

Agenda

Downtown Development Authority

Board of Directors



City of Kalamazoo

Monday, August 18, 2025

3:00 PM

Main Conference Room at Community Planning and Economic Development

A. CALL TO ORDER/ROLL CALL

1. Purpose Statement:

The purpose of this Downtown Development Authority is to halt property value deterioration and promote economic growth within its business district, to increase property value.

The purpose of this Downtown Economic Growth Authority is to correct and prevent deterioration in residential, commercial, and industrial areas, to authorize the acquisition and disposal of interests in real and personal property; to authorize the creation and implementation of development plans and development areas.

The Kalamazoo DDA and DEGA, acting in concert, have set forth the strategic objective of focusing its resources on improving “The First 16 Feet”, a three-dimensional volume of space including buildings ground floor façade, the frontage that exists between the façade and the common space, and the common space that provides access to and through the district.

B. ADOPTION OF FORMAL AGENDA

C. APPROVAL OF MINUTES

1. Approval of the minutes from the meeting of the Downtown Development Authority Board on July 21, 2025. (**Action: Motion to approve**)

D. REPORTS AND PRESENTATIONS

1. Financial Report - May and June 2025

E. DISCUSSION/ACTION ITEMS

1. Acceptance of Board Member Resignation (**Action: Motion to accept the**

resignation of Kwame Gyimah from the Board of Directors of the Downtown Development Authority, effective the date a successor is sworn in, with gratitude for their service and contributions to the organization)

2. **DDA Board Member Attendance Policy (Action: Motion to adopt the Downtown Development Authority Board Attendance Policy as presented, to take effect immediately upon approval)**
3. **Recommendation of DDA Board Member Nomination to Mayor and City Commission (Action: Motion to approve the nomination of Cheng Kidd Sun for appointment to the Downtown Development Authority Board and forward the recommendation to the Mayor and City Commission)**
4. 2026 DDA Draft Budget

F. PUBLIC COMMENTS

G. DIRECTOR COMMENTS

H. ADJOURNMENT

Board of Directors Regular Meeting Minutes

July 21, 2025, 3 p.m. | Community Planning & Economic Development, 245 N Rose Street

PRESENT: Curt Aardema, David Anderson, Clarence Lloyd, Trisha Kidd, Stanley Steppes, Jessica Thompson

EXCUSED: Rick Searing, Jeff Breneman

ABSENT: Kwame Gyimah

STAFF: Erin Hahn (Community Investment Administrative Assistant); Jessica Wood (Legal Counsel)

A. CALL TO ORDER

DIRECTOR AARDEMA CALLED THE MEETING TO ORDER AT 5:01 P.M.

PRESENT: Curt Aardema, David Anderson, Clarence Lloyd, Trisha Kidd, Stanley Steppes, Jessica Thompson

EXCUSED: Rick Searing, Jeff Breneman

ABSENT: Kwame Gyimah

THE JULY 21, 2025 ATTENDANCE INCLUDING EXCUSED AND UNEXCUSED ABSENCES IS RECORDED.

B. ADOPTION OF FORMAL AGENDA

DIRECTOR THOMPSON MOTIONED TO ADOPT THE JULY 21, 2025 AGENDA AS PRESENTED. DIRECTOR LLOYD SECONDED. NO OBJECTIONS. MOTION CARRIED.

C. APPROVAL OF MINUTES

DIRECTOR LLOYD MOTIONED TO APPROVE THE MINUTES FROM THE DOWNTOWN ECONOMIC GROWTH AUTHORITY BOARD MEETING ON JUNE 16, 2025. DIRECTOR THOMPSON SECONDED. NO OBJECTIONS. MOTION CARRIED.

D. REPORTS AND PRESENTATIONS

1. Financial Report – May 2025

Board of Directors Regular Meeting Minutes

July 21, 2025, 3 p.m. | Community Planning & Economic Development, 245 N Rose Street

The Board elected to postpone the acceptance of the May 2025 financial report until the August 18 meeting so that Ms. Behymer would be present to provide an explanation of the report.

E. DISCUSSION/ACTION ITEMS

1. Rose Street Plaza MOU Amendment

Director Kidd excused herself from the room for this discussion and vote due to a conflict of interest.

Director Aardema explained that the Board is being asked to amend the existing Rose Street Plaza MOU to include IronWorks as the corporate entity name, rather than PlazaCorp, as previously listed.

MAYOR ANDERSON MOTIONED TO APPROVE AN AMENDMENT TO THE ROSE STREET PLAZA MOU TO REFLECT THE IRONWORKS CORPORATE ENTITY NAME. DIRECTOR THOMPSON SECONDED. NO OBJECTIONS. MOTION CARRIED.

2. 2025 DDA Millage

Director Aardema explained that the DDA levy has been in place for many years and must be reauthorized annually by the DDA board to allow the City to collect and distribute it on the board's behalf. Although the City Commission has already taken action, board members agreed it was appropriate to formally ratify the measure and authorize the board chair to sign the necessary documents.

DIRECTOR LLOYD MOTIONED TO RATIFY AND AUTHORIZE THE CITY'S 2025 LEVY OF THE VOTED DDA MILLAGE AS REFLECTED ON THE RELATED ATTACHMENTS FROM THE CITY'S FRO AND AUTHORIZING AND RATIFYING THE BOARD CHAIR TO SIGN NECESSARY DOCUMENTATION. DIRECTOR STEPPES SECONDED. NO OBJECTIONS. MOTION CARRIED.

F. PUBLIC COMMENTS

There were no public comments.

G. DIRECTOR COMMENTS

Board of Directors Regular Meeting Minutes

July 21, 2025, 3 p.m. | Community Planning & Economic Development, 245 N Rose Street

During director comments, several key themes emerged:

- **Downtown Experience & Vitality:** Board members praised recent downtown vibrancy, noting an increase in foot traffic, community events, and positive experiences from residents and visitors alike.
- **Strategic Planning:** Members requested the three-year strategic plan be sent out to the full board again for further review and discussion, acknowledging the importance of continued long-range planning.
- **Development Oversight:** Several board members emphasized the need for the DDA to have a stronger, more strategic role in evaluating development proposals, especially those involving financial incentives such as step-asides, tax abatements, or funding support.
- **Parking Policy & Park Kalamazoo:** Several members expressed deep concerns about the disconnect between the Board and Park Kalamazoo. Issues raised included aggressive enforcement, lack of grace toward visitors, and the negative impact on the downtown experience. Members emphasized the need for strategic alignment and recommended inviting both Park Kalamazoo and the city's Blueprint Parking consultants to future meetings.

Bates Alley & Infrastructure: Questions were raised about who is responsible for maintaining and funding infrastructure like Bates Alley decks and downtown banners. Members agreed these topics deserve formal agenda time to ensure long-term sustainability and clarity for new businesses.

H. ADJOURNMENT

DIRECTOR AARDEMA ADJOURNED THE MEETING AT 5:18 PM.

Downtown Development Authority
Statement of Activity
5/31/2025

Total Available Cash \$ 799,174

	2025 Budget	May	2025 YTD Totals
Revenues:			
Taxes	274,000		-
Delinquent Property Taxes		73	2,499
Payment In Lieu Of Taxes (Pilot)	2,000		-
Interest			-
Sale of Capital Assets			-
Other Revenues			-
Other Revenues - Mall Maintenance	59,210		59,210
Total Revenues	335,210	73	61,709
Expenses:			
Operating Supplies	-		-
Professional And Contractual Services	103,000		4,487
Land Improvements			-
Legal Services And Fees	20,000	3,749	9,093
Audit Fees	6,600		-
Utilities	17,500	666	3,572
Administrative Fees	125,000		31,250
MetroCenter Debt Service	-		-
Tax Appeal Refunds			-
Notes Payable - Principle	517,000		-
Total Expenses	789,100	4,415	48,402
Revenues Less Expenses	(453,890)	(4,342)	13,307

Notes:

Long Term Debt Outstanding:

City Of Kalamazoo	1,070,680
Mavcon Note - In Negotiation	TBD

Utilities:

	May	2025 YTD Totals
Electricity (Including Street Lights)	585	3,110
Water & Sewer	81	462
TOTAL	666	3,572

Professional And Contractual Services:

Abraxas DDA/DEGA File Processing & Storage		3,437
Wolverine Lawn Services		1,050
TOTAL	0	4,487

**Downtown Development Authority
May 2025 Financial Summary**

In May, the Downtown Development Authority (DDA) received \$73 in revenue for delinquent property taxes, bringing year-to-date revenue to \$61,709.

May expenses totaled \$4,415. Key expense categories included: **Utilities (\$666)** and **Legal Services and Fees (\$3,749)**. Year-to-date expenses total \$48,402.

Downtown Development Authority
Statement of Activity
6/30/2025

Total Available Cash \$ 764,989

	<u>2025 Budget</u>	<u>June</u>	<u>2025 YTD Totals</u>
Revenues:			
Taxes	274,000		-
Delinquent Property Taxes			2,499
Payment In Lieu Of Taxes (Pilot)	2,000		-
Interest			-
Sale of Capital Assets			-
Other Revenues			-
Other Revenues - Mall Maintenance	59,210		59,210
Total Revenues	335,210	-	61,709
Expenses:			
Operating Supplies	-		-
Professional And Contractual Services	103,000		4,487
Land Improvements			-
Legal Services And Fees	20,000	1,909	11,002
Audit Fees	6,600		-
Utilities	17,500	1,107	4,679
Administrative Fees	125,000	31,250	62,500
MetroCenter Debt Service	-		-
Tax Appeal Refunds			-
Notes Payable - Principle	517,000		-
Total Expenses	789,100	34,266	82,668
Revenues Less Expenses	(453,890)	(34,266)	(20,959)

Notes:

Long Term Debt Outstanding:

City Of Kalamazoo	1,070,680
Mavcon Note - In Negotiation	TBD

Utilities:

	<u>June</u>	<u>2025 YTD Totals</u>
Electricity (Including Street Lights)	708	3,818
Water & Sewer	398	861
TOTAL	1,107	4,679

Professional And Contractual Services:

Abraxas DDA/DEGA File Processing & Storage		3,437
Wolverine Lawn Services		1,050
TOTAL	0	4,487

**Downtown Development Authority
June 2025 Financial Summary**

In June, the Downtown Development Authority (DDA) received no revenue, keeping the year-to-date revenue at \$61,709.

June expenses totaled \$34,266. Key expense categories included: **Utilities (\$1,107)**; **Legal Services and Fees (\$1,909)**; and **Administrative Fees (\$31,250)** for City Service Agreement Q2 payment. Year-to-date expenses total \$82,668.

Contract and Agreement Snapshot (see full table below) includes agreements the DDA is currently entered into and the contract period.

Contract and Agreement Snapshot		
Contractor	Contract Description	Contract Period
City of Kalamazoo	Service Agreement	February 2024 – February 2027
City of Kalamazoo	Loan Agreement	Dec. 2024 – Dec. 2035

Kwame Gyimah
kgyimah@lennonmiller.com
239-248-5548
July 16, 2025

Curt Aardema
Downtown Development Authority and Downtown Economic Growth Authority Boards
245 N. Rose St., Suite #100
Kalamazoo, Michigan 49007

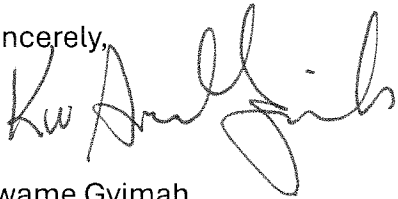
Dear Board Chair Aardema,

I am writing to formally resign from my position on the Downtown Development Authority and Downtown Economic Growth Authority Boards, effective on the date my successor is sworn in.

It has been an honor to serve on these boards, and I am grateful for the opportunity to contribute to the continued success and vitality of downtown.

Please let me know if there is anything I can do to help ensure a smooth transition.

Sincerely,

A handwritten signature in black ink, appearing to read "Kwame Gyimah". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Kwame Gyimah

MEMO

To: Board Members, Downtown Development Authority

From: Executive Committee

Date: August 18, 2025

Subject: Downtown Development Authority Board Attendance Policy

This policy is designed to ensure full and effective participation of all Downtown Development Authority board members. Regular attendance and active engagement are vital for the decision-making process and the successful execution of the board's mission to support downtown Kalamazoo. All members are provided with a copy of this policy and are expected to adhere to it.

Definition of a Board Attendance Problem:

A board-attendance problem will be considered to exist if any of the following conditions occur regarding a member's attendance to board meetings:

1. **Two Un-notified Absences in a Row:** A member fails to notify the Board Chair or Downtown Coordinator prior to two consecutive meetings that they will be unable to attend. A "notification" means informing the Board Chair or Downtown Coordinator at least 24 hours in advance of the meeting.
2. **Three Notified Absences in a Row:** A member notifies the Board Chair or Downtown Coordinator of three consecutive absences.
3. **Absence from One-Third of Meetings:** A member misses one-third of the scheduled board meetings within a 12-month period, regardless of whether the absence is notified in advance.

Suggested Response to a Board-Attendance Problem:

If a board-attendance problem is identified, the following steps will be taken:

1. **Initial Contact by the Board Chair:** The Board Chair will contact the member promptly to discuss the attendance issue and understand any extenuating circumstances. This conversation will be confidential and aim to support the member's continued participation.
2. **Board Discussion:** The Board Chair will report the member's response to the issue during the next board meeting. The full board will then decide on appropriate actions to address the attendance problem, which may include a corrective action plan, temporary leave of absence, or removal from the board.

3. Termination Process (If Necessary):

If the board decides that a member should be removed due to attendance issues, the process will follow these steps:

- The Board Chair will contact the member and notify them of the board's decision to terminate their membership as per the Attendance Policy.
- The Chair will request that the member submit a formal resignation letter within two weeks.
- The resignation letter will be presented for acceptance by the full board at the next scheduled meeting.
- If a member fails to timely correspond with the Board Chair to discuss the attendance issue, or if the member fails to resign, the member will again be notified in writing of the Board's intent to remove them and also notified that the member has a right to be heard on the subject. Additionally such notice shall provide that a failure to respond in writing within 10 days of the date of the notice will be interpreted as a waiver of the member's right to be heard and shall be treated as a resignation.

4. Recruitment for Replacement: If a member is terminated, the board will initiate a recruitment process for a new member to ensure the board maintains adequate representation and quorum at meetings.



Advisory Boards and Commissions Appointee Nomination Report

City of Kalamazoo

RECOMMENDATION

It is recommended that the City Commission approve the following appointment to the Downtown Development Authority:

Partial Term Appointment

- Cheng Kidd Sun for a partial term expiring on March 31, 2029

SPECIAL REQUIREMENTS FOR THIS POSITION

At least 5 members of the 9-person board must have an interest in property located in the downtown district. At least one of the members must be a resident of the downtown district.

SELECTION PROCESS

The DDA/DEGA Executive Committee held two interviews to gauge interest of candidates and select those whose professional expertise and lives experience help to diversify the board makeup

Applicants Considered

- Cheng Kidd Sun
- Christopher Hodshire

Interview Process and Final Recommendation

- Cheng Kidd Sun

NOMINEE QUALIFICATIONS

Dual Board Memberships

- Cheng Kidd Sun is not a member of any other City boards, commissions or committees.

Residency

- Cheng Kidd Sun resides in downtown Kalamazoo.

Term Limits

- This would be Cheng Kidd Sun's first partial term on the DDA board. He would be eligible for reappointment for a first full term at the conclusion of this term.

Training, Experience, Education And Skills

Here's a concise and professional description suitable for inclusion in the nominating report:

- Cheng Kidd Sun currently serves as Manager for External Partnerships at Western Michigan University, where they lead strategic engagement with corporate, nonprofit, and municipal partners. Their work focuses on aligning university assets with community and industry needs, with a strong emphasis on downtown Kalamazoo's development through experiential learning, talent retention, and business collaboration. With a Master's in International Development Administration and a background in economic development, including work with Malaysia's Ministry for International Trade and Industry and a leading urban policy think tank, Cheng Kidd brings expertise in cross-sector collaboration, equitable growth, and downtown strategy.

Contribution To Diversity

- Cheng Kidd Sun is an Asian male in the 25 to 34 age bracket.

NOMINATION RATIONALE

We are nominating this individual for a board seat because of the unique skills, diverse experiences, and valuable perspectives they bring to the table. Their backgrounds, expertise, and passion for community engagement will provide fresh insights and strengthen the board's ability to make informed, impactful decisions. We believe their contributions will help further our mission and support the continued growth and vibrancy of downtown.

CITY CLERK'S CERTIFICATION

The nominee's qualifications regarding dual board memberships, residency, and term limits have been reviewed and verified by the City Clerk's Office.

Scott A. Borling, City Clerk

2026 DDA PROPOSED BUDGET (Updated 08/11/2025)

Division	Account Description	2025 Budget	2026 Projected	% Change	Details
Expenditures:					
Maintenance					
	Prof/Contract Services	\$ 32,000.00	\$ 2,000.00	-93.8%	Banner Installation/Removal (\$2K)
	Electricity	\$ 5,125.00	\$ 7,000.00	36.6%	
	Water and Sewer	\$ 6,250.00	\$ 4,000.00	-36.0%	
	Street Light Electricity	\$ 6,125.00	\$ 6,125.00	0.0%	
	Repairs and Maintenance Service	\$ 19,000.00	\$ 14,000.00	-26.3%	Bridge inspections (\$14K)
	Grounds Maintenance	\$ 52,000.00	\$ 25,000.00	-51.9%	Dredging (\$25K)
Total		\$ 120,500.00	\$ 58,125.00	-51.8%	
Downtown Development					
	Audit Fees	\$ 6,600.00	\$ 12,500.00	89.4%	
	Prof/Contract Services	\$ 1,177.00	\$ 5,000.00	324.8%	Abraxas File Storage
	Legal Services	\$ 20,000.00	\$ 10,000.00	-50.0%	
	Admin Fees	\$ 125,000.00	\$ 62,500.00	-50.0%	Proposing a 25-75 split (DDA-DEGA) instead of 50-50
Total		\$ 152,777.00	\$ 90,000.00	-41.1%	
Debt Service					
	Principal Payment	\$ 517,000.00	\$ 135,256.21	-73.8%	City loan
Total		\$ 517,000.00	\$ 135,256.21	-73.8%	
Total Expenditures		\$ 790,277.00	\$ 283,381.21	-64.1%	
Revenues:					
	<i>Local Tax Millage</i>	\$ 274,000.00	\$ 274,000.00	0.0%	
	<i>PILOT</i>	\$ 2,000.00	\$ 2,000.00	0.0%	
	<i>Fund Balance</i>	\$ 517,000.00	\$ 7,381.21	-98.6%	\$275,776 available in 2026
	<i>Mall Maintenance</i>	\$ 59,210.00		Removed	Funding shifting to DEGA, expenses more than revenue.
Total Revenues:		\$852,210.00	\$283,381.21	-66.7%	
Excess (Deficit)		\$61,933.00	\$0.00	Removed	No reserves allocation in 2026.