

Agenda

Downtown Economic Growth Authority

Board of Directors



City of Kalamazoo

Monday, January 12, 2026

3:00 PM

Community Room, City Hall, 241 W South Street

A. CALL TO ORDER/ROLL CALL

B. ADOPTION OF FORMAL AGENDA

C. APPROVAL OF MINUTES

1. Approval of the minutes from the meeting of the Downtown Economic Growth Authority Board on December 15, 2025 (**Action: Motion to approve**)

D. REPORTS AND PRESENTATIONS

1. Financial Report - November 2025 (**Action: Motion to accept the November 2025 Downtown Economic Growth Authority financial statement**)
2. Downtown Branding Presentation (a5 Branding & Digital)
3. Imagine Kalamazoo 2035 (Meghan Behymer, Downtown Coordinator)
4. Downtown Report

E. DISCUSSION/ACTION ITEMS

1. Downtown Authorities Debt Overview (Jessica Wood, legal counsel)
2. 2025 Budget Amendment (**Action: Motion to approve a 2025 budget amendment increasing revenues and expenditures by \$15,000 for the Downtown Holiday Lighting Grant Program**)

F. PUBLIC COMMENTS

G. DIRECTOR COMMENTS

H. ADJOURNMENT

Board of Directors Regular Meeting Minutes

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

PRESENT: Curt Aardema, Mayor Anderson, Trisha Kidd, Clarence Lloyd, Rick Searing, Stanley Steppes, Cheng Kidd Sun, Jessica Thompson

EXCUSED: Jeff Breneman

STAFF: Meghan Behymer (Downtown Coordinator), Maria Smith (Community Investment Administrative Assistant), Amelia Livingway (Attorney), Jamie McCarthy (Development Manager)

OTHER ATTENDEES: Natalie Valentine

A. CALL TO ORDER

DIRECTOR AARDEMA CALLED THE MEETING TO ORDER AT 3 P.M.

PRESENT: Curt Aardema, Mayor Anderson, Trisha Kidd, Clarence Lloyd, Rick Searing, Stanley Steppes, Cheng Kidd Sun, Jessica Thompson

EXCUSED: Jeff Breneman

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

B. ADOPTION OF FORMAL AGENDA

Director Aardema stated that the agenda should be amended under section D. Reports and Presentations to move number two Peregrine Peninsula Lofts to number one and Financial Report to number two.

DIRECTOR STEPPES MOTIONED TO APPROVE THE DECEMBER 15, 2025 DOWNTOWN ECONOMIC GROWTH AUTHORITY AGENDA AS AMENDED. DIRECTOR SEARING SECONDED. NO OBJECTIONS. MOTION CARRIED.

C. APPROVAL OF MINUTES

DIRECTOR SEARING MOTIONED TO APPROVE THE MINUTES FROM THE MEETING OF THE DOWNTOWN ECONOMIC GROWTH AUTHORITY BOARD ON NOVEMBER 17, 2025. DIRECTOR SUN SECONDED. NO OBJECTIONS. MOTION CARRIED.

D. REPORTS AND PRESENTATIONS

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1. Peregrine-Peninsula Lofts – Step Aside Request Presentation (Natalie Valentine - Peregrine)

Director Aardema introduced Natalie Valentine of the Peregrine Company and Jamie McCarthy, City of Kalamazoo Development Manager and staff liaison to the Brownfield Redevelopment Authority, to present the Peregrine-Peninsula Loft project and the request for a DEGA step-aside. Aardema stated the project is located at Portage Street and Michigan Avenue, an area experiencing an influx of entertainment and residential development.

Director Thompson entered the meeting.

Valentine provided an overview of the Peregrine-Peninsula Lofts project, explaining that the historic downtown building sustained significant water damage due to an August 25, 2024 roof fire. The redevelopment will create 11 new income-qualified one bedroom one bath apartments through a MSHDA affordable housing grant. Three units will be restricted to households earning no more than 60% AMI (approximately \$40,000), and eight units will be restricted to households earning between 80% and 120% AMI (up to approximately \$80,000). Construction is proceeding on an expedited timeline, with completion anticipated by June. Valentine welcomed questions.

Director Aardema asked about plans for a commercial tenant.

Valentine shared that the previous tenant Saugatuck Brewing decided they would not reopen after water damage to their kitchen; however, an established downtown restaurateur has been secured for that spot. She also noted that the adjacent Winston space building is being renovated and is expected to open in the coming months, along with additional redevelopment occurring on the block.

Director Lloyd entered the meeting at 3:12p

Director Kidd entered the meeting at 3:16p

McCarthy explained that the City of Kalamazoo Association approved a Neighborhood Enterprise Zone (NEZ) residential tax abatement for the first 15 years of the project. The requested step aside would apply years 16 through 30, allowing brownfield tax increment financing to support the project. The Brownfield Authority recognized a significant gap in the allowable income range being created by the affordable housing project.

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Director Aardema added that due to the fire the taxable value of the Peregrine-Peninsula Loft dropped below the DEGA baseline established in 2018. While the step-aside would temporarily reduce DEGA revenue, the investment would be expected to be restored through increased taxable value.

A question was raised regarding the project timeline. Valentine indicated they are hoping for a June 1, 2026 ribbon cutting.

Mayor Anderson requested clarification on whether the taxable value is for the entire property or the residential portion. Valentine confirmed it applies just for the residential portion.

Director Aardema suggested a motion to approve the step aside request with any additional comments from legal counsel.

DIRECTOR LLOYD MOTIONED TO APPROVE THE PEREGRINE-PENINSULA LOFT STEP ASIDE REQUEST WITH ANY ADDITIONAL COMMENTS FROM LEGAL COUNSEL. DIRECTOR STEPPES SECONDED. NO OBJECTIONS. MOTION CARRIED.

2. Financial Report – October 2025

Downtown Coordinator Meghan Behymer presented on the DEGA financial report for October 2025. In October, the Downtown Economic Growth Authority (DEGA) received no revenue, leaving the year-to-date revenues to \$928,887. October expenses totaled \$81,710. Key expense categories included: Professional and Contractual Services (\$64,288) for Bigbelly services August through November including new bins and bin installations (\$36,068) and Ambassador Services for September (\$28,220); Consulting Services and Fees (\$8,175) for Q4 Maestro payment for web hosting and maintenance (\$1,000) and a5 Branding & Digital agreement (\$7,175); Community Promotion (\$5,000) for Sounds of the Zoo event sponsorship; Solid Waste (\$2,256); Legal Services (\$1,495); Professional Development (\$496) for International Downtown Association Annual Conference travel expenses. Year-to-date expenses total \$570,260.

Director Lloyd sought clarification on the current stance of the budget, actual expenditures and revenue. Behymer explained that remaining budget variances are largely timing-related and noted that Management Services prepares the financial reports on a two-month delay. She committed to identifying any anticipated discrepancies between budget and actuals for the next meeting.

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Mayor Anderson asked questions regarding Solid Waste Fund contributions, long-term debt, and interest obligations. Behymer confirmed grant support for the Ambassador Program, clarified that the Mav-con agreement has been executed, and clarified that interest expense on the report is related to the Mav-con agreement, while the City of Kalamazoo loan repayment is separate.

Director Aardema requested clearer presentation of principal and interest obligations in future reports and asked for a legal summary of the City of Kalamazoo loan and Mav-con agreement.

MAYOR ANDERSON MADE A MOTION TO ACCEPT THE OCTOBER 2025 DOWNTOWN ECONOMIC GROWTH AUTHORITY FINANCIAL REPORT AS PRESENTED. DIRECTOR THOMPSON SECONDED. NO OBJECTIONS. MOTION CARRIED.

3. Downtown Report

Behymer presented the downtown report, highlighting the opening of Alley Cat and providing an update on the Downtown Holiday Lighting Mini-Grant Program, funded by the Peregrine-Huff Foundation. The program was created in response to businesses without wrapped trees seeking holiday lighting. Seven applications were received, with four to five approvals anticipated. Approved businesses may receive up to \$1,000 per storefront. Behymer explained that reimbursement requires proof of purchase, confirmation of installation date, daytime and nighttime photos, and an invoice. Director Lloyd asked whether businesses design their own holiday lighting. Behymer noted that basic guidelines and limitations exist.

Behymer provided upcoming business-related updates, noting that the Business Recruitment and Retention Committee will reconvene in January to follow up on recruitment outreach, the economic vitality study, and development of the 2026 work plan. She also highlighted recent accomplishments, including the creation of recruitment marketing materials and the downtown business newsletter.

Behymer reported on the Downtown Dollars program, stating that \$845 were sold and \$1,500 were redeemed in November. Of 47 participating businesses, 33 have accepted Downtown Dollars through October 31, and there is approximately \$130,000 in

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circulation still. Director Lloyd expressed concern about unredeemed dollars and asked about best practices for encouraging circulation. Behymer stated she is exploring features within Conpoto to send expiration notifications and identify reinvestment options for expired dollars.

Director Aardema raised concerns about trash being dumped outside of waste corrals, noting that monitoring and enforcement appear to be the only effective solutions. He asked whether enforcement actions are currently being taken.

Behymer explained that the issue has occurred in a City parking lot where multiple businesses along Bates Alley share a dumpster, though ownership remains unclear. Behymer stated she will continue efforts to determine ownership and monitor the situation.

Behymer spoke about the Ambassador report; leaf collection, removal of the bistro sets, focusing on the holiday parade (pre, during and post event support), trash collection, and snow removal.

Aardema discussed the downtown brand rollout and the possibility of a formal announcement or launch event. Director Sun asked whether the Peregrine property could be included in the branding. Aardema suggested asking the developer about installing signage and recommended that any signage be designed for reuse.

Behymer stated that with several new businesses opening downtown, there is an opportunity to build brand recognition and excitement, and she will explore options.

Mayor Anderson noted statistics relating to significant amounts of time the ambassadors are spending on certain tasks and how it highlights recurring challenges.

Director Steppes asked whether KDPS would present future plans related to downtown projects. Chair Aardema noted KDPS participation in the Downtown Town Halls quarterly and suggested considering a future board presentation, potentially alongside other partners such as the emergency housing director.

Behymer described ongoing coordination with KDPS through monthly meetings and noted improved communication through direct contact between Ambassadors and officers.

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Behymer provided an update on the Bates Alley Parklet Policy, stating that she, Director Lloyd, and Director Breneman have discussed the policy and are addressing legal questions. A recommendation will be brought to the board in the new year.

Behymer noted that parking rollout communications are anticipated in the new year. She also shared that the Events and Marketing Committee is reviewing the first round of applications under the revised Q1 2026 event sponsorship framework.

E. DISCUSSION/ACTION ITEMS

1. Foodservice Packaging Institute Memorandum of Understanding

Director Aardema introduced the topic of the Food Service Packaging Institute memorandum of understanding stating that discussion to seek understanding went through the Clean and Green Committee a couple of weeks ago.

Behymer shared that the goal program elements include designating food service packaging materials to the Bigbelly waste and recycling program, adding signage with the Downtown branding and enhancing the Food Service Packaging Institutes' communication and outreach on recycling. She states it seems like a good partnership to achieve both goals. Legal counsel will review and finalize the draft.

Discussion ensued regarding the purpose of the agreement and what is being asked of Downtown Economic Growth Authority & City of Kalamazoo which is promoting the proper use of recycling by way of this Food Service Packaging Institute MOU

Director Aardema recommended a motion to authorize the board chair to sign the Food Service Packaging Institute MOU in consultation with legal counsel.

DIRECTOR THOMPSON MOTIONED TO AUTHORIZE THE BOARD CHAIR TO SIGN THE FOOD SERVICE PACKAGING INSTITUTE BOARD MEMO OF UJNDERSTANDING IN CONSULTATION WITH LEGAL COUNSEL. MAYOR ANDERSON SECONDED. NO OBJECTIONS. MOTION CARRIED.

4. Public Comments

None.

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5. Director Comments

Mayor Anderson commented about a tragic death downtown in the cold weather at Martin Luther King Park and related the expansion of shelter beds in the City of Kalamazoo during cold weather months. Discussion ensued regarding the need for more interventions and proactive roles from community entities.

Director Kidd commented about developments for the Transformational Brownfield Project regarding the Michigan Avenue Courthouse and the Spearflex building.

Director Searing commented about congratulating the recent graduates, stating that a lot of them will be working in the community.

Director Sun commented about challenges with identifying locations and event solutions for OutFront Kalamazoo to host Pride Festival in 2026 with the closure of the Arcadia Creek Festival Place for construction. Conversation ensued about ways to keep the festival connected to downtown.

Director Aardema commented on his great experience downtown with the night shopping. He also spoke about the opportunity for the Board to review existing and new staff supporting the work of the board and the need to define the performance review process for staff funded by the board. He also notified every one of the 2026 DDA & DEGA meetings being moved to City Hall.

6. Adjournment

Director Aardema requested a motion to adjourn.

DIRECTOR STEPPES MOTIONED TO ADJOURN SUPPORTED BY DIRECTOR SEARING. NO OBJECTIONS. MEETING ADJOURNED.

The meeting adjourned at 4:52 P.M.

**Downtown Economic Growth Authority
November 2025 Financial Summary**

In November, the Downtown Economic Growth Authority (DEGA) received no revenue, leaving the year-to-date revenues to \$928,887.

November expenses totaled \$69,917. Key expense categories included: **Operating Supplies (\$152)** for Portland Loo supplies; **Professional and Contractual Services (\$56,658)** for Bigbelly (\$8,158) and October Ambassador Services (\$48,500); **Solid Waste (\$565)**; **Consulting Services and Fees (\$9,676.25)** for a5 Branding & Digital agreement; **Legal Services (\$2,714)**; and **Promotion and Advertising (\$151)** for Business Recruitment Marketing printing.

2025 year-to-date expenses total \$640,177.

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

Contract and Agreement Snapshot		
Contractor	Contract Description	Contract Period
Bee Joyful Shop	Marketing Grant Agreement	March 2025 – September 2025
Big Belly Solar	Bigbelly Units	December 2021 – May 15, 2028
Block by Block	Ambassador Program Agreement	October 2025 – Sept. 2028
City of Kalamazoo	Service Agreement	February 2024 – February 2027
City of Kalamazoo	Loan Agreement	Dec. 2024 – Dec. 2035
Guess Who’s Dancing Fitness	Beats on Bates	February 2025 – Dec. 2025
Maestro, LLC	Website Hosting & Maintenance	January 2025 – December 2025

Downtown Economic Growth Authority
Statement of Activity
11/30/2025

Total Available Cash 581,796

	<u>2025 Budget</u>	<u>November</u>	<u>2025 YTD Actuals</u>
Revenues			
Taxes	883,600		874,337
Other Revenue			-
Private Contributions and Sponsorships	21,700		1,700
Contributions from COK	40,000		40,000
Contributions from Solid Waste Fund	32,000		-
Contributions from Grants	50,000		-
Transfers			-
Charges For Services			-
Interest And Rentals	-		12,850
Total Revenues	1,027,300	-	928,887
Expenses			
Operating Supplies	2,004	152	451
Professional And Contractual Services	502,448	56,658	374,609
Solid Waste Disposal	7,500	565	5,434
Communication And Network Services	576		-
Repairs And Maintenance Services	2,000		455
Consulting Services And Fees	55,150	9,676	55,505
Audit Fees	13,800		12,800
Legal Services	30,000	2,714	14,695
Memberships And Subscriptions	3,000		2,538
Professional Development	13,000		7,290
Administrative Fees	125,000		93,750
Promotion And Advertisting	10,000	151	151
Contribution To General Fund	20,000		-
Community Promotion	114,850		72,500
Interest Expense - Notes Payable	52,400		-
Total Expenses	951,728	69,917	640,177
Revenues Less Expenses	75,572	(69,917)	288,710

Notes:

Long Term Debt:

Mavcon Agreement	TBD
City of Kalamazoo	1,060,000

Professional And Contractual Services:

	<u>November</u>	<u>2025 YTD Actuals</u>
Recycling Services - BIG BELLY SOLAR LLC	8,158	72,826
Ambassador Services - BLOCK BY BLOCK	48,500	302,484
TOTAL	56,658	375,309

Community Promotion:

Skeletour Spooktacular		
Beats on Bates Events - Sponsorship		50,000
Bee Joyful - Social Media Marketing & Mgt		10,000
Caribbean Festival Sponsorship- Xperience Inc		5,000
2025 Canadiana Fest		2,500
Sounds of the Zoo		5,000
TOTAL	-	72,500