An officer may be removed by the board whenever in its judgment the best interest of the Authority would be served.

Section 3. Filling of Vacancies.

A vacancy may be filled by the board for the unexpired portion of the term.

Section 4. Chairperson.

The Chairperson shall preside at all meetings of the board and shall discharge the duties of a presiding officer.

Section 5. Vice Chairperson.

In the absence of the Chairperson or in the event of his inability or refusal to act, the Vice-Chairperson shall perform the duties of the Chairperson and when so acting shall have all the powers and be subject to all restrictions of the Chairperson.

ARTICLE IV.
MEETINGS

Section 1. Annual Meeting.

The annual meeting shall be held on the third Friday of September at the hour of 8:00 a.m. at the Governmental Center, 400 Boardman, Traverse City, MI 49684. The election of officers shall occur at the annual organizational 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 (90) days of the annual

meeting.

Section 2. Regular Meetings.

Regular meetings of the board shall be held at 8:00 a.m. on the third Friday of each month at the Governmental Center, 400 Boardman Avenue, Traverse City, MI 49684, unless rescheduled by the Chairperson. In the event the meeting day shall fall on a holiday, the Chairperson shall reschedule the meeting to a non-holiday. The financial records shall be open to the public subject to the Michigan Freedom of Information Act. Any regularly scheduled meeting may be canceled for a lack of quorum.

Section 3. Special Meetings.

Special meetings of the board may be called by the Chairperson, by the Vice Chairperson in the absence of the Chairperson, by the Executive Director, by any three members, or by the City Commission by giving twenty-four (24) hours notice of the meeting stating the purpose of the meeting and by posting the notice eighteen (18) hours prior to the meeting.

Section 4. Notice of Meeting.

All meetings shall be preceded by public notice posted eighteen (18) hours prior to the meeting in accordance with the Open Meetings Act (Act 267 of the Public Acts of 1976, as amended). Notice to the members of the board and to the public shall be the responsibility of the Secretary.

Section 5. Agenda.

The Chairperson may direct the Executive Director to prepare the agendas for all meetings and send them to the Authority members at least twenty-four (24) hours prior to a meeting. Any member of the Authority may request any item to be placed upon the Agenda.

Section 6. Quorum and Voting.

A majority of the members of the board in office shall constitute a quorum for the transaction of business. No action shall be taken except upon concurring vote of five members of the board, unless a higher number is required by statute or these rules. In the event that effective membership is reduced because of disclosure of interest (Article II, Section 7), a majority of the remaining members eligible to vote shall constitute the action of the board.

Section 7. Rules of Order.

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

- a) Public Comment and Public Hearings: All interested parties shall have an opportunity to speak at public hearings, and at the public comment portion of meetings. The Chairperson, may, at her or his discretion, allow the public to speak on agenda items prior to Board action. The Board shall treat the public with respect. As part of its deliberation, the Board may clarify, answer questions and ask questions as a result of public comment. The comment of any member of the public or special interest group may be limited in time to five minutes.
- b) Public Comment during the designated Public Comment Section – Reserved: Any interested person or any special interest group wishing to address the Board of Directors for a reserved time shall submit a written request to the Executive Director no later than 5:00 p.m. of the Friday immediately preceding the date of the meeting. The request shall identify the requestor's name and address and state the subject of the matter they wish to speak to. The comment of any member of the public or special interest group may be limited in time to 15 minutes. Questions may be answered at the meeting or referred to staff for a response at a later time.

ARTICLE V.
EMPLOYMENT OF PERSONNEL

Section 1. Executive Director.

The Board may employ and fix the compensation of a 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 his office, the director shall take and subscribe to the constitutional oath, and furnish bond, by posting a bond in the penal sum determined in the ordinance establishing the Authority, payable to the Authority for use and benefit of the Authority, approved by the board, and filed with the City Clerk. The premium on the bond shall be deemed an operating expense of the Authority, payable from funds available to the Authority for expenses and operation. 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 197 of the Public Acts of 1975, 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 his office, the acting director shall take and subscribe to the oath, and furnish bond, 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.

Section 2. Treasurer.

The board may employ and fix the compensation of a Treasurer if he or she is not a board member, who shall keep the financial records of the Authority and who, together with the director, shall approve all vouchers for the expenditure of funds of the Authority. The Treasurer shall perform such other duties as may be delegated by the board and shall furnish bond in an amount as prescribed by the board.

Section 3. Secretary.

The board may employ and fix the compensation of a secretary, who shall maintain custody of the official seal and of records, books, documents, or other

papers not required to be maintained by the controller. The secretary shall attend meetings of the board and keep a record of its proceedings, and shall perform such other duties delegated by the board.

Section 4. 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 5. Other Personnel.

The board may employ other personnel deemed necessary by the board.

ARTICLE VI.
COMMITTEES AND ADVISORY BOARDS

Section 1. Committees.

The board by resolution may designate and appoint one or more committees to advise the board. The committee members shall be members of the Authority. The Chairman of the Authority shall appoint the members and select the chairman. The committees may be terminated by a vote of the Authority. At the annual meeting the committees will be evaluated and reappointed or dissolved. A majority of the committee will constitute a quorum. A majority of the members present at the meeting at which a quorum is present shall be the act of the committee.

Section 2. Advisory Boards.

The board may by resolution authorize the establishment of advisory boards to the Authority. The Chairman shall select with the advice and consent of the Authority the members of each advisory board. The advisory board shall elect their own officers and establish rules governing their election.

ARTICLE VII.
CONTRACTS AND FUNDS

Section 1. Contracts.

The board may authorize the Executive Director or an agent or agents of the Authority to enter into any contract or execute and deliver any instrument

on behalf of the Authority within the limits authorized by Public Act 197. The authorization may be general or confined to specific instances.

Section 2. Funds.

All checks, drafts or orders for the payment of money issued in the name of the Authority shall be signed by two of the following: Chairperson of the Board, Treasurer or Executive Director, or anyone specifically designated by the Board of Directors. All money, notes or other evidence of indebtedness shall be issued in the same manner following approval of the Board of Directors. All funds of the Authority shall be placed in such banks, trust companies, or other depositories as selected by the Board of Directors pursuant to an investment policy.

Section 3. Contributions or Gifts.

The board may accept on behalf of the Authority any contribution, gift, bequest, or device for the general purposes or for any special purpose of the Authority.

ARTICLE VIII.
BOOKS AND RECORDS

Section 1. Books and Records.

The Authority shall keep correct and complete records of books and accounts and minutes of the meetings. The records shall be kept at the principal office of the Authority which will have a record of the names and addresses of the members of the Authority. Books and records of the Authority shall be open to the public as prescribed in the Freedom of Information Act. An annual audit by an independent certified public accountant will be conducted.

Section 2. Fiscal Year.

The fiscal year of the Authority shall at all times conform to the fiscal year of the City of Traverse City.

ARTICLE IX.
RAISING OF FUNDS

Section 1. Ad Valorem Tax.

The Authority with the approval of the City Commission may levy an ad valorem tax on the real and tangible property not exempt by law and as finally equalized in the downtown district. The tax shall be no more than 2 mills. The tax shall be collected by the City of Traverse City. The City shall collect the tax at the same time and in the same manner as it collects its other ad valorem taxes. The tax shall be credited to the general fund of the Authority for purposes of financing only the operations of the Authority.

Section 2. Borrowing Money Prior to Collection of Tax.

The City may at the request of the Authority borrow money and issue its notes therefore pursuant to Act 202 of the Public Acts of 1943, as amended, being sections 131.1 and 138.2 of the Michigan Compiled Laws, in anticipation of collection of the ad valorem tax authorized in this section.

Section 3. Revenue Bonds.

The Authority may borrow money and issue its negotiable revenue bonds therefore pursuant to Act 94 of the Public Acts of 1933, as amended, being sections 141.101 to 141.139 of the Michigan Compiled Laws. Revenue bonds issued by the Authority shall not except as hereinafter provided be deemed a debt of the City of Traverse City or the State of Michigan. The City Commission by a majority vote of the members may pledge its full faith and credit to support the Authority's revenue bonds.

Section 4. Tax Increment Financing.

When the Authority determines that it is necessary for the achievement of the purposes of Act 197, Public Acts of 1975, the Authority shall prepare and submit a tax increment financing plan to the City Commission. The plan shall include a development plan as provided in Section 17, Act 197, Public Acts of 1975, a detailed explanation of the tax increment procedure, the amount of bonded indebtedness to be incurred, the duration of the program and shall be in compliance with Section 15 of that Act. The plan shall contain a statement of the estimated impact of tax increment financing on the assessed values of all taxing jurisdictions in which the development area is located. The plan may

provide for the use of part of all of the captured assessed value, but the portion intended to be used by the Authority shall be clearly stated in the tax increment financing plan. The plan may be amended from time to time as allowed in Act 197, Public Acts of 1975. More than one plan may be created.

**ARTICLE X.
DISTRICT BOUNDARIES**

The Authority shall exercise its powers within the downtown district of the City of Traverse City so determined by ordinance of the City Commission.

**ARTICLE XI.
AMENDMENT TO RULES**

These rules may be altered, amended, or repealed and new rules adopted, by a majority of the members present at any regular meeting.

Originally adopted by DDA 9-21-78. Approved by City Commission 10/2/78.

As amended 8/17/1999, 2/19/2010.