



Kalamazoo
Foundation for
Excellence

Investing in Kalamazoo's Future

2025 Newsletter & Annual Report

Strengthening neighborhoods,
expanding opportunity, and building a
stronger community—together.

Community Governed. Publicly Accountable.

The Foundation for Excellence is governed by an independent Board of Directors representing elected officials and community sectors including housing, neighborhoods, healthcare, education, arts, business, affinity organizations, and faith-based groups.

There are annual opportunities for community members to apply to serve on the Board. The outreach and selection process prioritizes diversity of abilities, perspectives, and sectors.

FFE Board meetings are held four times per year under Michigan's Open Meetings Act and include opportunities for public comment.

Board of Directors

DR. ANDREA BOSTROM
President, Healthcare

MALCOLM HANKINS
City Manager

ADRIAN VAZQUEZ-ALATORRE
Affinity Organizations

MARY BALKEMA
Treasurer, Housing

JEANNE HESS
City Commissioner

REV. CHRISTINA WESTBURY
Faith-based Organizations

JAMAURI BOGAN
Secretary, At-Large Director

KELSEY MCKAGUE
Neighborhood Focus: Oakwood

ALONZO WILSON
City Commissioner

DAVID ANDERSON
Mayor

DR. KARIKA PARKER
Education

BOBBY J. HOPEWELL
Founding Director Emeritus

ALISA CARREL
Arts Organization

IDA SALAS
Business Sector

Staff

SARAH DRUMM
Neighborhood Focus: Vine

ALICE TAYLOR
Neighborhood Focus: Northside

STEVE BROWN
Executive Director



Two new homes funded by FFE in the Vine neighborhood.

Looking Back, Looking Forward

2017-2022

The FFE began with a historic grant of \$150 million to the City of Kalamazoo, launching implementation of the Imagine Kalamazoo 2025 Strategic Vision and addressing historic challenges to prosperity in the city. This allowed FFE to build its Board, governance, and administrative structures from the ground up and plan to create an endowment for permanent impact.

2020-2030

The FFE endowment received a visionary gift of \$86 million in 2020. This was followed by a historic pledge of \$400 million in 2021 that is being contributed in annual installments through 2030. An additional pledge of \$45 million was received in 2023 to be contributed from 2024 to 2026.

2031-2040

In 2031, the FFE endowment will be fully funded with a value of \$500 million or more. At that point the endowment will grow primarily from market earnings. FFE will be positioned to bring permanent positive benefits to Kalamazoo residents and stakeholders.

Left to Right: Rev. Christina Westbury, Sarah Drumm, Kelsey McKague, Commissioner Alonzo Wilson, Commissioner Jeanne Hess, Adrian Vazquez-Alatorre, City Manager Malcolm Hankins, Dr. Karika Parker, Ida Salas, Mayor David Anderson, Jamauri Bogan, Dr. Andrea Bostrom, Mary Balkema, Executive Director Steve Brown. (not pictured: Bobby Hopewell, Alice Taylor, Alisa Carrel.)

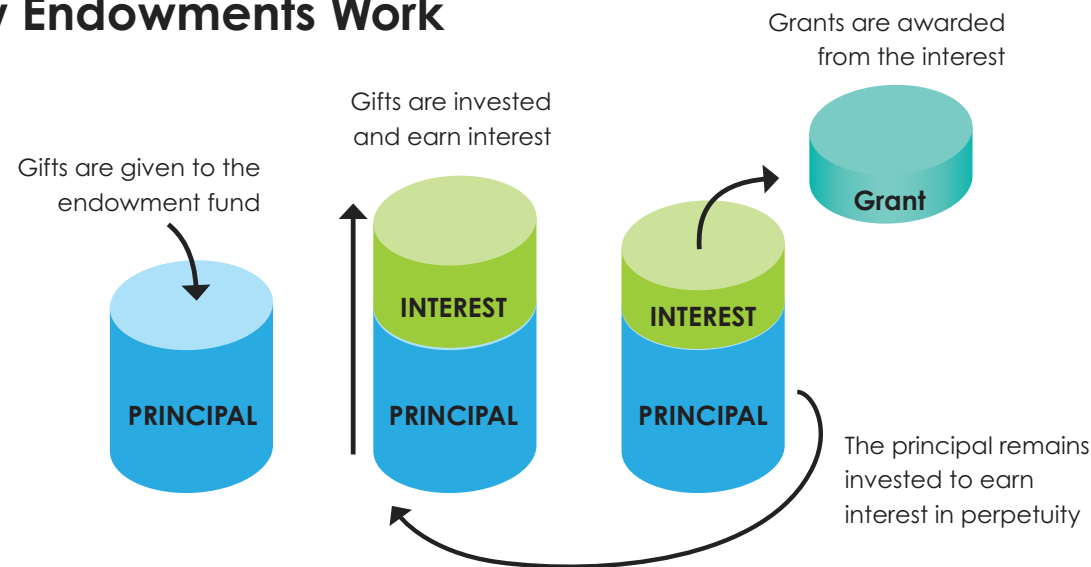


How FFE Generates Lasting Impact

The Foundation for Excellence invests the generous gifts it receives each year into a diversified portfolio designed to grow over time and move toward its \$500 million goal. As these investments generate returns, the Foundation is able to provide millions of dollars annually in grants to the City of Kalamazoo. These funds directly support shared strategic priorities, creating a reliable and sustainable source of revenue that benefits the community year after year.

FFE's mission is to generate long-term funding that advances the City's strategic vision. Its annual grants support priorities identified through the Imagine Kalamazoo 2025 planning process, which reflects input from residents across the community. In this model, Kalamazoo residents identify needs, and FFE helps fund solutions, with oversight from elected officials and alignment with the City's broader goals for growth, equity, and quality of life.

How Endowments Work



\$0.98 of Every Dollar Goes To Impact

Efficient and effective operations ensure that FFE's focus remains entirely where it should be: positive impacts that help Kalamazoo move forward strategically for the benefit of all residents and stakeholders. More than \$0.98 of every dollar that FFE expends goes directly to impact through the three areas of investment with the City of Kalamazoo.

\$5M/year

Aspirational Investments

FFE funds approximately \$5 million in aspirational projects each year in areas aligned with the City's Imagine Kalamazoo Strategic Plan. FFE has invested an average of \$800 per resident since 2017.

38%↓

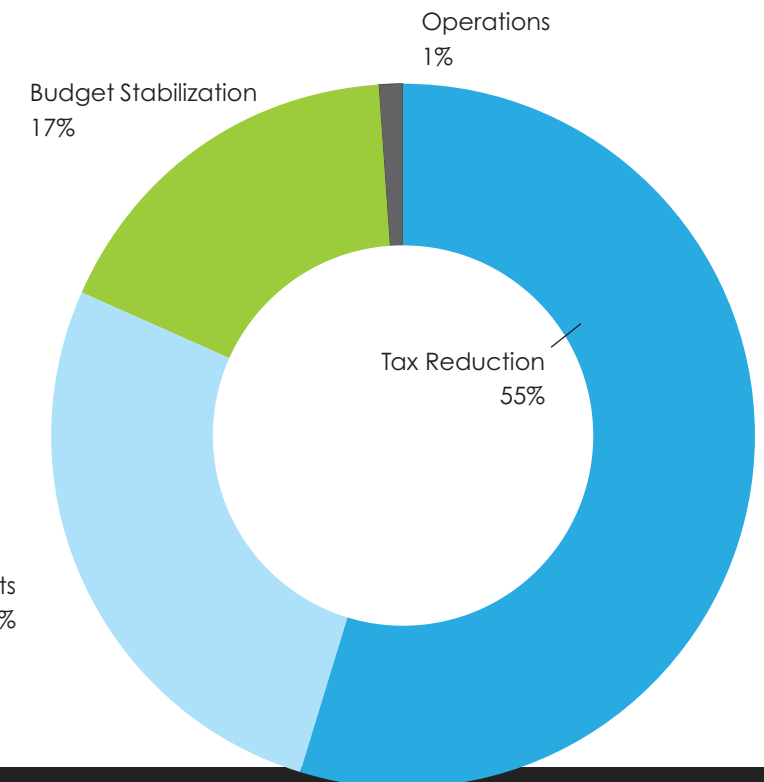
Tax Reduction

The FFE lowers taxes for every taxpayer by reimbursing the City for the revenue it would have earned at the city's previous tax rate. On average, each taxpayer has saved 38% on city property taxes since 2017 because of FFE. Lower taxes make Kalamazoo more competitive with regional cities in attracting and retaining people and businesses.

\$35M since 2017

Budget Stabilization

A stable city budget ensures that local government can deliver basic services and plan for the implementation of impactful and equitable community investments.



FFE Spending, All-Time

Aspirational Projects
27%

A storefront in Edison, before and after an FFE-supported facade grant.



In 2031, the FFE endowment will be fully funded with a value of \$500 million or more. At that point the endowment will grow primarily from market earnings.

Financial Stewardship for Community Impact

For 2025, the FFE Board of Directors approved a \$26,523,103 budget on October 28, 2024. This includes \$644,644 for operations and \$25,878,459 in grants to the City of Kalamazoo supporting property tax reduction, budget stabilization, and aspirational programs that improve quality of life for residents. The City Commission adopted these allocations on January 6, 2025.

The financial statements presented here summarize FFE's revenues, expenses, and financial position. The complete audited financial report is available at kalamazoooffe.org.



New street trees line a neighborhood street in Edison (2021)

Statement of Financial Position

December 31, 2025

ASSETS

Current assets

Cash & cash equivalents	7,205
Current portion of contributions receivable	36,389,000

Total Current Assets 36,396,205

Noncurrent assets

Investments	389,109,721
Contributions receivable, net (less current portion)	138,864,000

Total noncurrent assets 527,973,721

TOTAL ASSETS 564,369,926

LIABILITIES & NET ASSETS

LIABILITIES

Current liabilities

Accounts payable	75,555
Due to City of Kalamazoo	197,198

TOTAL LIABILITIES 272,753

NET ASSETS

Without donor restrictions	388,844,173
With donor restrictions	
Time-restricted for future periods	175,253,000

TOTAL NET ASSETS 564,097,173

TOTAL LIABILITIES & NET ASSETS 564,369,926

Statement of Activities

Year ended December 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions	17,670,094	-	17,670,094
Investment return, net	51,131,258	-	51,131,258
Net assets released from restrictions	37,085,000	(37,085,000)	-
TOTAL SUPPORT AND REVENUE	<u>105,886,352</u>	<u>(37,085,000)</u>	<u>68,801,352</u>
EXPENSES			
Program services			
Operational assistance	20,878,459	-	20,878,459
Supporting services			
General and administrative	469,663	-	469,663
Fundraising	54,970	-	54,970
Total supporting services	524,633	-	524,633
TOTAL EXPENSES	<u>21,403,092</u>	<u>-</u>	<u>21,403,092</u>
CHANGE IN NET ASSETS	<u>84,483,260</u>	<u>(37,085,000)</u>	<u>47,398,260</u>
Net assets, beginning of year	304,360,913	212,338,000	516,698,913
Net assets, end of year	<u>388,844,173</u>	<u>175,253,000</u>	<u>564,097,173</u>

Delivering on the Community's Vision

From 2015 to 2017, city planners worked with residents in Kalamazoo to launch Imagine Kalamazoo 2025, a strategic plan for the city. The specific priorities that emerged from this process are the bedrock on which the future of Kalamazoo will be built. From 2017 until today, FFE funding has empowered the City to implement new and urgent programs and investments that move Kalamazoo ahead. The goals of Imagine Kalamazoo include:

Complete Neighborhoods:

Residential areas that support people's daily needs.

Connected City:

A city that is networked for walking, biking, riding, and driving.

Inviting Public Places:

Parks, arts, culture, and vibrant streets.

Shared Prosperity:

Abundant opportunities for all people to prosper.

Economic Vitality:

Growing businesses and stabilizing the local economy to the benefit of all.

Youth Development:

A city with places and supports that help young people thrive.

Safe Community:

Creating a safe environment for living, working, and playing.

Environmental Responsibility:

A green and healthy city.

Strength Through Diversity:

An inclusive city where everyone feels at home.

Good Governance:

Ensuring the City organization has the capacity and resources to effectively implement the community's Strategic Vision in a sustainable way.



FFE Spending, All-Time by IK2025 Goal

Neighbors discuss their priorities and ideas with City staff at an Imagine Kalamazoo 2025 meeting in the Oakwood neighborhood



Turning Vision Into Action

Imagine Kalamazoo 2025 represents a community-driven vision for the city's future. Through hundreds of conversations, workshops, and public meetings, residents helped shape a plan that reflects shared priorities for housing, mobility, economic opportunity, environmental sustainability, and neighborhood vitality.

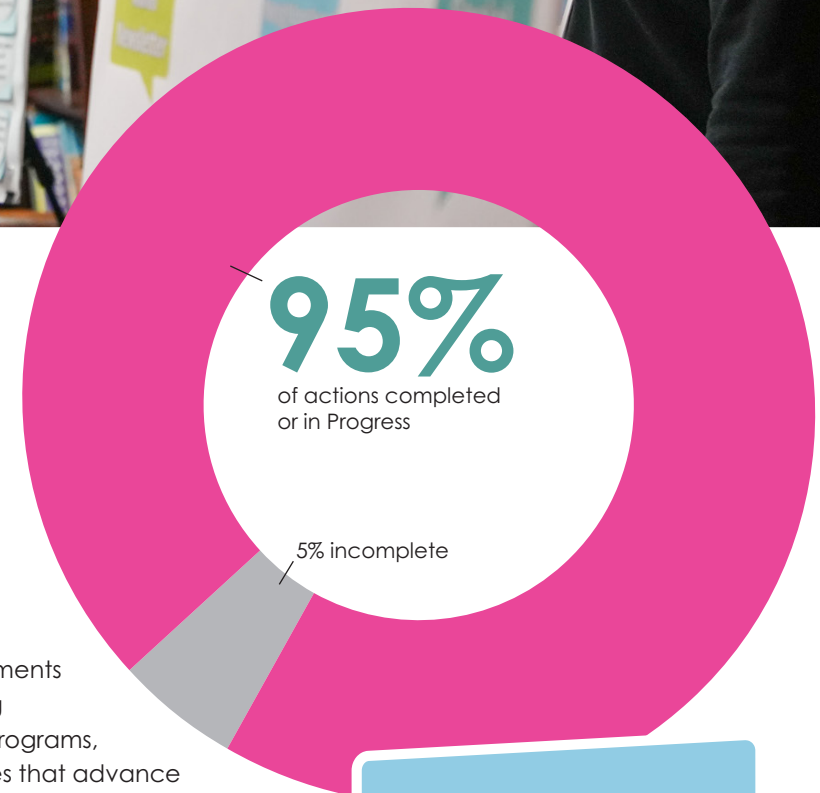
Since its adoption in 2017, the plan has guided investments across Kalamazoo. Foundation for Excellence funding has helped accelerate this work by supporting new programs, infrastructure improvements, and community initiatives that advance these goals.

Today, more than 95 percent of the actions identified in the Imagine Kalamazoo 2025 plan have been completed or are currently in progress. This progress reflects the collaboration between residents, community organizations, and City leadership working together to bring the community's vision to life.

Looking Ahead 10 Years

Building on this momentum, the City has begun work on Imagine Kalamazoo 2035, the next chapter of the community's strategic vision. This process will update the goals and priorities that guide Kalamazoo's future over the next decade.

Residents are encouraged to participate by sharing ideas, attending public events, and providing feedback on priorities that will shape the next phase of investment and community development.



Learn more & get involved at kalamazoo.org/ik2035

Where FFE Invests

Foundation for Excellence investments support projects and programs that strengthen Kalamazoo's neighborhoods and advance the goals of the Imagine Kalamazoo strategic plan. Funding helps expand opportunity through investments in housing, infrastructure, youth programs, economic development, parks, and public spaces.

physical environment while also supporting residents directly. Capital investments fund projects such as housing, sidewalks, parks, and neighborhood infrastructure, while program investments support initiatives that create opportunity for youth, families, and local businesses.

Since 2017, these investments have supported both capital improvements and community programs, reflecting a balanced strategy that improves the

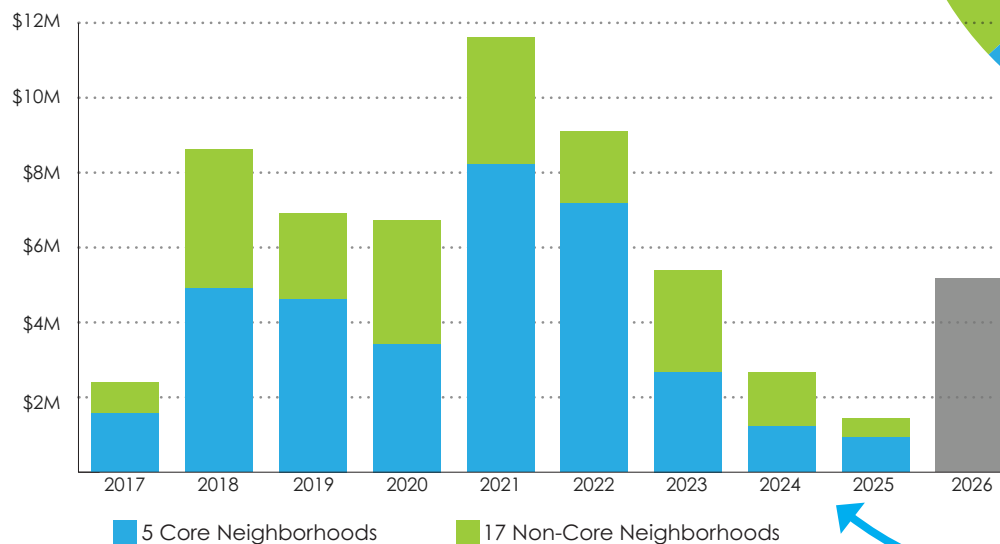
Many of these investments are concentrated in neighborhoods where residents have historically faced barriers to investment and opportunity.

What Are Core Neighborhoods?

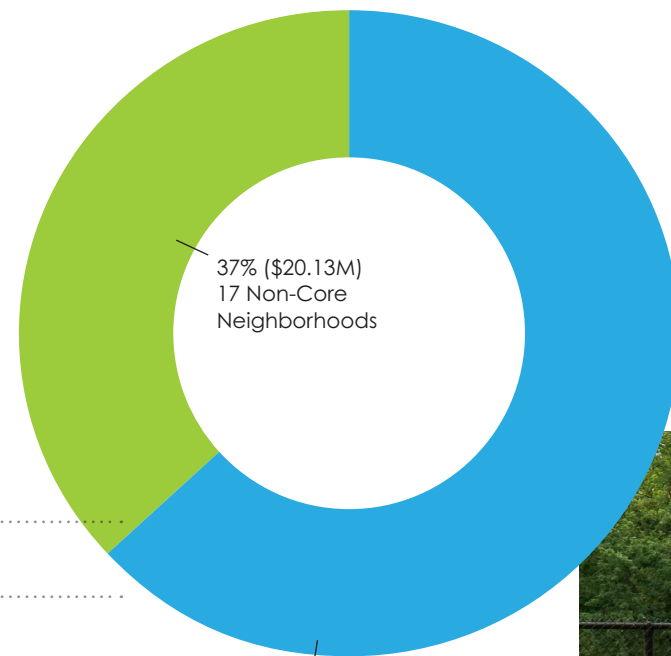
Kalamazoo's core neighborhoods — Northside, Eastside, Edison, Vine, and Oakwood — are areas the City has prioritized for investment through the Imagine Kalamazoo strategic plan. By directing resources to these neighborhoods, the City and the Foundation for Excellence are working to strengthen housing stability, improve infrastructure, expand economic opportunity, and support long-term neighborhood growth.

FFE funding helps support housing development, neighborhood infrastructure, youth programs, economic opportunity initiatives, and public spaces within these communities. Concentrating investments where needs are greatest helps ensure that improvements benefit the residents and neighborhoods they are intended to serve.

Aspirational Spending By Year



Aspirational Spending All Time



In 2024 and 2025, aspirational funding was adjusted to account for Federal American Rescue Plan Act (ARPA) funding received by the City of Kalamazoo.

Who FFE Serves

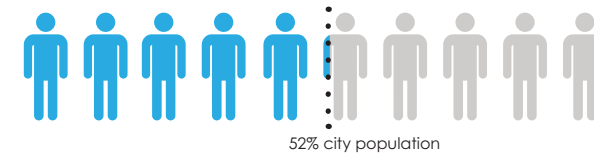
FFE-supported programs reach residents across Kalamazoo while intentionally expanding access to opportunity in communities that have historically faced barriers to investment.

These outcomes reflect intentional outreach and partnerships with neighborhood organizations to ensure programs are accessible and responsive to community needs.

Program participation data shows that 52 percent of participants identify as Black or African American, compared with 22 percent of the city's population. Hispanic residents represent 11 percent of participants, compared with 8 percent citywide. Women account for 53 percent of participants across FFE-supported programs.

The goal is not only to fund projects, but to ensure that investments reach the people and neighborhoods they are meant to serve, helping build a stronger and more inclusive Kalamazoo.

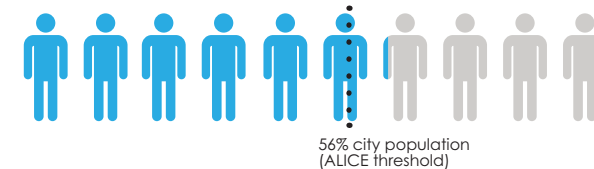
53% women



52% Black/African American



63% Low or Very Low Income



11% Hispanic



Neighbors play tennis and pickleball at Frays Park, one of several parks renovated (2018) with FFE support.



Investing in Youth. Delivering Results.

From 2017 to 2025, Kalamazoo's youth have taken advantage of 15,800 program opportunities, delivering measurable results in education, employment, leadership, and wellness.

Through Parks and Recreation programs, MyCity, Super Rec, All Things Possible, Counselors in Training (CIT), Youth Action Council, and the Youth Mobility Fund, the City continues to remove barriers, expand access, and create pathways to opportunity.

In 2025, programs met or exceeded key benchmarks across nearly every performance measure, demonstrating strong outcomes and sustained community impact.

2025 Program Goals	Target	Result
MyCity Program Completion	85%	92%
MyCity Career Plan	85%	96%
All Things Possible Program Completion	85%	89%
Counselor In Training (CIT) Completion	90%	97%
SuperRec Positive Social Emotional Learning Impact	75%	75%+



TOP: Youth enjoy playing outside with friends at the free Super Rec summer camp

RIGHT: Summer campers learn to kayak on Woods Lake

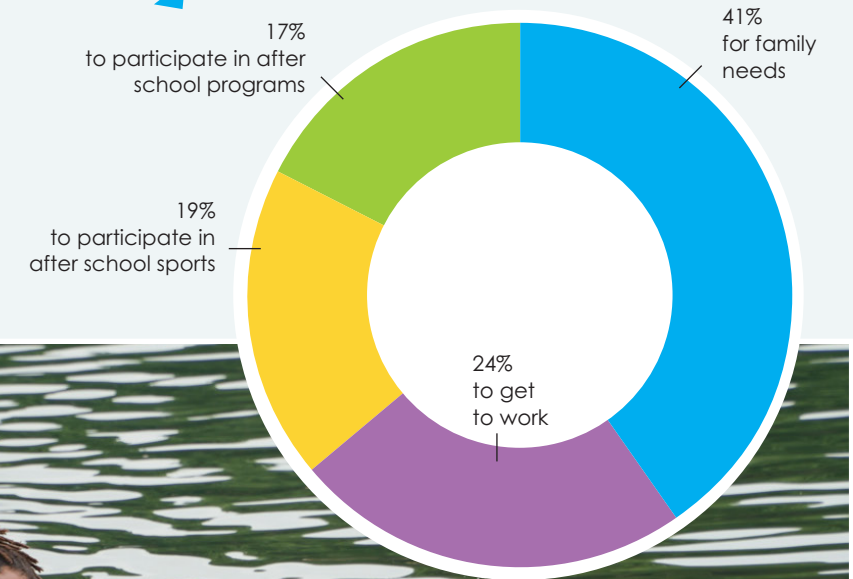
BOTTOM: Rockwell Park summer campers pose for a group photo with their art projects

~16K
Young People Served

Through FFE-supported programs, Kalamazoo youth have filled more than 15,800 program opportunities, gaining access to recreation, career exploration, transportation, and leadership opportunities that help them thrive.

294K
Cost-Free Rides

Through the Youth Mobility Fund, FFE has provided 294,000 free bus rides, helping Kalamazoo high school students access school activities, employment, and family support.



Kalamazoo's youth development strategy is a connected system of opportunity. From early enrichment and supervised recreation to career exploration, job training, leadership development, and transportation access, each investment builds on the next. Young people are not only participating, they are completing programs, earning wages, gaining certifications, exploring careers, serving their community, and stepping into employment pathways.

These results demonstrate more than strong programming. They reflect intentional removal of barriers, measurable performance standards, and a commitment to equity and access across neighborhoods.

Rose Place Senior Living, a 64-unit residential development for Kalamazoo seniors, was completed in 2025. FFE contributed \$750,000 to support the project.



Stronger Homes. Stronger Neighborhoods.

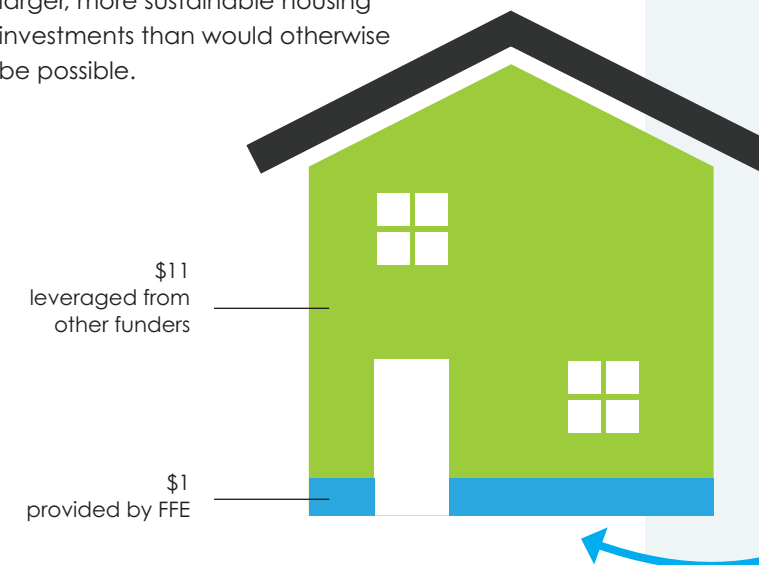
Kalamazoo's housing strategy is rooted in three core priorities: stability, affordability, and neighborhood strength. Access to safe, quality housing is foundational to a thriving community. It supports educational success, economic mobility, public health, and the overall vitality of neighborhoods. By investing strategically in housing, the City and the Foundation for Excellence are working to create lasting impact that benefits residents today and for generations to come.

Since 2017, 617 homes have been built or rehabilitated across single-family, multi-family, and senior developments. These projects expand housing supply, support workforce and income-based housing options, and reinvest in neighborhoods that have experienced historic disinvestment. At the same time, 124 households have received direct support through critical code repair and foreclosure prevention programs. These efforts help families remain safely in their homes, preserve homeownership, and protect generational wealth — preventing displacement while strengthening community stability.

Housing investments are intentionally comprehensive. Through partnerships with organizations such as Community Homeworks and Kalamazoo Neighborhood Housing Services (KNHS), the City is constructing new homes, restoring aging housing stock, expanding access to affordable homeownership, and preparing sites for future development. This coordinated approach ensures that investments address both immediate housing needs and long-term growth.

Projects like the 64-unit income-based senior housing development at 530 Rose Place demonstrate how strategic public investment can transform opportunity. By contributing local dollars early in the development process, FFE helps projects secure competitive state grants, tax credits, and private financing — making developments financially viable and accelerating construction timelines.

For every \$1 invested by the Foundation for Excellence in housing, \$11 more is leveraged from outside sources. This multiplier effect brings significant additional capital into Kalamazoo, stretching local resources further and enabling larger, more sustainable housing investments than would otherwise be possible.



617

Homes Built or Renovated

FFE investments have helped create or renovate 617 housing units across Kalamazoo, expanding access to safe and affordable homes.

124

Households Stabilized

Critical code repair and foreclosure prevention programs have supported 124 households, helping families remain safely in their homes.

11x

Dollars That Multiply

For every \$1 FFE invests in housing, \$11 more is secured from state grants, tax credits, and private financing. FFE's early local commitment strengthens applications and helps projects move from concept to construction.



With support from the Foundation for Excellence, Community Homeworks partners with homeowners to complete critical repairs and help families stay safely in their homes.

Building a Safer, Greener Kalamazoo

Investing in infrastructure helps create safe streets, vibrant parks, and resilient neighborhoods. Through Foundation for Excellence funding, the City of Kalamazoo is making long-term improvements that support mobility, public safety, environmental sustainability, and quality of life across the community.

Since 2017, infrastructure investments have improved access and safety throughout Kalamazoo. More than 50 miles of sidewalks have been built or repaired, helping residents walk safely to schools, parks, transit, and local businesses. Bike lanes and traffic calming improvements now extend more than 16 miles, creating safer routes for cyclists while helping slow traffic on neighborhood streets.

Additional improvements focus on pedestrian safety and welcoming public spaces. Sixty-six traffic calming features — including speed humps, traffic circles, and bump-outs — have been installed, along with 75 pedestrian refuge islands and crossings that make it easier for residents of all ages to cross busy roads.

Environmental improvements are also a priority. More than 2,000 trees have been planted and another 2,000 trimmed, strengthening Kalamazoo's urban canopy while improving shade, air quality, and neighborhood beauty. Infrastructure investments have also supported the replacement of 527 non-copper water service lines and the renovation of more than 60 acres of city parks.

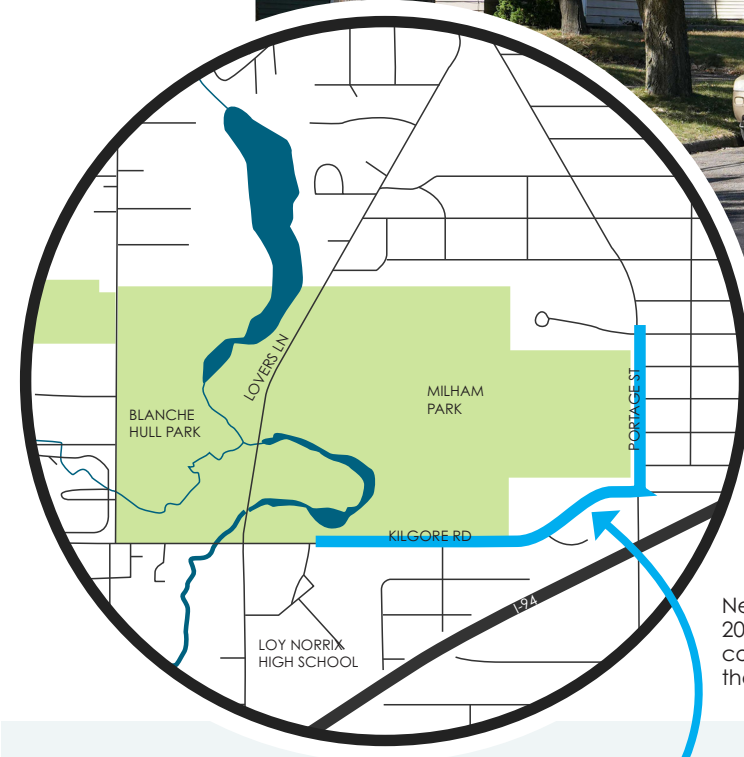
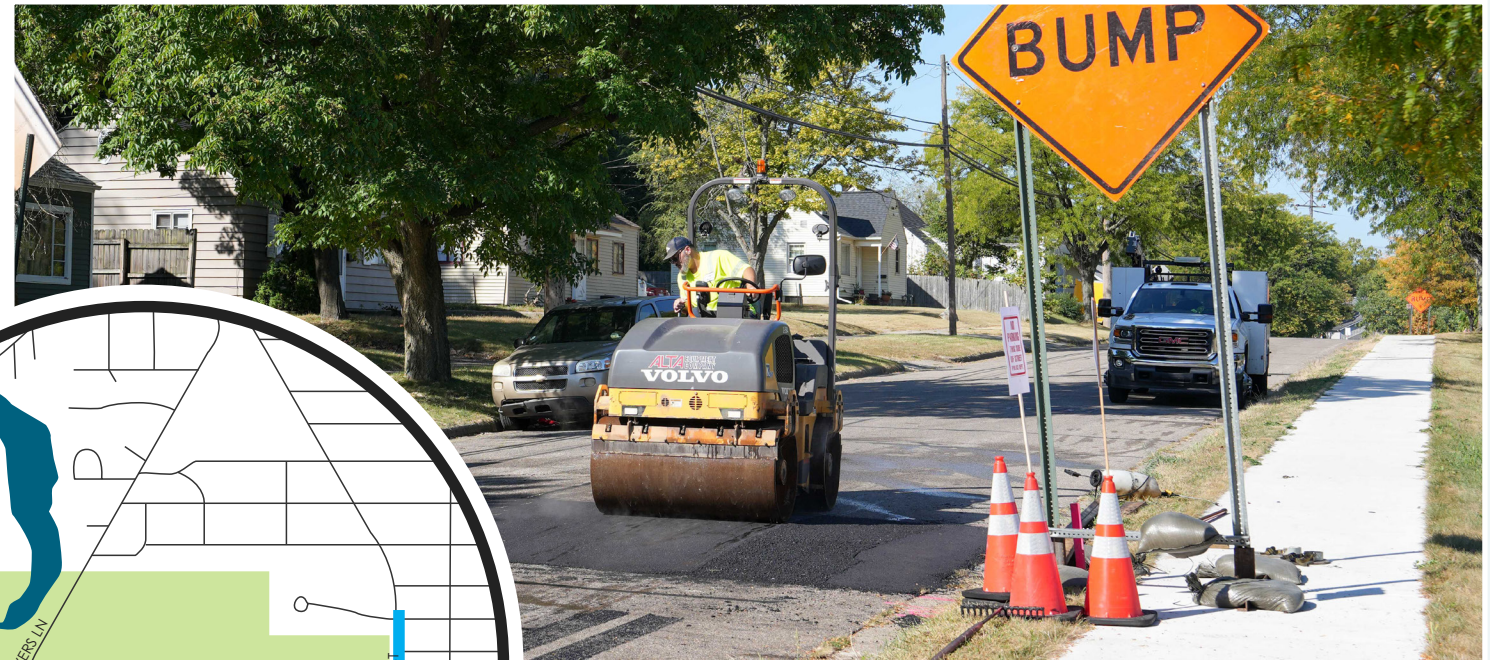
Planning continued in 2025 for future projects, including sidewalk work on Academy Street near Bronson Park and a new shared-use path on Portage Street between Kilgore Road and Lakeway Avenue. Design also advanced on the Oakland Drive sidewalk and pedestrian crossing project, planned for construction in 2026 or 2027.

Together, these investments are making Kalamazoo safer, greener, and more connected.

City staff planting a row of trees along Knollwood Park in the Knollwood neighborhood. (2025)



A speed hump is installed on Palmer Ave near Southside Park, where new sidewalk was also added (2024)



New sidewalk will be built in 2026 closing a 1-mile gap connecting Milham Park to the Milwood neighborhood.

60
Acres of Parks Renovated

More than 60 acres of city parks have been renovated, creating welcoming spaces for recreation, gathering, and community life.

50+
Miles of Sidewalks

Since 2017, more than 50 miles of sidewalks have been constructed or improved, helping residents walk safely to schools, parks, transit, and local businesses.

16.1
Miles of Traffic Calming

Investments in bike lanes and traffic calming improvements are making streets safer for cyclists while helping reduce speeds on neighborhood roads.

75
Safer Street Crossings

Pedestrian refuge islands and crossings help residents of all ages safely cross busy streets while improving neighborhood connectivity.

2000+
Trees Planted

Thousands of new trees are strengthening Kalamazoo's urban canopy, improving shade, air quality, and neighborhood beauty.

Business owners & community members celebrate a new facade installed at Colors & Cocktails on the Kalamazoo Mall (2024)



Expanding Opportunity & Investment

A strong local economy depends on thriving small businesses, access to capital, and continued investment in the community. Through Foundation for Excellence funding, the City of Kalamazoo is supporting entrepreneurs, strengthening neighborhood business districts, and creating the conditions for long-term economic growth.

Since 2017, FFE-supported programs have helped local businesses launch, grow, and improve their storefronts. These efforts include 325 small business grants, 152 small business loans, and 52 technical assistance grants that provide entrepreneurs with both funding and expertise. Additional façade improvement grants and contractor training programs help businesses upgrade their spaces, build skills, and contribute to vibrant neighborhood commercial corridors.

Construction activity across the city also reflects growing economic confidence. A 13-year upward trend in both building permit activity and total permit value suggests sustained development momentum and long-term investment in Kalamazoo. As new housing and development bring more residents downtown and into neighborhoods, businesses benefit from increased foot traffic and expanding local demand.

Supporting neighborhood entrepreneurs is a key priority. Through a partnership between the City of Kalamazoo and United Way of South Central Michigan, the Kalamazoo Micro-Enterprise Grants (KMEG) program provides \$5,000 grants to small businesses, prioritizing entrepreneurs in Shared Prosperity neighborhoods including Edison, Eastside, and Northside.

In 2025, \$500,000 in funding supported 100 microbusinesses through a competitive process that received 303 applications. Many participating businesses are early-stage enterprises with limited access to traditional financing but strong potential to grow and serve their communities.

By combining accessible capital with targeted support, Kalamazoo is helping entrepreneurs build businesses, create jobs, and strengthen neighborhood economies.

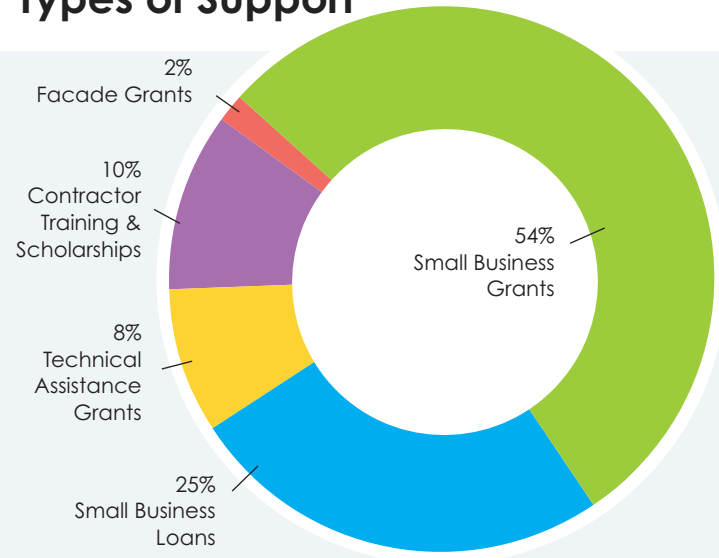
80% BIPOC entrepreneurs



62 Contractors Supported

Training programs and scholarships helped 62 local contractors build skills, expand capacity, and compete for new construction opportunities.

Types of Support



80% Grants Supporting BIPOC-owned Businesses

In the most recent cycle, 80% of micro-enterprise grants supported businesses owned by Black, Indigenous, and other entrepreneurs of color.

13 years Rising Permit Activity

A 13-year upward trend in building permits and total permit value reflects sustained investment and growing confidence in Kalamazoo's economy.

FFE supported a minority contractor network to expand access to project opportunities, training, and certification resources (2022)



Explore FFE Investments Across Kalamazoo

This newsletter highlights many of the ways the Foundation for Excellence is helping strengthen Kalamazoo's neighborhoods, support residents, and invest in the community's shared priorities.

For an even deeper look, we invite you to explore the FFE Investment Dashboard online. The interactive dashboard allows residents to see dollar-for-dollar investments across the city and learn more about the projects and programs supported by FFE funding.

Using a computer, tablet, or smartphone, visitors can explore a map of Kalamazoo neighborhoods and view investments by year, Imagine Kalamazoo goal, project type, and program area. The dashboard provides a transparent view of how community resources are being invested to support Kalamazoo's long-term success.

This commitment to openness and accountability has helped FFE earn the Platinum Seal of Transparency from Candid (formerly GuideStar), the highest level of recognition for nonprofit transparency.

We encourage you to explore the dashboard and see how investments are making a difference across Kalamazoo.

kalamazooffe.org



\$55 million in aspirational investments since 2017:

Affordable Housing \$9,868,202	Infrastructure \$15,446,821
Complete Neighborhoods \$3,417,627	Economic Development \$8,555,447
Youth Development \$9,693,885	Park Enhancements \$4,844,500
Shared Prosperity \$1,750,790	Environmental Responsibility \$212,003

