

Letter of Understanding between Muskegon Downtown Development Authority and the Muskegon Business Improvement District

- Muskegon Downtown Development Authority (DDA) is governmental entity established by the Muskegon City Commission under Michigan law (Act 197 of 1975 as amended by Act 57 of 2018) focused on economic development, marketing and event support in downtown Muskegon, Mich.
- The Muskegon Business Improvement District (BID) was established by the city of Muskegon in 2015 as a self-assessment district providing services and improvements in the downtown area. On Jan. 12, 2016, the Muskegon City Commission unanimously approved the final district property assessments to launch the BID. **The BID was renewed for three years at the end of 2017 by the commission.**
- At its Jan. 19, 2016 meeting, the BID Board of Directors selected Downtown Muskegon Now to provide staff services to the district and renewed that arrangement in January 2017. With the merger of DMN and the DDA, the BID board at its May 28, 2019 meeting agreed to transfer management of the BID to the DDA.
- With the three-year extension of the BID, **DDA will received \$25,000 annually through 2020 from the BID for administrative services.**
- The BID Board with the help of DMN staff **established the 2018-2020 budgets as part of the BID renewal process**, which DDA will carry out on behalf of the BID Board. The BID board can establish specific expenditures of BID funds through the annual budget process, with the DDA board providing oversight of the BID's marketing, events and promotions line items. BID revenues will be combined with DDA funds for the overall improvement of downtown Muskegon with BID funds specifically earmarked as to its budget and work plan.
- DDA staff will expend the funds and report at least quarterly to the BID board on the work completed. The DDA will provide an annual report to the BID and downtown community each January.
- Over the next year and a half, the BID Board in conjunction with DDA staff will work on expanding the BID services beyond West Western Avenue.
- This letter of understanding is for the remainder of the **2018-2020 BID** as approved by the Muskegon City Commission and may be terminated with 60 days' notice from either party.

Approved by the Muskegon Downtown Development Authority board **Oct. 8, 2019**

Signed:

Martha Bottomley

DDA chairwoman

Approved by the Muskegon Downtown Business Improvement District board **Nov. 25, 2019**

Signed:

Bob Tarrant

BID chairman