

Agenda

Downtown Development Authority

Board of Directors



City of Kalamazoo

Monday, October 20, 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 September 15, 2025. (**Action: Motion to approve the September 15, 2025 Downtown Development Authority meeting minutes**)

D. REPORTS AND PRESENTATIONS

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

E. DISCUSSION/ACTION ITEMS

1. 2026 Downtown Development Authority Budget (**Action: Motion to approve the Downtown Development Authority 2026 Budget**)

F. PUBLIC COMMENTS

G. DIRECTOR COMMENTS

H. ADJOURNMENT

Board of Directors Regular Meeting Minutes

September 15, 2025, 3 p.m. | Community Planning & Economic Development, 245 N Rose Street

PRESENT: Curt Aardema, Mayor David Anderson, Jeff Breneman, Trisha Kidd, Clarence Lloyd, Rick Searing

EXCUSED: Jessica Thompson

ABSENT: Stanley Steppes, Kwame Gyimah

STAFF: Meghan Behymer (Downtown Coordinator), Erin Hahn (Community Investment Administrative Assistant), Jessica Wood (Attorney)

OTHER:

A. CALL TO ORDER

DIRECTOR AARDEMA CALLED THE MEETING TO ORDER AT 4:22 P.M.

PRESENT: Curt Aardema, Mayor David Anderson, Jeff Breneman, Trisha Kidd, Clarence Lloyd, Rick Searing

EXCUSED: Jessica Thompson

ABSENT: Stanley Steppes, Kwame Gyimah

THE SEPTEMBER 15, 2025, ATTENDANCE, INCLUDING EXCUSED AND UNEXCUSED ABSENCES, IS RECORDED.

B. ADOPTION OF FORMAL AGENDA

DIRECTOR BRENEMAN MOTIONED TO ADD AN ECONOMIC VITALITY STUDY PRESENTATION TO THE REPORTS AND PRESENTATIONS SECTION. DIRECTOR LLOYD SECONDED. NO OBJECTIONS. MOTION CARRIED.

C. APPROVAL OF MINUTES

MAYOR ANDERSON MOTIONED TO APPROVE THE MINUTES FROM THE DOWNTOWN DEVELOPMENT AUTHORITY BOARD MEETING ON AUGUST 18, 2025. DIRECTOR KIDD SECONDED. NO OBJECTIONS. MOTION CARRIED.

D. REPORTS AND PRESENTATIONS

Board of Directors Regular Meeting Minutes

September 15, 2025, 3 p.m. | Community Planning & Economic Development, 245 N Rose Street

1. Financial Report – July 2025

In July 2025, the DDA earned \$15,804 in revenue and spent \$15,702 on audit fees, legal services, plantings, and utilities, with year-to-date totals of \$77,513 revenue and \$98,483 expenses.

**DIRECTOR LLOYD MOTIONED TO ACCEPT THE JULY FINANCIAL REPORTS.
DIRECTOR SEARING SECONDED. NO OBJECTIONS. MOTION CARRIED.**

2. Economic Vitality Study Presentation

Behymer shared key findings from the Economic Vitality Study, led by WMU, and connected them to the 2026 downtown work plan and future opportunities. The study collects data from businesses, visitors, residents, and employees to track economic performance, mobility, visitor and resident patterns, and public perception, with the goal of guiding investments, strengthening vibrancy, and monitoring the impacts of downtown projects over time.

Findings show downtown Kalamazoo has over 15,000 employees, the highest in three years, with visitor numbers up 22 percent year-over-year, primarily for dining. Residents are mostly long-term, housing occupancy is high at 92.6 percent, and transportation surveys indicate most people drive downtown. Property occupancy remains strong at 95 percent, but 45 percent of businesses reported revenue declines, and satisfaction with construction communication is low.

These insights inform the 2026 work plan, emphasizing support for businesses through retention programs, clean and safe streets, improved signage and wayfinding, social district expansion, and marketing and branding support. Future opportunities include enhancing communication and collaboration with the city and partners, promoting programs like Downtown Dollars, exploring parking initiatives, and engaging students and young adults to further strengthen downtown vibrancy and resilience.

E. DISCUSSION/ACTION ITEMS

1. 2026 DDA Budget

Board of Directors Regular Meeting Minutes

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Behymer stated that the 2026 budget will go before the board for approval in October.

2. Michigan Talent Partnership Program – Letter of Support

MAYOR ANDERSON MOTIONED 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. DIRECTOR LLOYD SECONDED. NO OBJECTIONS. MOTION CARRIED.

3. Bates Alley Deck Repairs

Board members discussed the need to repair the five existing Bates Alley decks, which have not been consistently maintained since their installation in 2018–2019 due to suspended lease payments and COVID-related interruptions. The proposed repairs, based on a contractor's quote, would cost up to \$9,000. Rather than simply funding the repairs, the board emphasized the importance of establishing a long-term policy to ensure clarity and fairness moving forward. To achieve this, an ad hoc committee was formed to engage both business and property owners and develop recommendations for future maintenance responsibilities. The board agreed that the chair would authorize repairs only after reviewing an itemized contractor estimate alongside the committee's guidance, ensuring that the decks are restored responsibly while setting a framework for sustainable care in the years ahead.

DIRECTOR BRENEMAN MOTIONED 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 RPAIRS FROM THE CONTRACTOR AND THE APPROVAL OF THE AD HOC COMMITTEE. DIRECTOR LLOYD SECONDED. NO OBJECTIONS. MOTION CARRIED.

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DIRECTOR BRENEMAN MOTIONED TO CREATE AN AD HOC COMMITTEE TO HANDLE BUSINESS RELATED TO THE BATES ALLEY DECK REPAIRS. DIRECTOR LLOYD SECONDED. NO OBJECTIONS. MOTION CARRIED.

F. PUBLIC COMMENTS

There were no public comments.

G. DIRECTOR COMMENTS

Director Lloyd noted that the Chamber is stepping away from Restaurant Week and looking for a new partner to take over the event moving forward. Director Lloyd also discussed the new Shop Local Greater Kalamazoo program, which allows small, locally owned businesses to sell online for free, increasing marketing visibility and accessibility during construction periods.

Director Kidd noted the success of Big Brothers Big Sisters' "Paint the Town Green" initiative, a public engagement project that brought energy and creativity to the community.

Director Searing highlighted ongoing arts programming, including the mural festival and the upcoming 269 Fest, both of which are coordinated with other downtown events like Sounds of the Zoo and Canadiana to enhance vibrancy and attract visitors.

Director Aardema shared that he attended the Horizon Bank open house and outlined plans to send welcome letters to new businesses downtown, providing information on DDA support and reinforcing connections with the business community.

H. ADJOURNMENT

Director Aardema adjourned the meeting at 5:15 P.M.

**Downtown Development Authority
August 2025 Financial Summary**

In August, the Downtown Development Authority (DDA) received \$173,519 in tax revenue, bringing the year-to-date revenue to \$251,031.

August expenses totaled \$2,684. Key expense categories included: **Professional and Contractual Services (\$900)** for the Michigan Avenue potted plants; and **Utilities (\$1,784)**. Year-to-date expenses total \$101,167.

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

Downtown Development Authority
Statement of Activity
8/31/2025

Total Available Cash \$ 935,845

	<u>2025 Budget</u>	<u>August</u>	<u>2025 YTD Totals</u>
Revenues:			
Taxes	274,000	173,519	173,519
Delinquent Property Taxes			2,499
Payment In Lieu Of Taxes (Pilot)	2,000		-
Interest			15,804
Sale of Capital Assets			-
Other Revenues			-
Other Revenues - Mall Maintenance	59,210		59,210
Total Revenues	335,210	173,519	251,031
Expenses:			
Operating Supplies	-		113
Professional And Contractual Services	103,000	900	6,357
Land Improvements			-
Legal Services And Fees	20,000		12,037
Audit Fees	6,600		12,800
Utilities	17,500	1,784	7,360
Administrative Fees	125,000		62,500
MetroCenter Debt Service	-		-
Tax Appeal Refunds			-
Notes Payable - Principle	517,000		-
Total Expenses	789,100	2,684	101,167
Revenues Less Expenses	(453,890)	170,835	149,865

Notes:

Long Term Debt Outstanding:

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

Utilities:

	<u>August</u>	<u>2025 YTD Totals</u>
Electricity (Including Street Lights)	648	5,363
Water & Sewer	1,137	1,997
TOTAL	1,784	7,360

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
Michigan Avenue Flower Pots	900	900
TOTAL	900	6,357

2026 DDA PROPOSED BUDGET (Updated 10/15/2025)

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
	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	\$ 1,500.00	-75.5%	
	Repairs and Maintenance Service	\$ 19,000.00	\$ 8,500.00	-55.3%	Bridge inspections
	Grounds Maintenance	\$ 52,000.00	\$ 25,000.00	-51.9%	Dredging (\$25K)
Total		\$ 120,500.00	\$ 48,000.00	-60.2%	
Downtown Development					
	Audit Fees	\$ 6,600.00	\$ 13,400.00	103.0%	
	Prof/Contract Services	\$ 1,177.00	\$ 4,600.00	290.8%	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	\$ 90,500.00	-40.8%	
Debt Service					
	Principal Payment	\$ 517,000.00	\$ 93,601.00	-81.9%	City loan
	Notes Payable		\$ 41,656.00	New	City loan
Total		\$ -	\$ 135,257.00	New	
Total Expenditures		\$ 273,277.00	\$ 273,757.00	0.2%	
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	\$ -	Removed	One-time payment in 2025
	<i>Mall Maintenance</i>	\$ 59,210.00	\$ -	Removed	Funding shifting to DEGA
Total Revenues:		\$852,210.00	\$276,000.00	-67.6%	
Excess (Deficit)		\$578,933.00	\$2,243.00	-99.6%	