KALAMAZOO DOWNTOWN
ECONOMIC GROWTH
AUTHORITY

Board of Directors Regular Meeting Minutes

July 13, 2026, 3 p.m. | City Hall, 241 W. South Street

PRESENT: Curt Aardema, Mayor Anderson, Harvin Sandhu, Trisha Kidd, Clarence Lloyd, Stanley Steppes (virtual), Cheng Kidd Sun, Connor Sampson

ABSENT: Rick Searing

STAFF: Meghan Behymer (Downtown Coordinator),
Maria Smith (Community Investment Administrative Assistant),
Bobby Boyd (Economic Development Supervisor),
Officer Christopher Brouwer (KDPS)

OTHER: Greg Dobson, Jared Lutz, Bennett Carpenter

A. CALL TO ORDER
DIRECTOR AARDEMA CALLED THE MEETING TO ORDER AT 3:02 P.M.

PRESENT: Curt Aardema, Mayor Anderson, Harvin Sandhu, Trisha Kidd, Clarence Lloyd, Stanley Steppes - remote, Cheng Kidd Sun, Connor Sampson

EXCUSED ABSENCE: Rick Searing

UNEXCUSED ABSENCE: None.

JULY 13, 2026, ATTENDANCE, INCLUDING EXCUSED AND UNEXCUSED ABSENCES, IS RECORDED.

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.

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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

Director Aardema made a recommendation to include E.5 Legal Counsel Update.

MAYOR ANDERSON MOTIONED TO ADOPT THE JULY 13, 2026, DOWNTOWN ECONOMIC GROWTH AUTHORITY AGENDA AS AMENDED. DIRECTOR SUN SECONDED. NO OBJECTIONS. MOTION CARRIED.

C. APPROVAL OF MINUTES

DIRECTOR SUN MOTIONED TO APPROVE THE MINUTES FROM JUNE 15, 2026, DOWNTOWN ECONOMIC GROWTH AUTHORITY MEETING. DIRECTOR SANDHU SECONDED. NO OBJECTIONS. MOTION CARRIED.

D. REPORTS AND PRESENTATIONS

1. Financial Report – May 2026 (Meghan Behymer, Downtown Coordinator)

Behymer reviewed the May 2026 financial report: In May, the Downtown Economic Growth Authority (DEGA) received no revenue. 2026 year-to-date revenues total $1,142,650.

In May, DEGA expenditures totaled $42,508. Key expense categories included: **Professional and Contractual Services ($40,083)** for Ambassador Program Block by Block Contract ($35,500) and Bigbelly Waste and Recycling ($4,583); **Solid Waste Disposal ($1,091);** and **Legal Services ($1,334).** 2026 year-to-date expenditures total $389,384.

MAYOR ANDERSON MOTIONED TO ACCEPT THE MAY 2026 DOWNTOWN ECONOMIC GROWTH AUTHORITY FINANCIAL REPORT. DIRECTOR LLOYD SECONDED. NO OBJECTIONS. MOTION CARRIED.

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2. **Step-Aside Request – Rose Phase 3 Development Presentation (Greg Dobson, AVB & Jared Lutz, Miller Johnson)**

   Chair Aardema abstained from discussions and actions due to a conflict of interest.

   Representatives from AVB and Miller Johnson, Greg Dobson, and Jared Lutz presented a 30-year DEGA step aside request for the proposed construction of Rose Phase III (116 W. Cedar Street) 71-unit mixed use residential development. The unit mix will consist of 31 studios, 28 one-bedroom, and 2 two-bedroom apartments at, near, or below 100% Area Median Income (AMI). Fifteen units will remain income restricted for 20 years, with affordability levels ranging from 30% to 90% AMI.

   There is approximately $19 million total capital investment for which $15 million is hard construction costs. The project is expected to create 172 temporary construction jobs. Basic amenities and surface parking will be available in lieu of underground parking to reduce development costs. A first floor commercial suite will be included to satisfy Neighborhood Enterprise Zone requirements. The estimated project completion is by December 2027.

   The current taxable value of the properties included in this project is about $80,000. The projected taxable value upon completion is about $4.1million. The step-aside is worth about $1.6 million through the end of the existing TIF plan's expiration in 2048.

   The Board discussed parking availability and management, long term affordability commitments, Brownfield Tax Increment (TIF) Financing, duration of the Brownfield capture period, Neighborhood Enterprise Zone impacts, and long-term financial benefits to DEGA following expiration of incentive periods.

   MAYOR ANDERSON MADE A MOTION TO ENTER INTO INTERLOCAL AGREEMENT IN ORDER TO PERMIT THE BROWNFIELD AUTHORITY TO CAPTURE RELATED TO THE ROSE PHASE III DEVELOPMENT AND TO AUTHORIZE BOARD VICE CHAIR AND LEGAL COUNSEL TO SIGN IT IN A FORM ACCEPTED. DIRECTOR SUN SECONDED. DIRECTOR AARDEMA AND DIRECTOR STEPPES ABSTAINED. MOTION APPROVED VIA ROLL CALL VOTE.

Director Aardema returned to the meeting.

3. Downtown Report – July 2026 (Meghan Behymer)

Behymer presented the July Downtown Report. Updates include construction that is underway at Rose Street Plaza, and Farmers Alley Pocket Park construction that is anticipated to begin in late July. Caribbean Festival was successful through collaboration among Downtown Ambassadors, R&A Landscaping, Public Services and other City staff. Canadiana Festival is scheduled for September 19 prior to closure of Arcadia Creek Festival Place for construction activities.

The Grazing Table received a Match on Main grant award of approximately $17,233 for business expansion and outdoor seating improvements. Downtown Dollars June sales and redemptions continued to demonstrate program participation across downtown businesses, with 60% of businesses receiving Downtown Dollars for the year. Business Recruitment and Retention Committee continued working on 2027 budget recommendations. There is continued promotion of the Shop Local initiatives amidst construction.

Behymer gave Placemaking and maintenance updates including planning for the BigBelly sponsorship recycling education campaign launch expected for mid- to late-September. Downtown maintenance coordination continued. Decorative fountain and bricks along the Kalamazoo Mall were repaired by Public Services.

Behymer reviewed Ambassador Program accomplishments, including event support for Pride and Caribbean Festivals, power washing and site preparation, public space maintenance, business outreach, and assistance addressing cleanliness and safety concerns. Board discussion focused on downtown maintenance responsibilities, Arcadia Creek Festival Place construction planning, and a need for earlier communication between City departments and downtown stakeholders regarding future construction projects. The group identified opportunities to improve coordination through committee communications. Mayor Anderson led a discussion about the Ambassador report, how it highlights the continued challenges associated with the unhoused populations downtown, the significant amount of Ambassador time devoted to outreach and response activities, and the need for solution-based actions.

Behymer announced that the Kalamazoo Avenue construction started today July 13, with weekly progress updates going out to corridor businesses, and the City is planning a ribbon cutting for Monday, July 20.

E. DISCUSSION/ACTION ITEMS

1. 2027 DEGA Draft Budget Review

Behymer reviewed the 2027 budget timeline;

- Draft budget is due to the City by July 31
- Strategic retreat is August 5
- Committee and Board discussions continue in September
- Final budget is due for the Boards approval in October
- City Commission approves the budget in December

Behymer presented preliminary recommendations for the 2027 operating budget. Discussion included reducing reliance on a limited fund balance, anticipated increases in taxable value, operational priorities, committee recommendations, and long-term financial sustainability. Board budget suggestions included Ambassadors expanded hours, nighttime safety escorts, public access to additional restrooms, Downtown staff office space, BigBelly expansion, wayfinding implementation, Bates Alley, ADA, corridor improvements, and business campaign funding or incentive for construction, retention, and attraction. Other suggestions included having paid social worker interns working with the Kalamazoo Public Safety CST Team, and a construction area family day event.

Director Aardema formally welcomed Katrina Davidson as the new Downtown Projects Coordinator.

2. Strategic Retreat Facilitator Recommendation

Behymer recommended engaging Dams & Associates, Inc. to facilitate the Board's strategic planning retreat.

DIRECTOR LLOYD MADE A MOTION TO APPROVE THE ENGAGEMENT OF DAMS & ASSOCIATES, INC. TO PROVIDE STRATEGIC PLANNING AND RETREAT FACILITATION SERVICES AS OUTLINED IN THE ATTACHED PROPOSAL, FOR A TOTAL COST NOT TO EXCEED $4,200. SUPPORTED BY DIRECTOR SAMPSON. NO

OBJECTIONS. MOTION APPROVED. MAYOR ANDERSON WAS NOT PRESENT FOR THE DISCUSSION OR VOTE.

3. **Ambassador Program Grant Acceptance**
   Behymer presented a $15,000 Jim Gilmore Jr. Foundation grant to enhance the Downtown Ambassador Program. The Board discussed using the funding to support service enhancements identified through the Placemaking Committee.
   DIRECTOR LLOYD MADE A MOTION TO ACCEPT A $15,000 GRANT FROM THE JIM GILMORE JR. FOUNDATION TO SUPPORT ENHANCEMENTS TO THE 2026 DOWNTOWN AMBASSADOR PROGRAM, WITH SPECIFIC SERVICE ENHANCEMENTS TO BE DEVELOPED BY THE PLACEMAKING COMMITTEE IN PARTNERSHIPWITH THE FOUNDTION. DIRECTOR SUN SECONDED. NO OBJECTIONS. MOTION APPROVED. MAYOR ANDERSON WAS NOT PRESENT FOR THE DISCUSSION OR VOTE.

4. **Farmer's Alley Fencing Grant Acceptance**

   Behymer presented a $25,000 Jim Gilmore Jr. Foundation grant supporting fencing improvements associated with the Farmer's Alley placemaking project.

   DIRECTOR LLOYD MADE A MOTION TO ACCEPT A $25,000 GRANT FROM THE JIM GILMORE JR. FOUNDATION TO SUPPORT THE FARMER'S ALLEY PLACEMAKING PROJECT THROUGH THE INSTALLATION OF NEW FENCING ADJACENT TO THE PROJECT AREA. DIRECTOR SUN SECONDED. NO OBJECTIONS. MOTION APPROVED. MAYOR ANDERSON WAS NOT PRESENT FOR THE DISCUSSION OR VOTE.

5. **Legal Counsel Update**

   Behymer reviewed the proposed transition of legal services and the memorandum included in the Board packet. The Board discussed the proposed transition and implementation process.

MAYOR ANDERSON MADE A MOTION TO APPROVE THE TERMINATION OF EXISTING LEGAL SERVICES WITH DICKINSON WRIGHT PLLC AND AUTHORIZE BOARD CHAIR TO EXECUTE LEGAL SERVICES AGREEMENT WITH BLOOM SLUGGET, PC. SUBSTANTIALLY IN THE FORM PRESENTED, FOR CONTINUATION OF LEGAL SERVICES UNDER THE SAME TERMS AND CONDITIONS, SUBJECT TO FINAL LEGAL REVIEW. DIRECTOR LLOYD SECONDED. NO OBJECTIONS. MOTION APPROVED.

F. PUBLIC COMMENTS

None.

G. DIRECTOR COMMENTS

Director Lloyd provided details of the Chambers Choice Conference and celebration which is open through 8/16 for the public to nominate a company.

H. ADJOURNMENT

DIRECTOR LLOYD MOTIONED TO ADJOURN, SUPPORTED BY DIRECTOR SUN. MOTION APPROVED WITH NOONE OPPOSED.

The meeting was adjourned at 5:06 P.M.