

Agenda

Northside Cultural Business District Authority Board of Directors



City of Kalamazoo

Thursday, May 22, 2025

6:00 PM

Northside Association for Community Development, 612 N. Park Street

A. CALL TO ORDER/ROLL CALL

B. ADOPTION OF AGENDA

(Action: Motion to approve the agenda)

C. APPROVAL OF MINUTES

1. Approval of the minutes from the Northside Cultural Business District Authority Board meeting on April 17, 2025. (Action: Motion to approve)

D. PUBLIC COMMENTS

E. DIRECTOR COMMENTS

F. NEW BUSINESS

G. UNFINISHED BUSINESS

1. Financial Report and Budget Explanation from Chelsie Downs-Hubbarth
2. Step-Aside Policy Discussion with Attorney Wood

H. COMMUNICATIONS AND ANNOUNCEMENTS

I. STAFF REPORTS AND UPDATES

J. ADJOURNMENT

NORTHSIDE CULTURAL BUSINESS DISTRICT AUTHORITY BOARD

April 18, 2025 Meeting Minutes – Draft for Review

A meeting of the Northside Cultural Business District Authority (NCBDA) Board of Directors was held on Thursday, April 18, 2025, at 612 N Park St, Kalamazoo, MI.

DIRECTORS PRESENT:

- Mattie Jordan-Woods
- Tami Rey
- Mayor David Anderson
- Kiar Gamsho
- Damian Henderson
- Marilyn Pulley

DIRECTORS ABSENT:

- Ricky Thrash (notified the board he would not be in attendance)

ALSO PRESENT FROM THE CITY:

- Kevin Ford, Shared Prosperity Coordinator
- Erin Hahn, Community Investment Administrative Assistant

I. CALL TO ORDER

Director Jordan-Woods called the meeting to order at 6:03 p.m.

II. ROLL CALL

Roll call was taken. A quorum was present.

III. ADOPTION OF AGENDA

Director Rey motioned to adopt the agenda. Mayor Anderson seconded. All in favor. Motion carried.

IV. APPROVAL OF MINUTES

Director Rey motioned to approve the March 2025 minutes. Director Pulley seconded. All in favor. Motion carried.

V. PUBLIC COMMENTS

No public comments were made.

VI. DIRECTOR COMMENTS

No director comments were offered outside of agenda items.

VII. NEW BUSINESS

Correction Request – Northside Neighborhood Plan

Director Jordan-Woods shared that the 2025 City Plan currently references an outdated version of the Northside Neighborhood Plan (2009) instead of the officially adopted 2018 version. She noted the incorrect version contains language that references “African-Americans” in a way that could pose legal risk and does not reflect the board’s adopted priorities to support historically excluded and underrepresented populations in a non-discriminatory manner.

Director Rey motioned to send a formal letter to the City Commission requesting that the correct 2018 plan—with the appropriate updated language—replace the current version online. Director Henderson seconded. All in favor. Motion carried.

Director Jordan-Woods also noted that NACD (Northside Association for Community Development) intends to submit a similar letter.

VIII. UNFINISHED BUSINESS

Step-Aside Sharing Policy Discussion

The board resumed its discussion on the proposed tax capture sharing policy for step-aside agreements.

Mayor Anderson began by explaining the basics of TIF (Tax Increment Financing) and how tax capture works. He emphasized that districts collect from the increase in tax value above a set base rate. He shared lessons from the Downtown DDA, noting that overextended financial commitments had once led to value loss and bankruptcy during an economic downturn.

Director Henderson asked whether the proposed policy would apply to a single upcoming project or to all future projects. Mayor Anderson responded that while the discussion began around a specific upcoming project, the intention is to develop a general policy that could apply to future step-aside scenarios.

Director Pulley asked whether the board was proposing a fixed policy or would continue evaluating step-asides case by case. Director Jordan-Woods explained that a general policy could be established, such as a 25% capture for NCBDA, leaving 75% to the developer, but added that each proposal would still be reviewed on a case-by-case basis, allowing flexibility.

Director Henderson then asked what would happen if a developer did not agree to the proposed split. Director Jordan-Woods noted that if a developer rejected the standard split, the board would still consider the project but evaluate whether deviating from the base policy would be justified based on public benefit.

Director Gamsho clarified that step-asides are not upfront cash incentives. He added that developers often receive incentives from multiple sources and that NCBDA's portion should be protected unless a strong case is made.

Mayor Anderson confirmed that Brownfields operate as project-specific TIF districts and said developers are likely to pursue Brownfield support due to its flexibility. He explained that additional service fees attached to Brownfields increase overall project costs, which sometimes motivates developers to seek step-aside arrangements as supplementary support.

Director Rey asked whether the proposed policy might hinder a developer's ability to access Brownfield support. Mayor Anderson responded that it should not, since the two mechanisms are separate. The step-aside policy would simply clarify NCBDA's position and expectations, which may help developers better prepare their funding strategies.

Director Pulley raised concerns about rising property values and whether the district could rely on future value growth. Director Jordan-Woods responded that NCBDA only captures funds if there is an increase in property value over time. A policy would help protect the district's interest by ensuring a minimum return from projects that do succeed.

Director Henderson asked whether a formal policy might discourage developers from bringing projects forward. Director Jordan-Woods said that developers would still need to present their plans to the board and that having clear expectations up front would streamline conversations rather than deter investment.

Mayor Anderson added that while a firm policy might dissuade developers who are unwilling to invest in the district equitably, it would also make the process more transparent and fair for all parties.

Director Pulley asked what the point of having a policy was if it could be overridden during negotiations. Director Jordan-Woods clarified that a policy provides a standard framework (e.g., a 25% capture) but would not prevent the board from making exceptions for projects that demonstrate meaningful community benefits.

Director Gamsho emphasized the importance of balancing development with anti-gentrification goals and preserving flexibility in decision-making.

Director Rey reminded the group that the district was created to financially support Northside-owned businesses and that giving away 100% of the capture undermines that purpose.

Director Gamsho and Mayor Anderson both agreed that step-aside decisions should be informed by clear criteria, such as whether the developer is hiring Northside residents or making infrastructure investments that benefit the neighborhood.

Kevin Ford suggested forming a small committee to work with legal counsel to begin drafting a formal policy. Director Jordan-Woods expressed a preference for involving the full board and recommended inviting legal counsel to the next meeting to participate in the discussion.

Director Gamsho motioned to invite the attorney to the May board meeting for a full board discussion. Director Pulley seconded. All in favor. Motion carried.

IX. STAFF UPDATES

Kevin Ford noted that staff have been discussing procedures around P-card reimbursement and payment for official board-related travel. Director Pulley and Director Jordan-Woods were asked to provide receipts for their upcoming conference at the next meeting in order to begin the reimbursement process.

X. MEETING SCHEDULE

The board discussed upcoming scheduling and availability.

Kevin Ford noted there may be a development project seeking approval from the board in June. In anticipation of needing additional time to review the step-aside policy with legal counsel, and due to expected absences in May, the board reached a consensus to reschedule the next board meeting to May 22, 2025.

Staff will follow up with Jessica Wood from the City Attorney's Office to confirm her availability to attend on May 22.

The board intends to make a final decision on the step-aside policy at that meeting.

XI. ADJOURNMENT

Director Henderson motioned to adjourn the meeting. Director Gamsho seconded. No objections. Motion carried.

The meeting was adjourned at 7:00 p.m.

	2024 (based on 2023 captures)	2025 estimated (based on 2024 captures)	2026 (based on 2025 captures)	2027 (based on 2026 captures)	2028 (based on 2027 captures)	2029 (based on 2028 captures)	2030 (based on 2029 captures)	2031 (based on 2030 captures)	2032 (based on 2031 captures)	2033 (based on 2032 captures)	2034 (based on 2033 captures)	2035 (based on 2034 captures)
Revenues:												
Local Tax Millage	\$11,515	21,000										
Total Revenues:	11,515	21,000										

Northside Cultural Business District Authority (NCBDA)
2024 Budget
(based on 2023 TIF captures)

Revenues	2024 Budget	2024 Actuals	Notes	
Local Tax Capture	\$10,858.00	\$11,514.58	Based on 2023 TIF Captures, paid in 2024	
Total Revenue	\$10,858.00	\$11,514.58		
Expenses	2024 Budget	2024 Actuals	Balance	Notes
Meeting Supplies	\$200.00	\$26.98	\$173.02	Board & Committee Supplies
Postage	\$200.00	\$0.00	\$200.00	
Professional and Contractual Services	\$5,000.00	\$0.00	\$5,000.00	
Audit Fees	\$0.00	\$0.00	\$0.00	
Professional Development	\$2,458.00	\$0.00	\$2,458.00	Board Development & Trainings
Administrative Fees	\$500.00	\$500.00	\$0.00	City Bookkeeping Service
Promotion and Advertising	\$2,500.00	\$0.00	\$2,500.00	Community engagement, printed materials, digital marketing
Total Expenses	\$10,858.00	\$526.98	\$10,331.02	
Net Income (Loss)	\$0.00	\$10,987.60		

2025 Budget
(based on 2024 TIF captures)

Revenues	Budget	Actuals	Notes
Local Tax Capture	\$20,000.00	\$20,171.89	Updated balance based on receivable at 12/31, final amount TBD at settlement completion in May
Total Revenue	\$20,000.00	\$20,171.89	

Expenses	Budget	Actuals	Balance	Notes
Meeting Supplies	\$200.00	\$0.00	\$200.00	Board & Committee Supplies
Postage	\$200.00	\$0.00	\$200.00	
Professional and Contractual Services	\$5,000.00	\$0.00	\$5,000.00	
Audit Fees	\$2,000.00	\$0.00	\$2,000.00	
Professional Development	\$5,000.00	\$0.00	\$5,000.00	Board Development & Trainings
Administrative Fees	\$500.00	\$0.00	\$500.00	City Bookkeeping Service
Promotion and Advertising	\$5,000.00	\$0.00	\$5,000.00	Community engagement, printed materials, digital marketing
Total Expenses	\$17,900.00	\$0.00	\$17,900.00	

Net Income (Loss)	\$2,100.00	\$20,171.89	
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\$13,259.49 Remaining funds available. 2024 +2025 receipts less 2024 expenses + 2025 budget.

\$31,159.49 Fund Balance throughout the year

Policy Document: NCBDA AND BRA AGREEMENTS

1. Purpose

This policy outlines the formal process for the Northside Cultural Business District Authority (NCBDA), a Corridor Improvement Authority formed pursuant to Part 6 of Public Act 57 of 2018, as amended, to consider entering into tax increment sharing agreements with the Brownfield Redevelopment Authority (BRA) in the context of specific project support and remediation activities within the NCBDA's established Tax Increment Financing (TIF) District, in a cooperative effort to enhance economic and environmental redevelopment.

2. Background

Recognizing the overlapping goals of NCBDA and BRA, this policy is established to facilitate NCBDA consideration, at its discretion, of tax increment sharing in certain circumstances, on a case-by-case basis, in favor of BRA, for targeted redevelopment projects within the designated NCBDA district. A recent legislative amendment to the Brownfield Redevelopment Financing Act, Public Act 381 of 1996, as amended, expressly authorizes tax increment sharing agreements with entities like the NCBDA.

3. Scope

This policy covers project support and remediation activities within the NCBDA District identified for BRA management, including environmental remediation and infrastructure development. The BRA can sometimes support eligible activities and unlock resources beyond what a Corridor Improvement Authority can support and that sharing of increment foster economic growth.

4. Mechanism & Implementation

City staff shall inform the NCBDA board when a Developer has applied to the City seeking BRA reimbursement for a proposed project on property located within the NCBDA District. If NCBDA agrees to consider sharing, Developer requesting reimbursement shall, in conjunction with City staff, present detailed information related to the project to the NCBDA Board for consideration at a public meeting. Generally, the NCBDA will receive the presentation at one Board meeting and will not vote on the sharing request until the next NCBDA board meeting, although NCBDA may, in its discretion, vote to approve a sharing request at the same meeting at which the presentation is given. The NCBDA may, in its discretion, require that a portion of the BRA administrative fee be shared with the NCBDA in consideration of a sharing agreement. NCBDA and BRA will, following approval from their respective Boards of Directors, memorialize any increment sharing through an interlocal agreement detailing key terms, including but not limited to, duration and commitments by the developer.

5. Compliance

Activities under this policy will comply with state laws, local ordinances, and regulations governing NCBDA and BRA authority.

6. Amendments

This policy may only be amended to reflect legal, policy, or redevelopment needs, following actions by the NCBDA and BRA Boards of Directors.

7. Effective Date

The policy, and any amendments hereto, shall become effective only upon approvals by NCBDA and BRA Boards.