AGENDA

DGRI BOARD OF ADVISORS

Members:

Stephanie Andrews • Monica App • Rick Baker • Shaun Biel • Charles Burke • Jorge Gonzalez • Brian Harris • Mayor David LaGrand • Nikos Monoyios • Doug Small • Eddie Tadlock • Randy Thelen • Al Vanderberg • Mark Washington • Kara Wood • Rick Winn

September 17, 2026 2:00p
29 Pearl Street NW (DGRI Offices)

1.	Call to Order (2:00)		Harris
2.	Approval of June 18, 2026 Minutes (2:01) (enclosed)	Motion	Harris
3.	2025 Single Audit (2:05) (enclosed)	Motion	Pike
4.	FY2027 Key Performance Indicators (2:10) (enclosed)	Motion	Kelly
5.	Grand River Greenway Update (2:15) (enclosed)	Motion	Guy
6.	2026 Art Prize Update (2:35)	Info	Loftis
7.	Downtown Visitor Experience Update (2:50)	Info	Kelly
8.	Downtown Master Plan (Core Priorities) Update (2:55)	Info	Miller
9.	President & CEO Report (3:10)	Info	Kelly
10.	Board Member Discussion (3:15)	Info	Board
11.	Public Comment (3:20)		
12.	Adjournment (3:25)		

UNAPPROVED MINUTES

DOWNTOWN
GRAND RAPIDS INC.

Board of Advisors Meeting
June 18, 2026

1. Call to Order: The meeting was called to order at 2:00 pm by Chair Brian Harris

   Attendance:

   Members Present: Stephanie Andrews, Rick Baker, Shaun Biel, Charles Burke, Jorge Gonzalez, Brian Harris, Nikos Monoyios, Doug Small, Monica Steimle-App (arrived after agenda item #2), Eddie Tadlock, Randy Thelen, Al Vanderberg, Kara Wood, and Rick Winn

   Members Absent: Mayor David LaGrand and City Manager Mark Washington

   Others Present: Kyle Waters and Stephanie Cleaver (AHP), Tim Kelly (President & CEO), Jessica Wood (Legal Counsel), Mandy McDaniel (Recording Secretary), Andy Guy (DGRI Staff)

2. Approve of Meeting Minutes
   Motion: Member Andrews, supported by Member Baker, moved to approve the meeting minutes from January 15, 2026. The motion carried unanimously.

3. 2025 Audit
   Tim Kelly introduced the 2025 audit and noted that the audit had been finalized following the organization's first audit cycle in 2024. Kyle Waters and Stephanie Cleaver of AHP, along with Jim Pike of Fusion Financial, participated in the presentation and review. Kelly said the final Board report and management letter had been distributed earlier in the week as the documents became available.

   Pike explained that the audit report differs from reports the Board may be accustomed to because DGRI changed from the accrual basis to the cash basis of accounting. The timing of Greenway project revenues and expenditures made an accrual-basis report less useful for reflecting the organization's current position. The 2024 statements were restated on the cash basis, and the 2025 statements were prepared on the same basis. Pike added that a separate single audit was required because of federal funding and was nearing completion.

   Cleaver reviewed the report to the Board of Directors, including the corrected audit adjustments needed to convert from the accrual basis to the cash basis. She also reviewed the management letter recommendation that DGRI establish a process for providing the auditors with a cash-basis trial balance in future audit cycles. Management had discussed the matter and identified steps to address it.

   Cleaver reviewed the financial statements and the auditor's opinion. AHP issued an unmodified, clean opinion on the cash-basis financial statements. She noted that a significant portion of current assets consisted of restricted funds for the Greenway project, Lyon Square, and special events. Revenue appeared lower than in the prior year because many project funds were received in FY2024 and were being spent in FY2025 and FY2026. Under the cash basis, debt proceeds were reflected as income rather than as a liability. Greenway and ArtPrize spending accounted for much of the increase in expenses from FY2024 to FY2025. The footnotes were generally consistent with FY2024.

Pike said a future return to accrual accounting was likely after the restricted project funds were spent, although the timing would depend on the status of the Greenway and related projects. Pike also noted the added complexity created by ArtPrize operating on a different fiscal year.

Member Burke asked about the differing fiscal years for Art Prize and DGRI. Kelly said the matter would be discussed further over the next six months and noted that the current memorandum of understanding for Art Prize extends through June 2027.

Motion: Member Burke, supported by Member Biel, moved to accept the 2025 audit as presented. Motion carried unanimously.

4. DGRI FY27 Budget
Kelly reviewed the proposed FY2027 DGRI budget. He explained that the DGRI portion totals approximately $32.1 million and that approximately 98% is devoted to Greenway work, with the grant funds required to be spent by the end of calendar year 2026. He also reviewed remaining funds related to the 1615 Monroe property, maintenance support for Lyon Square, and funding associated with the DID, DDA, and MNTIFA.

   Motion: Member Winn, supported by Member Burke, moved to approve and adopt the FY2027 DGRI Budget. Motion carried unanimously.

5. Investment Policy Statement
Kelly reviewed the organization's two investment policy statements and the 2024 creation of a separate Corporation Account to provide additional flexibility for interest earnings. Following the annual review with NPF Investment Advisors and the Executive Committee, staff recommended changing the Corporation Account target allocation from 65% stocks and 35% bonds to 50% stocks and 50% bonds. The change is intended to lock in current yields, increase cash flow, reduce equity-market exposure, and preserve a meaningful equity position as an inflation hedge.

   Member Burke asked whether a line of credit sits adjacent to the account; staff responded that it does not. Member Biel acknowledged that the proposed allocation would reduce equity exposure and supported the recommendation.

   Motion: Member Biel, supported by Member App, moved to approve the amendment to the DGRI Corporation Account Investment Policy Statement. Motion carried unanimously.

6. Block by Block Contract
Kelly presented the proposed extension of the Block by Block contract for the Downtown Ambassador and Clean Team programs. DGRI holds the contract, with funding provided by the DDA and DID. The one-year extension would run from July 1, 2026 through June 30, 2027.

   Member Baker asked about feedback on cleanliness and whether concerns had been shared with the contractor. Staff reported that DGRI meets weekly with the local team manager and quarterly with company leadership, and that deployment is adjusted in response to conditions and activity. Shifts had been increased following the opening of the amphitheater. Member Baker observed that downtown cleanliness did not appear to be at the level it had been previously and noted that Uptown also operates a team.

Member Tadlock said the team performs regular block audits and that feedback is provided directly to Ambassadors. He noted that he had participated in six audits. Member Harris said the program has been well received by downtown users and visitors, but cautioned against allowing even the perception of declining conditions. He emphasized closing any service gap created by increased activity.

Staff agreed to share performance statistics and return with a follow-up at the next meeting. Kelly noted that the DID had expanded its boundary to include the amphitheater and that additional Ambassadors may be considered. Member Andrews encouraged staff to share specific data points and make the feedback process easy to access, potentially through a QR code and direct email contact. Member Winn noted that he continues to hear many positive comments about downtown cleanliness.

Motion: Member Vanderberg, supported by Member Winn, moved to approve the Agreement with Block by Block for the continued provision of the Downtown Ambassador and Clean Team Programs. Motion carried unanimously.

7. MLCC Resolution Approval
Kelly explained that ArtPrize requested authorization to use four of DGRI's available 2026 special liquor licenses. Following licenses already used for DGRI events, sufficient licenses remained for the request. Board approval of the resolution was required before the application could be submitted to the Michigan Liquor Control Commission. ArtPrize would prepare an event management plan to ensure required protocols are followed.

Motion: Member Burke, supported by Member Andrews, moved to approve the resolution authorizing submission of the Special License Application to the Michigan Liquor Control Commission for four ArtPrize 2026 event dates. Motion carried unanimously.

8. Grand River Greenway Update and Authorization Request
Andy Guy reminded members that DGRI serves as facilitator for Michigan Department of Natural Resources grant funding provided to local Greenway projects and subrecipients, the City of Grand Rapids and Kent County. Catherine Zietse reviewed the Greenway Grant Priority Plan and reported that all projects were under contract or nearing contract completion and generally on schedule. Approximately $65,633 remained available for allocation within the $55 million grant program.

Zietse provided the following project updates:

- Knapp Street Bridge: A separate pedestrian bridge is planned, with work expected to begin after mussels are relocated from the construction area.
- White Pine to Ada Trail: Kent County construction was beginning, with ARPA funds to be used first. The Northland Drive pedestrian tunnel was planned for installation in mid-July.
- Ann to Leonard Trail: The approximately $9 million project was under construction, including approximately $2.5 million in ARPA funding used to close the project gap.
- Grand Rapids Public Museum river edge: The project was substantially complete and approximately 94% of allocated funds had been spent as of June 1, 2026.
- Fulton to Wealthy Trail and River Access: Work remained on schedule for substantial completion in fall 2026. The pocket park was complete. Spring flooding caused a delay, but construction was continuing, including work south between the railroad tracks and Wealthy Street.
- Oxford Trail: Construction was underway. Northern portions were complete, and work was progressing south, with substantial completion scheduled for fall 2026.

- Johnson Park: Natural-surface trail construction was underway and scheduled for completion in September 2026.
- Indian Mounds Drive: Planning and coordination with multiple stakeholders are continuing.
- Greenway Operations and Maintenance Plan: The planning effort was complete, and implementation work is continuing through the Grand River Network.

Staff reported that $17,059,379, or 31% of the $55 million grant, had been spent as of June 1, 2026, with spending expected to accelerate during the summer construction season.

Member Burke asked how the Greenway story would be communicated in the coming year and emphasized the importance of demonstrating the effect of public investment. Member Winn said the funds were producing meaningful public benefit and asked where smaller project gaps remained.

Member Andrews discussed the maintenance side of the initiative. She explained that the $350,000 planning effort brought regional partners together to establish consistent standards so the trail system can function and feel like one connected network. The work also assesses long-term data, financial needs, and gaps in existing maintenance resources. Member Harris noted that City approval lead times have improved, and staff described ongoing work to streamline invoice processing between DGRI, the DNR, and the City.

Kelly said the Greenway work directly implements Goal 1 of GR Forward. Member Harris added that GR Forward 2.0 is a strategic refresh rather than a complete rewrite and provides an opportunity to assess DGRI's future role and funding needs.

Staff then requested authorization to apply an additional $36,638 in Revitalization and Placemaking grant funds to the East Riverfront Phase 1 project, increasing the total award to $1,000,000. The existing memorandum of understanding with the City would remain in place.

Recommendation: Authorize spending of additional $36,638 of RAP grant funds for the East Riverfront project, for a total grant award of $1,000,000.

Motion: Member Vanderberg, supported by Member Winn, moved to approve spending of an additional $36,638 of RAP grant funds for the East Riverfront project, for a total grant award of $1,000,000. Motion carried unanimously.

9. <u>GR Forward Process Update</u>
Kelly reported that the GR Forward 2.0 planning process had begun. The scope and schedule are finalized, and the consultant team led by Interface Studio initiated work in February 2026 with a site visit and initial stakeholder interviews. Public-facing work was expected to begin in the coming weeks, including a project website, survey, printed materials, downtown signage, and pop-up engagement activities. The Steering Committee's first meeting was scheduled for June 25, 2026.

Kelly said draft materials were targeted for the end of calendar year 2026 and the final plan for March 2027. Member Harris asked about City adoption. Kelly explained that the original GR Forward plan was adopted as an amendment to the City's master plan and that staff would coordinate with the City on the appropriate adoption process for the update.

10. <u>President & CEO Report</u>
Kelly provided updates on the following projects, events, and organizational activities:

- Grand Rapids Whitewater restoration project and the water-breaking ceremony.
- Fifth Third Bank conversion activity.
- Ribbon cutting for the new childcare facility at Rapid Central Station.

- Topping-off ceremony for the Amway Soccer Stadium and continued DDA coordination with Rockford on parking-lot development, with the stadium scheduled for spring 2027.
- Acrisure Amphitheater opening weekend.
- Transition to a new downtown data-collection provider and review of recently shared downtown statistics.
- Leonard-to-Ann trail groundbreaking.
- Upcoming Downtown events include: Las Canchas watch party, Sunset Cinema, Westside Wednesdays, Relax at Rosa, and Return to the River.

Member Harris highlighted the Biweekly Brief newsletter. Member Burke referenced the Frederik Meijer Gardens concert series and described the partnership as a win-win.

11. <u>Board Member Discussion</u>
Member Baker announced a community celebration recognizing people who support and work directly with individuals experiencing homelessness. The event was scheduled from 4:00 to 6:00 p.m. that day and was open to the public.

Member Andrews shared an update about the Turkey Trot, noting participation of approximately 7,000 people and plans to add a 10K event and a one-mile walk.

12. <u>Public Comment</u>
None

13. <u>Adjournment</u>
The meeting adjourned at 3:12 pm.

Minutes taken by:
Mandy McDaniel
Recording Secretary

Single Audit Reporting Package

Downtown Grand Rapids, Inc.

Year Ended June 30, 2025

CPAs & ADVISORS
ANDREWS HOOPER PAVLIK PLC

Downtown Grand Rapids, Inc.

Single Audit Reporting Package

Year Ended June 30, 2025

Contents

ANDREWS HOOPER PAVLIK PLC
844-497-5300 | www.ahp.cpa

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Directors
Downtown Grand Rapids, Inc.
Grand Rapids, Michigan

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Downtown Grand Rapids, Inc. (a not-for-profit organization), which comprise the statement of financial position – cash basis as of June 30, 2025, and the related statements of activities – cash basis and functional expenses – cash basis for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 6, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Downtown Grand Rapids, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Downtown Grand Rapids, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Downtown Grand Rapids, Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of Downtown Grand Rapids, Inc.'s financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Downtown Grand Rapids, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Downtown Grand Rapids, Inc.'s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Downtown Grand Rapids, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Andrews Hooper Pavlik PLC

Grand Rapids, Michigan
August 6, 2026

ANDREWS HOOPER PAVLIK PLC
844-497-5300 | www.ahp.cpa

Independent Auditor's Report on Compliance for Each Major Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Board of Directors
Downtown Grand Rapids, Inc.
Grand Rapids, Michigan

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Downtown Grand Rapids, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Downtown Grand Rapids, Inc.'s major federal programs for the year ended June 30, 2025. Downtown Grand Rapids, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Downtown Grand Rapids, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Downtown Grand Rapids, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Downtown Grand Rapids, Inc.'s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Downtown Grand Rapids, Inc.'s federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Downtown Grand Rapids, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Downtown Grand Rapids, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Downtown Grand Rapids, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Downtown Grand Rapids, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Downtown Grand Rapids, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal* *control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of Downtown Grand Rapids, Inc. as of and for the year ended June 30, 2025, and have issued our report thereon dated August 6, 2026, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Andrews Hooper Pavlik PLC

Grand Rapids, Michigan
August 6, 2026

Downtown Grand Rapids, Inc.

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2025

Federal Agency/Pass-Through Agency/Program Title	Assistance Listing Number	Pass-Through Entity Project/Grant Number	Federal Expenditures	Passed Through to Subrecipients
Major Programs				
U.S. Department of Treasury:				
Passed through: Michigan Department of Natural Resources				
COVID-19: Cornavirus State and Local Fiscal Recovery Funds - American Rescue Plan Act	21.027	SLFRP0127	$ 2,038,855	$ 1,576,375
Total expenditures of federal awards			$ 2,038,855	$ 1,576,375

See Notes to Schedule of Expenditures of Federal Awards.

Downtown Grand Rapids, Inc.

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2025

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of Downtown Grand Rapids, Inc. under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Downtown Grand Rapids, Inc., it is not intended to and does not present the financial position, changes in net assets, functional expenses, or cash flows of Downtown Grand Rapids, Inc.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. Indirect Cost Allocation

For purposes of charging indirect costs to federal awards, Downtown Grand Rapids, Inc. has elected not to use the 10 percent de minimis cost rate as permitted by the Uniform Guidance.

Note 4. Subrecipients

Downtown Grand Rapids, Inc. administers certain federal awards programs through a subrecipient. Of the federal expenditures presented in the Schedule of Expenditures of Federal Awards, Downtown Grand Rapids, Inc. provided federal awards to the City of Grand Rapids as a subrecipient totaling $1,576,375.

Downtown Grand Rapids, Inc.

Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified			
Internal control over financial reporting:				
Material weakness identified?	X	Yes		No
Significant deficiency identified not considered to be material weakness?		Yes	X	None reported
Noncompliance material to financial statements noted?		Yes	X	No

Federal Awards

Internal control over major programs:				
Material weakness identified?		Yes	X	No
Significant deficiency identified not considered to be material weakness?		Yes	X	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified			
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?		Yes	X	No

Identification of major programs:

Assistance Listing Number	Name of Federal Program
21.027	Coronavirus State and Local Fiscal Recovery Funds - American Rescue Plan Act

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000			
Auditee qualified as low-risk auditee?		Yes	X	No

Section II – Financial Statement Findings

Material Weakness

2025-001 Basis of Accounting

Criteria: Internal controls should be in place that provide reasonable assurance that account balances are accurately converted from the accrual basis of accounting to the cash basis of accounting with proper documentation supporting the conversion.

Condition: Downtown Grand Rapids, Inc. did not have appropriately reconciled support for account balances showing the conversion from the accrual basis of accounting to the cash basis of accounting resulting in amounts that were not accurate.

Cause: Downtown Grand Rapids, Inc. did not maintain an effective control environment to ensure that account balances were accurately converted from accrual to cash basis with the appropriate supporting documentation.

Effect: Because of the lack of an appropriate control environment, significant adjustments were required to the general ledger to correct account balances as of June 30, 2025.

Recommendation: Procedures should be implemented to ensure that an appropriate control environment is in place to allow for accurate conversion from the accrual to cash basis to align with the method used to prepare the audited financial statements.

Views of Responsible Officials and Planned Corrective Actions:

Management of Downtown Grand Rapids, Inc. concurs with the recommendation, and it will be implemented for the cash basis audit of the year ended June 30, 2026.

Section III – Federal Award Findings and Questioned Costs

No matters were reported.

Downtown Grand Rapids, Inc.

Summary Schedule of Prior Audit Findings

Year Ended June 30, 2025

No matters were reported.

DOWNTOWN
GRAND RAPIDS INC

To Whom It May Concern:

Downtown Grand Rapids, Inc. respectfully submits the following corrective action plan for the year ended June 30, 2025.

Name and address of independent public accounting firm:

Andrews Hooper Pavlik PLC
2311 E. Beltline Ave SE, Ste 200
Grand Rapids, MI 49546

The finding from the June 30, 2025 schedule of findings and questioned costs is discussed below. The finding is numbered consistently with the number assigned in the schedule.

Finding – Financial Statement Audit

Material Weakness

2025-001 Basis of Accounting

Recommendation: Procedures should be implemented to ensure that an appropriate control environment is in place to allow for accurate conversion from the accrual to cash basis to align with the method used to prepare the audited financial statements.

Planned Corrective Actions:

Management of Downtown Grand Rapids, Inc. concurs with the recommendation. Management evaluated its method of accounting and determined that the cash basis of accounting is the most appropriate basis for presenting Downtown Grand Rapids, Inc.'s financial statements given the nature and timing of its receipts and disbursements. As part of this transition from accrual basis records to cash basis financial reporting, management recognized the need to strengthen procedures surrounding the conversion process. Accordingly, management has implemented and documented controls designed to ensure the accurate and complete conversion of financial information from the accrual basis to the cash basis of accounting. These controls are intended to support the preparation of reliable audited financial statements and help prevent similar reporting issues in future periods.

Sincerely,

Tim Kelly, AICP
President & CEO
tkelly@downtowngr.org

DOWNTOWN
GRAND RAPIDS INC.

MEMORANDUM

DATE: September 17, 2026

TO: DGRI Board of Advisors

FROM: Tim Kelly, AICP
DGRI President & CEO

SUBJECT: Item #4 – FY27 Performance Measures

I. Performance Indicators

In FY2017 the DGRI Board of Advisors adopted a set of key performance indicators intended to help inform the overall performance and health of Downtown. The indicators are tracked on an annual basis and reflect priorities established by GR Forward and other community planning efforts, as well as through the annual budgets of the Downtown Development Authority, the Downtown Improvement District, and the Monroe North Tax Increment Finance Authority.

While it is recognized some of the indicators are outside of DGRI's direct control, tracking and comparing the trends each year does give some measure of the overall economic, social, and environmental health of Downtown. To continue the year-over-year comparisons, no change is proposed to the performance indicators for FY27. However, with the ongoing update to GR Forward, key performance metrics will be re-evaluated during that process with recommended changes brought forward to the Board for discussion. For additional information on potential metrics, linked here is the Executive Summary of the International Downtown Associations Vitality Index .

II. Key Projects

Along with the performance indicators, each fiscal year a set of projects are selected that when implemented will underscore DGRI's commitment to implementing GR Forward (Plan). Given the Plan has a wide-ranging vision that will require collaboration to achieve, projects are selected from across the six goals that will help grow confidence within the community that DGRI and our community partners are committed to delivering on the promises in the Plan. In addition, projects are selected that can be completed in the upcoming fiscal year and that will have some conclusive result, whether a capital project, a design document or plan, or some other tangible measure.

The key projects for FY2027 are as follows:

1. Finalize the update to the Downtown Master Plan.
2. Finalize spending on construction of Grand River Greenway projects – including at 201 Market, Leonard to Ann and the Oxford Trail - to complete deployment of the $55M grant from the State of Michigan.
3. Initiate construction at Van Andel Arena Alley and finalize the Memorandum of Understanding for future activation and maintenance.

4. Finalize the implementation strategy for the Bridge South plan, including for development of the tower adjacent to the Amway Soccer Stadium to allow construction to commence in 2027.
5. Successfully deliver signature events, including World of Winter 2027 and Return to the River.
6. Coordinate with the City of Grand Rapids and Kent County to finalize plans for the re-design of Calder Plaza.

III. Leadership and Advocacy Agenda

DGRI is uniquely positioned to harness the power of partnerships to achieve community goals and inspire a best-in-class approach to city building. Accomplishing specific, targeted advocacy endeavors will expand on the organization's credibility as a can-and-will do agent for change and progress. For FY27, seven key policy and advocacy items at the local, state, and federal level were selected that will help further the goals for Downtown and the entire community. Those recommended priorities are as follows:

<u>Advocacy Objectives:</u>

1. Begin implementation of recommendations from the Downtown Master Plan update and incorporate into budget conversations for future years.
2. Support the ongoing efforts to provide services focused on cleanliness and safety in Downtown, including through the work of the Downtown Ambassadors.
3. Coordinate with the Grand River Network to develop a strategy for additional fundraising to implement and sustain the Grand River Greenway.
4. Determine and execute a strategy for Art Prize after 2026.
5. Support the delivery and grand opening of the Amway Soccer Stadium in March 2027.
6. Support the delivery of additional housing units in Downtown, including through Agreements with the City of Grand Rapids Brownfield Authority.
7. Help advance key Downtown redevelopment projects, including through the use of the expanded Transformational Brownfield Program.

Recommendation: Approve the FY2027 Performance Measures, Key Projects and Leadership and Advocacy Agenda.

DOWNTOWN
GRAND RAPIDS INC.

MEMORANDUM

DATE: September 17, 2026

TO: DGRI Board of Advisors

FROM: Andy Guy, COO

SUBJECT: Item #7 – Grand River Greenway Update and Authorization Request

Staff will present an update on the overall status of projects and DNR grant spending for the Grand River Greenway at the meeting. A revised Grant Investment Priority Plan is presented below with updates highlighted.

Project Expense	Previous	Updated
Knapp St. Bridge over Grand River	$ 4,566,232	$ 4,566,232
White Pine to Ada Trail Build	$ 16,000,000	$ 16,000,000
Ann to Leonard Street Trail Build	$ 2,459,605	$ 5,359,605
GR Public Museum Trail & River Access	$ 4,000,000	$ 4,000,000
Fulton to Wealthy Trail & River Access	$ 17,018,530	$ 17,018,530
Oxford Trail Rehab & Extension	$ 8,000,000	$ 5,100,000
Johnson Park Natural Surface Trails Build	$ 540,000	$ 540,000
Indian Mounds Drive Rehab Planning	$ 250,000	$ 280,000
Greenway O&M Plan for Action	$ 350,000	$ 350,000
Admin/Planning	$ 1,750,000	$ 1,750,000
Subtotal	**$ 54,934,367**	**$ 54,964,367**
Balance to be allocated to existing project(s)	***$65,633***	***$35,633***

Recommendation #1: Authorize reallocation of $1,900,000 from the Oxford Trail rehabilitation project to the Ann-to-Leonard trail construction project.

Recommendation #2: Authorize an additional $30,000 in funds to complete the feasibility study and operational plan for Indian Mounds Drive, bringing the total project authorization to an amount not to exceed $280,000.

Downtown Vitals Report

DOWNTOWN
GRAND RAPIDS INC

Merchants & Makers Market during Return to the River Festival

Published September 2026

NEW STOREFRONT BUSINESS
+1
in August
11 storefronts filled this year to date
p.3

STOREFRONT VACANCY
23%
in August
12 storefronts vacated this year to date
p.4

CURRENT INVESTMENT IN CORE
$246M
in building renovations, housing developments & entertainment venues
p.5

CURRENT GREENWAY INVESTMENT
$68M
in parks renovations, trail construction & in-water work
p. 7

DASH CIRCULATOR RIDERSHIP
+7%
vs. last month (July 2026)
-55% vs. this time last year
p.12

HOTEL OCCUPANCY
+12%
vs. last month (June 2026)
+2% vs. this time last year
p. 13

OFFICE VACANCY
7%
in Q2 2026
vs. 11% this time last year
p. 14

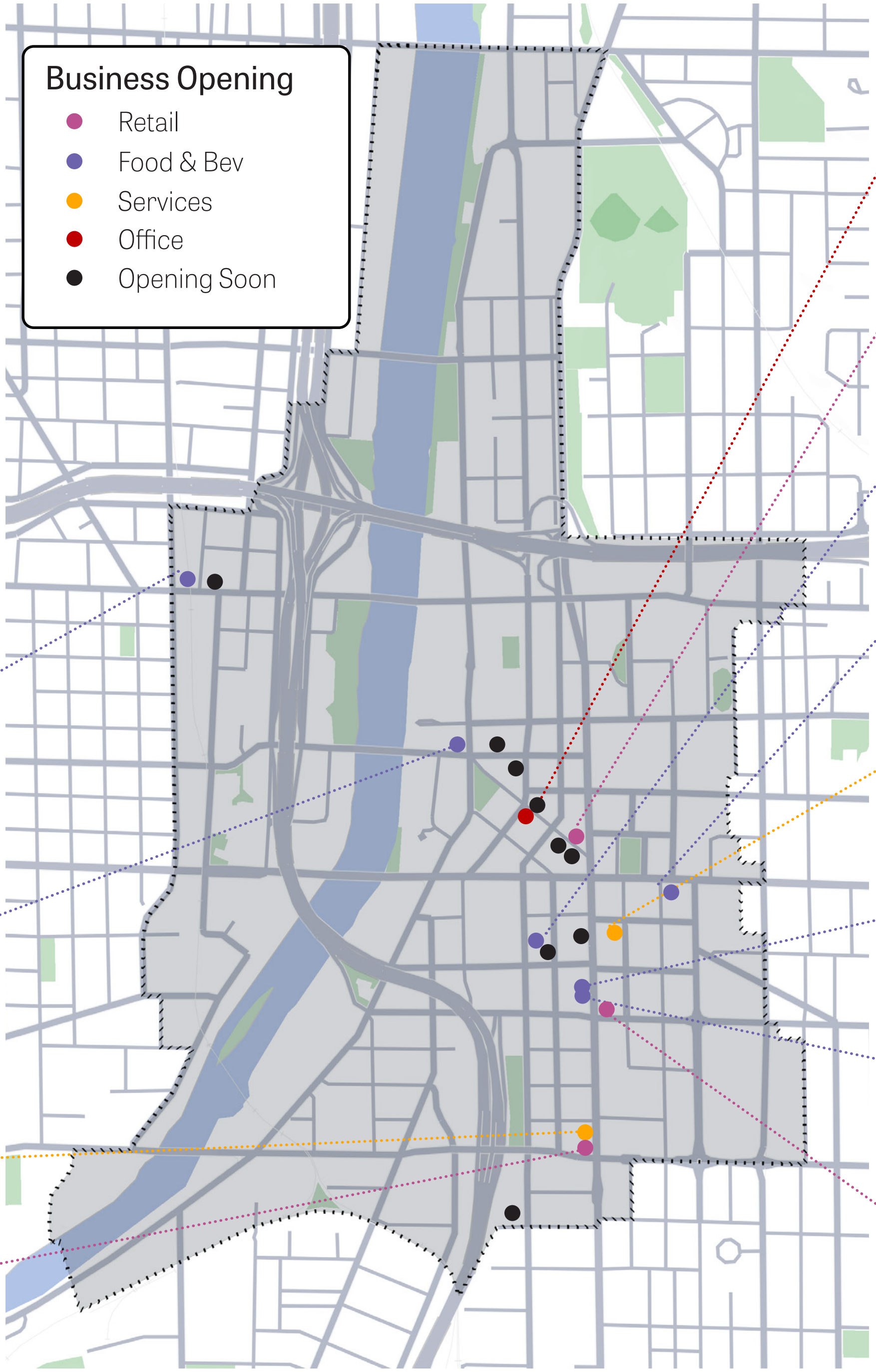
HOUSING OCCUPANCY
-3%
vs. last quarter (Q1 2026)
-1% vs. this time last year
p. 15

CONSUMER SPENDING
+5%
vs. last month (June 2026)
vs. +22% this time last year
p. 16

VISITOR ACTIVITY
+7%
vs. last month (June 2026)
+4% vs. this time last year
p. 17

DDA Retail Innovation Grant

Fiscal Year	# of Businesses	Total Spent
FY2018	1	$60,000.00
FY2019	1	$45,000.00
FY2020	5	$133,385.70
FY2021	5	$109,333.00
FY2022	1	$18,448.17
FY2023	6	$167,894.00
FY2024	5	$105,433.59
FY2025	8	$213,067.00
FY2026	5	$92,536.00
Total	**37**	**$945,107.46**



Adobe Mexican Kitchen
- Storefront restaurant
- Filled vacated storefront
- Opened June 2026

Foxtail Coffee
- Café inside the Amway Grand
- Replaced existing café
- Opened May 2026

Starbird Tattoo
- Storefront tattoo parlor
- Filled vacated storefront
- Opened January 2026

The Endcap Market & Studios
- Artist collective and studio space
- Filled vacated building & storefront
- Opened August 2026

LaunchKit
- In-building office
- Grew from storefront to 3x larger office
- Moved in July 2026

Lovely La Vie
- Storefront soft goods retail
- Filled vacated storefront
- Opened May 2026

The Jazzy Rose
- Storefront restaurant
- Filled vacated space
- June 2026

Los Potrillos
- Storefront restaurant
- Filled long vacated storefront
- June

GRAAMA
- Standalone museum building
- Filled long vacated building
- Opened February 2026

Tellers Bar
- Storefront bar
- Filled long vacated storefront
- Opened April 2026

Trust Restaurant
- Storefront restaurant
- Filled long vacated storefront
- Opened April 2026

Crow's Hold
- Storefront vendor market
- Filled vacated storefront
- Opened May 2026

12 storefronts vacated

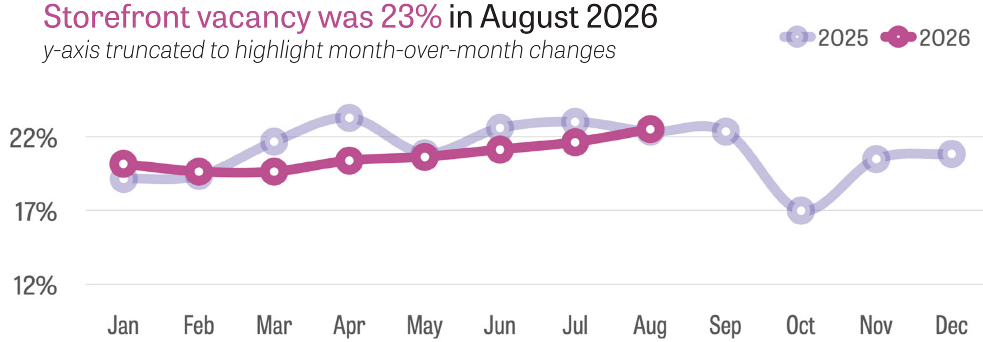
Downtown in 2026 to date

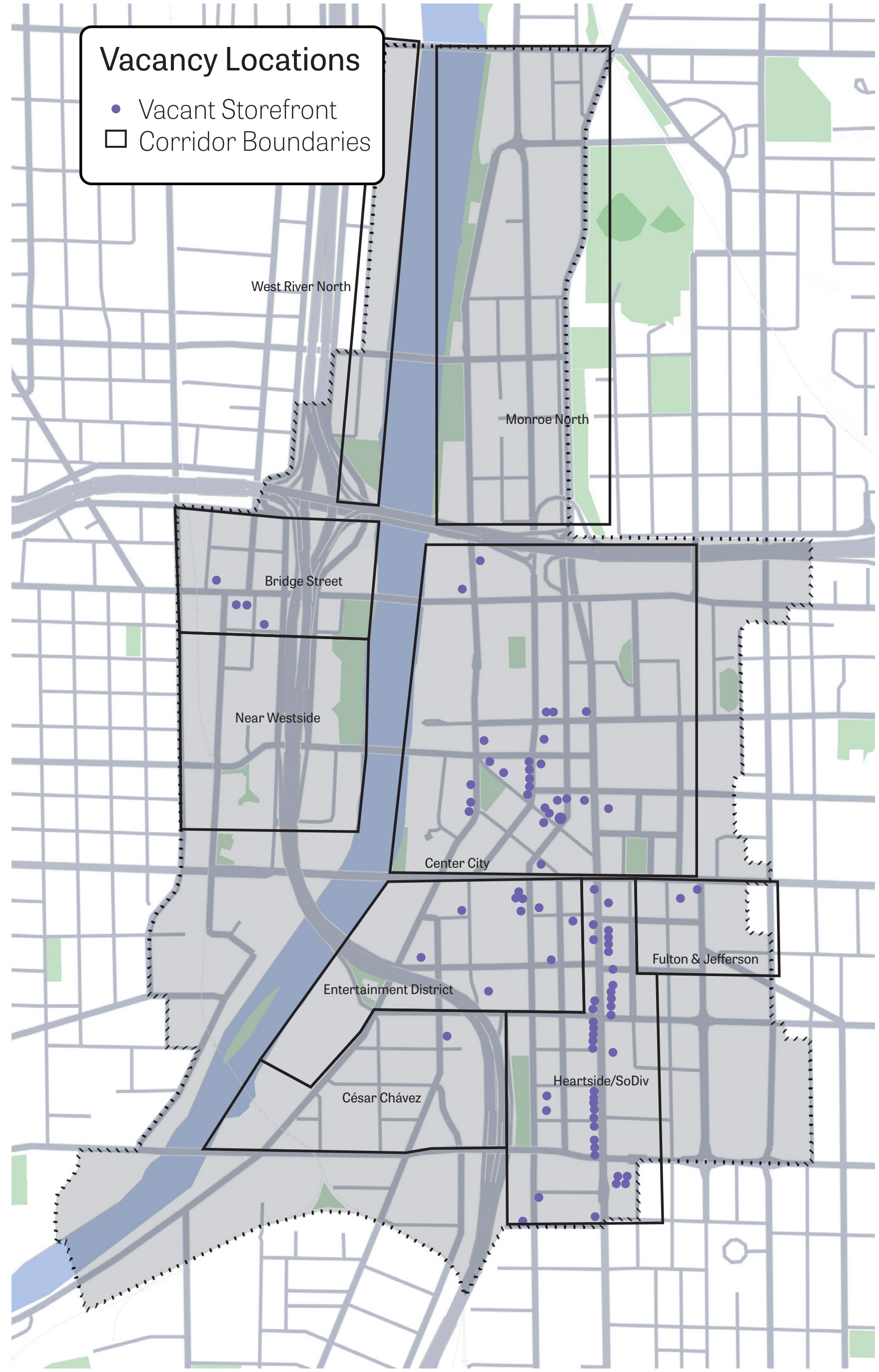
33% Food & Bev - *50%* Retail - *17%* Services

Corridor	Storefronts	Vacancies	Vacancy %
Bridge Street	24	4	17%
Center City	128	31	23%
Monroe Center[1]	*55[1]*	*10[1]*	*18%[1]*
César Chávez	9	1	11%
Entertainment District	65	11	17%
Fulton & Jefferson	21	3	14%
Heartside/SoDiv	112	41	35%
River North	29	0	0%
Near Westside	13	0	0%
West River North	3	0	0%
DISTRICT TOTALS:	404	91	23%

Storefront vacancy was 23% in August 2026

y-axis truncated to highlight month-over-month changes





1 - Monroe Center is a subset of Center City and is not included in District Totals

1 Verne Barry Place Renovation
anticipated completion: 2026
$12,600,000 investment

2 Amway Soccer Stadium
anticipated completion: Spring 2027
+104 jobs
$175,000,000 investment

3 21 Weston Renovation
anticipated completion: 2027
+96 unit rehabiliation
Investment $TBD

4 Karl & Patricia Betz Living Center
anticipated completion: June 2027
+118 housing units
+6,000 sq ft of commercial space
$46,000,000 investment

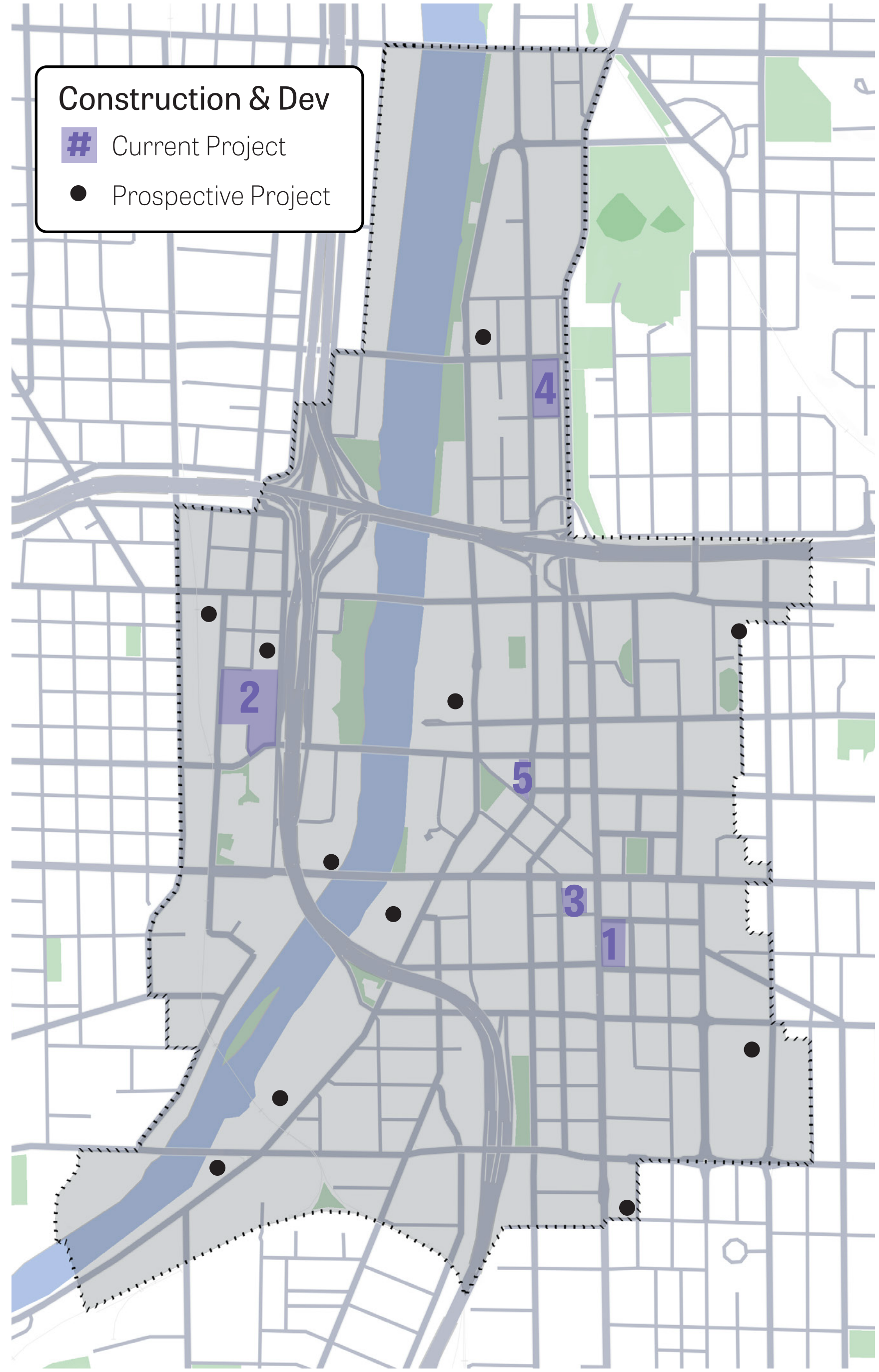
5 Ledyard Building Conversion
anticipated completion: July 2027
+36 housing units
$12,300,000 investment

$246M
current active investment

6k
sq ft of new storefront commercial space

104
new jobs

154
new housing units



Current Construction & Development - Area Adjacent | *Updated August 2026*

1 555 Leonard
anticipated completion: 2026

+28 housing units
+2,025 sq ft of commercial space
$3,900,000 investment

2 Adobe West Fulton
anticipated completion: June 2027

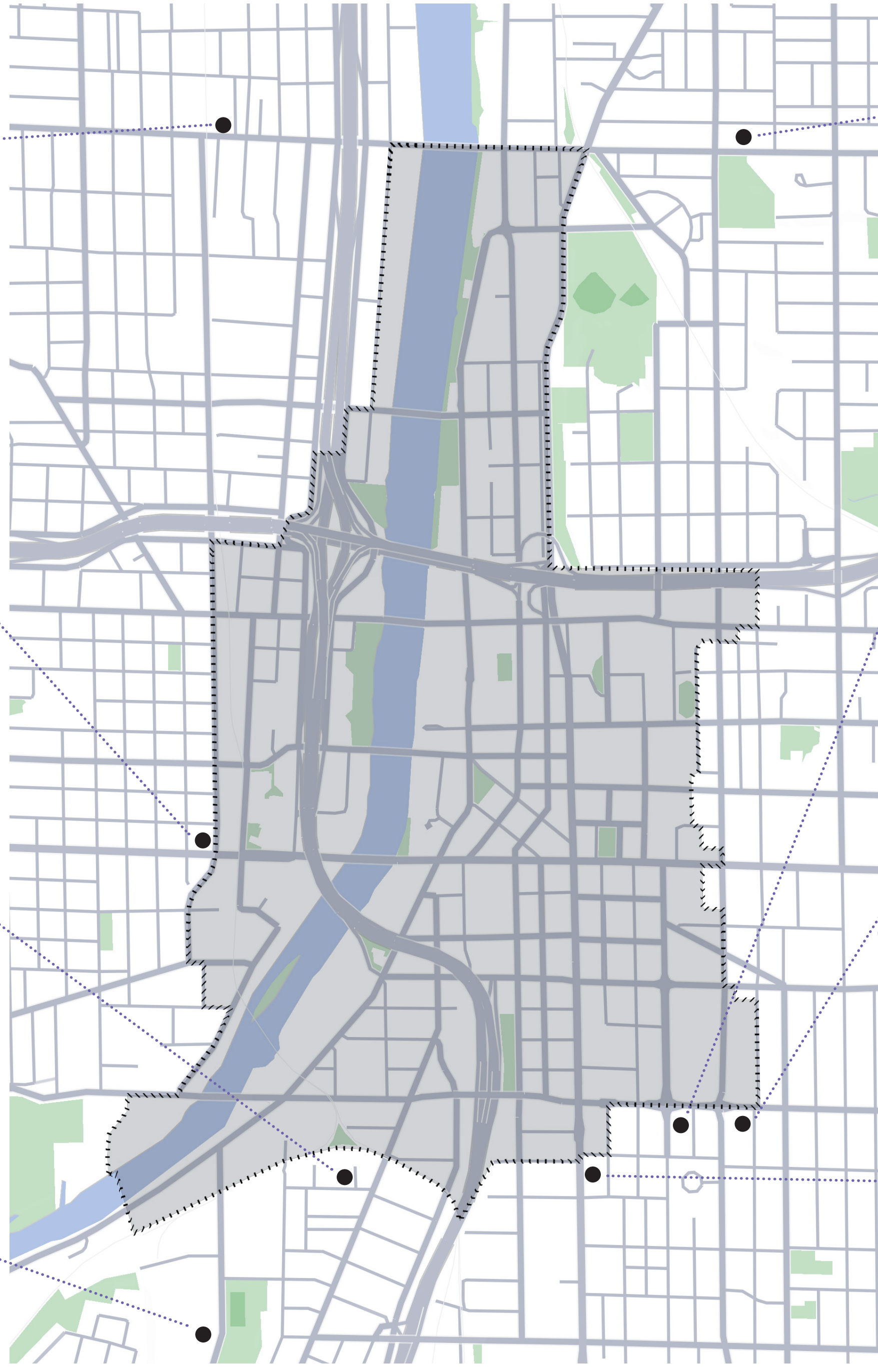
+109 housing units
+6,550 sq ft of commerical space
+70 car parking spaces
$24,500,000 investment

3 Pleasant Hills
anticipated completion: June 2027

+27 housing units
$10,000,000 investment

4 Factory Yards
anticipated completion: 2027

+467 housing units
+7,000 sq ft of commercial space
+31,000 sq ft of office space
+825 car parking spaces
$147,000,000 investment



5 The Horizon
anticipated completion: Summer 2027

+171 housing units
+626 sq ft of commercial space
+79 car parking spaces
$40,000,000 investment

6 Joan Secchia Children's Rehab
anticipated completion: November 2026

+383 car parking spaces
$70,000,000 investment

7 Wealthy & Prospect
anticipated completion: TBD

+18 housing units
+4,000 sq ft of office space

8 GR University Prep Academy
anticipated completion: May 2027

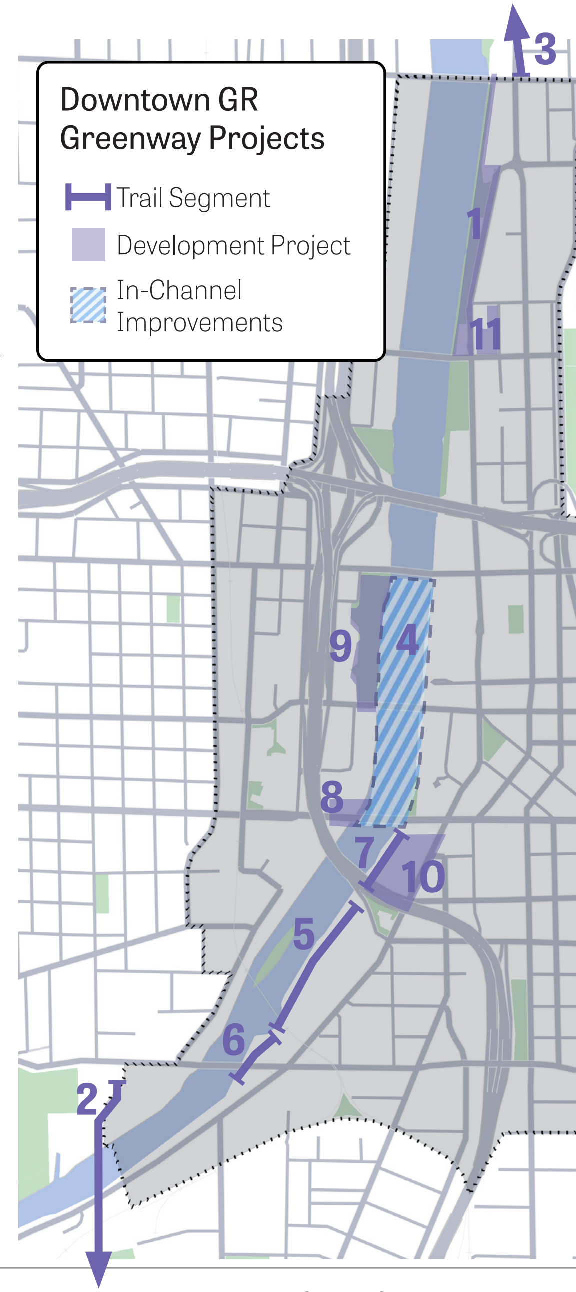
+10,000 sq ft expansion
$7,400,000 investment

Source: Downtown Grand Rapids Inc

Grand River Greenway Progress - Urban Core | *Updated August 2026*

***198 total acres** of park improvements*	***20 total miles** of trail improvements[1]*	***$332M** in total public space investment*	***$1.9B** in private river-adjacent investment[2]*	***$70M** in DGRI investment[3] (DDA, MNTIFA, ARPA) in 2025*

#	Project						
1	Canal Park *$9,800,000*	*Planning*	*Design*	*Permitting*	*Bidding*	***Construction***	*Completion* *est. October 2026*
2	Oxford Trail *$9,000,000*	*Planning*	*Design*	*Permitting*	*Bidding*	***Construction***	*Completion* *est. October 2026*
3	Edges Trail, Leonard To Ann *$9,100,000*	*Planning*	*Design*	*Permitting*	*Bidding*	***Construction***	*Completion* *est. November 2026*
4	Lower Reach In-Channel Improvements *$20,000,000*	*Planning*	*Design*	*Permitting*	*Bidding*	***Construction***	*Completion* *est. Fall 2027*
	Edges Trail						
5	*US-131 to Railroad* *$19,800,000*	*Planning*	*Design*	*Permitting*	*Bidding*	***Construction***	*Completion* *est. Oct 2026*
6	*Railroad to Wealthy* *$ TBD*	*Planning*	*Design*	***Permitting***	*Bidding* *TBD*	*Construction*	*Completion*
7	*Fulton to US-131* *$ TBD*	***Planning***	*Design* *TBD*	*Permitting*	*Bidding*	*Construction*	*Completion*
8	Blue Dot *$ TBD*	*Planning*	*Design*	***Permitting***	*Bidding* *TBD*	*Construction*	*Completion*
9	Ah-Nab-Awen Park *$10,300,000*	*Planning*	***Design***	*Permitting* *TBD*	*Bidding*	*Construction*	*Completion*
10	Fulton & Market *$797,000,000*	*Planning*	***Design***	*Permitting* *TBD*	*Bidding*	*Construction*	*Completion*
11	820 Bond *$185,000,000*	***Planning***	*Design*	*Permitting*	*Bidding*	*Construction*	*Completion*



DOWNTOWN GRAND RAPIDS INC

Grand River Network

1 - Includes 16 miles of ARPA-funded Kent County greenway trail, White Pine Trail to Ada
2 - Completed since 2025 & currently in development pipeline
3 - Includes 2025 completed projects Lyon Square & Lower Riverwalk

Source: Grand River Network
For more information, visit: https://grandriver.network/upcoming-projects

Grand River Greenway Progress - Regional | *Updated August 2026*

The urban core of Grand Rapids is the hub of West Michigan's outdoor recreation system. Beyond Downtown, partners across the region continue progress to establish the ***Grand River Greenway*** *- an 80+ mile network of public parks and trails connecting Lowell to the Lakeshore.*

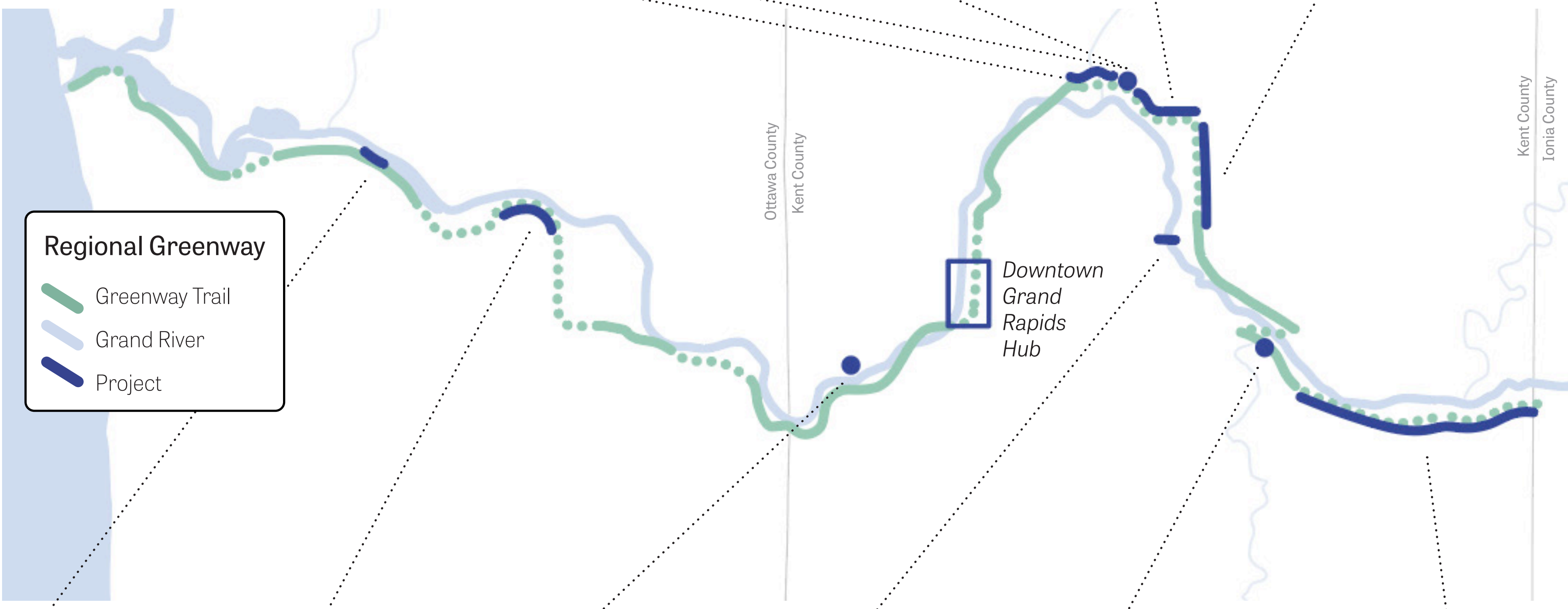
South Rogue River Trail
Complete in July 2026
Scope: New trail
$2,500,000

Northland Tunnel
Under Construction
Scope: New nonmotorized tunnel underneath Northland Drive
Est. Fall 2026 Completion
$9,000,000

Northland Trail
Under Construction
Scope: New trail
Est. Fall 2026 Completion
$1,000,000

Cannonsburg Trail
Under Construction
Northland to Pettis
Scope: New trail
Est. Fall 2026 Completion
$4,000,000

Pettis Trail
Under Construction
Cannonsburg to Knapp
Scope: New trail
Est. Fall 2026 Completion
$5,200,000



Bass River Segment
Under Construction
Scope: New trail
Est. Fall 2026 Completion
$1,500,000

Eastmanville Connector
Pre-Construction
Scope: New trail
Est. Winter 2026 Completion
$3,000,000

Johnson Park
Under Construction
Scope: Park improvements
Est. September 2026 Completion
$2,500,000

Knapp Bridge
Under Construction
Scope: New separated pedestrian bridge
Est. Winter 2026 Completion
$10,000,000

Ada Covered Bridge Park
Complete in August 2026
Scope: Park improvements
$8,000,000

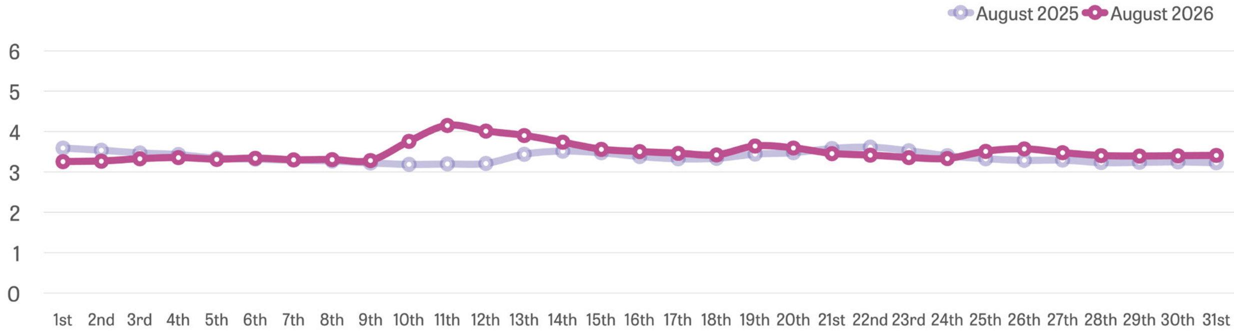
Ada to Lowell
In Planning: Design
Scope: New trail
Est. 2031 Completion
$17,000,000

What is gage height? *Gage height is the distance (or height) of the water surface above the streamgage datum reference point. Gage height is often observed as it relates to landmarks as well as historical data.*[2]

Why it matters: *Gage height is a parameter used to measure water quantity. It is a key indicator in predicting floods, determining flow and informing decisions around infrastructure and water management.*

Learn more here: https://waterdata.usgs.gov/blog/gage_height/

Gage height increased 0.12 feet on average vs. August 2025 / +0.01 feet vs. July 2026

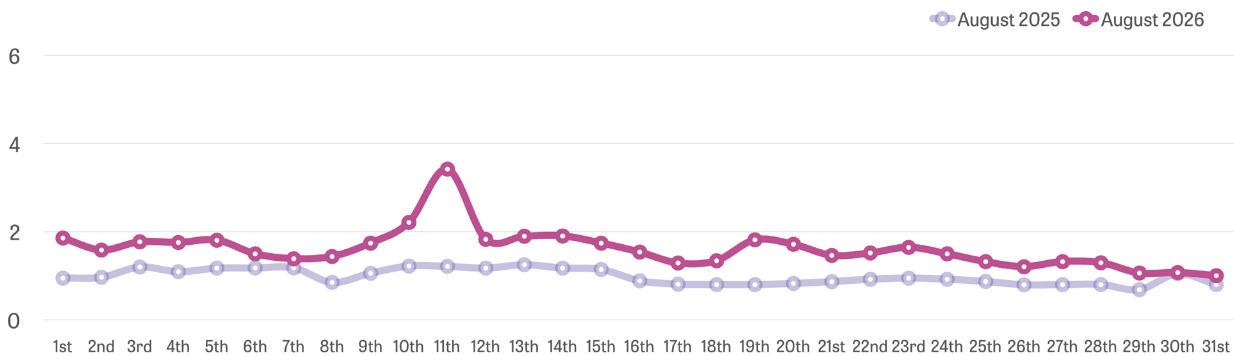


What is turbidity? *Turbidity is the measure of relative clarity of a liquid. The higher the intensity of scattered light, the higher the turbidity.*[2]

Why it matters: *Increased sedimentation and siltation can occur, which can result in harm to habitat areas for fish and other aquatic life. Particles also provide attachment places for other pollutants, notably metals and bacteria. Thus, turbidity readings can be used as an indicator of potential pollution in a water body.*[2]

Learn more here: https://www.usgs.gov/water-science-school/science/turbidity-and-water

Turbidity increased +64% FNU[3] on average vs. August 2025 / -52% vs. July 2026

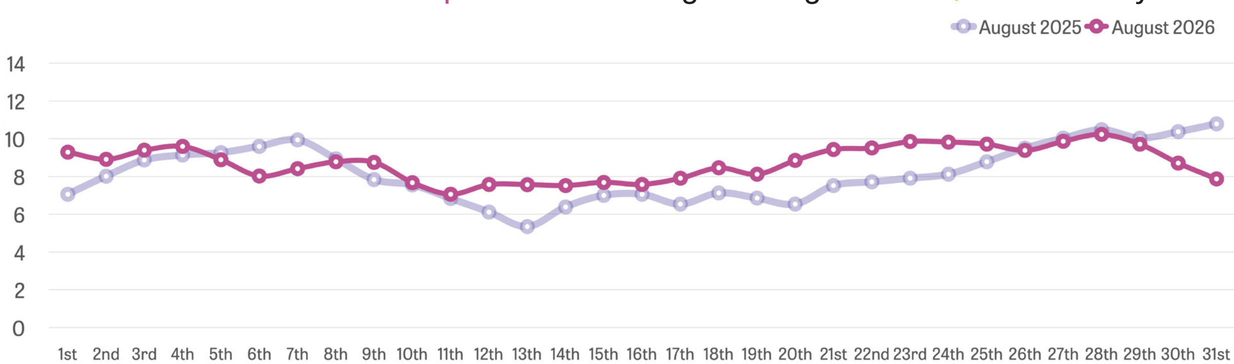


What is dissolved oxygen? *Dissolved oxygen is a measure of how much oxygen is dissolved in the water - the amount of oxygen available to living aquatic organisms.*[2]

Why it matters: *Fast-moving streams and rivers hold more oxygen, while stagnant waters hold less. When excess organic matter decays, bacteria use up oxygen, leading to eutrophication, i.e. low-oxygen conditions that can kill aquatic life.*

Learn more here: https://www.usgs.gov/water-science-school/science/dissolved-oxygen-and-water

Dissolved O2 increased +7% ml per liter on average vs. August 2025 / -12% vs. July 2026



DOWNTOWN GRAND RAPIDS INC

USGS science for a changing world

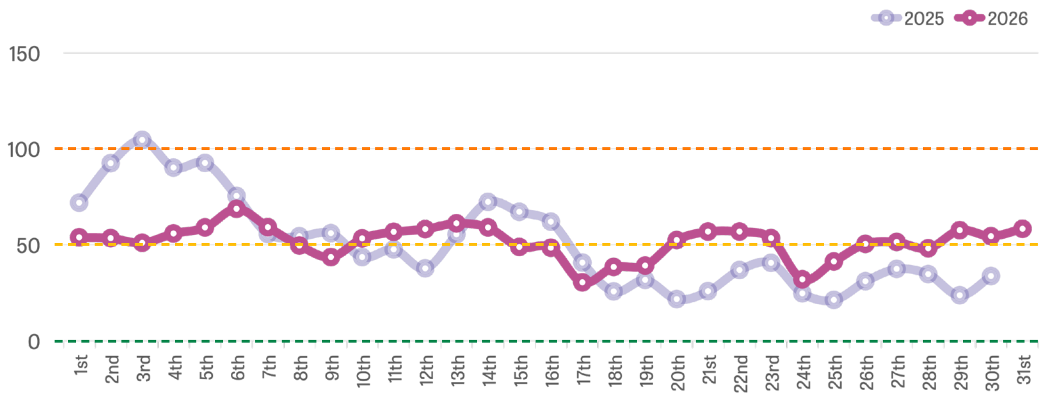
1 - Measurements made at North Park St NE Bridge
2 - Definitions provided by United States Geological Survey (USGS)
3 - FNU = Formazin nephelometric units

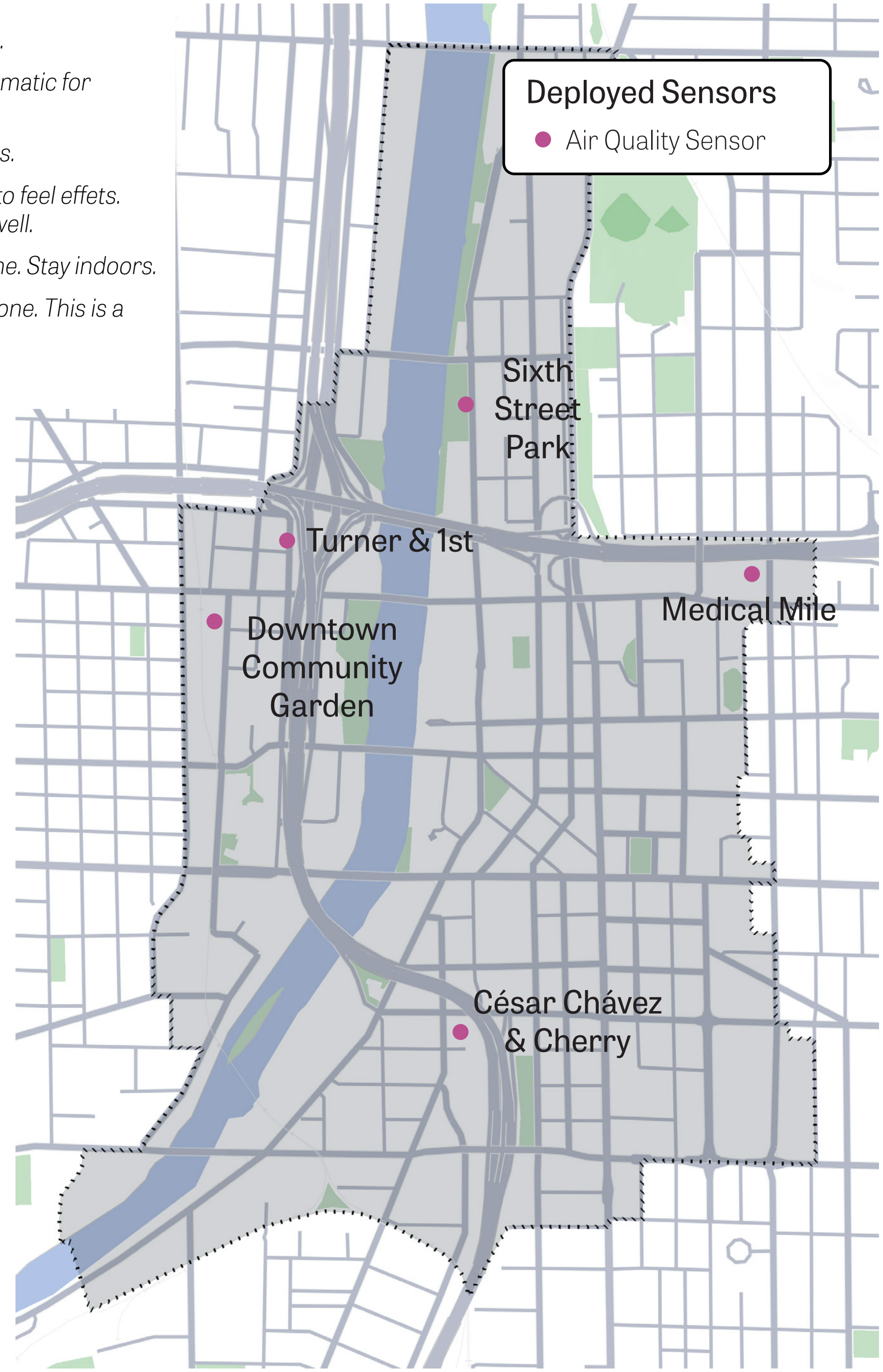
Data partner & source: USGS interpreted by DGRI
Learn more at https://waterdata.usgs.gov/nwis

What is AQI? *The US Environmental Protection Agency (EPA) uses the Air Quality Index (AQI) to measure air pollution levels of both ozone and particulate materials. You'll sometimes see air quality issues described on your local news using AQI, which measures five major air pollutants know to be hazardous to our health: ground-level ozone, carbon monoxide, sulfur dioxide, nitrogen dioxide, and particule pollution.*[1]

0 - 50	*Perfect. Poses no health risks.*
51 - 100	*Acceptable but can be problematic for at-risk individuals.*
101 - 150	*Unhealthy for sensitive groups.*
151 - 200	*Healthy individuals will begin to feel effets. Sensitive groups may feel unwell.*
201 - 300	*Very unhealthy air for everyone. Stay indoors.*
301 - 500	*Highly unhealthy air for everyone. This is a dangerous situation.*

Average daily average maximum AQI increased 4% vs. August 2025





August 2026 Recap

August 17
Sixth Street Park
27.61 AQI
Best AQI Day

Community Garden
48.97 avg AQI
Best Average AQI

August 6
Turner & 1st
70.99 AQI
Worst AQI Day

Turner & 1st
53.47 avg AQI
Worst Average AQI

DOWNTOWN GRAND RAPIDS INC JustAir

1 - Data partner & source: JustAir interpreted by Downtown Grand Rapids Inc. Learn more at https://justair.co
Data collection began in 2022

Source: JustAir interpreted by DGRI

	August 2026	2026 YTD	2025 YTD	5-Year Average YTD
Graffiti Removals	401	1,657	3,136	2,899
Lbs of Trash Removed	37,625	217,075	200,350	236,931
Snow Removals	0	5,217	6,402	7,865
Weeds Abated	41,502	153,373	134,572	170,622
Business Contacts	695	5,560	2,877	4,354
Pedestrian Assists	21,426	127,454	107,453	131,899
Mobility Assists	62	601	405	1,422
Residents Engaged	41	213	408	*N/A*

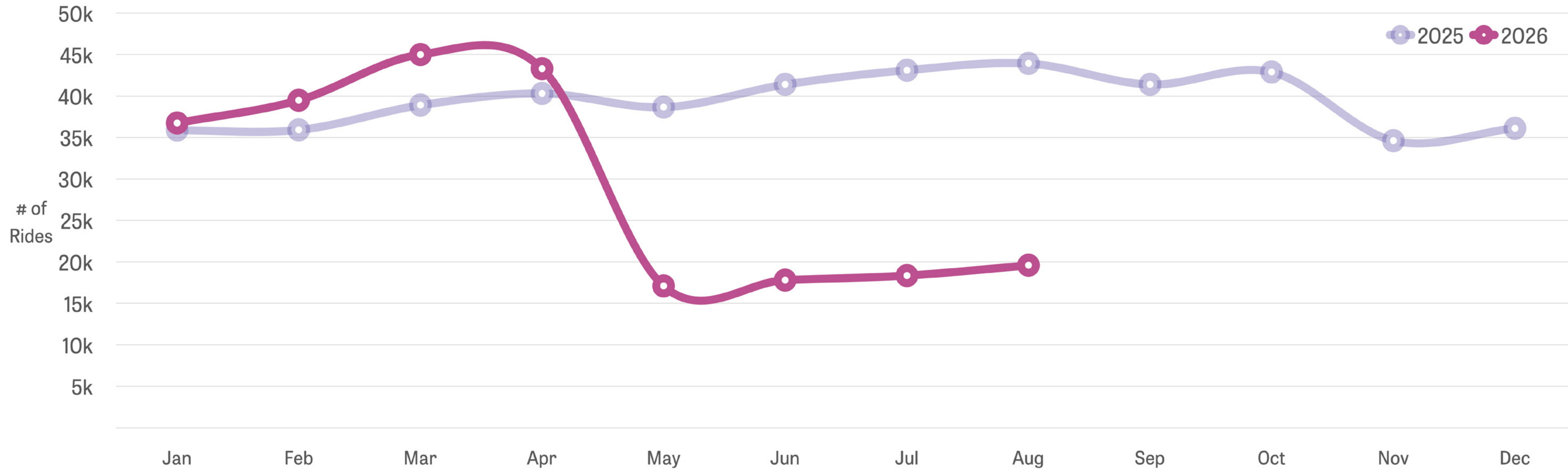
Total Ambassador Banked Hours[1] *as of July 2026:*	572.25

1 - Banked hours reflect underspent Ambassador hours. Negative hours reflect overspent Ambassador hours.

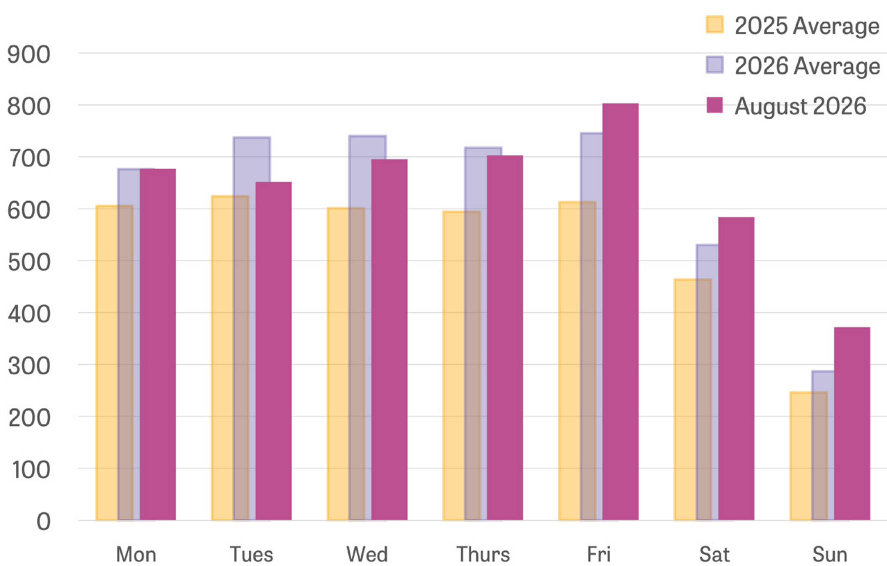
Source: Downtown Grand Rapids Inc via Block by Block

DASH Circulator ridership increased +7% vs. July 2026 / -55% vs. August 2025

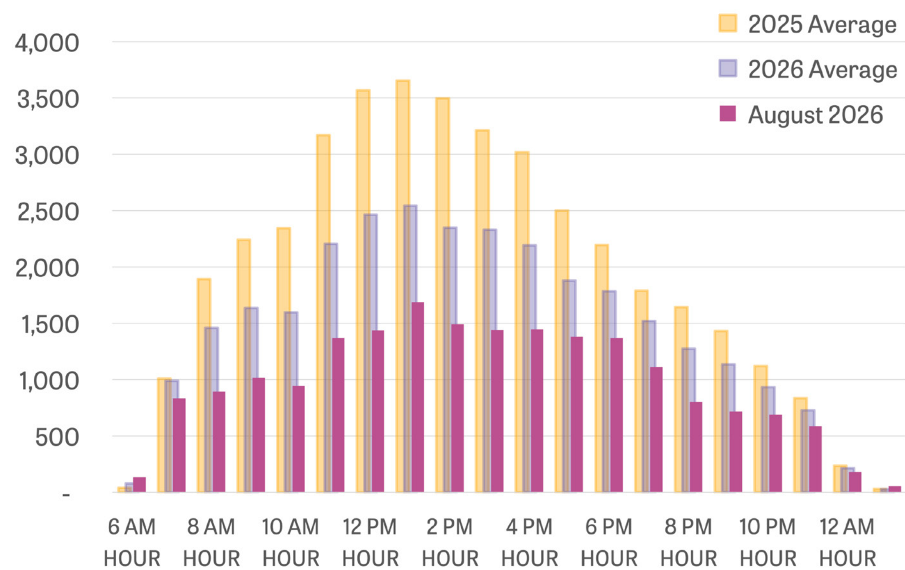
Note: DASH Circulator changed routes, removed Counterclockwise and Work routes on May 4, 2026.



Wednesday average DASH Circulator ridership increased the most:+23% vs. 2025



65% of DASH Circulator ridership occured before 5 PM in August

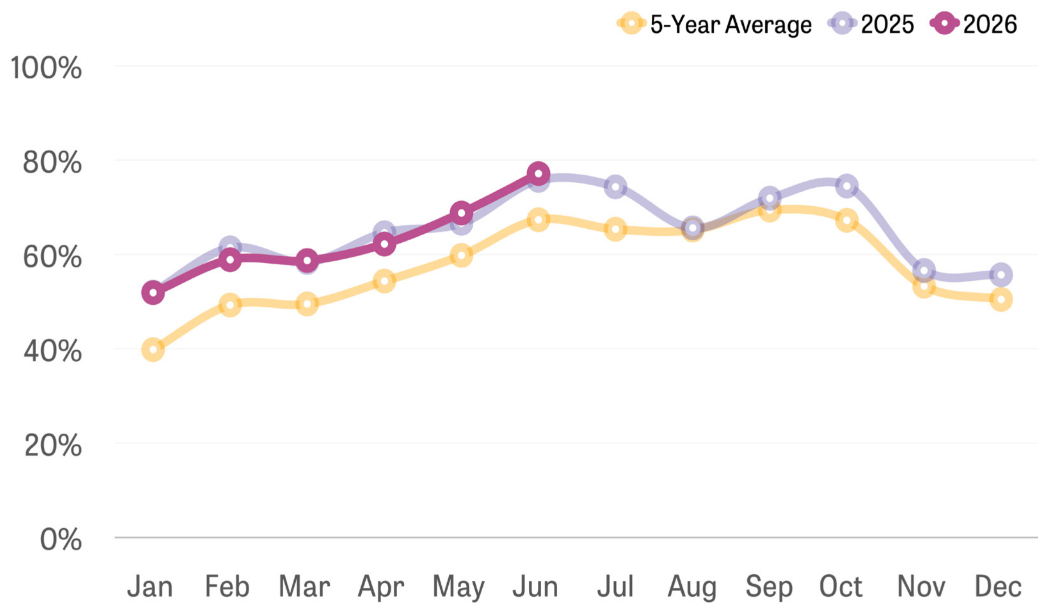


Number of operating days: Jan: 30; Feb: 28; Mar: 31; Apr: 30; May: 30; June: 30; July: 31; August: 31
5-year average not considered applicable due to many variations in route, schedule.

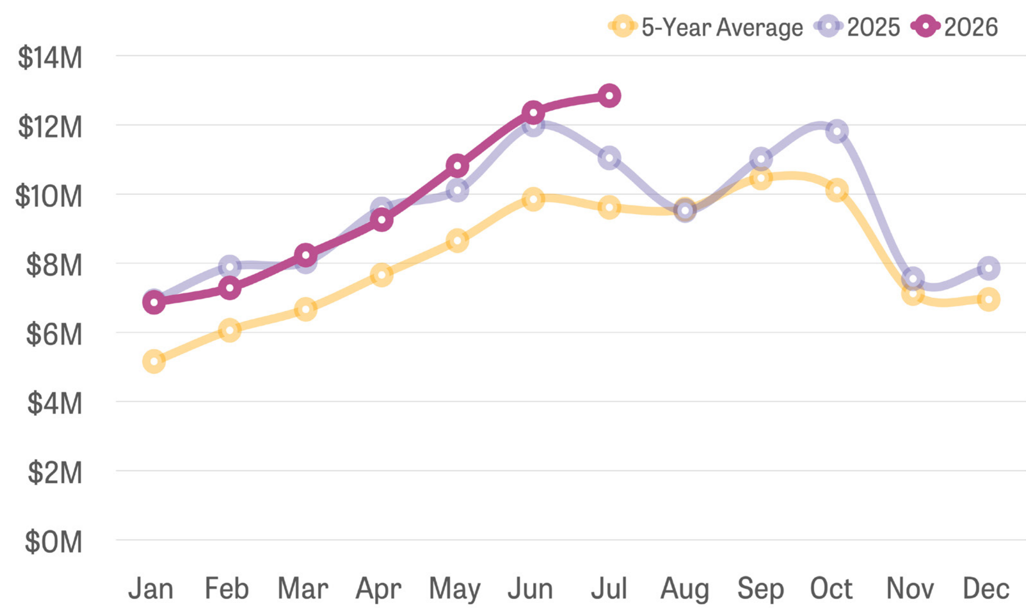
Source: The Rapid interpreted by DGRI

Hotel Occupancy | *Updated July 2026*

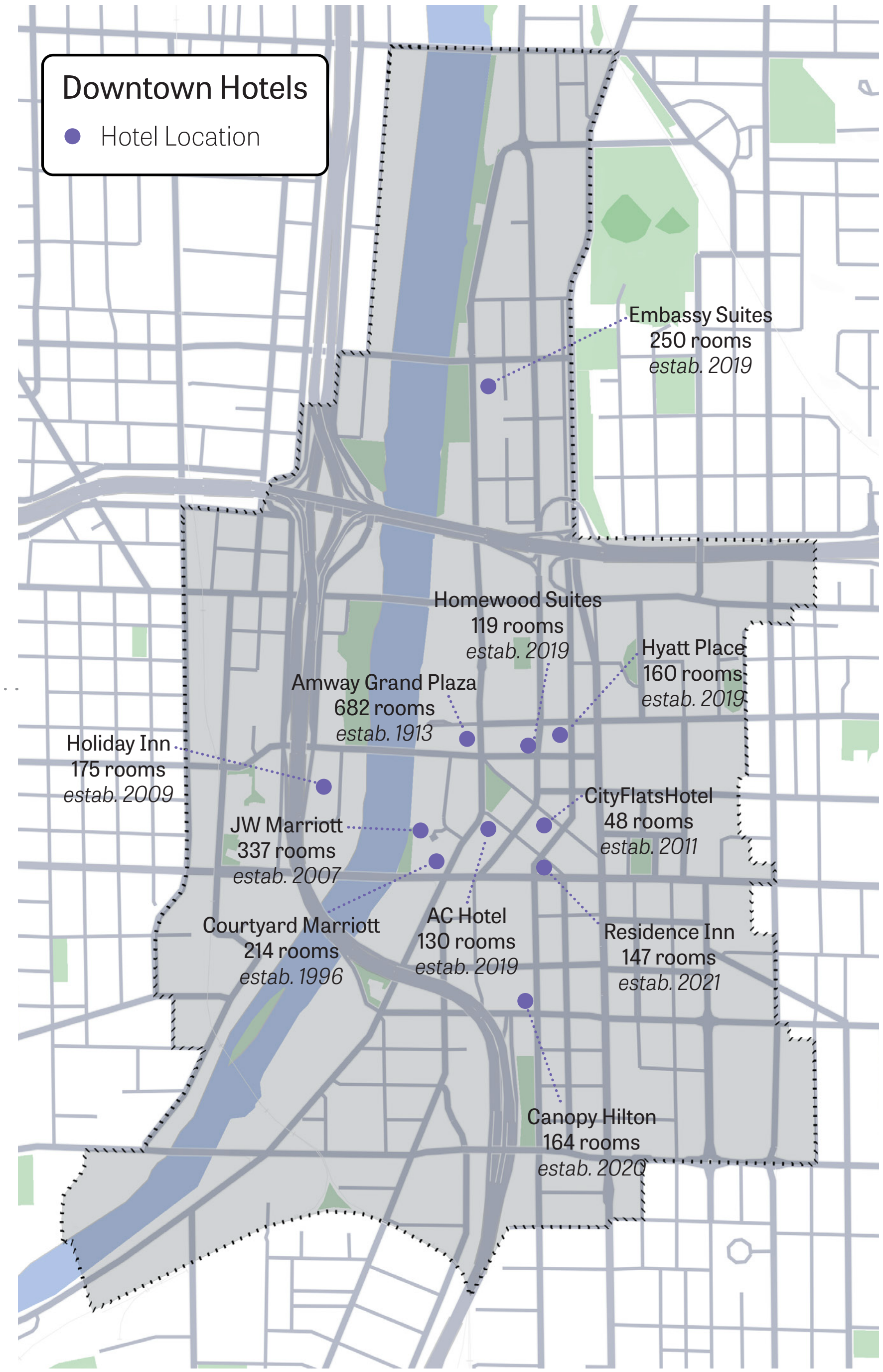
Occupancy increased +12% vs. June 2026 / +2% vs. July 2025 / +14% vs. 5-year average



Revenue increased +4% vs. June 2026 / +16% vs. July 2025 / +34% vs. 5-year average

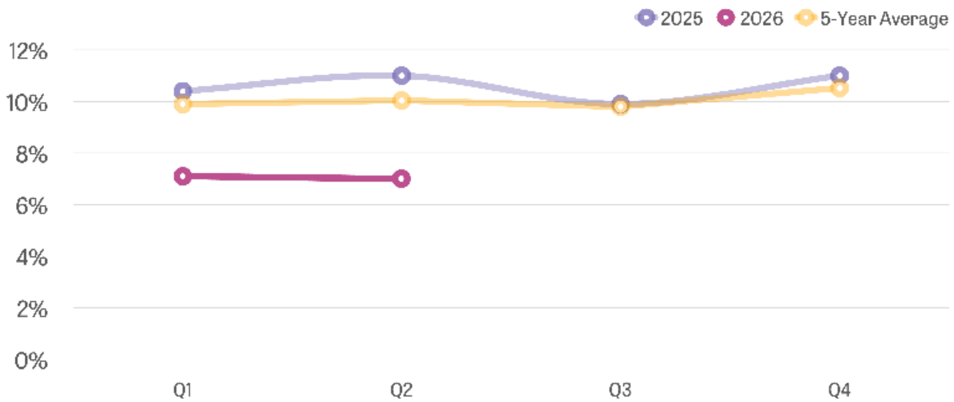


Source: CoStar Analytics interpreted by DGRI



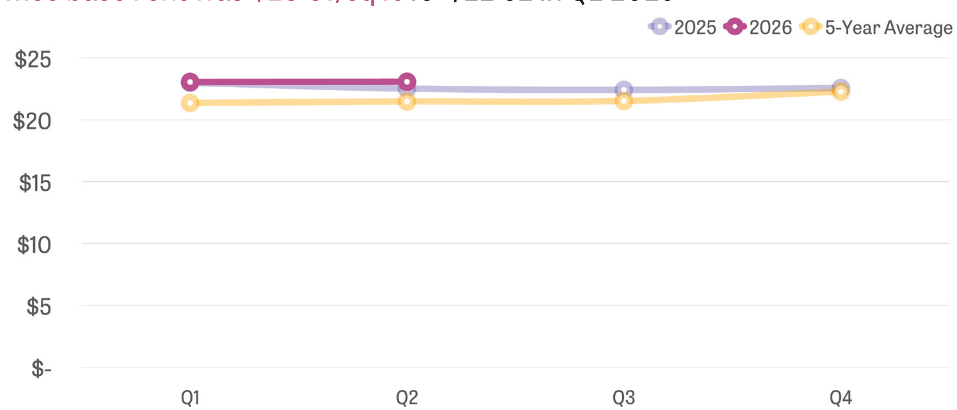
Source: Downtown Grand Rapids Inc

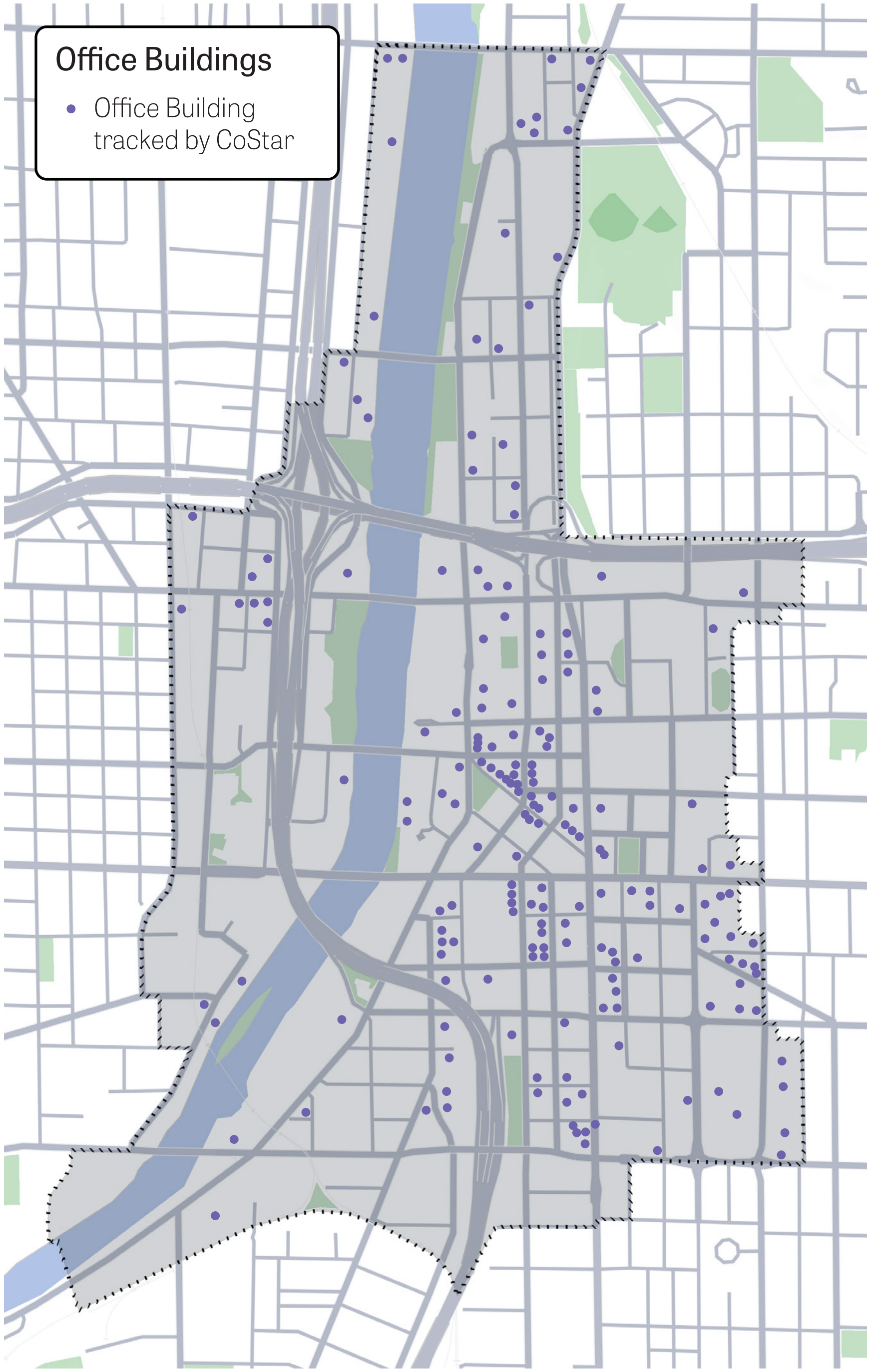
Office vacancy was 7% vs. 11% in Q2 2025



Office vacancy for Class A buildings was +30% vs. the average vacancy[1]

Office base rent was $23.07/sq ft vs. $22.52 in Q2 2025



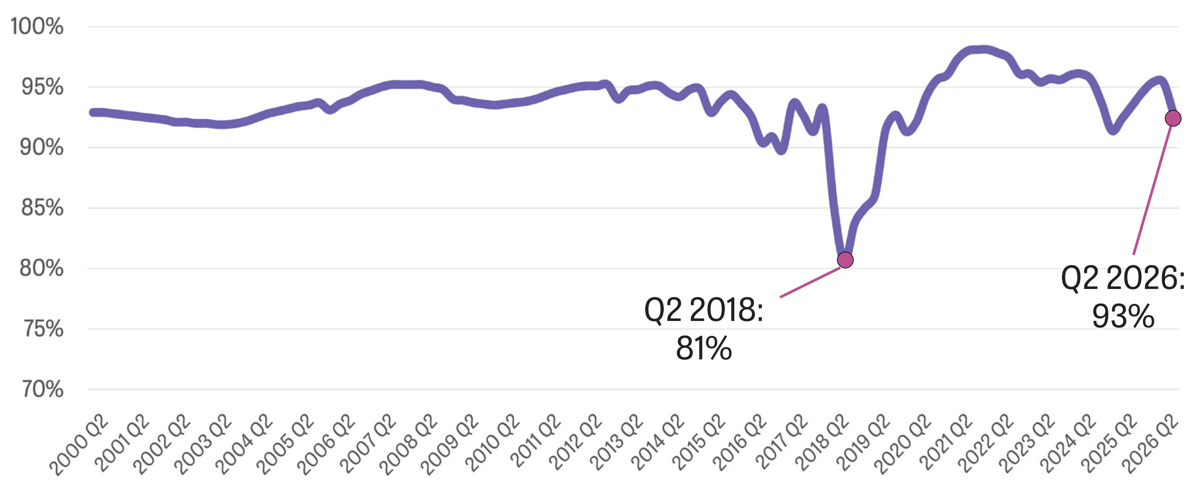


1 - Overall vacancy average is weighted while per class vacancy is the true average of each rate

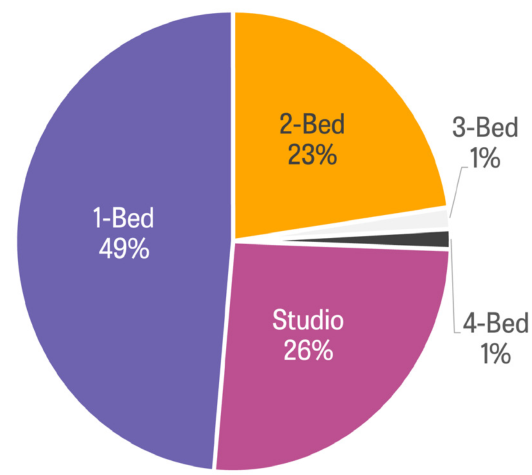
Source: CoStar Analytics interpreted by DGRI

Housing occupancy decreased -3% vs. Q1 2026 / -1% vs. Q2 2025 / -1% vs. 5-year average

y-axis truncated to highlight year-over-year changes

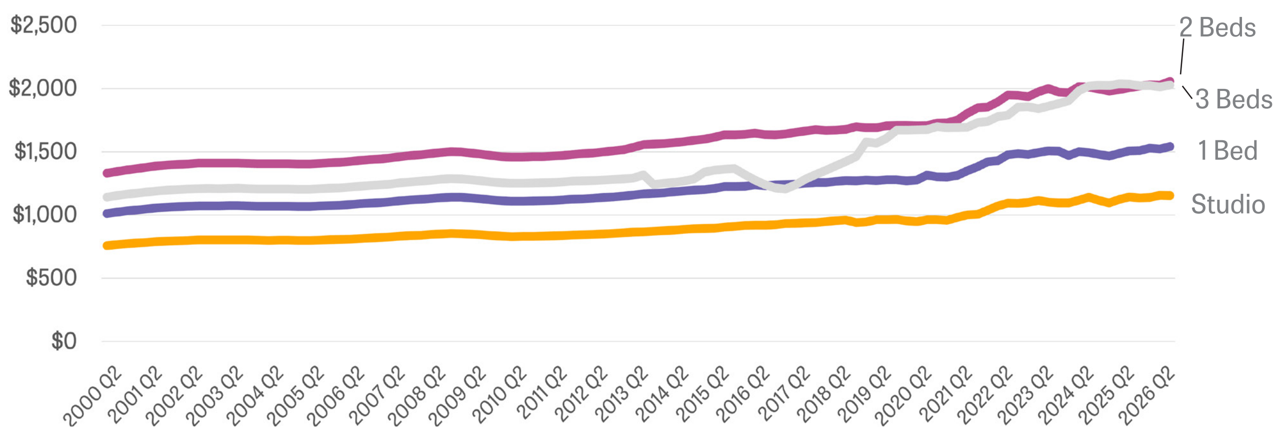


Distribution of Units by # of Rooms

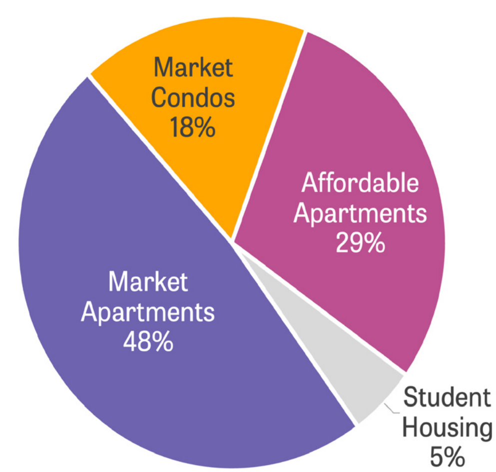


There are **129** units currently under construction and **1,898** in the planning & development pipeline

Average asking rent per unit increased +1% vs. Q1 2026 / +1% vs. Q2 2025 / +6% vs. 5-year avg.



Distribution of Units by Rate Type



Source: CoStar Analytics interpreted by DGRI

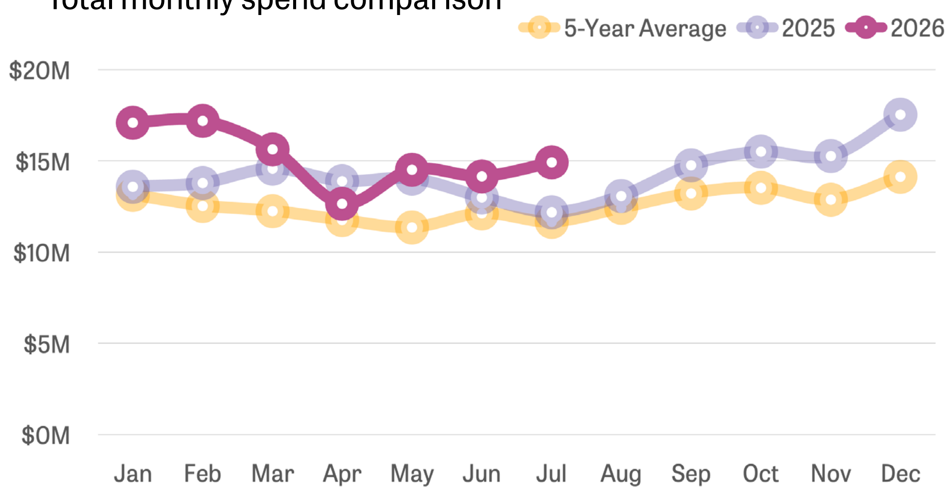
Source: Downtown Grand Rapids Inc

Total spend was approximately $14,936,578 vs. $14,164,577 in June 2026 / $12,193,439 in July 2025 / $11,672,085 July 5-year average

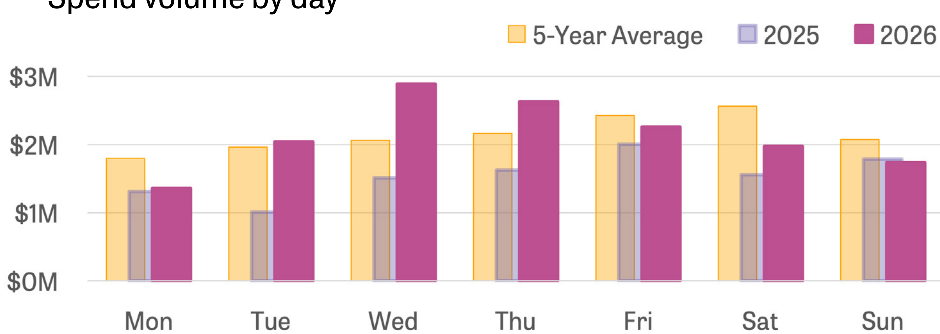
Avg. transaction size was $69.15 vs. $79.49 in June 2026 / $61.76 in July 2025 / $59.54 July 5-year average

Spending was 19% local (origin 0-5 miles) vs. 81% visitor (origin 5+ miles)

Total monthly spend comparison



Spend volume by day



Spending by Category

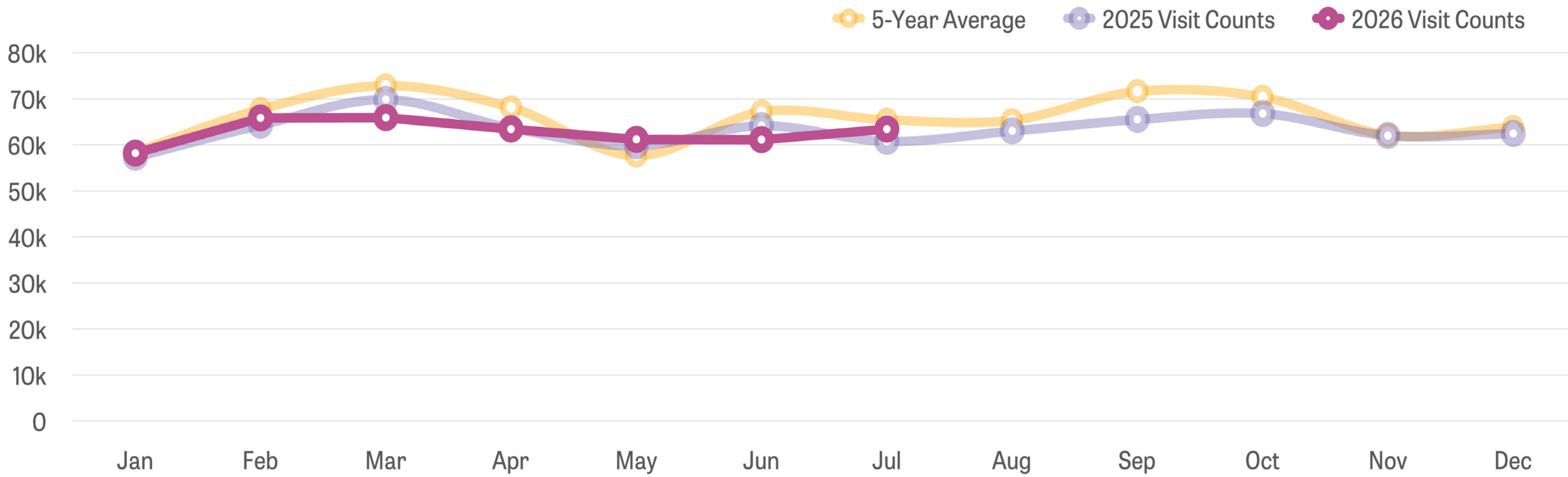
	Share of Spend	Avg. Spend
Dining and Nightlife	32%	$67.98
Accommodations	29%	$491.39
Others	15%	$166.35
Fast Food Restaurants	12%	$55.22
Leisure, Rec. and Entertainment	3%	$64.08
Transportation	3%	$82.89
Specialty Retail	3%	$55.94
Clothing and Accessories	2%	$72.92
Personal Care and Services	1%	$88.43
Grocery and Dept Stores	0.4%	$14.42

Spending by Origin City (Top 10)

	Share of Spend	Avg. Spend
Grand Rapids, MI	39%	$143.15
Holland, MI	5%	$81.69
Kalamazoo, MI	5%	$120.63
Wyoming, MI	4%	$123.67
Lowell, MI	4%	$218.13
Grandville, MI	3%	$127.43
Hudsonville, MI	3%	$135.33
Muskegon, MI	2%	$98.67
Caledonia, MI	2%	$159.52
Rockford, MI	2%	$137.99

Total spending: 75% in-state vs. 25% out-of-state

Daily average visit counts increased +7% vs. June 2026 / +4% vs. July 2025 / -3% vs. 5-Year Average

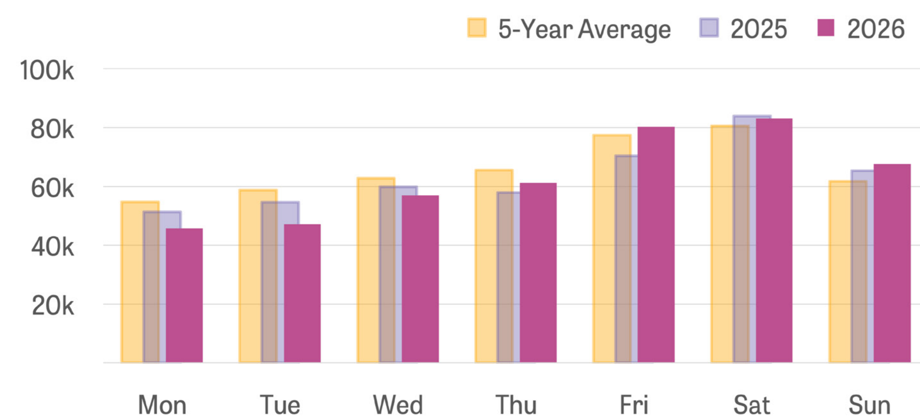


96% of visits are repeat visits in 2026 to date vs. 97% in 2025 / 96% 5-year average.

7.% of visits are out-of-state visits in 2026 to date vs. 6.8% in 2025 / 6.4% 5-year average.

9.3% of visitor days are overnight trips in 2026 to date vs. 8.8% in 2025 / 10% 5-year average.

Average daily weekday activity decreased -1% vs. 2025 / -9% vs. 5-Year Avg.



** July 2026 numbers are still under revision. Check back monthly for updated data.*
June Update: Daily average visit counts decreased -3% in June 2026 vs. May 2026 / -5% vs. June 2025 / -9% vs. 5-yr avg.

Source: Datafy interpreted by DGRI