ROSE CENTER FELLOWSHIP
City Commission Presentation
November 14, 2017
Mission:
To encourage and support excellence in land use decision making.

“We should all be open-minded and constantly learning.”

--Daniel Rose
How can Grand Rapids align its community & economic development policies, practices and incentives to achieve a more equitable city?
Private Development & Construction - Overview

Construction Cost by Issued Year

- $3bn Construction Cost

Housing Units by Issued Year

- 4,052 Housing Units
Rich-Poor Gap, 2010-2015
The divide widened in all of the 100 largest metropolitan statistical areas

San Francisco, CA
San Jose, CA
Bridgeport, CT
Seattle, WA
Austin, TX
Grand Rapids, MI
Boston, MA
Houston, TX
Portland, OR
Des Moines, IA
United States

Source: Bloomberg analysis of data from the U.S. Census Bureau
Note: Top 10 MSAs listed by largest principal city. Numbers are nominal and have been rounded to the nearest hundredth

Super Rich and Middle Class
This gap widened in 96 of the 100 largest metropolitan statistical areas

San Francisco, CA
San Jose, CA
Grand Rapids, MI
Austin, TX
Des Moines, IA
Seattle, WA
Bridgeport, CT
Charleston, SC
Denver, CO
Dallas, TX
United States

Source: Bloomberg analysis of data from the U.S. Census Bureau
Note: Top 10 MSAs listed by largest principal city. Numbers are nominal and have been rounded to the nearest hundredth
The Panel

• Co-Chair: Antonio Fiol-Silva, SITIO Architecture+Urbanism, Philadelphia, PA
• Co-Chair: Calvin Gladney, Mosaic Urban Partners, LLC, Washington, DC
• Maggie Campbell, Downtown Santa Barbara, CA
• Cristina Garmendia, Center on Law, Inequality and Metropolitan Equity, Rutgers University, Newark, NJ
• Ellen Harpel, Smart Incentives & Business Development Advisors, LLC, Arlington, VA
• Mara Kimmel, Office of the Mayor, Municipality of Anchorage, AK
• Nanci Klein, Office of Economic Development, City of San José, CA
• Christopher Kurz, Linden Associates, Inc., Baltimore, MD
• Troy Russ, Kimley-Horn, Denver, CO
• Eric Shaw, Office of Planning, District of Columbia
Grand Rapids Study Visit

- Grand Rapids City Commission
- Downtown Development Authority
- CWD
- Rockford
- 616 Development
- Franklin Partners
- Sibso
- DeVries Companies
- Xventures
- Urban Core Collective
- Start Garden
- Hispanic Chamber
- MEDC
- MSHDA
- City of Grand Rapids Executive Office
- City of Grand Rapids Planning Department
- City of Grand Rapids Community Development
- Lott3Metz Architects
- Nederveld
- Planning Commission
- GR Area Chamber
- City Attorney’s Office
- Dickinson Wright
- Warner Norcross & Judd
- Downtown Improvement District
- GRABB
- 3rd Coast Development
- Mercy Health
- Founders
- The Right Place
- Dwelling Place
- Brookstone Capital
- Orion Construction
- Westside Collaborative
- Huntington Bank
- Chemical Bank
- PNC Bank
- ICCF
- Grand Rapids Smartzone
- Brownfield Redevelopment Authority / Economic Development Corporation
- Asian Chamber of Commerce
- LINC
- Latino Community Coalition
- Amplified GR
- Hispanic Center
- Mercantile Bank
- Heritage Hill
- Meijer
- Wege
- W.K. Kellogg
- Spectrum Foundation
- Local First
- Southtown CID
- Westside CID
- Uptown CID
- Uptown CID
- Kent County Habitat for Humanity
- MSHDA
Observations: Equity

• City/community leadership is working to assess and champion equity (GR Forward)
• Mayor/City recognize ALL need access to economic opportunity for community to succeed
• Broad recognition that inequities exist
• GR has not clearly defined equity goals & agenda; limited alignment between City polices, practices & incentives implementation
• Mobility network is not contributing to equitable outcomes
Observations: Incentives

• Incentives are just one set of tools to achieve equity, GR lacks some tools other communities have

• City recognizes land use decisions are powerful means to further equity goals

• City acknowledges public & private investment can be harnessed to provide opportunity for all

• Developers agree inequities exist—some believe it’s better addressed by other actors using other tools

• Incentives currently seen as an entitlement, City may not fully perceive their real cost and fiscal impact

• Some developers say incentives are needed for every project; others question whether that’s true today

• City acknowledges economic development incentives could be retooled to better support equity initiatives

• GR would benefit from additional financial analysis of incentives to determine success bringing return on investment
Observations: Other Challenges

• Limited consensus on the aggregate “ROI” of public investment & subsidy
• City is risk averse; taking incremental steps & concerned about interpreting legal strictures on application of incentives
• A perceived “closed” system of developers may limit opportunities for more investment
Implementation Ideas

1. Mobility
2. Engagement
3. Incentives
4. Workforce Development
5. Disposition
Homework

1. Identify your top three equity priorities
2. Come up with examples that align policy with practice in the five implementation areas
3. Explore how you can embed equity into the current solicitation process for 201 Market

Next check-in:
Rose Fellowship Retreat
Seattle, May 2
Q1 Please select the three (3) themes from the list below that you believe the City of Grand Rapids should focus on in the next year to further the community's equity goals.

Answered: 26  Skipped: 0

- Mobility: Ensuring bus...
- Workforce Development...
- Housing: Providing...
- Engagement: Ensuring the...
- Business and Real Estate...
- Access to Capital...
- Living Wage Requirements...
- Directing Development...
- Parks and Natural...
- Other (please specify)
Come up with examples that align policy with practice in the five implementation areas

1. Mobility: Wheels to Work, BRT, Bike Share, DASH Reboot, DAKC

2. Engagement Process: Innovation Central Mentor Real Estate Investor, LINC, Seeds of Promise, Community Foundation, Urban League, WMCAT

3. Incentives: Special Event Grants

4. Workforce Development: Start Garden, Chamber of Commerce Elevate Program, SBA Program at GVSU, Latino Talent Initiative, WMCAT; The Source

5. Disposition Process: Habitat Kent County, Kent County Land Bank
What Would This Mean for 201 Market?
Follow Up Visit
Follow Up Study Visit

- City Commission
- CWD
- Rockford
- Franklin Partners
- Start Garden
- Start Garden
- MEDC
- City of Grand Rapids Executive Office
- City of Grand Rapids Planning Department
- City of Grand Rapids Community Development
- Lott3Metz Architects
- Nederveld
- Planning Commission
- GR Area Chamber
- GRABB
- 3rd Coast
- Dwelling Place
- Westside Collaborative
- Asian Chamber
- LINC
- Latino Community Coalition
- Amplify GR
- Hispanic Center
- City of Grand Rapids
- Meijer
- W.K. Kellogg
- Southtown CID
- Habitat
- DDA Board
- Seeds of Promise
- Fair Housing Center of WM
- Planning Commission
- Health Net of WM, Urban Core Collective
- Partners for a Racism Free Community
- Urban League
- Disability Advocates
- Grandville Avenue Business Association
- Williams and Works
- Kent County Administrator
- GRPS
- GRPS School Board / Sydney's Boutique
- Ferris State University
- Huntington Bank
- Seeds of Promise/Southtown CID
- GRWW
- Spring GR
- Experience GR
- Rockford Construction
- Spectrum Health
- Rockford Construction
- Amplify GR
- Diversity & Inclusion Consultant
- NAACP
- Cultural Intelligence Center
- City of Grand Rapids
- Get the Lead Out!
- Michigan Education Association
Recommendations
Focus and Tier Incentives

Prioritize the use of incentives in:

- Areas of under / disinvestment
- To support a growth strategy along TOD corridors
- Incorporate into City Economic Development Plan & Strategy
- Increase Outreach and Improve Customer Service
Develop Transportation Vision to Support Equitable Development

- Adopt a people first priority for transportation investments to reflect the eligible activities for public incentives and ensure investments are equally balanced across all modes.

- Adopt metrics to measure performance for all modes focusing on safety, mobility and accessibility.

- Address internal City structure for delivering transportation services to support development.
Prioritizing Eligible Activities

**PRIORITIES**

1. Pedestrian & Bike
2. Transit Supportive
3. TDM Initiatives

**Shifting Incentive Priorities**

- **Pre-2015**
  - Parking: 5%
  - Site Preparation: 35%
  - Code Requirements: 60%
  - Mobility Improvements: 20%

- **Current**
  - Parking: 35%
  - Site Preparation: 40%
  - Code Requirements: 20%
  - Mobility Improvements: 20%

- **Proposed**
  - Parking: 20%
  - Site Preparation: 35%
  - Code Requirements: 35%
  - Mobility Improvements: 20%
• In the event of a City-owned property disposition – 25% of proceeds are dedicated to property assembly in CD target areas

• 25% ($500,000) per acre sold = Cost for ~1 acre in CD target areas

• Can utilize approach to secure affordable housing sites in target areas & along transit corridors
Ensure MLBE Participation

• Build off success from Vital Streets MLBE Participation

• Establish progressively increasing requirements for MLBE participation for projects receiving municipal incentives

• Progressive adoption allows capacity building to parallel policy
Establish Citizen Learning Institute to educate neighborhood / business associations
Align State and Local Incentives
NEXT STEPS
Q & A