

# Agenda

## Northside Cultural Business District Authority Board of Directors



City of Kalamazoo

Thursday, August 21, 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 July 17, 2025. (Action: Motion to approve)

**D. PUBLIC COMMENTS**

**E. DIRECTOR COMMENTS**

1. Social District Request
2. NCBDA Tour October 23rd

**F. NEW BUSINESS**

1. 2026 Draft TIF Budget
2. 2026 Projected NCBDA Budget

**G. UNFINISHED BUSINESS**

1. NCBDA Step Aside Policy
2. 619 Porter Street Step-Aside Request

**H. COMMUNICATIONS AND ANNOUNCEMENTS**

**I. STAFF REPORTS AND UPDATES**

**J. ADJOURNMENT**

**NORTHSIDE CULTURAL BUSINESS DISTRICT AUTHORITY BOARD MEETING**

**Thursday, July 17, 2025**

**Northside Association for Community Development**

**612 N. Park St., Kalamazoo, MI 49007**

A meeting of the Northside Cultural Business District Authority (NCBDA) Board of Directors was held on Thursday, July 17, 2025 at 612 N Park St., Kalamazoo, MI.

**DIRECTORS PRESENT:** Chad Dodd, Damian Henderson, Kiar Gamsho, Marilyn Pulley, Tami Rey, Ricky Thrash, Mattie Jordan-Woods

**DIRECTORS ABSENT:** Mayor Anderson

**ALSO PRESENT FROM THE CITY:**

- Erin Hahn, Community Investment Administrative Assistant
- Kevin Ford, Shared Prosperity Coordinator
- Antonio Mitchell, Community Planning & Economic Development Director
- Jessica Wood, Attorney

**ALSO PRESENT FROM THE COMMUNITY:**

- Raymond Ryan

**A. CALL TO ORDER**

Director Jordan-Woods called the meeting to order at 6:02 p.m.

**B. ROLL CALL**

Roll call was taken. A quorum was present.

**C. ADOPTION OF AGENDA**

**DIRECTOR REY MOTIONED TO ADOPT THE JUNE 26, 2025 AGENDA AS PRESENTED.**

**DIRECTOR PULLEY SECONDED. NO OBJECTIONS. MOTION CARRIED.**

**D. APPROVAL OF MINUTES**

**DIRECTOR REY MOTIONED TO APPROVE THE MINUTES FROM THE MEETING OF THE NORTHSIDE CULTURAL BUSINESS DISTRICT AUTHORITY ON MAY 22, 2025. DIRECTOR THRASH SECONDED. NO OBJECTIONS. MOTION CARRIED.**

Director Jordan-Woods stated that she would like all board members discussions to be summarized in future meeting minutes so that it does not appear as though she is the only one talking. Director Rey expressed a preference for having all board member comments represented in the minutes. Director-Jordan woods encouraged board members to review the minutes in advance and provide feedback before the meeting as needed.

**E. PUBLIC COMMENTS**

None.

**F. DIRECTOR COMMENTS**

Director Jordan-Woods reiterated that the National Planning Conference will be held in Kalamazoo. The Northside Cultural Business District has been included in the conference programming, with a tour scheduled for October 23rd. A session at 10:00 a.m. that day will focus on Black communities and resilience.

**G. NEW BUSINESS**

No new business was introduced.

**H. UNFINISHED BUSINESS**

No unfinished business was discussed.

**I. COMMUNICATIONS AND ANNOUNCEMENTS**

**1. Executive Committee Report**

The Executive Committee, composed of Director Pulley, Mayor Anderson, and Maggie, met with the developer who requested postponement of a scheduled follow-up meeting due to challenges in reaching property owners. The committee presented two potential policy options for the full board to consider and vote on in August. These options are designed to support new development within the Northside Cultural Business District while also benefiting residents and entrepreneurs.

The first policy option is a Community Benefits Agreement (CBA), which would require any developer requesting a “step aside” to negotiate a legally binding agreement with the Executive Committee. This agreement would need to align with the district’s priorities and be presented for approval by the full board. The second option proposes a 50-50 tax share, wherein the district would receive half of the tax increment financing revenue captured from the project, with no additional contractual obligations beyond the revenue split.

During the discussion, Director Kiar Gamsho asked whether developers must align with the district’s stated priorities. Director Pulley clarified that while the district has its priorities, state law ultimately governs tax incentives, and developers must comply with both district

and state requirements. Director Gamsho further inquired about the district's incentive to participate if no direct financial return is guaranteed. Director Antonio Mitchell responded that alignment with broader community goals makes participation worthwhile, even if immediate financial benefits are not realized.

Director Gamsho also questioned whether the board could enter into agreements for projects located outside the district. Attorney Wood explained that the board's legal authority is limited to district boundaries, although similar agreements could be pursued separately by city or county officials. Director Ricky Thrash sought confirmation that only two engagement options had been presented, to which Director Jordan-Woods replied that these are preliminary options with more detailed proposals forthcoming.

Director Pulley emphasized the importance of reviewing the full scope of development projects to ensure clear benefits for the neighborhood. Director Rey advocated establishing a consistent, standardized process for evaluating developer agreements, rather than negotiating on a case-by-case basis. Director Mitchell noted that aligning values with developers will be a critical component of future discussions. When Director Gamsho asked how board members should prepare for negotiations, Attorney Wood recommended three steps: compiling a list of core values and non-negotiables, researching how other cities handle community benefits agreements, and sharing individual priorities with the Executive Committee.

Community member Raymond Ryan raised a question about who sets the timeline for "step aside" tax exempt periods. Attorney Wood responded that the state typically establishes these terms, which often last around 25 years, corresponding to the life of the bond. Raymond also asked who regulates development projects outside the district. Director Jordan-Woods explained that city planning staff may have some influence, but the NCBDA does not have direct oversight; Antonio Mitchell confirmed that ultimate authority rests with other city departments or agencies.

Director Rae expressed support for establishing a uniform policy and suggested merging the two options to allow fallback to a 50-50 split if a Community Benefits Agreement cannot be reached. The board discussed prior developments, such as Graphic Packaging, where lack of enforceable community agreements resulted in unfulfilled promises and limited accountability. The committee underscored the importance of negotiating agreements that cover the entire period of tax incentives to prevent developers from abandoning commitments prematurely.

It was further clarified that the 50-50 tax share option offers a straightforward revenue-sharing approach without additional legal obligations, while the Community Benefits Agreement can provide more customized community benefits but requires negotiation and enforcement mechanisms. Board members acknowledged the pressure of state-mandated timelines and emphasized the need to act promptly while ensuring comprehensive review and community input.

Director Dodd inquired about the role of Michigan’s Department of Environment, Great Lakes, and Energy (EGLE). Director Mitchell clarified that EGLE’s involvement is limited to environmental and brownfield components of projects. The Executive Committee Chair announced plans to attend the upcoming National Brownfield Development Convention and participate in a state listening session to provide feedback on the state brownfield program, inviting board members to share any relevant project experiences or concerns.

In conclusion, board members were encouraged to review the proposed policies during the month leading up to the August meeting, submit questions or requests for further clarity, and prepare for the developer’s presentation. The discussion reinforced the importance of transparency, accountability, and alignment with community values in guiding future development agreements within the district.

**J. STAFF REPORTS AND UPDATES**

Antonio Mitchell, CPED Director, stated that staff is looking into some technology assistance options to assist with meeting minutes, and more information is forthcoming.

**K. ADJOURNMENT**

**DIRECTOR PULLEY MOTIONED TO ADJOURN. DIRECTOR HENDERSON SECONDED. NO OBJECTIONS. MOTION CARRIED.**

**Meeting adjourned at 6:55 PM.**

# NCBDA Annual Budget Tracking Spreadsheet

January - August 2025 Report

| Revenue   | 2024<br>Projected<br>Revenue  | 2024<br>Actual<br>Revenue | 2024<br>Fund<br>Balance   | 2025<br>Projected<br>Revenue  | 2025<br>Actual<br>Revenue  | 2025<br>Revenue<br>Balance | 2026<br>Projected<br>Budget | Notes   |
|---|-------------------------------|---------------------------|---------------------------|-------------------------------|----------------------------|----------------------------|-----------------------------|---|
| Budget Carry Forward  |                               |                           |                           |                               |                            |                            | \$31,034.49                 | This total is your revenue (\$31,159.49) less 2025 expenses. To date, you have only spend \$125 out of the professional development fund. |
| Tax Increment Financing   | \$10,858.00                   | \$11,514.58               | \$11,514.58               | \$20,171.89                   | \$20,171.89                | \$31,159.49                | \$20,696.36                 | The 2026 revenue projection from the assessor's office. It is an estimate only. Final numbers will be in June 2026.                       |
| Grants*   | \$0.00                        | \$0.00                    | \$0.00                    | \$397,900.00                  | \$0.00                     | \$0.00                     | \$0.00                      | Potential grant opportunity. No grant money has been awarded as of June 2025.   |
| <b>Total Revenue</b>  | <b>\$10,858.00</b>            | <b>\$11,514.58</b>        | <b>\$11,514.58</b>        | <b>\$418,071.89</b>           | <b>\$20,171.89</b>         | <b>\$31,159.49</b>         | <b>\$51,730.85</b>          | This is your total projected revenue only if you do not spend any more money in 2025.   |
|   |                               |                           |                           |                               |                            |                            |                             |   |
| Expenses  | 2024<br>Projected<br>Expenses | 2024 Actual<br>Expenses   | 2024<br>Budget<br>Balance | 2025<br>Projected<br>Expenses | 2025<br>Actual<br>Expenses | 2025<br>Budget<br>Balance  | 2026<br>Projected<br>Budget |   |
| Events  | \$0.00                        | \$0.00                    | \$0.00                    | \$400,000.00                  | \$0.00                     | \$0.00                     | \$2,240.00                  |   |
| Meeting Supplies  | \$200.00                      | \$26.98                   | \$173.02                  | \$2,000.00                    | \$0.00                     | \$200.00                   | \$0.00                      |   |
| Postage   | \$200.00                      | \$0.00                    | \$200.00                  | \$200.00                      | \$0.00                     | \$200.00                   | \$150.00                    |   |
| Professional and Contractual Services   | \$5,000.00                    | \$0.00                    | \$5,000.00                | \$5,000.00                    | \$0.00                     | \$7,000.00                 | \$5,760.00                  |   |
| Professional Development  | \$2,458.00                    | \$0.00                    | \$2,458.00                | \$5,000.00                    | \$125.00                   | \$4,875.00                 | \$5,760.00                  | Board Development & Trainings   |
| Administrative Fees   | \$500.00                      | \$500.00                  | \$0.00                    | \$500.00                      | \$0.00                     | \$500.00                   | 500                         | City Bookkeeping Services   |
| Advertising and Promotion   | \$2,500.00                    | \$0.00                    | \$2,500.00                | \$5,000.00                    | \$0.00                     | \$5,000.00                 | \$760.00                    | Community engagement, printed materials, and digital marketing  |
| Programming and Community Development   | \$0.00                        | \$0.00                    | \$0.00                    | \$0.00                        | \$0.00                     | \$0.00                     | \$25,696.00                 |   |
| <b>TOTAL EXPENSES</b>   | <b>\$10,858.00</b>            | <b>\$526.98</b>           | <b>\$10,331.02</b>        | <b>\$417,700.00</b>           | <b>\$125.00</b>            | <b>\$17,775.00</b>         | <b>\$40,866.00</b>          |   |
|   |                               |                           |                           |                               |                            |                            |                             |   |
| <small>* As of June 16, 2025, NCBDA has not received any grant funding, so no grant money has been spent or is available to spend. Once a grant is awarded, the funds will be placed in a separate account dedicated to that specific grant and funds will become available. The separate project fund helps ensure the money is used according to the budget and is easy to track. Grant funds will not be included in the annual operating budget shown here.</small> |                               |                           |                           |                               |                            |                            |                             |   |

**\*\* TIF Revenue is captured in one year and dispersed the following year. For example, TIF dollars from 2023 become 2024 TIF Revenue.**

**MEMORANDUM**

**To: Executive Committee**  
**From: PlazaCorp on behalf of 619, LLC**  
**Date: August 19, 2025**  
**Subject: Step-Aside Proposal – REVISED**

---

619, LLC proposes to make a one-time payment of \$600,000 to the Northside Cultural Business District Authority (a corridor improvement authority under Part 6 of At 57 of 2018) (“NCBDA”), with NCBDA agreeing to step aside from tax increment revenues that it is authorized to capture, only during the term of the brownfield plan, for the 619 Porter 58-unit mixed-use project (“Project”). The payment would be made at the closing of construction financing for the Project.

## NCBDA Step-Aside Options

- 1. Current Proposal.** \$600,000 lump sum payment made at closing of Project construction financing is anticipated to occur during fall of 2026.
- 2. 50% Step-Aside.** Tax Increment Revenue capture post Tax Abatement Period (Year 16-25) is estimated to be \$810,000. 50% of this would be \$405,000. This assumes NCBDA term is extended, and municipalities agree to current NCBDA millage capture. Capture would begin year 2043.
- 3. No Step-Aside.** Project would be financially unfeasible and unable to proceed.

## NCBDA Step-Aside Exhibit

| 1. Current Proposal                                   |           | 1    | 2    | 3    | 4    | 5    | 6    | 7    | 8    | 9    | 10   | 11   | 12   | 13   | 14   | 15   | 16   | 17   | 18   | 19   | 20   | 21   | 22   | 23   | 24   | 25   | TOTAL |           |
|---|-----------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|-------|-----------|
|   | 2026      | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 | 2043 | 2044 | 2045 | 2046 | 2047 | 2048 | 2049 | 2050 | 2051 | 2052  |           |
| Lump Sum Payment at Closing of Construction Financing | \$600,000 |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |       | \$600,000 |
| Tax Abatement Period                                  |           | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  |      |      |      |      |      |      |      |      |      |      |       |           |
| NCBDA Capture Period                                  |           |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  |       |           |

  

| 2. 50% Step-Aside                                     |      | 1    | 2    | 3    | 4    | 5    | 6    | 7    | 8    | 9    | 10   | 11   | 12   | 13   | 14   | 15   | 16   | 17        | 18        | 19        | 20        | 21        | 22        | 23        | 24        | 25        | TOTAL     |            |  |
|---|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|--|
|   | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 | 16        | 2043      | 2044      | 2045      | 2046      | 2047      | 2048      | 2049      | 2050      | 2051      | 2052       |  |
| Lump Sum Payment at Closing of Construction Financing | \$0  |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |           |           |           |           |           |           |           |           |           |           |            |  |
| Tax Abatement Period                                  |      | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  |      |           |           |           |           |           |           |           |           |           |           |            |  |
| NCBDA Capture @ 50% Step-Aside                        |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      | \$ 36,961 | \$ 37,706 | \$ 38,466 | \$ 39,241 | \$ 40,031 | \$ 40,837 | \$ 41,660 | \$ 42,499 | \$ 43,354 | \$ 44,227 | \$ 404,982 |  |

  

| 3. No Step-Aside                                      |      | 1    | 2    | 3    | 4    | 5    | 6    | 7    | 8    | 9    | 10   | 11   | 12   | 13   | 14   | 15   | 16   | 17        | 18        | 19        | 20        | 21        | 22        | 23        | 24        | 25        | TOTAL     |            |  |
|---|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|--|
|   | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | 2042 | 16        | 2043      | 2044      | 2045      | 2046      | 2047      | 2048      | 2049      | 2050      | 2051      | 2052       |  |
| Lump Sum Payment at Closing of Construction Financing | \$0  |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |           |           |           |           |           |           |           |           |           |           |            |  |
| Tax Abatement Period                                  |      | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  | \$0  |      |           |           |           |           |           |           |           |           |           |           |            |  |
| NCBDA Capture @ 0 Step Aside                          |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      | \$ 73,922 | \$ 75,412 | \$ 76,932 | \$ 78,481 | \$ 80,062 | \$ 81,675 | \$ 83,320 | \$ 84,997 | \$ 86,708 | \$ 88,454 | \$ 809,964 |  |

NOTE: Original Amount - 100% Available: \$ 24,468 \$ 24,968 \$ 25,479 \$ 26,000 \$ 26,531 \$ 27,073 \$ 27,625 \$ 28,189 \$ 28,764 \$ 29,351 \$ 29,949 \$ 30,559 \$ 53,401 \$ 59,997 \$ 66,835 \$ 73,922 \$ 75,412 \$ 76,932 \$ 78,481 \$ 80,062 \$ 81,675 \$ 83,320 \$ 84,997 \$ 86,708 \$ 88,454 \$ 1,319,152

**NCBDA Step Aside Project Information Request Form  
Transformational Brownfield Project  
8/19/25**

**1. Description of Project Concept**

PlazaCorp is leading a downtown redevelopment through the State of Michigan’s Transformational Brownfield Plan (TBP), which is inclusive of three sites in one project: 619 Porter, the Spareflex Building, and the Michigan Avenue Courthouse (collectively, the “Project”).

The parcel in the Project located within the NCBDA corridor is 619 Porter, a mixed-use redevelopment of an environmentally challenged brownfield site consisting of 58-residential apartments with up to 5,000 square feet of ground floor commercial space.

**2. Project Approval Process Status.**

Currently, the plan is undergoing review and underwriting analysis with the MEDC. Simultaneously, the Project has been or will be discussed with the executive committees of the NCBDA, DEGA and BRA with full-board meetings following.

**3. Projected Increase in Taxable Value for 619 Porter.**

- a. **Initial Taxable Value when NCBDA District was Established:** Unknown
- b. **Current Taxable Value:** \$57,400
- c. **Anticipated Taxable Value Upon Project Completion:** \$2,175,000

**4. NCBDA Capture Analysis for 619 Porter.**

*Assuming a 100% step aside, what is the estimated capture lost to the Authority. We can calculate the impact of a partial step aside (e.g., 80-20) from this information.*

Andrew Falkenburg confirmed that the NCBDA can capture the following millage rates:

|                           |               |
|---------------------------|---------------|
| City Operating            | 12.00         |
| County Operating – Summer | 4.6202        |
| KVCC                      | 2.7729        |
| KRESA Operating           | 3.0026        |
| Kalamazoo Library (1/2)   | <u>1.9445</u> |
| Total Mills:              | 24.34         |

**Note: NCBDA capture sunsets in 2051**

**5. Housing Component for 619 Porter.**

- a. **Is housing a component of the project?** Yes
- b. **If yes, indicate the type:** Rental
- c. **Does the project include affordable housing?** Yes
- d. **Does the project include work force housing?** Yes

**6. Job Creation.** Per MGA for all three sites: 605 temporary construction jobs, and 100-144 permanent.

**7. Other Incentives.** tax abatement, brownfield

**8. Developer Total Investment.** \$22 Million for 619 Porter.