



To: Douglas City Council
From: Lisa Nocerini, City Manager
Date: March 16, 2026
Subject: Kalamazoo Lake Harbor Authority (KLHA) Economic Benefit Study

At the March 16, 2026 City Council meeting, I will be presenting a summary of the proposal discussed by the Kalamazoo Lake Harbor Authority (KLHA) regarding a potential Economic and Fiscal Benefit Study for Kalamazoo Lake and its associated harbor infrastructure. The presentation will summarize the proposal, the feedback received from Douglas City Council members, and the potential next steps for consideration.

The study proposal was presented to the KLHA Board by Vetter Consulting Enterprises and outlines a four-phase approach designed to evaluate the economic value and long-term infrastructure needs associated with Kalamazoo Lake. The overall intent of the study would be to quantify the economic and fiscal benefits associated with boating activity, tourism and recreation, harbor infrastructure, dredging needs, and public access to the waterfront. The findings could help inform long-term regional planning and investment decisions among the participating communities of Douglas, Saugatuck, and Saugatuck Township.

The full scope of the proposed study is estimated to cost approximately \$30,000, with the work divided into four phases. At this time, the KLHA Board asked the member communities to consider whether it would be appropriate to begin with Task 1 only, which focuses on clarifying the mission, priorities, and expectations of the KLHA before committing to the broader study effort.

The estimated cost for Task 1 is \$7,750, which would be shared among the three communities. Douglas' portion of that initial phase would be approximately \$2,583.33. To assist in providing direction to the KLHA Board, Councilmembers were asked to provide feedback regarding whether the City should support pursuing Task 1 and what priorities should be addressed as part of that work. The responses received generally support a phased approach beginning with Task 1, with the understanding that the

purpose of this phase would be to clarify the role of the KLHA and determine whether additional analysis or investment would be beneficial.

Several themes emerged from Council's feedback. Councilmembers emphasized the importance of first defining the mission and long-term purpose of the KLHA, identifying shared priorities among the three communities, and clarifying the responsibilities that should fall under the Harbor Authority versus those that should remain with individual municipalities.

Council feedback also highlighted several priority areas that could benefit from further evaluation, including navigation and dredging needs, marina and harbor infrastructure, long-term maintenance considerations, and regional coordination among Douglas, Saugatuck, and Saugatuck Township.

The intent of the presentation is to summarize the feedback that has been gathered and provide Council with an opportunity to discuss whether Douglas should support the KLHA moving forward with Task 1 as an initial step. If Task 1 were pursued, the findings would then be reviewed by the participating communities before determining whether additional phases of the study should be considered.