



## Alliance for Investment

March 10, 2015

3:30p – 5:00p

29 Pearl Street, NW Suite #1

### Agenda

1. Call to Order
2. Introductions
3. Approval of February Minutes
4. Alliance Updates
  - Livability
  - Vibrancy
5. Incentive Programs
  - *Action Item:* Amended Fee Schedule for FY15
  - Application and Guidelines Update
6. FY16 Budget Discussion
  - Schedule
  - Ongoing Initiatives
  - New Initiatives
7. Project Updates
  - GR Forward
  - DGRI Parklet
8. Pearl Street Enhancement Project Volunteers
9. Next Meeting – April 14, 2015
10. Public Comment
11. Adjournment



## Alliance for Investment February 10, 2015

1. Call to Order- Monoyios called the meeting to order at 3:34pm
2. Members Present: James Botts, Rick DeVries, Dave Hill, Nick Koster, Mark Miller, Nick Monoyios, Sarah Rainero, Mark Roys, Megan Sall, Phil Skaggs, Jay Steffen, Rick Winn, Kara Wood  
  
Members Absent: Eric Brown, Suriya Davenport, Rachel Hood, Ted Lott, Kirt Ojala, Tom Tilma  
  
Others Present: Tim Kelly, Murphy Ackerman, Andy Guy, Jonathan Pichot
3. Approval of December Minutes:  
*Motion: Mark Roys supported by Dave Hill, moved to approve the January 13, 2015 minutes as presented. Motion carried unanimously.*
4. Alliance Updates:  
Kelly gave a reminder that all Alliance updates will be provided in the agenda packets in lieu of updates during the meeting. Kelly did inform everyone that Valentine's will be this upcoming weekend, February 14<sup>th</sup>.
5. Vice-Chair Nominations:  
Monoyios explained Botts has volunteered to serve as vice-chair and that there have been no other nominations at this time.

*Motion: Dave Hill supported by Kara Wood moved to approve James Botts as Alliance for*

*Investment Vice-Chair. Motion carried unanimously.*

6. Incentive Program Working Groups:

Monoyios explained that each group was provided with an overview of their incentive program as well as the application that currently exists. Kelly provided questions for each group to discuss and answer. Kelly explained that he would like each group to begin making recommendations and idea for consideration on how to amend the current incentive program. Kelly explained that these edits will then be made to the guideless for recommendation to bring to the DDA Board for approval.

After breaking into groups, Monoyios gathered the Alliance to share the ideas that they had discussed.

\*Please see working group exercise responses for detailed overview.

7. GR Forward Update:

Kelly reminded the Alliance that the speaker series would pick back up February 12<sup>th</sup> with Peter Kagayama, the author of, 'For the Love of Cities'. Kelly added that March would be the last speaker series event with Dan Biederman.

8. Next Meeting –March 10, 2015

9. Public Comment:

None

10. Adjournment:

Monoyios adjourned the meeting at 4:52pm

Minutes taken by:  
Murphy Ackerman  
Administrative Assistant  
Downtown Grand Rapids Inc.

## Alliance for Investment

### February 2015 Downtown Incentive Program Discussion Notes

#### Areaway Fill

1. How does the new income tax for streets and sidewalks impact the Program?
2. There should be discussion about the goals and how they are changing. If first it was public safety, now there are other goals regarding aesthetics and snowmelt as well as urban canopy that are not covered with the existing Program. Focus on areas needing these improvements.
3. Fear that capping Program could dis-incentivize people to use it.
4. How can we convince private owners to fill areaways without enough incentive?
5. Most expensive part is moving utilities and is not recoverable cost due to state statute
6. Need inventory map of existing and filled areaways.
7. How many owners investigate program but do not fill because of lack of incentives?
8. Need marketing program to notify owners that Program exists.
9. Does the program advisory board still exist?

#### Building Reuse

1. How many buildings in Downtown were constructed before 1950 ?
2. Examine cutoff date based on number of remaining buildings built before 1950.
3. What is the true cost to administer the Program?
4. The cost to apply should be less than less than 10% of the request.
5. How many of each type of BRIP grant have been done in the past 3 years?
6. Update LEED checklist.
7. Need inventory of 1950's buildings.

#### Development Support

1. Require a percent of new occupants from outside the DDA boundary for eligibility; incorporate a potential TIF reimbursement adjustment if the threshold is not reached. This would apply to nonresidential portions of the project;
2. Delete the \$10,000 per job reimbursement cap;
3. Explore a longer term TIF, up to 20 years, with a reduced reimbursement percentage. We would want to be careful that such a program would not negatively affect development. We are suggesting a review of this potential option but did not determine whether we would be in favor of the longer term;
4. Implement a minimum hold period of 5 to 7 years for the developer. We discussed that there could be various end runs around this, but that generally this would encourage the developer to be more vested in the project;
5. Change the development support policy paragraph #10/11 to remove the interest provision on unreimbursed eligible costs;
6. Establish specific criteria to qualify the project for development support mirroring the various strategies and objectives set forth by the work groups, including related to public space. We

discussed that this could be implemented through a point system, but do not want to overcomplicate the process. Certain qualifying characteristics to consider/favor would be heated sidewalks, green roofs, blighted buildings, and other similar items which would have a public benefit. We discussed that many of these would qualify as eligible expenses under the DDA statute;

7. Although we did not have time to discuss the specific fee arrangement, we did discuss that a fee should be implemented to administer the development support program;
8. A formal but simple application should be developed to streamline and standardize the application process / simplify staff's review of the projects and the specific eligibility criteria.

## **Streetscape**

1. \$35,000 is not a strong incentive for private property owners to use the Program.
2. What is the impact of fluctuating taxable values?
3. Can we combine with streetscape, snowmelt, tree plantings, etc?
4. How is the Program marketed?
5. How does vital streets impact the Program?
6. Revisit streetscape Plan guidelines.
7. Does the Program Advisory Board still meet?
8. Re-evaluate \$350 per linear foot because sometimes more than one business exists at a building.
9. Incorporate snow melt into design standards.
10. Simplify or streamline application process.
11. Need to better coordinate funding between all incentives.
12. Does having separate programs still make sense? Should they all be combined into one Downtown Improvement Program?

The Alliance for Livability held their last meeting on February 23, 2015. The following items were on the agenda:

- Fiscal Year 2016 Budget Concepts Discussion
  - The following themes and focus areas for investment were discussed:
    - Public Space Enhancement and Activation: members emphasized a desire to invest in public spaces, specifically highlighting Calder Plaza as an opportunity in coordination with City efforts. In addition, examples from other urban areas were discussed related to riverwalk opportunities, “performance” space, expansion of public art projects, and urban recreation infrastructure and activities (climbing wall, ropes course, skate park, dog park). Improved lighting in the public realm was highlighted, with a preference for a collective approach that addresses multiple corridors and areas.
    - Engagement: dedicated funding and/or staffing to assist the process and development for a Downtown Residents Council was emphasized and prioritized. In addition, a comprehensive marketing/information campaign and related to efforts to better promote awareness of existing amenities was identified as a need (focused on existing retail, services, and especially cultural institutions and amenities).
    - Mobility: prioritization for funding of infrastructure and implementation of a bikeshare system was highlighted, as well as improved DASH infrastructure, branding, and information delivery. In general, education and awareness related to mobility options Downtown was highlighted as a critical need. Ideas for multi-media materials and cooperation with local partners (Community Media Center, The Rapiidian, etc.) were discussed.
    - Other: efforts to create WiFi access throughout Downtown were discussed, as well as the possibility of monitoring/measurement infrastructure for events, foot-traffic, etc.. Finally, members discussed some of the difficulties and tensions that are likely to be encountered related to re-thinking and re-designing public space Downtown.
  - An agenda item was added to discuss developments in the advocacy efforts of some Alliance members, DGRI staff, and community stakeholders to allow skateboarding within DDA boundaries. Currently skateboarding is prohibited everywhere within the district, but allowed throughout the rest of the City. The proposed changes would allow skateboarding as a form of transportation under the same regulations that currently govern bicycle use Downtown. The working group continues to coordinate with the City on amending the current ordinance.
- Consent Agenda/Standing Items: written reports from the Downtown Ambassadors, as well as the Alliances for Investment and Vibrancy were approved. Officer Sotke from GRPD provided a verbal update and informed the group of the “Coffee with a Cop” event on February 25 at the SpeakEZ Lounge. He indicated that he will keep the Alliance updated on any and all opportunities for community gatherings/conversations with GRPD.

The Alliance for Vibrancy held their last meeting on February 18, 2015. The following items were on the agenda:

- Valent-ICE Recap
  - On February 13 and 14, the second annual Valent-ICE took place. Valent-ICE is a festival to celebrate the winter in Grand Rapids. Despite frigid temperatures the weekend of the event, the momentum and interest leading up to Valent-ICE showed impressive growth from year 1. There were 30 ice sculptures throughout Downtown, 506 public participants that selected the Voters' Choice sculpture design, and 481 new Facebook likes on the DGRI page during the 3 weeks of promotion.
- GR Forward Update
  - Based on the request of members in January, Tim Kelly, provided an update on the current status of the GR Forward project. He shared the process of community engagement leading up to this point, discussed the draft vision and goals that have been created, and explained the next steps of taking this vision and goals to the community for refinement.
- Special Events Advisory Council (SEAC) Update
  - The Alliance for Vibrancy is responsible for reviewing event applications that request financial support from DGRI. The SEAC has been gathering feedback from the community on priorities for events and has created a rubric has been created to weigh the various events that request funding. The next step will be to create a new event application that clearly defines the community's priorities.
- Fiscal Year Budget Introduction
  - Fiscal Year 2015 ends for DGRI on June 30, 2015. In preparation for a new budget, the Alliance has been asked to begin the ideation stage to determine new project priorities. Staff presented several concepts for investment, including investments that create more opportunities for play, visual enhancements to the public space and the outside of parking ramps, and promotions that support pop-up shops in Downtown. The Alliance also expressed interest in opportunities to help the public explore and discover places outside of their normal routine through wayfinding investments. Next month, the Alliance will begin prioritizing projects.

Additional updates at a project level include:

- The Broomball Tournament occurred on March 1. Downtown workers competed in a day-long event to enjoy recreation Downtown and connect with other Downtown colleagues. 100-150 people were present throughout the event.



Date: March 6, 2015

To: Alliance for Investment

From: Tim Kelly, AICP  
Planning Manager

Subject: Amended Incentive Program Fee Schedule

The mission of the Alliance for Investment (AI) is to oversee downtown infrastructure projects, economic development, urban planning, and incentives, specifically the Areaway Fill, Building Reuse, Development Support, and Streetscape Programs.

To that end, the AI and Downtown Grand Rapids Inc. (DGRI) have sought opportunities to improve utilization and efficiency of the incentive programs, as well as increase the capacity of the organization to implement community priorities.

With that in mind, in the fall of 2014 the AI adopted a series of goals and priorities as well as a work plan to guide their activities. Among the priorities is a new incentive program fee schedule. Per the existing program guidelines, the existing fee schedule for program applications is as follows:

- Areaway Fill: \$75
- Building Reuse: \$150
- Development Support: \$0
- Streetscape Improvement: \$75

Given the nominal fees, the AI directed staff to research policies and programs to determine the most appropriate fee schedule. Among the goals were to ensure administrative costs are offset by an application and/or a processing fee. This was memorialized in December 2014 when the AI approved a 100 percent cost recovery approach for all incentive programs, which would more closely align with the City of Grand Rapids' policies, and best practices from around the country.



After examining annual costs, it was determined on average it costs DGRI \$114,000 to administration. The variables that influence costs include the number of applications processed, amount of attorney's fees to finalize an agreement, the approved reimbursement schedule, among others.

Recognizing the existing fee schedule is significantly deficient in offsetting the cost of program administration, and also the variables that contribute to administrative costs, staff is proposing the attached fee schedule and policy be approved by the AI for fiscal year 2016.

The policy includes a \$200 application fee for all incentive programs, in addition to a processing fee of 3 percent that is due at the time an application is approved by the Downtown Development Authority Board. To control the fees for applications through the Development Support Program, a tiered schedule setting a maximum fee is being proposed.

If approved, the policy would go to the DDA Board for approval on April 8, 2015. If approved, the policy would take effect July 1, 2015.

**RECOMMENDATION:** Approve the amended fee schedule for FY2016.

March 2015

## Proposed FY 2016 Incentive Program Fee Schedule

The following fees are effective July 1, 2015

### APPLICATION FEES

1. A \$200 application fee is due at the time of submitting an application for all DDA incentive programs.
2. An additional 3% Processing Fee is due at the time an application is approved by the DDA Board. The maximum Processing Fee for the Building Reuse, Streetscape Improvement, and Areaway Fill programs is \$2,250 (i.e. 3% of the maximum allowable BRIP grant of \$75,000).
3. For approved Development Support applications below \$1,000,000, the Processing Fee shall also be 3%, with the maximum fee capped at \$20,000. For approved applications that request above \$1,000,000, the maximum fee shall be determined using the following scale:
  - I. \$0 - \$1,000,000: Maximum Processing Fee \$20,000
  - II. \$1,000,001 - \$3,000,000: Maximum Processing Fee \$25,000
  - III. \$3,000,001 and above: Maximum Processing Fee \$30,000

### EXAMPLES

The fee for a project that requests and is approved for \$50,000 via the Building Reuse Incentive Program (BRIP) would be \$1,700, calculated as follows:

1. \$200 due at the time an application is submitted.
2. \$1,500 (i.e. 3% of \$50,000) due following approval of the grant by the Downtown Development Authority.

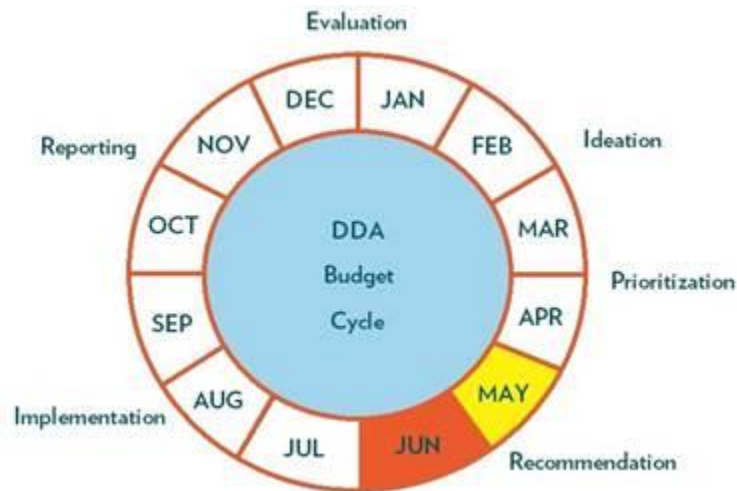
The fee for a project that requests and is approved for \$1,500,000 via the Development Support program would be \$25,200, calculated as follows:

1. \$200 due at the time an application is submitted.
2. \$25,000 due following approval of the grant by the Downtown Development Authority.

EXAMPLE  
PROPOSED FEE SCHEDULE

	Program	Date	Address	Project	Grant Amount	Project Cost	Application Fees	Proposed Application Fee	3% Processing Fee	5% Processing Fee
1	BRIP	10-Jul-13	15 Ionia Ave SW	Juice Bledz	\$ 10,000.00	\$ 358,150.00	\$ 150.00	\$ 200.00	\$ 300.00	\$ 500.00
2	BRIP	8-Aug-13	55 Ionia Ave NW	Morton House	\$ 50,000.00	\$ 21,000,000.00	\$ 150.00	\$ 200.00	\$ 1,500.00	\$ 2,500.00
3	BRIP	8-Aug-13	40 Pearl St NW	Trust Building	\$ 50,000.00	\$ 2,600,000.00	\$ 150.00	\$ 200.00	\$ 1,500.00	\$ 2,500.00
4	BRIP	8-Aug-13	141 Ionia Ave NW	1st National Bank of Michigan	\$ 25,000.00	\$ 590,500.00	\$ 150.00	\$ 200.00	\$ 750.00	\$ 1,250.00
5	BRIP	8-Aug-13	333 Grandville Ave NW	Horseshoe Bar	\$ 30,472.00	\$ 90,968.00	\$ 150.00	\$ 200.00	\$ 914.16	\$ 1,523.60
6	BRIP	9-Oct-13	25 Sheldon Blvd	YWCA	\$ 75,000.00	\$ 4,300,000.00	\$ 150.00	\$ 200.00	\$ 2,250.00	\$ 2,500.00
7	BRIP	11-Nov-13	309 S Division	Herkimer Hotel Apartments	\$ 75,000.00	\$ 17,800,000.00	\$ 150.00	\$ 200.00	\$ 2,250.00	\$ 2,500.00
8	BRIP	8-Jan-14	15 Ionia Ave SW	Juice Bledz	\$ 1,250.00	-	\$ 150.00	\$ 200.00	\$ 37.50	\$ 62.50
					\$ 10,000.00					
9	BRIP	12-Feb-14	80 Ottawa Ave NW	Aldrich Place Building	\$ 2,500.00	\$ 175,000.00	\$ 150.00	\$ 200.00	\$ 360.00	\$ 625.00
					\$ 10,000.00					
10	BRIP	12-Mar-14	40 Ionia Ave SW	Salad Works	\$ 2,000.00	\$ 610,000.00	\$ 150.00	\$ 200.00	\$ 360.00	\$ 600.00
11	SIIP	8-Aug-13	55 Ionia Ave NW	Morton House	\$ 35,000.00	-	\$ 75.00	\$ 200.00	\$ 1,050.00	\$ 1,750.00
12	SIIP	8-Aug-13	40 Pearl St NW	Trust Building	\$ 35,000.00	-	\$ 75.00	\$ 200.00	\$ 1,050.00	\$ 1,750.00
13	SIIP	9-Oct-13	25 Sheldon Blvd	YWCA	\$ 19,500.00	-	\$ 75.00	\$ 200.00	\$ 585.00	\$ 975.00
14	SIIP	2-Feb-14	50 Louis St NW	Trade Center	\$ 35,000.00	\$ 80,000.00	\$ 75.00	\$ 200.00	\$ 1,050.00	\$ 1,750.00
15	ARIP	10-Jul-13	20 Monroe Center Ave NE	Civic Theater / Monument Park	\$ 4,550.00		\$ 75.00	\$ 200.00	\$ 136.50	\$ 227.50
16	ARIP	8-Aug-13	55 Ionia Ave NW	Morton House	\$ 35,000.00	-	\$ 75.00	\$ 200.00	\$ 1,050.00	\$ 1,750.00
17	DS	8-Aug-13	55 Ionia Ave NW	Morton House	\$ 1,538,000.00	-	\$ -	\$ 200.00	\$ 25,000.00	\$ 25,000.00
18	DS	8-Aug-13	40 Pearl St NW	Trust Building	\$ 236,500.00	-	\$ -	\$ 200.00	\$ 7,095.00	\$ 11,825.00
19	DS	8-Aug-13	20 E Fulton St	Karl Chew	\$ 300,000.00	\$ 37,000,000.00	\$ -	\$ 200.00	\$ 9,000.00	\$ 15,000.00
20	DS	8-Aug-13	158 Weston St SW	Arena Place	\$ 3,180,000.00	\$ 30,000,000.00	\$ -	\$ 200.00	\$ 30,000.00	\$ 30,000.00
21	DS	12-Feb-14	50 Louis St NW	Trade Center	\$ 45,000.00	-	\$ -	\$ 200.00	\$ 1,350.00	\$ 2,250.00
					\$ 5,804,772.00	\$ 114,604,618.00	\$ 1,950.00	\$ 4,200.00	\$ 87,588.16	\$ 106,838.60

## DGRI BUDGET CYCLE



- March 2015 – Budget Overview
- April 2015 – Budget Prioritization Activity
- May 2015 – Budget Recommendation from Alliances
- June 2015 – Budget Adoption by DDA Board
- July 1, 2015 – FY 2016 Begins

## COMMITTED OBLIGATIONS

### Infrastructure

- State Street Improvements
- Weston Street Improvements
- Ottawa Avenue Public Improvements
- Bostwick Avenue Improvements
- Wealthy Street Overpass
- Michigan / Ottawa Gateway

### Planning

- GR Forward

### Development Incentives

- Development Support
- Building Reuse Incentive Program
- Areaway Fill
- Streetscape

## POTENTIAL PROJECTS

### Infrastructure

- Bartlett and Finney Decorative Lighting (Founders)
- Pearl Street Enhancements (Mt Vernon – Ottawa)
- Weston Street: Sheldon Boulevard to LaGrave Ave
- Sheldon Boulevard (pending 20 E. Fulton)
- Library St (Division – Ransom Avenue)
- LaGrave Avenue (Goodrich St – Fulton St)
- Veterans Park
- Bridge Enhancement Project
- Library Public Improvements / Solar Project
- GR Forward Priorities
  - Increased Tree Canopy
  - Streetscape Activation
  - Humanize 131
  - Continuous River Trail
  - River Adjacent Open Space Enhancements
  - Calder Plaza Greening and Activity Trail
  - Heartside Park Improvements
  - Sheldon Avenue Green Corridor
  - Ionia / Division Avenue Improvements in N. Monroe
  - Others TBD



# DESIGN REVIEW

## FEBRUARY 26, 2014



DOWNTOWN  
GRAND RAPIDS INC.





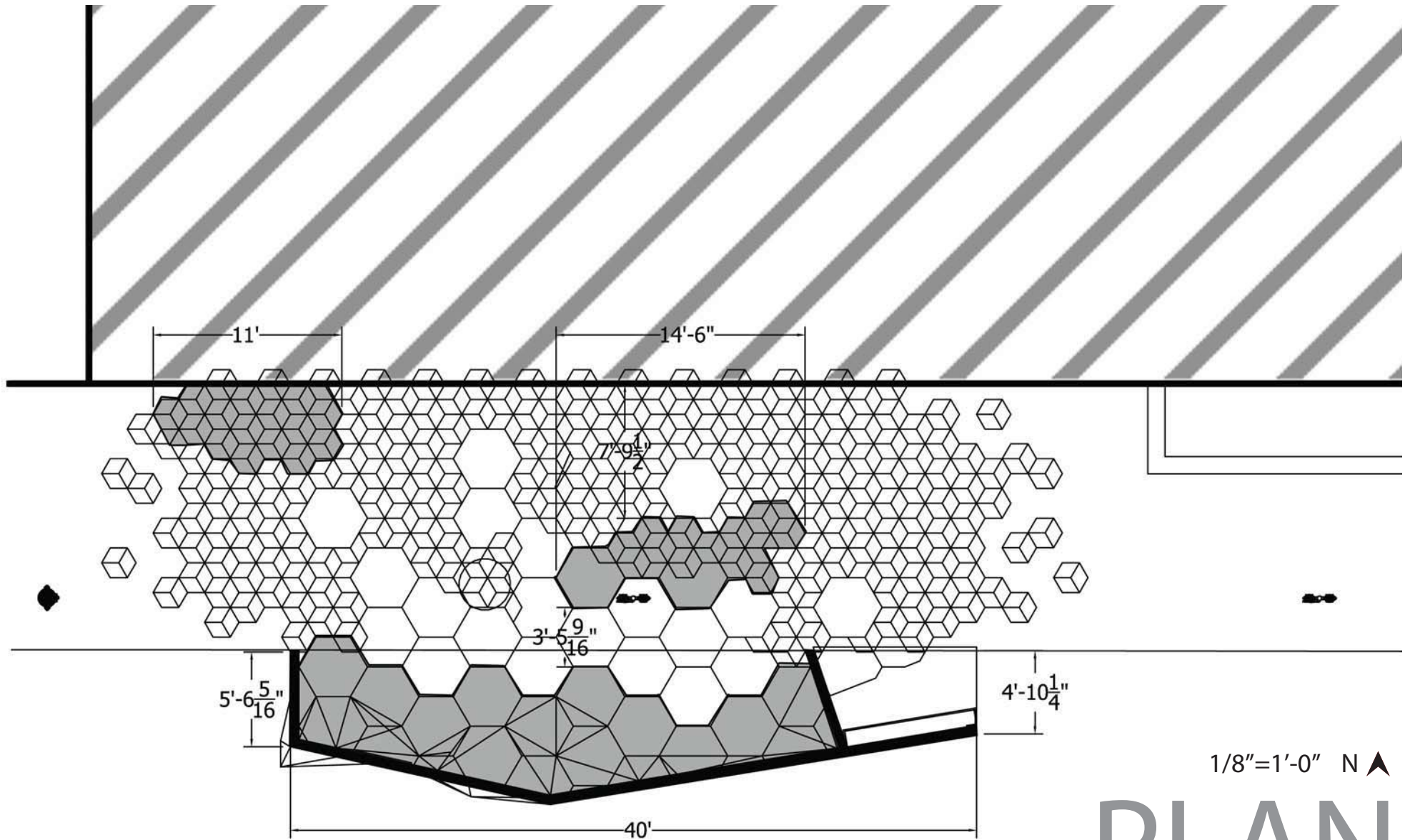
# PREVIOUS DESIGN



DOWNTOWN  
GRAND RAPIDS INC.







1/8" = 1'-0" N ▲

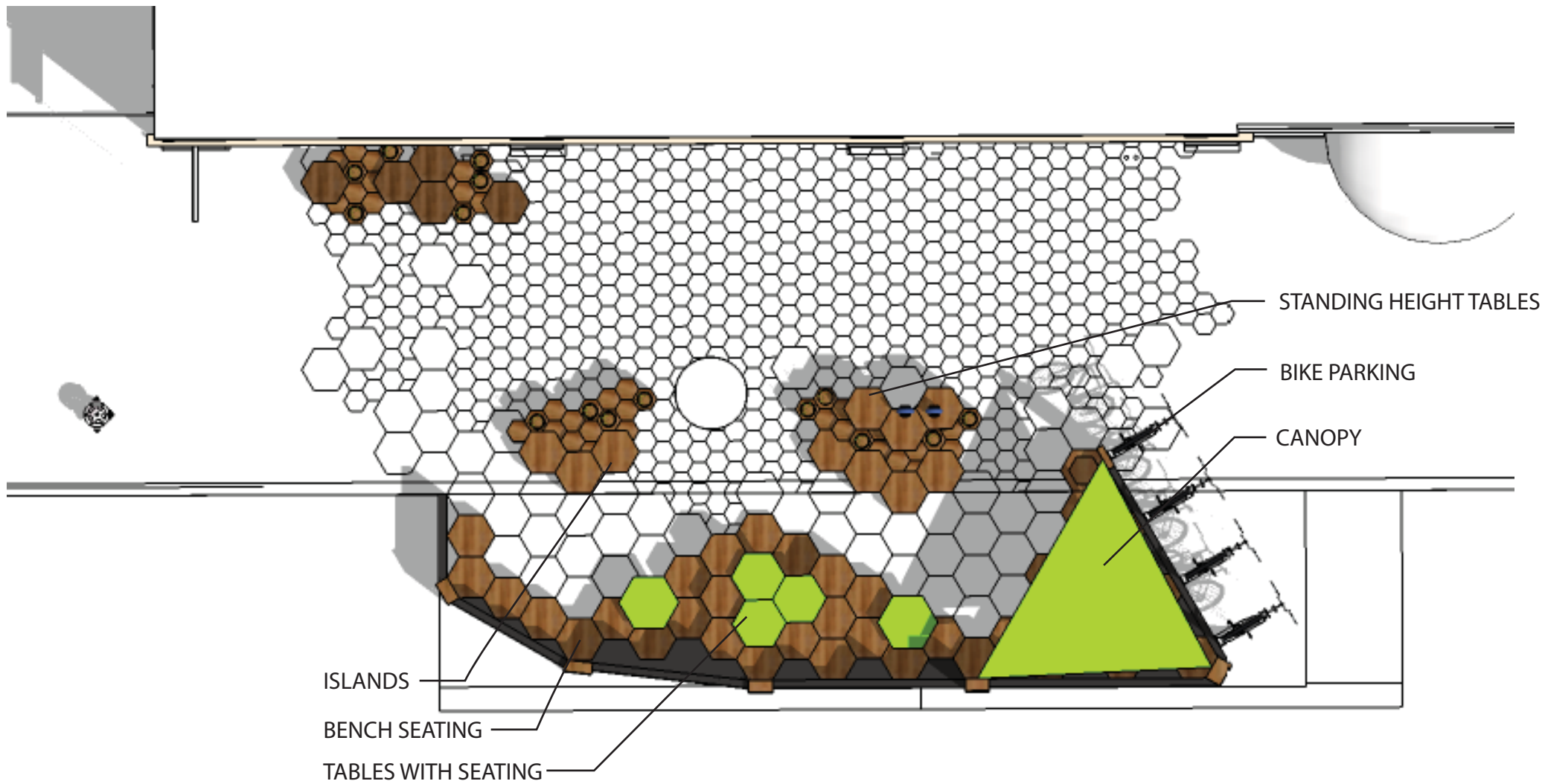
PLAN



DOWNTOWN  
GRAND RAPIDS INC.





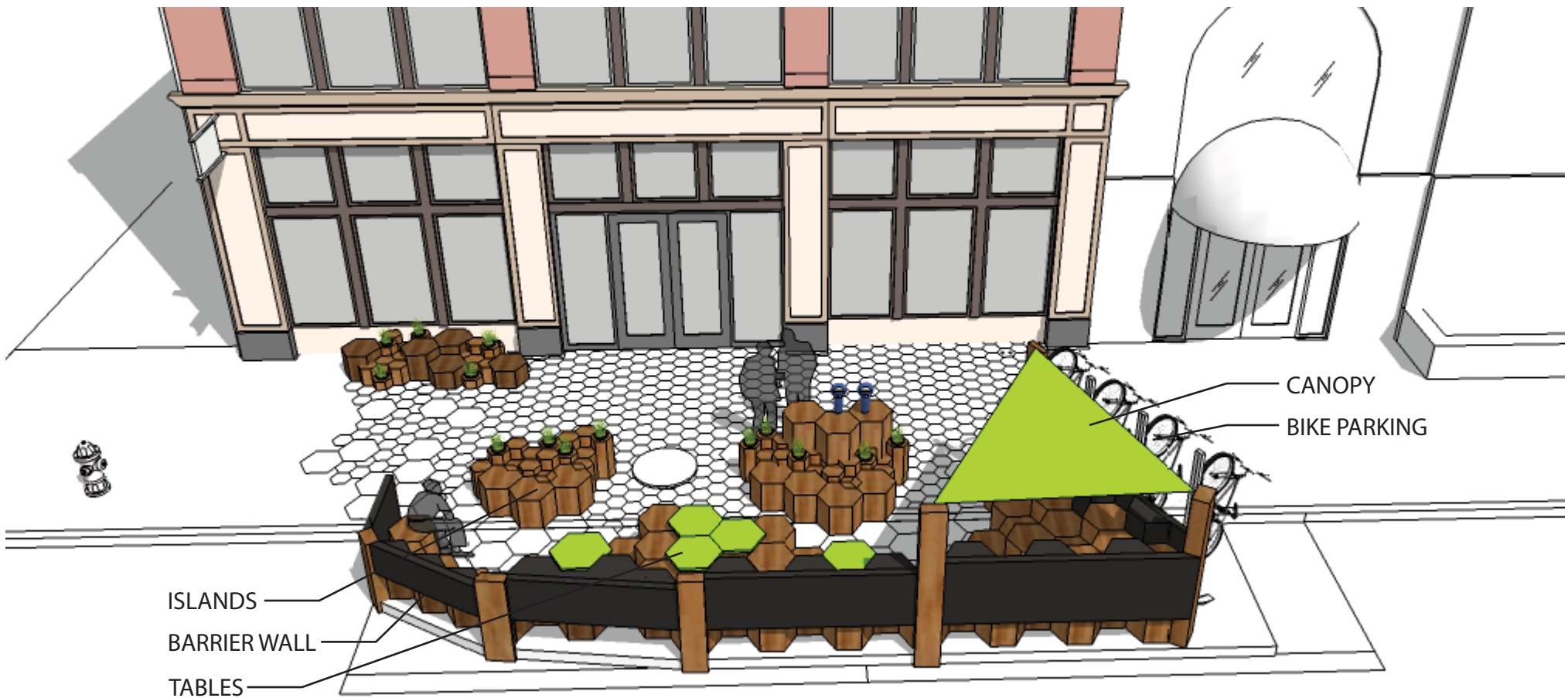


# PLAN



DOWNTOWN  
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# STREET SIDE



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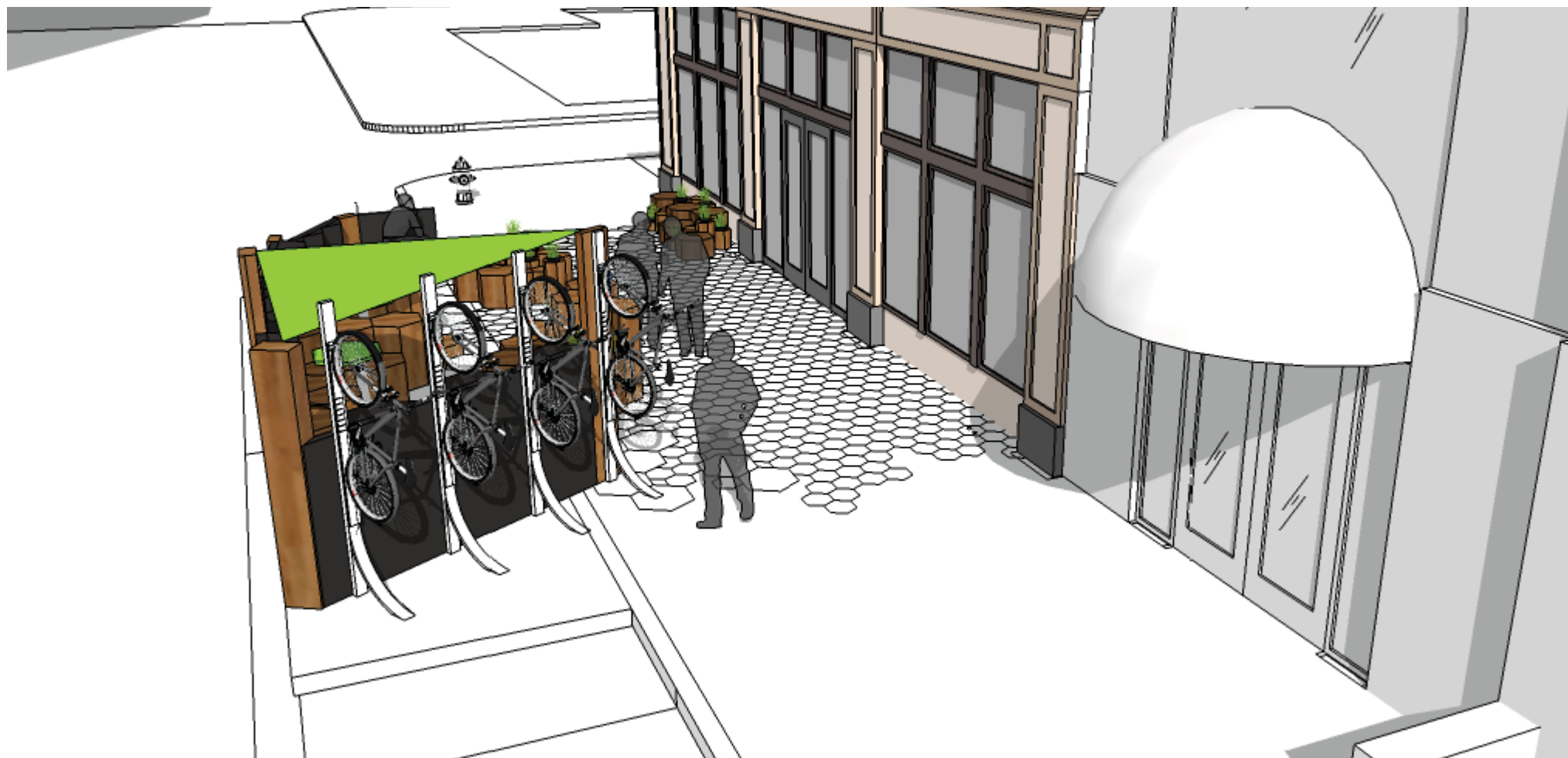


# LOOKING EAST



DOWNTOWN  
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# BIKE PARKING



DOWNTOWN  
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**KCAD**  
M.ARCH DESIGN BUILD



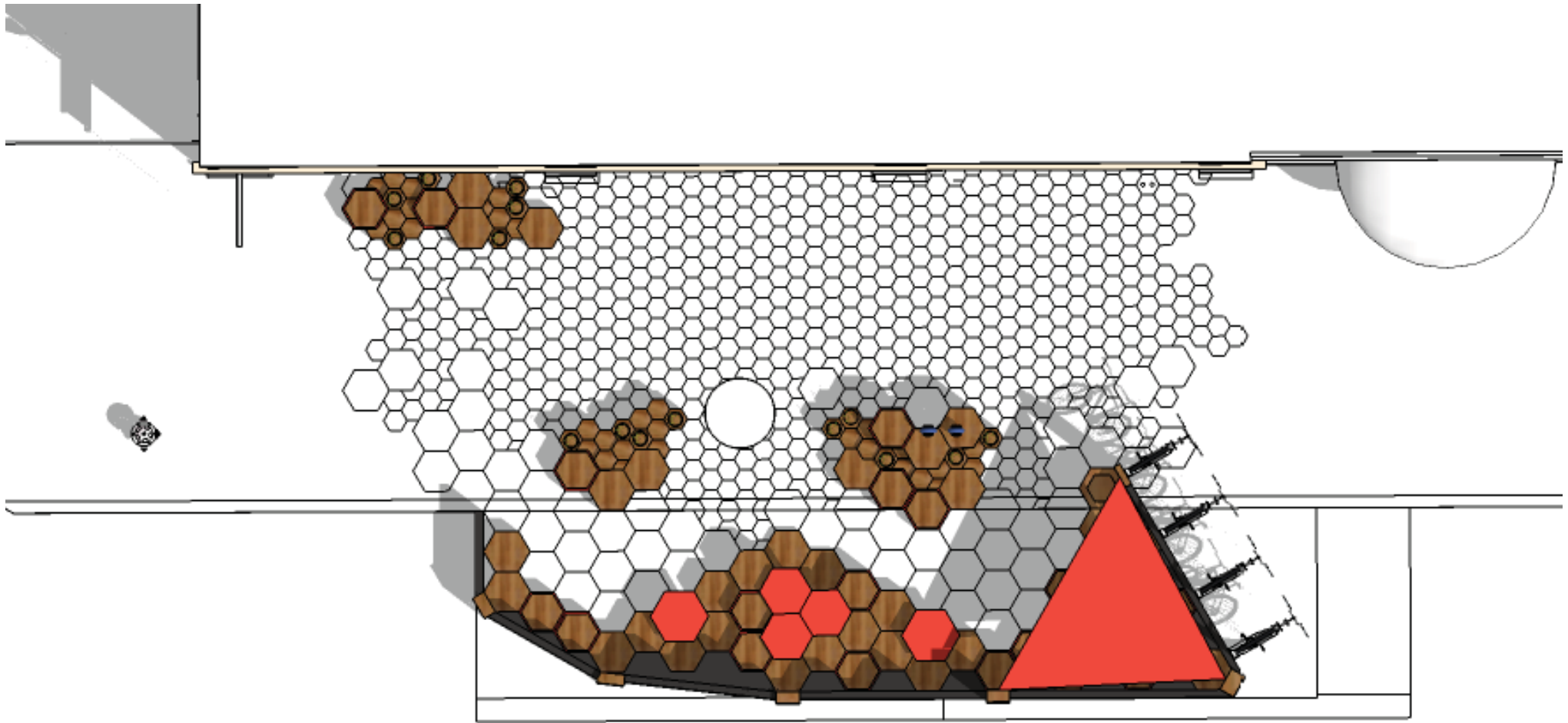


# LOOKING EAST



DOWNTOWN  
GRAND RAPIDS INC.





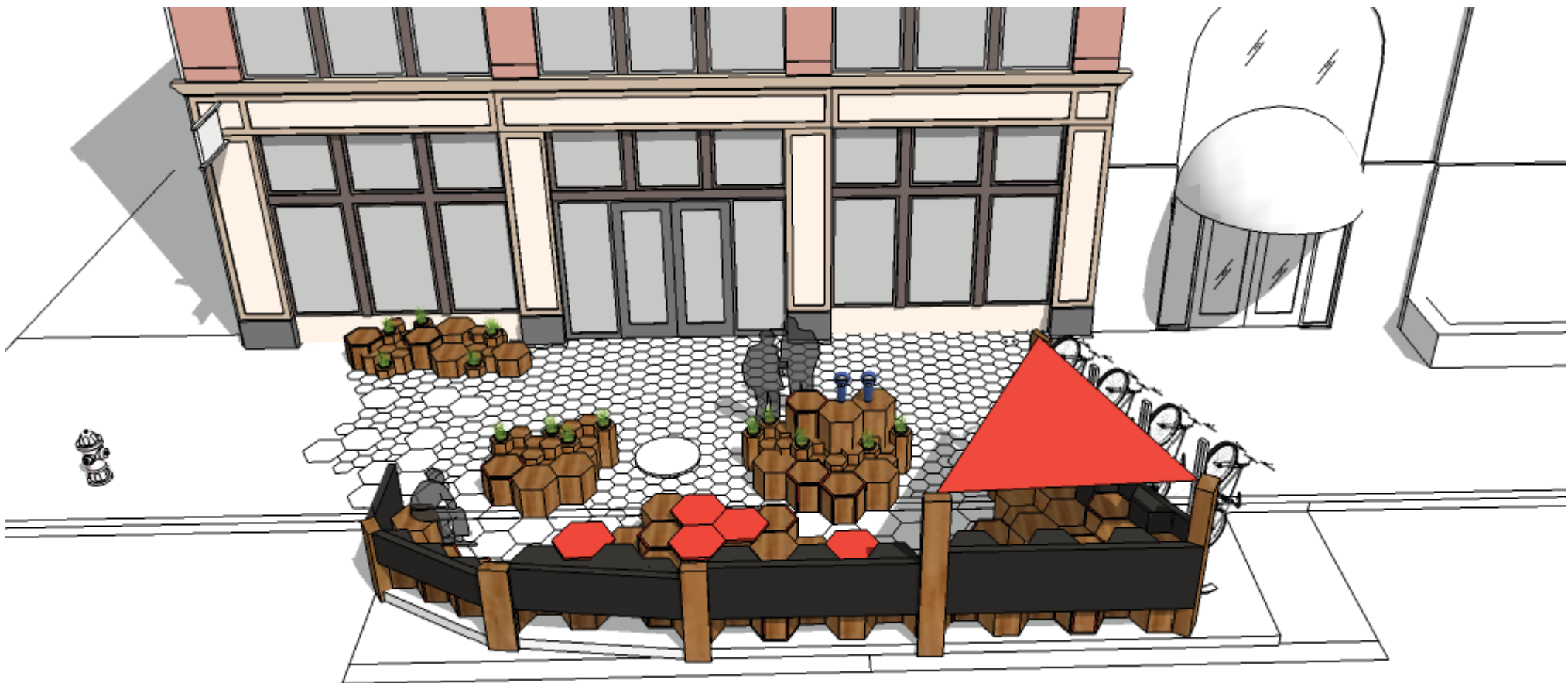
PLAN



DOWNTOWN  
GRAND RAPIDS INC.



KCAD  
M.ARCH DESIGN BUILD



# STREET SIDE



DOWNTOWN  
GRAND RAPIDS INC.





# LOOKING EAST



DOWNTOWN  
GRAND RAPIDS INC.



**KCAD**  
M.ARCH DESIGN BUILD