



**Holland Satellite SmartZone
Local Development Finance Authority (LDFA)
Board of Directors Meeting
April 19, 2024 12:00 p.m.
Holland City Hall, 270 S River Ave, 2nd floor Training Room**

A. Board of Directors Meeting Agenda

1. Call to Order
2. Public Comments
3. Minute Review/Approval 12.13.23 Meeting
4. SmartZone Financial Report 2.29.2024
5. FY25 Budget
6. Lakeshore Advantage Contract renewal
7. City/Township Contract renewal
8. DDA Contract renewal
9. Lakeshore Advantage SURGE Center Update
10. Adjourn
 - i. Next Meeting June 19, 2024, City of Holland City Hall Training Room



**Holland Satellite SmartZone
Local Development Finance Authority (LDFA)
Board of Directors Meeting
December 13, 2023, 12:00 p.m.**

Members Present: Peter Beukema, Marcia Bishop, Brian Burch, Anne Harten, Charley Hasemann, Luciano Hernandez, Lynn McCammon, Jill Miller, Randall Schipper, and Mike Morin

Ex-Officio Members Present: Greg Barry and Keith VanBeek

Absent: Vince Bush, Doug Zylstra, Steve Bulthuis, Fred Molnar, Paul Sachs, and Scott Spoelhof

Lakeshore Advantage Staff: Angela Huesman and Amanda Chocko

Copies to: City of Holland Clerk, Holland Charter Township Clerk and Ottawa County Clerk

A. Informational Meeting Agenda – Started at 12:04 pm

1. Update of goals, priorities, and projects

Angela Huesman presented the update for the Next Center, including a video presentation the building progress. She also showed the board an updated interior floor plan. It is still on schedule to be completed in late fall 2024.

2. Public Comments/Questions

No Public Comments

B. Board of Directors Meeting Agenda

1. Call to Order

A quorum being present the meeting was called to order at 12:18 pm

2. Public Comments



Brian Burch asked if there were any public comments. As there were no public comments, he moved on to the first order of business.

3. Minute Review/Approval 9.27.23 Meeting

Motion made by Charley Hasemann to approve minutes. Supported by Jill Miller. Motion unanimously approved.

4. SmartZone Financial Report 11.30.2023

Lynn McCammon gave a financial recap of revenues and expenditures through November 30, 2023, both are on track for the fiscal year. Lynn reminded the board of the two financial commitments that the board previously approved and that the first payments on those will occur this fiscal year. Lynn also updated the board that the FY23 audit was completed, and everything was on schedule for what was expected. The Board accepted as information.

5. LDFA Board Terms

Lynn presented the history of board terms and the rotation that was part of the original contract. Randy wrote up a new amendment to the contract that would remove the board limits. This was discussed in previous meetings and was suggested they should be removed due to the limited time span of the entire SmartZone contract. It was also brought up that even though the contract will be changed to remove the term limits the appointment to the board is still determined by the represented jurisdiction. Approval to remove the term limits and amend the current contract was moved by Anne Harten and supported by Jill Miller. The motion was unanimously approved.

6. Election of Officers

Current officers on the board had term limits that would be expiring as of January 31, 2024. The board discussed the executive committee succession and whether it was beneficial to rotate members or retain members in certain positions. After discussion, rotating members was recommended. The term of the new executive committee will begin on February 1, 2024 and go through January 31, 2026. Randy Schipper



nominated Peter Beukema to be promoted to Board Chair and Vince Bush to be promoted to Vice Chair. Peter Beukema nominated Randy Schipper to stay in the role of board Secretary. Anne Harten nominated Luciano Hernandez for the role of board treasurer. The board voted unanimously in all appointment nominations.

7. Lakeshore Advantage SURGE Center Update

Amanda Chocko presented the update for SURGE. She highlighted companies and events at the SURGE center as well as year-to-date metrics. The board accepted as information.

8. Adjourn

Motion made by Peter Beukema to adjourn (1:09 pm). Support by Randy Schipper. Motion unanimously approved.

- **Next Meeting March 20, 2024, City of Holland City Hall**

Holland LDFA SmartZone

Meeting Date: March 20, 2024

Agenda Item: 4

Subject: February 29, 2024 Financial Report

Prepared By: Lynn McCammon

Recommendation: LDFA SmartZone Board approval of the Financial Report for the eight months ending February 29, 2024.

LDFA SmartZone Board approved the FY 2024 Budget in March 2023. FY 2024 revenues are budgeted at \$647,500 and budgeted expenditures total \$1,150,532. This includes a \$503,032 planned use of reserves allocated for projects approved in FY 2023. Attached is the Budget Performance Report through February 29, 2024, which represents 66.67% of the fiscal year (July 1, 2023 through June 30, 2024).

Revenues

Year-to-date revenues totaled \$658,288.60, or 102% of budget. This is made up of Tax collections received from the City and the Township. Tax Collections for Fiscal Year 2024 start as of July 1st and continue through February 29th. Final tax payments from the County will occur in April 2024. Investment Income is performing strong with year-to-date totals of \$21,255, which is \$16,255 higher than the adopted budgeted amount.

Expenditures

Fiscal Year 2024 Adopted budget has been set for \$1,150,532. Year-to-date expenditures are \$153,635.83 which represents 13% of the fiscal year. Variances in the contractual administrative accounts are due to timing and are expected to smooth out as the year progresses.

Approved projects

The SmartZone Board approved \$1,000,000 for the Lakeshore Advantage project, payable as prepaid rent, and a \$500,000 contribution to the City of Holland Ice Rink project in March 2023. Both commitments will be paid over a three-year period, dependent on available cash flow. The FY 2024 budget included \$633,675 for the Lakeshore Advantage prepaid rent and \$166,667 for the ice rink. No payments have been made to date. Based on timing of these projects, the original FY 2024 budgeted amounts will be carried over to FY 2025 as part of the annual budget process.



Budget Performance Report

Fiscal Year to Date 02/29/24
Exclude Rollup Account

Account	Account Description	Adopted Budget	Budget Amendments	Amended Budget	Current Month Transactions	YTD Encumbrances	YTD Transactions	Budget - YTD Transactions	% Used/ Rec'd	Prior Year Total
Fund Y01 - Smartzone Fund										
REVENUE										
Department 000 - General Revenues										
450582.C	Contributions from Other Govts From City of Holland	450,000.00	.00	450,000.00	6,906.53	.00	462,301.51	(12,301.51)	103	350,478.17
450582.H	Contributions from Other Govts Holland Township	167,500.00	.00	167,500.00	9,436.74	.00	157,778.47	9,721.53	94	144,187.81
480665.0	Investment Income General	5,000.00	.00	5,000.00	.00	.00	21,255.43	(16,255.43)	425	17,561.57
480665.X	Investment Income Market Adjustment	.00	.00	.00	.00	.00	1,667.29	(1,667.29)	+++	(1,667.29)
480669.SZ	Rental SmartZone Tennant Income	25,000.00	.00	25,000.00	.00	.00	15,285.90	9,714.10	61	32,529.99
490568	Local Grant	.00	.00	.00	.00	.00	.00	.00	+++	25,000.00
Department 000 - General Revenues Totals		\$647,500.00	\$0.00	\$647,500.00	\$16,343.27	\$0.00	\$658,288.60	(\$10,788.60)	102%	\$568,090.25
REVENUE TOTALS		\$647,500.00	\$0.00	\$647,500.00	\$16,343.27	\$0.00	\$658,288.60	(\$10,788.60)	102%	\$568,090.25
EXPENSE										
Department 240 - Smartzone										
722804.0	Contractual-Legal General	500.00	.00	500.00	.00	.00	.00	500.00	0	.00
722805.1	Contractual-Finance Independent Audit	1,000.00	.00	1,000.00	.00	.00	1,000.00	.00	100	1,000.00
722805.3	Contractual-Finance Accounting & Budget	14,140.00	.00	14,140.00	.00	.00	14,140.00	.00	100	12,360.00
722807.C	Contractual-Architect/Engineer Infrastructure Development -City	166,667.00	.00	166,667.00	.00	.00	552.50	166,114.50	0	1,020.00
722807.LSA	Contractual-Architect/Engineer Infrastructure Development LSA	633,675.00	.00	633,675.00	.00	.00	.00	633,675.00	0	.00
722809.61	Contractual-Misc Management Services	150,000.00	.00	150,000.00	.00	.00	75,000.00	75,000.00	50	150,000.00
722809.69	Contractual-Misc Entrepreneurial Programming	56,000.00	.00	56,000.00	.00	.00	13,286.88	42,713.12	24	35,993.02
722809.DDA	Contractual-Misc DDA Services	11,000.00	.00	11,000.00	.00	.00	.00	11,000.00	0	8,300.00
723910.L	Commercial Insurance Premiums Liability Insurance	1,750.00	.00	1,750.00	.00	.00	2,201.00	(451.00)	126	1,695.00
723942.0	Building Rental/Lease General	93,000.00	.00	93,000.00	.00	.00	42,000.00	51,000.00	45	84,000.00
723955.0	Misc. General	800.00	.00	800.00	.00	.00	586.44	213.56	73	1,100.97
723955.M	Misc. Misc Marketing Events	22,000.00	.00	22,000.00	.00	.00	4,869.01	17,130.99	22	5,284.06
730980.0	Office Equipment/Furniture General	.00	.00	.00	.00	.00	.00	.00	+++	15,326.27
Department 240 - Smartzone Totals		\$1,150,532.00	\$0.00	\$1,150,532.00	\$0.00	\$0.00	\$153,635.83	\$996,896.17	13%	\$316,079.32
EXPENSE TOTALS		\$1,150,532.00	\$0.00	\$1,150,532.00	\$0.00	\$0.00	\$153,635.83	\$996,896.17	13%	\$316,079.32
Fund Y01 - Smartzone Fund Totals										
REVENUE TOTALS		647,500.00	.00	647,500.00	16,343.27	.00	658,288.60	(10,788.60)	102%	568,090.25
EXPENSE TOTALS		1,150,532.00	.00	1,150,532.00	.00	.00	153,635.83	996,896.17	13%	316,079.32
Fund Y01 - Smartzone Fund Totals		(\$503,032.00)	\$0.00	(\$503,032.00)	\$16,343.27	\$0.00	\$504,652.77	(\$1,007,684.77)		\$252,010.93
Grand Totals										
REVENUE TOTALS		647,500.00	.00	647,500.00	16,343.27	.00	658,288.60	(10,788.60)	102%	568,090.25
EXPENSE TOTALS		1,150,532.00	.00	1,150,532.00	.00	.00	153,635.83	996,896.17	13%	316,079.32
Grand Totals		(\$503,032.00)	\$0.00	(\$503,032.00)	\$16,343.27	\$0.00	\$504,652.77	(\$1,007,684.77)		\$252,010.93

Holland LDFA SmartZone

Meeting Date: March 20, 2024

Agenda Item: 7

Subject: Fiscal Year 2025 Budget

Prepared By: Lynn McCammon

Recommendation: LDFA SmartZone Board approval of the Holland SmartZone LDFA (Local Development Finance Authority) Fiscal Year 2025 Budget is requested.

Fiscal Year 2025 will be the ninth year taxes have been captured for the SmartZone. The Holland LDFA SmartZone initial formation as a satellite in collaboration with the City of Grand Rapids existing SmartZone, Michigan State University, Holland Charter Township and Lakeshore Advantage was acted upon when Council approved a Resolution of Intent on September 3, 2014. Numerous steps followed including legislation to extend the number of satellites across the state, with formal approval by the State on April 28, 2016 allowing the tax increment financing (TIF) capture effective in the 2016 property tax bills.

Revenues

The proposed budget anticipates \$685,285 in revenues for the fiscal year that begins July 1, 2024. This is comprised of \$650,285 TIF capture, representing a 4.9% increase over the prior year resulting from increasing taxable values. Tennant Income is budgeted at \$30,000 and investment income conservatively budgeted at \$5,000. Finally, grants are not budgeted until awarded.

Expenditures

The proposed budget includes \$1,768,644 in expenditures, including the following:

- Fiscal Services, audit and legal totaling \$16,453.
- Lakeshore Advantage Services are budgeted at \$175,000 in accordance with the proposed contract. Consistent with prior years, any grants received will be used to offset this (but accounted for separately as a revenue item).
- Events & Programming \$83,000.
- SURGE rent of \$49,500 represents 6 months at the current location as the new building will not be ready until late fall of 2024.
- DDA services \$11,550 in accordance with contract for services in Downtown Holland.
- The total amount budgeted for infrastructure includes the first and second year commitments for the Lakeshore Advantage project (\$816,838) and the City ice rink project request (\$333,334). The first year commitment was originally budgeted in FY 2024, but given the timing of the projects, the payments will be in FY 2025, so the budget was moved forward to FY 2025. Unallocated infrastructure (\$279,544) represents the reserve designated for future City and HCT projects.

Summary

The proposed budget includes total revenues of \$685,285 and total expenditures of \$1,768,644. The net annual deficit represents a planned use of fund balance in the amount of \$1,083,359 to leave an ending fund balance of \$0. This methodology of budgeting available reserves is consistent with prior years as the SmartZone is limited in the amount of reserves that can be accumulated per the MEDC agreement (15% of annual budgeted revenues).

Once the LDFA Board approves the budget it will be recommended to Holland City Council and Holland Charter Township for approval.

2024-25 Holland LDFA Satellite SmartZone Budget

	FY21 Actual	FY22 Actual	FY23 Actual	FY 24 Adopted Budget	FY 24 Estimated	FY 25 Proposed Budget
Income						
City TIF Capture	214,405	271,710	350,478	450,000	451,850	466,535
Township TIF Capture	62,612	69,419	144,188	167,500	168,350	183,750
Tennant Income			32,530	25,000	30,000	30,000
Grant Reimbursement			25,000	-	-	
Investment Income	1,724	(9,095)	15,894	5,000	20,000	5,000
Total	278,741	332,034	568,090	647,500	670,200	685,285
Expenses						
Accounting/Fiscal Services	3,300	3,870	12,360	14,140	14,140	14,453
Annual Audit	1,000	1,000	1,000	1,000	1,000	1,000
Legal Services	248	112	-	500	500	1,000
Contractual Admin Services	-	7,770	-	-	-	-
* Admin/Entrepreneurial Services LA	75,000	50,000	150,000	150,000	150,000	175,000
SURGE Center Rent	3,600	-	84,000	93,000	93,000	49,500
Events	6,847	3,214	5,284	22,000	15,000	18,000
Entrepreneurial Programming	31,415	38,906	35,993	56,000	55,000	65,000
General Liability Ins	1,695	1,695	1,695	1,750	2,201	2,425
Incubator Space Planning	8,000	-	-	-	-	-
Capital Outlay - Furniture			15,326	-	-	
DDA Services	7,600	7,900	8,300	11,000	11,000	11,550
Infrastructure (LSA)	-	10,000		633,675	-	816,838
Infrastructure (City)	10,495	20,946	1,020	166,667	-	333,334
Infrastructure (HCT)	2,568	2,424	-		-	-
Infrastructure (Unallocated)						279,544
Miscellaneous General	-	-	1,102	800	1,000	1,000
Total	151,768	147,837	316,080	1,150,532	342,841	1,768,644
		-				
Net Surplus (Deficit)	126,973	184,197	252,010	(503,032)	327,359	(1,083,359)

HOLLAND SMARTZONE and LAKESHORE ADVANTAGE CONTRACT

FOR SERVICES (the "Contract") is made as of July 1, 2024, by and between the **HOLLAND SMARTZONE^{5M} LOCAL DEVELOPMENT AUTHORITY** (the "Authority"), a Michigan statutory authority created by the City of Holland and Holland Charter Township, Michigan, pursuant to Act 281 of the Public Acts of Michigan of 1986, as amended ("Act 281"), with its principal offices at 270 S. River Ave., Holland Michigan 49423 and **LAKESHORE ADVANTAGE**, a Michigan not-for-profit corporation, with its principal offices at 201 W. Washington Ave, Zeeland Michigan 49464.

Pursuant to the provisions of Act 281 and its Development Plan and Tax Increment Financing Plan (the "Plans"), the Authority seeks (a) to promote, encourage, advance, and cause high technology activity (as defined in Act 281) entrepreneurship throughout the Authority District (as identified in the Plans) within the Authority's Certified Technology Park (as identified in the Plans) and (b) encourage the coordination and collaboration of entrepreneurship throughout the West Michigan region. Lakeshore Advantage has a significant background and experience in promoting, encouraging, and advancing new entrepreneurship and is willing to act as the collaborator with the Holland Satellite SmartZone on entrepreneurial services in the West Michigan region specifically to provide certain services to the Authority consistent with its Plans throughout the Authority District within the Authority's Certified Technology Park.

For one dollar and other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the Authority and

201 W. Washington Ave. Loft ,110
Zeeland, Michigan 49464

P 616.772.5226
F 616.77.5602
lakeshoreadvantage.com

Lakeshore Advantage hereby agree as follows:

1. Term. The term of this Contract shall be for three years commencing July 1, 2024 and ending June 30, 2027 (the "Term"). It is anticipated that the term may be extended from time to time, which may be accomplished by an addendum to this Memorandum signed by both parties.

2. Services. Lakeshore Advantage agrees, in accordance with the Authority's Plans, to provide, market, accelerate, incubate, and provide navigator services related to high technology entrepreneurship throughout the Authority District within the Authority's Certified Technology Park (the "Services") during the Term.

3. Measurement. During the Term, Lakeshore Advantage shall serve as the Entrepreneurial Support Organization of the SmartZone to meet the measurements (the "Measurements") described and attached hereto as Attachment I to this Contract.

4. Budget. The Budget for the Services for the Term of this Contract shall not exceed the amount of \$525,000 for Services as stated above. Additionally, the Authority will pay Lakeshore Advantage \$1,244,000 during the Term of the contract in return for Lakeshore Advantage providing the Authority use of the Next Center for start-up incubator and related purposes from November 1, 2024 through December 2030, with payments to be made as revenue becomes available to the Authority and aligns with SmartZone's annual budget.

5. Reporting to Authority Board. Lakeshore Advantage shall provide a report regarding Lakeshore Advantage's activities related to performance of the Services pursuant to this Contract at each regular meeting of the Authority Board during the Term.

6. Termination. The Authority may terminate this Contract upon thirty (30) days written notice to Lakeshore Advantage if Lakeshore Advantage does not meet the requirement(s) for a Budgeted Funds distribution pursuant to paragraph 5 hereof. If the Authority should terminate this Contract pursuant to this paragraph, the Authority shall

forgo the in-kind services provided by Lakeshore Advantage. Lakeshore Advantage may terminate this Contract upon fifteen (15) days written notice to the Authority if the Authority does not make a distribution of Budgeted Funds to Lakeshore Advantage and Lakeshore Advantage shall be paid for its cost of performing the Services to the date of termination.

7. Independent Contractor Relationship. The relationship of the Authority and Lakeshore Advantage under this Contract is that of independent contractors. Neither the Authority or Lakeshore Advantage nor their respective officers, board members, employees, agents or representatives shall be deemed to be officers, board members, employees, agents or representatives of the other.

8. Insurance. During the Term of this Memorandum, Lakeshore Advantage agrees to obtain and keep in effect a general liability insurance policy insuring against injury to persons and damage to property caused by employees, agents or representatives of Lakeshore Advantage in the performance of the Services in the amount of \$1,000,000 occurrence and \$ 2,000,000 the annual aggregate. Such policy shall be obtained from an insurer licensed to do business in the State of Michigan, shall name the Authority as an addition or co-insured, and shall provide that the policy may not be terminated or cancelled without thirty (30) days prior written notice to the Authority. Upon request, Lakeshore advantage shall provide the Authority a copy of the insurance policy or certificate of insurance evidencing coverage.

9. Dispute Resolution. Before the Authority or Lakeshore Advantage may undertake any legal or equitable action pursuant to or to enforce any provision of this Contract, that party shall first notify in writing the other party of the basis for the claim and

the parties shall meet within fifteen (15) days of such notification to discuss and seek to resolve the dispute.

10. Notice. Any notice or communication required, permitted or desired to be given under this Contract shall be deemed effectively given when personally delivered or mailed by first-class mail addressed to those addresses first provided above to the attention of the Chair in the case of the Authority and to the attention of the Manager of Innovation Solutions in the case of Lakeshore Advantage. The parties may, by written notice, designate any future or different address to which subsequent notices or communications may be given.

11. Governing Law. This Contract shall be construed in all respects in accordance with the laws of the State of Michigan.

12. Binding Effect. The covenants and agreements herein shall bind, and the benefits and advantages shall inure to, the respective successors and assigns of the parties hereto.

13. Entire Agreement. This Contract constitutes the entire agreement between the parties hereto with respect to the subject matter and there are no other representations, promises or agreements, oral or written, expressed or implied, between the parties hereto with respect to this Contract.

14. Amendments. This Contract may not be amended, changed, modified or altered without written approval or consent of the parties hereto.

15. Attachments. Any attachments attached hereto are incorporated herein as though fully stated herein.

16. Assignment. This Contract and the rights and obligations hereunder shall not be assignable unless both parties hereto agree, in writing to such assignment.

17. Waiver. The waiver of either party hereto of a breach or violation of any provision of this Contract shall not be a waiver of any subsequent breach of the same or any other provision of this Contract.

18. Parties. This Contract shall be enforceable only by the parties hereto and their successors in interest by virtue of an assignment which is not prohibited under the terms of this Contract and no other person shall have the right to enforce any provision contained herein.

19. Effective Date. This Contract shall be effective as of the date set forth in the first paragraph hereof.

IN WITNESS WHEREOF, the Authority and Lakeshore Advantage have caused these presents to be signed by their respective duly authorized representatives as of the day and year first written above.

**HOLLAND SMARTZONESM
LOCAL DEVELOPMENT AUTHORITY**

By: _____
Peter Beukema, Chairperson

LAKESHORE ADVANTAGE

By: _____
Jennifer Owens, President

Attachment I

Measurements*

The creation, support and execution of programs and initiatives designed to create and support technology driven entrepreneurial activity. Eligible Functions of Lakeshore

Advantage include:

- Planning, developing and implementing entrepreneurial support programming and entrepreneurial education programming,
- Marketing and event management,
- Monitoring and reporting of established program metrics and outcomes to the LDFA board, City of Holland, and Holland Charter Township.
- Attendance at Michigan Economic Development Corporation (MEDC) quarterly SmartZone meetings and,
- Grand Rapids SmartZone partnership programming and joint marketing.

*Unless otherwise noted, the measurements listed above shall be limited to Services, as defined in this Contract, provided in the Holland Satellite SmartZonesm Authority District for the benefit of eligible property in the Holland SmartZonesm Certified Technology Park.

Budget Schedule

Schedule of payments for the Next Center

November 2024	\$816,838
October 2025	\$213,581
October 2026	\$213,581

Holland LDFA SmartZone

Meeting Date: March 20, 2024

Agenda Item: 7

Subject: Contract for Fiscal Agent Services (City of Holland)

Prepared By: Lynn McCammon

Recommendation: LDFA SmartZone Board approval of a contract outlining services to be provided by the City of Holland with possible cost sharing with Holland Charter Township for the Holland SmartZone LDFA is requested.

The City of Holland provides Fiscal Agent Services for the LDFA SmartZone. Prior to Fiscal Year 2022 the City was providing fiscal services under a two-year agreement approved in May 2020. In Fiscal Year 2022, the City assumed responsibility for additional administrative functions that were previously provided by Lakeshore Advantage. This was approved as a separate one-year agreement in May 2021. The proposed two-year agreement beginning in July 2024 represents the combination of the two separate agreements. The total budgeted for FY 2025 is \$14,453.

Since this is a three-way agreement between the City of Holland, Holland Charter Township and the Holland SmartZone, all parties need to approve. Once the LDFA Board approves the agreement it will be recommended to Holland City Council and Holland Charter Township Board for approval.

**Contract for Services
Between
Holland SmartZone
The City of Holland
Holland Charter Township**

This Contract for Services is made and entered into by and between the Holland SmartZone Local Development Financing Authority (LDFA), the City of Holland and Holland Charter Township. The entities listed above may collectively be referred to as the parties to this Contract.

I. PURPOSE.

The purpose of this Contract for Services is to outline services to be provided by the City of Holland and expenses shared with Holland Charter Township to the Holland SmartZone.

II. GOVERNING BODY.

The Governing Body will consist of the signatories of the three parties listed below.

The responsibilities of the Governing Body shall include approval of this plan.

III. SERVICES.

The services that will be provided are as follows:

1. Fiscal Services to include receipt of funds, accounts payable, accounting, coordinate the independent audit, assistance with budget preparation and investing funds, but excludes payroll.
2. The City will set up a unique account number system utilizing existing financial software and the City bank accounts.
3. Annual reporting to State or other agencies.
4. Coordination and facilitation of insurance coverage.
5. Procurement services as needed consistent with the City of Holland Purchasing Ordinance.
6. Facilitate independent auditing services for the LDFA to be included and presented as a discreet component unit within in the City of Holland annual audited financial reports.
7. Board and Committee Meeting Management: The City will be responsible for agendas, meeting notifications, packet distribution, public posting and meeting minutes.
8. Board Member Management: The City will monitor board member terms and notify the member or appointing body for needed renewal or new appointment. The City will also facilitate orientation of new board members, offboarding board members, and ensure Executive Committee positions are reappointed every two years.

9. Annual Budget Approval: The City, in partnership with Lakeshore Advantage, will prepare the initial budget request for review by the LDFA board and ensure the final budget is submitted to the Holland City Council and Holland Charter Township Board of Commissioners for approval.
10. Governing Documents: The City will facilitate the annual review of the TIF Plan, Business Plan and Rules of Procedure. Any changes proposed by the LDFA board will be submitted to the Holland City Council and Holland Charter Township Board of Commissioners for approval.
11. Infrastructure Funding: The City will be responsible for intaking project submissions and recommending annual budget targets.
12. Legal assistance/reviews: The City will facilitate the engagement of legal counsel on an as-needed basis as directed by the LDFA board.
13. Public website updating and management: The City will be responsible for maintaining the website, including all public information related to actions of the board as required per Public Act 57.
14. Freedom of Information Act (FOIA): The City will serve as the designated FOIA officer for the SmartZone. All applicable rules and fees of the City will apply to the SmartZone FOIA response activities.

IV. CHARGES FOR SERVICES.

The City of Holland will estimate the hours and charge a fee based on hourly rates for staff similar to the way fiscal services are charged to other entities such as MAX and Library. Minor out of pocket costs for fiscal services or other services will be shared with Holland Charter Township. All fees for auditors, insurance, legal or other substantive costs will be paid by the LDFA as part of its budget.

V. TERM.

This agreement shall begin as of July 1, 2024 and shall remain in effect until June 30, 2026.

VI. IDEMNIFICATION.

Each part hereby indemnifies and saves the other Parties harmless from and against any and all liabilities, damages, expenses, causes of action, suits, claims or judgments arising from the act or negligence of said first Party.

VII. MODIFICATION.

Modifications within the scope of this Contract for Services shall be made by mutual consent of the parties, by the issuance of written modification, signed and dated by all parties, prior to any changes being performed.

In witness whereof, the parties hereto have executed this Contract as of the last date written below.

By: _____
Peter Beukema
Chairman, Holland LDFA Board

Date: _____

By: _____
Nathan Bocks
Mayor, City of Holland

Date: _____

By: _____
Terry Nienhuis
Supervisor, Holland Charter Twp.

Date: _____

Holland LDFA SmartZone

Meeting Date: March 20, 2024

Agenda Item: 8

Subject: Contract for DDA Services

Prepared By: Lynn McCammon

Recommendation: LDFA SmartZone Board approval of a two-year contract between the Holland SmartZone and the City of Holland Downtown Development Authority (DDA) for services provided by the DDA to enhance Downtown Holland is requested.

The City of Holland Downtown Development Authority (DDA) provides services to the Holland SmartZone in order to enhance Downtown Holland. Services include general maintenance of downtown sidewalks and public amenities as well as community promotions. The contract presented is a renewal of the prior two-year contract approved by the LDFA SmartZone in June 2022. The amount budgeted for FY 2025 is \$11,550 which approximates the amount of the millage rate that is captured by the SmartZone. The amount for FY 2026 will be determined as part of the FY 2026 budget process.

This contract requires approval by the LDFA SmartZone, Holland Charter Township and the City of Holland. Once the LDFA Board approves the agreement it will be recommended to Holland City Council and Holland Charter Township Board for approval.

**Contract for Services
Between
Holland SmartZone
The City of Holland
Downtown Development Authority**

This Contract for Services is made and entered into by and between the Holland SmartZone Local Development Financing Authority (LDFA) and the City of Holland, by and through its Downtown Development Authority (DDA). The entities listed above may collectively be referred to as the parties to this Contract.

I. PURPOSE.

The purpose of this Contract for Services is to outline services to be provided by the DDA to the Holland SmartZone in order to enhance Downtown Holland in an amount not less than the DDA millage amount to be captured in the SmartZone and will be entered into on an annual basis to ensure continued vibrancy and attractiveness to potential technology entrepreneurs.

II. GOVERNING BODY APPROVAL.

The Governing Bodies of the City of Holland and Holland Charter Township must approve LDFA contracts. Holland Township signs this Contract solely to signify its consent to same. The City of Holland signs below to signify its consent and its agreement to be bound by the Contract.

The responsibilities of the Governing Bodies shall include approval of the plan described below.

III. SERVICES. The services that will be provided are as follows:

1. Development and implementation of a working plan with an emphasis on streetscape refreshment including but not limited to replacement of wayfinding signs, planter urns and landscaping beds in order to maintain a quality sense of place.
2. General maintenance costs to keep the sidewalks and public amenities downtown in good repair.
3. Contribution for community promotions including but not limited to events and seasonal decoration of downtown Holland.

IV. CHARGES FOR SERVICES.

The charges for DDA services for FY2025 will be \$11,550 and the FY2026 amount will be determined and approved as part of the FY2026 budget. It is further understood that DDA charges services for FY2024 which have already been provided will be paid in FY2024 as budgeted (\$11,000).

V. TERM.

This agreement shall begin as of July 1, 2024 and shall remain in effect until June 30, 2026.

VI. IDEMNIFICATION.

Each part hereby indemnifies and saves the other Parties harmless from and against any and all liabilities, damages, expenses, causes of action, suits, claims or judgments arising from the act or negligence of said first Party.

VII. MODIFICATION.

Modifications within the scope of this Contract for Services shall be made by mutual consent of the parties, by the issuance of written modification, signed and dated by all parties, prior to any changes being performed.

In witness whereof, the parties hereto have executed this Contract as of the last date written below.

By: _____ Date: _____
Peter Beukema
Chairman, Holland LDFA Board

By: _____ Date: _____
Nathan Bocks
Mayor, City of Holland

By: _____ Date: _____
Brenda Katerberg
Clerk, City of Holland

By: _____ Date: _____
Terry Nienhuis
Supervisor, Holland Charter Twp.