

# AGENDA

ALLIANCE  
FOR  
INVESTMENT



## Board Members:

James Botts • Meagan Carr • Rick DeVries • Santiago Gomez • Kristian Grant • Tansy Harris • Dave Hill • Rachel Hood  
Landon Jones • Ryan Kilpatrick • Nick Koster • Ning Liu • Ted Lott • Mark Miller • Nick Monoyios • Traci Montgomery • Kirt Ojala  
Kevin Patterson • Sarah Rainero • Dave Riley • Mark Roys • Art Sebastian • Phil Skaggs • Lori Staggs • Jay Steffen • Tom Tilma  
Roberto Torres • Brianna Vasquez de Pereira • Rick Winn • Kara Wood

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August 9, 2016

3:30p – 5:00p

29 Pearl Street, NW Suite #1

- |    |   |                  |                      |
|----|---|------------------|----------------------|
| 1. | Call to Order                               |                  |                      |
| 2. | Approval of July Minutes<br>(enclosure)     | <i>Motion</i>    | <i>Monoyios</i>      |
| 3. | Incentive Program Discussion<br>(enclosure) | <i>Info Item</i> | <i>Full Alliance</i> |
| 4. | Project Updates                             | <i>Info Item</i> | <i>Full Alliance</i> |
| 5. | Open Alliance Discussion                    | <i>Info Item</i> | <i>Full Alliance</i> |
| 6. | Public Comment                              |                  |                      |
| 7. | Adjournment                                 |                  |                      |





# Alliance for Investment

July 12<sup>th</sup>, 2016

1. Call to order: Monoyios called the meeting to order at 3:32pm
2. Members Present: James Botts, Meagan Carr, Tansy Harris, Dave Hill, Landon Jones, Ryan Kilpatrick, Nick Koster, Ted Lott, Nick Monoyios, Traci Montgomery, Kevin Patterson, Mark Roys, Art Sebastian, Phil Skaggs, Lori Staggs, Jay Steffen, Tom Tilma, Brianna Vasquez de Pereira, Rick Winn, Kara Wood

Members Absent: Rick DeVries, Santiago Gomez, Christian Grant, Rachel Hood, Ning Liu, Kirt Ojala, Mark Miller, Sarah Rainero, Dave Riley, Roberto Torres

Others Present: Tim Kelly, Jennie Kovalcik, Andy Guy

3. Approval of May Meeting Minutes:  
*Motion: Moved to approve May 10<sup>th</sup>, 2016 minutes as presented. Motion carried unanimously.*
4. Incentive Program Discussion:  
Kelly said the focus of the May meeting was on budgeting, while the summer months allow time for reflection on where the Alliance's priorities are. Kelly said one priority is to review the current incentive programming and possibly make changes. Kelly added that the current programming has not been changed in about fifteen (15) years, and should be changed to reflect current goals of the Alliance and DGRI performance measures. Kelly presented an incentive overview for all three (3) programs: areaway fill, streetscape, and BRIP.

Areaway Fill Program: Botts asked how many existing areaways are deemed unsafe right now. Kelly said he is not sure; DGRI has not funded all of the fills and the City of Grand Rapids does not have a master areaway-condition survey. Lott asked if large scale investment projects are required to complete an areaway fill. Kelly responded yes, depending on the dollar amount of the investment.

Streetscape Program: Kelly said this program was primarily developed to encourage the beautification of public use areas by business owners. Lott asked if streetscape and areaway programming are typically done together. Kelly said yes, the way the program guidelines are written provides a total of \$50,000 for the combined projects. Tilma asked for the basic flow of how incentives are used. Kelly said DGRI/DDA provides money when a developer is making changes to a project as an incentive to improve public spaces in front of structures. Botts voiced concern regarding the spending of tax dollars for private companies to make improvements. Kelly said the Alliance should discuss need versus want as it affects the public realm. Kelly added the purpose of these incentives is to improve public realm experiences.

BRIP Program: Kelly said this is the most utilized of the incentives provided, and was recently amended in 2009. Kelly said this program aims to bring sustainable development Downtown. Kelly continued, when façade requests are made the DDA requires a historic preservation easement, but we have been running into issues when easements cannot be placed over the entire building due to upper floors being developed. Kelly said another area of discussion and potential change to the program is the eligibility of buildings that were built after 1950, as the program is written to pertain only to buildings built prior to 1950. Lott asked how long the historic easement is active on the building. Kelly said it is currently active for five (5) years to protect the DDA's investment. Kelly added that it does not currently reflect development practices of today, and should be altered to fit the current standing.

General Discussion: Skaggs asked if incentive programming is strictly in DDA zones or in any TIFA zone. Kelly said the DDA and MNTIFA fund their perspective zones. Skaggs asked if other corridor districts have looked into similar incentive funding. Wood said other districts do not have enough resources currently, but could potentially in the future. Koster asked if the past alliance discussions and goals pertaining to incentive programming are still relevant. Kelly responded all of the notes from past discussions are active and informational to the TIF plan revisions that are underway. Kelly said the Alliance has set many goals, but due to state laws and other regulations there are certain items money cannot be allocated towards. Kelly asked the Alliance to review the summarized list of eligible activities provided in the agenda packet. Kelly then reviewed the process timeline, stating that the project is moving into the stakeholder engagement piece. Kilpatrick asked how much of the annual budget is allocated towards the incentive programs. Kelly responded the total for all projects is about \$200,000, but fluctuates. Kilpatrick asked if it should stay the same amount in upcoming years. Kelly said it depends on whether or not the Alliance wants to see these projects continue and if they are needed in the future. Tilma asked if the quick timeline is plausible. Kelly said yes, but it also depends on what is needed to move forward. Tilma suggested looking into mini feasibility studies to detect outstanding improvement areas and more information before the Alliance continues. Winn asked if stakeholders will review recommendations. Kelly said he envisions the first meeting being informational to provide context of the current policies. Winn asked what some of the developers that have used incentive programming think of them. Koster said the incentives are not big dollar amounts, although it is great programming to use as a developer. Koster added that scaling the amount granted based on project and/or building size might improve incentives. Koster said the funding provided are great add-ons but do not make or break a project. Kilpatrick asked if ceasing funding for these

projects altogether is an option. Koster said he would rather see money spent on other things. Lott pointed out that historically the funding is not always used. Lott continued, the incentivizing is not large enough to push developers into improvements, and are typically used if improvements are already part of the plan. Botts asked where the unused incentive funding was allocated. Kelly said the DDA used that funding for other line items; however that was prior to Kelly's work. Botts asked if an analysis of areaway conditions could be done. Lott said it is not easy to see the condition of areaways. Lott added areaway fills are not a huge public space issue, being that sidewalks will show issues to indicate needed repair. Kilpatrick asked if funding should be changed from hard scape infrastructure to softer, like interest loan funding. Kelly responded we do not want to restrict funding based on criteria but rather provide options for improvements in other ways. Monoyios asked how DGRI performance measures could be applied to incentive programming. Kelly said the measures give certainty and justification on priorities set by the Alliance. Kelly asked if any Alliance members are interested in participating in the stakeholder discussion. Nick Koster, Ted Lott, and Ryan Kilpatrick had interest in participating.

5. Monroe Center Planters:

Kelly presented a map of potential planter placement throughout Downtown. Kelly asked the Alliance for suggestions in the placement of these planters that are scheduled to be installed in the upcoming weeks. Tilma suggested using the planters to make an impact in a few smaller areas, rather than spreading them thin throughout Downtown. Winn agreed with Tilma's suggestion. Kelly said the Gillett Bridge area is being considered. Botts asked who is responsible for watering the planters. Kelly responded the DID funds would cover maintenance. Kelly said if there are no other suggestions, pots will be distributed in clusters in select areas.

6. Project Updates:

Kelly provided an overview of Calder Plaza updates and timelines. Kelly said a site analysis was conducted, focus group engagement sessions occurred in June, an ongoing survey is open to the public, and the media coverage surrounding the project has been plentiful. Kelly said Pearl Street improvements are underway and moving along nicely. Kelly provided before and after photos of the project, adding that the goal is to complete the project by mid-August prior to ArtPrize. Guy provided an overview of food truck policy updates. Guy said the DDA approved and embraced the need for food truck policy changes in December, supported by the Mayor's State of the City speech in February calling food trucks an entrepreneurial opportunity for the culinary community. Guy said DGRI has since formed a policy workgroup, opened dialogue in the community, conducted a focus group, and interviewed restaurateurs. Guy said there is a new policy draft that would let food trucks operate in the public realm; the draft was presented this morning and will be an agenda item at the City Commission public hearing on July 26<sup>th</sup> at 7pm. Guy added that DGRI has conceptual input, and want the alliances to provide feedback or comments as well. Guy announced the Food Truck Town Hall event that will take place on July 20<sup>th</sup> at LINC, encouraging member attendance. Patterson asked how many food truck operators DGRI has talked to, and how many want to service Downtown Grand Rapids. Guy replied conversations had taken place with about forty (40) operators, and the current number of food truck vendors is between seventy and eighty (70-80) in the West Michigan region and

growing. Guy concluded by saying the hope is to provide more freedom to grow the overall food scene in the community.

7. Open Alliance Discussion:

Monoyios asked the Alliance if there were any items they would like to discuss or any suggestions for improvement to the way meetings are conducted. Kelly added the goal is to make meeting times as valuable as possible for members. Winn said it is positive that the group is finally getting to a stage where change is affected. Monoyios said with GR Forward in place, we have more opportunities to make change happen. Kelly said the Alliance could have an interactive session as well. Harris commented that the new DGRI video released is a clear and positive representation of capturing Grand Rapids and its people.

8. Public Comment:

None

9. Next Meeting:

August 9, 2016

10. Adjournment:

Monoyios adjourned the meeting at 4:44pm

Minutes taken by:

Jennie Kovalcik

Administrative Assistant

Downtown Grand Rapids Inc.

# DRAFT DOWNTOWN INCENTIVE PROGRAM GUIDELINES (7.26.16)

## I. Program Purpose

To financially assist projects that further the community goals established in GR Forward and the organizational goals of Downtown Grand Rapids Inc. (DGRI)

## II. Available Funding

- a. Approved projects are eligible for up to **\$50,000 of reimbursement** for eligible activities as defined by PA 197 of the State of Michigan (attached). The approved reimbursement may not exceed 50 percent of total project costs.
- b. An additional **\$50,000 bonus** is available for projects that accomplish one or more of the priorities identified in GR Forward or by Downtown Grand Rapids Inc. and outlined below. Additional funds must be spent on eligible activities as defined by State of Michigan PA 197, and the total reimbursement may not exceed 50 percent of total projects costs. As such, to receive a full \$100,000 reimbursement, a project must have \$200,000 in eligible activities.

## III. Eligible Projects

- a. Areaway Remediation
  - i. *Description*: Cap, fill or removal of existing areaways in Downtown.
  - ii. *Elements*: Removal of roof or cap, new wall construction, fill, new sidewalk, etc.
- b. Building Rehabilitations
  - i. *Description*: Redevelopment of a vacant building, storefront or parcel that was vacant for not less than the previous 12 months.
  - ii. *Elements*: Improvements to the interior or exterior of a building to bring it into compliance with the Americans with Disabilities Act (ADA), including new ingress and egress, restrooms, or elevators.
- c. Streetscape Improvements
  - i. *Description*: Enhancements to public spaces around buildings.
  - ii. *Elements*: Trees, street furniture, pedestrian lighting, planter boxes, public art, outdoor dining areas, sidewalk pavers, etc.
- d. Bonus Incentives – GR Forward and DGRI Priorities
  - i. 30 percent of housing units within a development designated for residents making 120 percent or less of AMI. This bonus is only applicable to housing projects that provide a minimum of 10 affordable units;
  - ii. Lease space to a minority or women owned businesses enterprise;
  - iii. Lease space to businesses with 25 percent or more minority employees;
  - iv. Provide ground floor street fronting retail on targeted retail streets (see attached map);
  - v. Provide an amenity to or along the Grand River. Amenities may include:
    1. A permanent public easement 30' or greater fronting the Grand River;
    2. Development of a publicly accessible multi-use trail that conforms with the vision of GR Forward and/or the established design guidelines;
    3. A River view overlook of not less than five hundred (500) square feet;

# DRAFT DOWNTOWN INCENTIVE PROGRAM GUIDELINES (7.26.16)

4. A public amenity of not less than one thousand five hundred (1,500) square feet of programmable recreational and entertainment space;
5. Others as approved by the DDA Board.
- vi. Provide alternative transportation options valued at more than \$50,000. Options include providing bike facilities, car sharing programs, transit passes and others as approved by the DDA Board. Projects providing less than \$50,000 of investment in alternative transportation modes may receive a partial bonus equal to half of the project's alternative transportation investment.

## IV. Requirements and Eligibility

- a. Projects must be located in DDA Boundary (see attached);
- b. Funds may only be used to reimburse eligible activities, as defined by PA 197;
- c. Must not have commenced or completed construction at the time of application;
- d. Building or project shall not have received previous funding from DDA;
- e. Projects receiving funding through the DDA's Development Support Program shall not be eligible;
- f. Applicants must be up to date on City of Grand Rapids taxes prior to receiving reimbursement;
- g. Funding shall be allocated on a per project basis.

## V. Approval Process

- a. Submit application with fee to Downtown Grand Rapids Inc.
- b. Staff review of application materials – 1 week
- c. Meeting / communication to discuss project eligibility and next steps – within 2 weeks of application submittal
- d. Presentation to DDA Board – 1<sup>st</sup> Wednesday of Every Month
- e. Agreement Executed (following DDA Board approval)
- f. Reimbursement Issued – Upon project completion

### Attachments

- Summary of eligible activities under PA 197
- Map of DDA Boundary
- Map of targeted retail corridors

# Grand Rapids Downtown Development Area No. 1

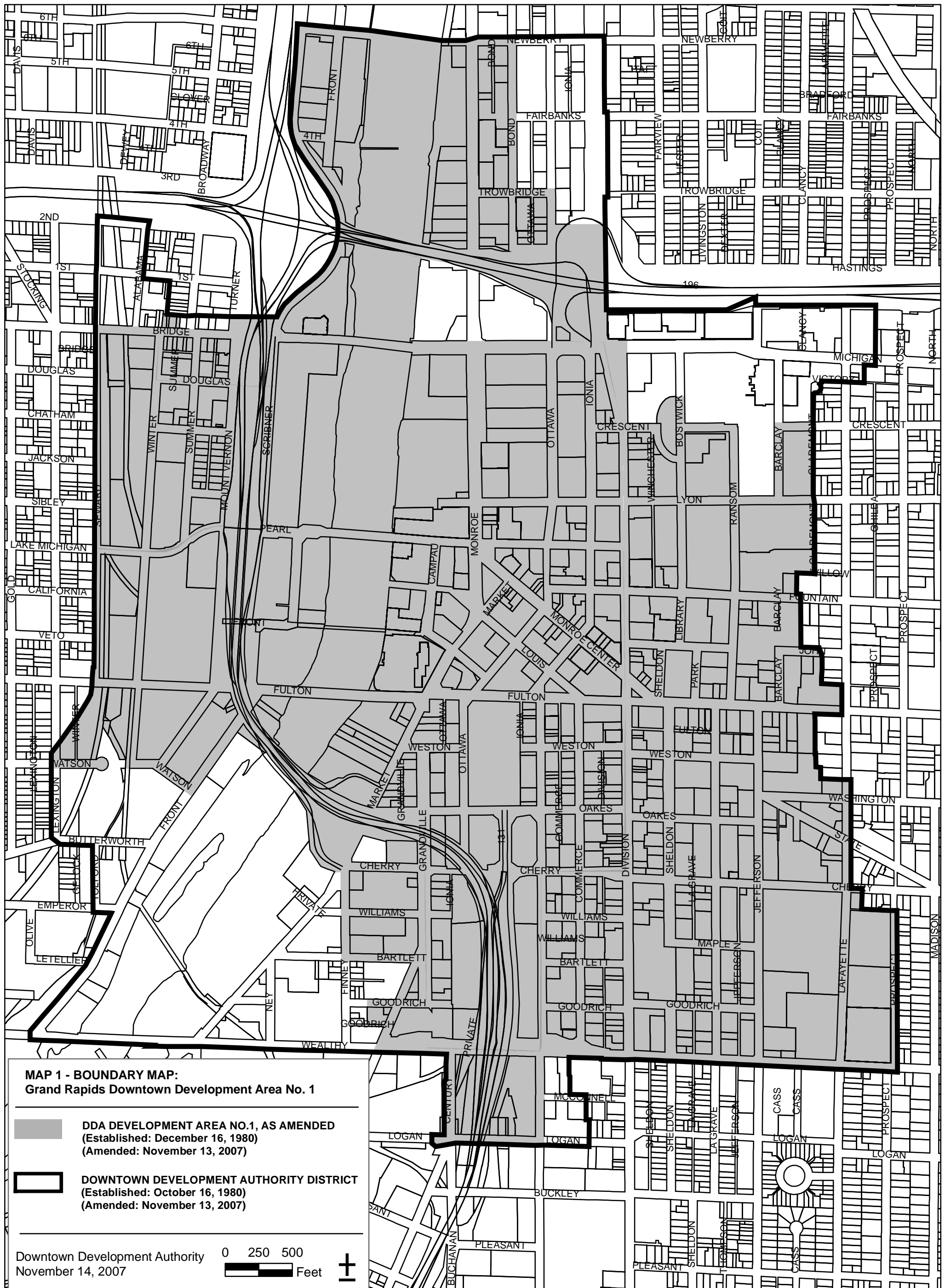




FIG 2.46: Targeted Active Commercial Corridors

