

# Agenda

## Downtown Development Authority

### Board of Directors



City of Kalamazoo

Monday, September 15, 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 August 18, 2025. (**Action: Motion to approve the August 18, 2025 Downtown Development Authority meeting minutes**)

#### D. REPORTS AND PRESENTATIONS

1. Financial Report - July 2025 (**Action: Motion to accept the July 2025 Downtown Development Authority financial statement**)

#### E. DISCUSSION/ACTION ITEMS

1. 2026 DDA Budget
2. Michigan Talent Partnership Program - Letter of Support (**Action: Motion to authorize the Board Chair to submit a letter of support on behalf of the Downtown Development Authority for the City of Kalamazoo's grant application to the Michigan Talent Partnership Program**)
3. Bates Alley Deck Repairs (**Action: Motion to approve up to \$9,000 for repairs to the five existing decks along Bates Alley and to authorize the Board Chair to give final approval upon receipt and review of an itemized list of needed repairs from the contractor**)

**F. PUBLIC COMMENTS**

**G. DIRECTOR COMMENTS**

**H. ADJOURNMENT**

# Board of Directors Regular Meeting Minutes

August 18, 2025, 3 p.m. | Community Planning & Economic Development, 245 N Rose Street

**PRESENT:** Curt Aardema, Mayor Anderson, Jeff Breneman, Trisha Kidd, Rick Searing, Jessica Thompson

**EXCUSED:** Clarence Lloyd, Stanley Steppes

**ABSENT:** Kwame Gyimah

**STAFF:** Meghan Behymer (Downtown Coordinator); Erin Hahn (Community Investment Administrative Assistant); Jessica Wood (Legal Counsel); Rebekah Kik (Deputy City Manager); David Marquardt (Deputy City Manager)

**OTHER:**

## A. CALL TO ORDER

**DIRECTOR AARDEMA CALLED THE MEETING TO ORDER AT 4:45 P.M.**

**PRESENT:** Curt Aardema, Mayor Anderson, Jeff Breneman, Trisha Kidd, Rick Searing, Jessica Thompson

**EXCUSED:** Clarence Lloyd, Stanley Steppes

**ABSENT:** Kwame Gyimah

**THE AUGUST 18, 2025 ATTENDANCE INCLUDING EXCUSED AND UNEXCUSED ABSENCES IS RECORDED.**

## B. ADOPTION OF FORMAL AGENDA

During the Downtown Economic Growth Authority (DEGA) meeting, a motion was made to move the 2026 DDA/DEGA Draft Budget presentation to the Downtown Development Authority (DDA) meeting agenda.

**DIRECTOR BRENEMAN MOTIONED TO ADOPT THE AGENDA AS AMENDED. DIRECTOR THOMPSON SECONDED. NO OBJECTIONS. MOTION CARRIED.**

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## C. APPROVAL OF MINUTES

**DIRECTOR THOMPSON MOTIONED TO APPROVE THE MINUTES FROM THE DOWNTOWN DEVELOPMENT AUTHORITY BOARD MEETING ON JULY 21, 2025. DIRECTOR BRENEMAN SECONDED. NO OBJECTIONS. MOTION CARRIED.**

## D. REPORTS AND PRESENTATIONS

### 1. Financial Report – May and June 2025

Meghan Behymer, Downtown Coordinator, presented the financial reports for May and June 2025. In May, the DDA received \$73 in revenue from delinquent property taxes, bringing year-to-date revenue to \$61,709. Expenses for the month totaled \$4,415, with key categories including utilities and legal services, resulting in year-to-date expenses of \$48,402. In June, the DDA reported no revenue, keeping the year-to-date total at \$61,709. Expenses for the month were \$34,266, with key categories including utilities, legal services, and administrative fees for the Q2 City Service Agreement payment. This brought year-to-date expenses to \$82,668. A Contract and Agreement Snapshot was also provided, outlining current DDA agreements and contract periods.

**DIRECTOR BRENEMAN MOTIONED TO ACCEPT THE MAY AND JUNE 2025 FINANCIAL REPORTS. DIRECTOR THOMPSON SECONDED. NO OBJECTIONS. MOTION CARRIED.**

## E. DISCUSSION/ACTION ITEMS

### 1. Acceptance of Board Member Resignation

**DIRECTOR SEARING MOTIONED 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. DIRECTOR KIDD SECONDED. NO OBJECTIONS. MOTION CARRIED.**

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## 2. DDA Board Member Attendance Policy

**DIRECTOR KIDD MOTIONED TO ADOPT THE DOWNTOWN DEVELOPMENT AUTHORITY BOARD ATTENDANCE POLICY AS PRESENTED, TO TAKE EFFECT IMMEDIATELY UPON APPROVAL. DIRECTOR SEARING SECONDED. NO OBJECTIONS. MOTION CARRIED.**

## 3. Recommendation of DEGA Board Member Nomination to Mayor and City Commission

**DIRECTOR KIDD MOTIONED 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. DIRECTOR SEARING SECONDED. DIRECTOR BRENEMAN ABSTAINED. NO OBJECTIONS. MOTION CARRIED.**

## 4. 2026 DEGA & DDA Draft Budgets

Meghan Behymer reviewed the proposed 2026 budgets for both DDA and DEGA, as the Authorities work jointly from the same strategic plan.

Behymer presented the 2026 draft budget for DEGA, noting a 23.4% increase in revenues from \$1.03M in 2025 to \$1.27M in 2026. Revenues fully cover expenditures, with a stable fund balance.

Key changes include:

- Ambassador Program: 7% increase (\$426K).
- Big Belly Program: Increase to \$98K plus \$2K for repairs.
- Wayfinding Study: \$75K for pedestrian-level wayfinding planning.
- Marketing Execution: New allocation to expand branding and outreach.
- Shifted Expenses: Portland Loo maintenance, Bates Alley maintenance, and mall beautification moved from DDA to DEGA.
- City Loan Repayment: First installment scheduled for 2026.
- City Service Agreement: Adjusted split, increasing DEGA's share and decreasing DDA's.

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Revenue projections include \$1.13M in tax capture (up 27.5% from 2025), with additional funding expected from an updated mall maintenance agreement, City solid waste contribution, and Ambassador Program support. Potential revenues include new grants and sponsorships.

Discussion emphasized aligning landscaping and beautification efforts with board committees to ensure transparency and consistency.

Behymer presented the 2026 draft budget for DDA, noting that the DDA expense budget decreases due to a \$517K debt payment in 2025, leaving \$283K projected for 2026. Revenues include \$274K in tax capture, \$2K PILOT, and \$7K from fund balance.

Expenditures cover core operations:

- Maintenance (utilities, water/sewer, streetlight electricity, banners).
- Pedestrian bridge inspections and creek dredging.
- Audit, legal, and service agreements (reduced as more work shifts to DEGA).
- City loan repayment, with a 10-year repayment schedule for operational loans

The board discussed the importance of fiscal responsibility and avoiding new loans, noting lessons learned from past practices. Future watch points include ongoing maintenance costs and potential additions such as Portland Loos.

Both budgets will return for board approval next month before advancing to City Commission in January. Directors commended staff for producing a realistic, responsible budget aligned with strategic priorities and better aligning expenses with appropriate revenue sources.

### F. PUBLIC COMMENTS

There were no public comments.

### G. DIRECTOR COMMENTS

Director Kidd expressed her gratitude for all the recent work.

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Director Searing added that there has been a lot of positive activity downtown and highlighted the importance of strong leadership while also valuing grassroots involvement, as it keeps decision-making close to the events and resources being used. He concluded that as revenues continue to grow, there will be opportunities to do even more.

### H. ADJOURNMENT

**DIRECTOR THOMPSON MOTIONED TO ADJOURN THE MEETING AT 5:25 P.M. DIRECTOR SEARING SECONDED. NO OBJECTIONS. MOTION CARRIED.**

**Downtown Development Authority  
July 2025 Financial Summary**

In July, the Downtown Development Authority (DDA) received \$15,804 in interest revenue, bringing the year-to-date revenue to \$77,513.

July expenses totaled \$15,702. Key expense categories included: **Professional and Contractual Services (\$970)** for native plantings on the Kalamazoo Mall; **Legal Services and Fees (\$1,035)**; **Audit Fees (\$12,800)** for 2024 audit; and **Utilities (\$898)**. Year-to-date expenses total \$98,483.

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

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

**Downtown Development Authority**  
**Statement of Activity**  
**7/31/2025**

**Total Available Cash** \$ 765,010

	2025 Budget	July	2025 YTD Totals
<b>Revenues:</b>			
Taxes	274,000		-
Delinquent Property Taxes			2,499
Payment In Lieu Of Taxes (Pilot)	2,000		-
Interest		15,804	15,804
Sale of Capital Assets			-
Other Revenues			-
Other Revenues - Mall Maintenance	59,210		59,210
<b>Total Revenues</b>	<b>335,210</b>	<b>15,804</b>	<b>77,513</b>
<b>Expenses:</b>			
Operating Supplies	-		113
Professional And Contractual Services	103,000	970	5,457
Land Improvements			-
Legal Services And Fees	20,000	1,035	12,037
Audit Fees	6,600	12,800	12,800
Utilities	17,500	898	5,576
Administrative Fees	125,000		62,500
MetroCenter Debt Service	-		-
Tax Appeal Refunds			-
Notes Payable - Principle	517,000		-
<b>Total Expenses</b>	<b>789,100</b>	<b>15,702</b>	<b>98,483</b>
 <b>Revenues Less Expenses</b>	<b>(453,890)</b>	<b>102</b>	<b>(20,970)</b>

**Notes:**

**Long Term Debt Outstanding:**

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

**Utilities:**

	July	2025 YTD Totals
Electricity (Including Street Lights)	898	4,716
Water & Sewer		861
<b>TOTAL</b>	<b>898</b>	<b>5,576</b>

**Professional And Contractual Services:**

Abraxas DDA/DEGA File Processing & Storage		3,437
Wolverine Lawn Services		1,050
WildType Design Plants for S Kzoo Mall	970	970
<b>TOTAL</b>	<b>970</b>	<b>4,487</b>

September 15, 2025

City of Kalamazoo  
241 W. South Street  
Kalamazoo, MI 49007

**Subject: Letter of Support for the “Kalamazoo Downtown Revitalization: Key Public Space Connections” Project**

Dear City of Kalamazoo,

On behalf of the Kalamazoo Downtown Development Authority (DDA) and the Downtown Economic Growth Authority (DEGA), we are writing to express our strong support for the City of Kalamazoo’s Michigan Talent Partnership (MTP) grant application for the “Kalamazoo Downtown Revitalization: Key Public Space Connections” project.

The Arcadia Creek Festival Place has long been a cornerstone of Downtown Kalamazoo. As a venue for signature events and community gatherings, it drives thousands of visitors downtown each year, directly supporting the restaurants, shops, and cultural institutions that make our city vibrant. However, with aging infrastructure and rising maintenance costs, the site requires reinvestment to remain a competitive and welcoming regional destination.

This project directly aligns with the priorities outlined in the 2025–2027 DDA/DEGA Strategic Plan, particularly our goals of strengthening downtown as a place with purpose, ensuring a clean, safe, and welcoming environment, and supporting sustainable economic growth. Revitalizing the Festival Place and enhancing the KRVT connection to the Event Center will not only improve quality of life for residents and visitors, but also stimulate downtown businesses, attract new investment, and strengthen connectivity across the district.

With transformational downtown street improvements beginning in 2026 and the new Event Center under construction just blocks away, the timing of this project is both urgent and opportune. It provides a once-in-a-generation chance to create a reimagined anchor public space that ties together multiple catalytic projects and reinforces Kalamazoo’s position as a thriving regional hub.

As the public entities charged with stewarding downtown’s vitality, the DDA and DEGA fully support the City’s application and encourage its funding. We are confident in the City’s ability to successfully implement this project and in its potential to strengthen downtown Kalamazoo for decades to come.

Please feel free to contact us at 269-492-2692 or caardema@avbinc.com should you require any additional information.

Sincerely,

Curt Aardema, Board Chair  
Downtown Development Authority and Downtown Economic Growth Authority Boards