# **AGENDA**

#### DGRI BOARD OF ADVISORS



#### Members:

Stephanie Andrews • Monica App • Rick Baker • Shaun Biel • Mayor Rosalynn Bliss • Kayem Dunn • Jorge Gonzalez • Brian Harris • Nikos Monoyios • Doug Small • Eddie Tadlock • Randy Thelen • Al Vanderberg • Mark Washington • Kara Wood • Rick Winn

#### March 21, 2024 2:00p 29 Pearl Street NW (DGRI Offices)

1.	Call to Order (2:00)		Harris
2.	Approve Minutes from November 30, 2023 (2:01) (enclosed)	Motion	Harris
3.	Transformational Brownfield Overview (2:05)	Info	K. Wood
4.	City Master Plan Update (2:20)	Info	Aslani
5.	Grand River Greenway Update (2:35)	Info	Guy
6.	Greenway Sub Grant Agreement w/ Kent County (2:55) (enclosed)	Motion	Guy
7.	Greenway Grant Distribution Authorization (3:00) (enclosed)	Motion	Guy
8.	President & CEO Report (3:05)	Info	Kelly
9.	Board Member Discussion (3:20)		
10	Public Comment (3:25)		
11.	Adjournment (3:30)		



### Board of Advisors Meeting November 30, 2023

1. <u>Call to Order - The meeting was called to order at 2:02 pm by Chair Brian Harris</u>

#### Attendance:

Members Present: Stephanie Andrews, Mayor Rosalynn Bliss, Kayem Dunn, Brian Harris, Eddie Tadlock, Randy Thelen, Al Vanderberg, Mark Washington, Kara Wood, Jorge Gonzalez, and Rick Winn.

Members Absent: Monica App, Rick Baker, Shaun Biel, Nikos Monoyios, and Doug Small.

Others Present: Tim Kelly (President & CEO), Mandy McDaniel (Recording Secretary), Jessica Wood, John Weiss (Legal Counsel), Kim Van Driel, Marion Bonneaux, Melvin Eledge, Andy Guy, Bill Kirk, Catherine Zietse (DGRI Staff).

#### 2. Approve Minutes from September 21, 2023

The agenda packet's draft September 21, 2023 meeting minutes misidentified a "separate agreement with Kent County" in the motion to approve item 4.

Staff presented the Board with a revised draft of the September 21, 2023 meeting minutes that correctly stated the motion as "a separate agreement with the <u>Grand Rapids Downtown Development Authority."</u>

Motion: Mayor Bliss, supported by member Dunn, moved to approve the September 21, 2023, meeting minutes as presented. Motion carried unanimously.

#### 3. 2024 Meeting Dates

Kelly informed that the meeting schedule for 2024 has been corrected. The date for June 13th has been rescheduled to June 15th.

#### 4. New Advisor Appointment

Kelly stated that Charles Burke, the President and CEO of Frederick Meijer Gardens & Sculpture Park, has been recommended to join the board. His appointment is expected to advance the vision for Downtown as outlined in GR Forward and help coordinate between DGRI and Meijer Gardens.

Motion: Member Vanderberg, supported by member Dunn, moved to approve Charles Burke's appointment to the DGRI Board of Advisors, as recommended by the DGRI Executive Committee. The motion carried unanimously.

#### 5. Officer Election

Kelly stated that according to the DGRI bylaws, the organization's officers are the Chairperson, Vice Chairperson, Secretary, and Treasurer. They are elected every two years by the Board of Advisors. The Executive Committee recommends the slate of officers for the Board's consideration. After discussing the matter, the Executive Committee has unanimously agreed to propose the following officers to serve until December 31, 2026:

- Chairperson: Brian Harris
- Vice Chairperson: Kayem Dunn
- Secretary: Mandy McDaniel
- Treasurer: Jim Pike (Fusion Financial Group)

Motion: Member Winn, supported by Member Wood, moved to approve the Officer slate as allowed by the DGRI bylaws and recommended by the DGRI Executive Committee. The motion carried unanimously.

#### 6. Non-Federal funds Purchasing Policy

Kelly stated In December 2022, we implemented a federal purchasing policy that primarily covers spending related to the Grand River Greenway. Although we don't have many constraints for DGRI, we developed a draft policy to ensure that we have a structure in place when needed. The draft policy is included in your packet and covers everything.

To summarize, the President & CEO is authorized to approve any contracts below \$25,000. Contracts between \$25,000 and \$250,000 will need approval from the board. Anything above \$250,000 will require competitive proposals and sealed bidding, primarily related to construction contracts. This policy allows for some flexibility but was thoroughly vetted by the Executive committee.

Motion: Member Dunn, supported by member Winn, moved to approve the Purchasing and Procurement Policy. The motion carried unanimously.

#### 7. Investment Policy Statement

Kelly informed the board about the recommendation to invest the \$55 million grant and earn interest while keeping the money safe. To follow best practices, they prepared an investment policy statement. Their top priority is capital preservation, followed by generating a return on investment. Kelly recommends NPF as the financial advisor to handle the investments. NPF will report to the Executive Committee as the investment oversight group. Finally, the board needs to approve the investment policy statement recommended by the government.

Motion: Member Dunn. supported by Mayor Bliss, moved to approve the DGRI Investment Policy Statement to establish criteria and standards to be used in administering investments on behalf of the organization. The motion carried unanimously.

#### 8. Non-Profit Liquor License Resolution

Van Driel mentioned that in 2022, DGRI became a 501c(3), which allows us to apply for up to 12 liquor license permits with the Michigan Liquor License. They hope to apply for the first liquor license as an organization for the World of Winter event. There is one event, Winter's a Drag, which serves alcohol and donates proceeds to a local non-profit. They also have a Silent Disco event that has been popular for a while, and the attendees usually prefer adult beverages. In the past, they have hosted this event at 555, but this year, they propose to move it to Calder Plaza.

Van Driel is seeking approval to apply for the MLCC application for liquor license application, which will require the non-profit board to approve the resolution for specific action.

Winn recommends liquor liability insurance. Kelly confirmed it will be added to the policy. Dunn asked for clarification if it is a one-time license. Is there a limit to the number of licenses you can get annually? We are permitted up to 12 applications per year and would have to have board approval for each license.

Motion: Member Dunn. supported by Mayor Bliss, moved to approve the resolution authorizing the submission of the Special License Application to the MLCC. The motion carried unanimously.

#### 9. Grand River Greenway Update

Guy presented an update on the Greenway projects. The update was provided to inform the board about the work, especially regarding the timeline for executing greenway grant funded projects.

The board's action at the September 2023 board meeting was to establish formal partnerships that allow for the transfer of funds to grant subrecipients. There are three sub-recipients anticipated, the city, the DDA, and the county. However, there is a possibility that other sub-recipients may come into the picture, but that will be determined in 2024. These three are the main sub-recipients, and the funds will flow out to them, which will then be used for the projects they're managing.

The DDA has covered some expenses, such as administrative staff and planning/design work. As the dollars come in, the board will receive regular updates showing how the funds are deployed and the resulting project work.

Guy reminded the Board that they approved the strategic objective of focusing the Greenway funds to help establish a "backbone trail" adjacent to the river. Toward that end he provided updates on the following priority projects:

- Build new trail segment Ann to Leonard Street
- Trail and river edge improvements Grand Rapids Public Museum
- Build new trail segment Fulton to Wealthy Street
- Rehabilitate and extend Oxford Trail
- Build new trail segment Grand Rapids to Lowell
- Build new nonmotorized connection Knapp St over the Grand River

#### 10. Art Prize 2023 Re-Cap

Whitington, the Executive Director of ArtPrize, presented an overview of the achievements and highlights of the ArtPrize festival. The mission of ArtPrize is to transform the art world by focusing on quality art and creating the most meaningful and impactful experiences.

#### 11. President & CEO Report

Kelly presented the President and CEO Report.

- State of our Downtown Artbooks are available for members who did not receive one.
- Upcoming Events: Tree lighting, Christkindl Market, and World of Winter begins January 12th.
- Visor Pedestrian counts: The number of pedestrians exceeded the 2019 figures. The employee numbers are currently at 85%.
- The Acrisure Amphitheater is set to receive a contribution of \$15 million from Kent County.
- The Public Museum and Lyon Square are under construction.
- Has Heart opened at Veterans Park.
- The DDA approved a Retail Grant for Shinola.

#### 12. Board Member Discussion

None.

#### **UNAPPROVED MINUTES**

- 13. <u>Public Comment</u> None.
- 14. <u>Adjournment</u>
  The meeting adjourned at 3:28 pm.

Minutes taken by: Mandy McDaniel Administrative Manager



### **MEMORANDUM**

DATE: March 14, 2024

TO: DGRI Board of Advisors

FROM: Andy Guy, DGRI COO

SUBJECT: Grand River Greenway Subrecipient Grant Agreements

The State of Michigan in March 2022 awarded Downtown Grand Rapids Inc. (DGRI) \$55,000,000 to support the development of the Grand River Greenway in Grand Rapids and Kent County.

This grant provides DGRI and its river corridor revitalization partners with increased capacity to:

- Rehabilitate and expand the public riverfront greenspace system, and
- Build new nonmotorized trail segments to fill gaps in the riverfront trail system and establish stronger connections to river-adjacent neighborhoods and the broader regional trail network.

This investment and work significantly catalyzes implementation of *GR Forward* Goal 1, *River for All* and other related community master plans.

The state funds will flow to DGRI from the Michigan Department of Natural Resources (MDNR) in accordance with an American Rescue Plan Act Local Parks and Trails Agreement developed collaboratively by the MDNR and DGRI teams.

The Chair of the DGRI Board of Advisors and the MDNR representative executed this agreement in May 2023.

DGRI, in turn, holds the right and responsibility of awarding funds to partner organizations supporting priority Grand River Greenway implementation efforts.

Informed by the prioritization work of the Grand River Network and their Greenway Advisory Committee, the DGRI Board of Advisors in May 2023 also approved an initial slate of projects for Greenway grant investment. The partners currently working to advance these priority projects include Kent County, the City of Grands Rapids, and the Grand Rapids Downtown Development Authority (DDA).

The attached resolution authorizes the DGRI Board Chair to execute the necessary partnership subrecipient agreements with Kent County.

More specifically, the agreement with the County establishes intent to allocate Greenway funds to the following project priorities:

- Complete a non-motorized trail spanning Plainfield, Cannon and Ada Townships.
- Complete a non-motorized bridge crossing over the Grand River near the Knapp Street crossing.

Project priorities, as well as subrecipient advances and reimbursements, are subject to change, and to MDNR approval. All documentation requirements are dictated by DGRI's Grant Agreement with the MDNR.

Staff will keep the DGRI Board informed of all subrecipient grant distributions as they occur.

Recommendation: Authorize the DGRI Chair to execute Greenway Grant Subrecipient Agreements with Kent County.

#### DOWNTOWN GRAND RAPIDS, INC.

# RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF A GREENWAY GRANT SUBRECIPIENT AGREEMENT WITH THE COUNTY OF KENT

Boardmember	<b>,</b>	supported	by	Boardmember
	_, moved the adoption of the f	following resolut	tion:	

WHEREAS, the State of Michigan was awarded \$6.54 billion dollars under the Fiscal Recovery Fund, and in section 451 of Public Act 53 of 2022, the State of Michigan Legislature appropriated funds to the Michigan Department of Natural Resources (the "Department") for an American Rescue Plan Act of 2021 ("ARPA") grant to Downtown Grand Rapids, Inc. ("DGRI") in the amount of \$55,000,000 (the "Grant"); and

**WHEREAS,** the Department has authority to issue grants for the development of public outdoor recreation facilities under sections 602 and 603 of section 9901 of the Social Security Act of Public Law No. 117-2, known as ARPA signed into law on March 11, 2021 as the Coronavirus State and Local Fiscal Recovery Funds (SLFRF); and

WHEREAS, in consideration of receiving the Grant, DGRI has been tasked with providing programmatic assistance and distribution of ARPA funding to support the development of a recreational greenway project connecting multiple regional, city and community trail and park systems that promotes and enhances public recreation, equity, tourism and economic development and recovery (the "Project"); and

WHEREAS, DGRI entered into a comprehensive ARPA Local Parks and Trails Grant Agreement (the "Grant Agreement") with the Department in order to receive the Grant; and

WHEREAS, the Grant Agreement expressly requires that all Department Greenway Grant Subrecipients, including the City of Grand Rapids (the "City"), the County of Kent (the "County"), and the City of Grand Rapids Downtown Development Authority (the "DDA"), assume certain specific risks and responsibilities by entering a Subrecipient Agreement with DGRI in consideration of their funding; and

WHEREAS, the County has provided and will continue to provide financial and administrative support for the Project, including planning, design, engineering, and other critical activities advancing Project implementation in relation to the portions of the Project set forth on Exhibit A, or as mutually defined in writing by the authorized representatives of DGRI (Andy Guy, Chief Outcomes Officer), and Subrecepient (the Kent County Administrator/Controller or his designee), subject to DNR approval; and

WHEREAS, DGRI has approved a priority plan related to the Project, and has indicated that it shall consider providing a portion of the Grant funding in an amount not to exceed \$19,500,000 to the County for those portions of the Project, subject to certain conditions being met and final DNR approval.

#### NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

- 1. That the County shall act as a Subrecipient of Grand River Greenway Grant funding, and may receive advances or may be reimbursed for its financial, administrative, and other eligible activities supporting implementation of the Project, in an amount not to exceed \$19,500,000 for the portions of the Project set forth on Exhibit A, or as mutually defined in writing by the authorized representatives of DGRI (Andy Guy, Chief Outcomes Officer), and Subrecepient (the Kent County Administrator/Controller or his designee), subject to DNR approval.
- 2. That the Chair of the DGRI Board of Directors is authorized to execute Subrecipient Grant Agreements with the County, containing requirements that align and comport with the requirements contained in the Grant Agreement, in a form approved as to content by the Chair, and as to form by legal counsel.
- 3. That all resolutions or parts of resolutions in conflict herewith shall be and the same are hereby rescinded.

YEAS:	Boardmembers	
NAYS:	Boardmembers	
ABSTAIN:	Boardmembers	
ABSENT:	Boardmembers	
RESOLUTIO	ON DECLARED AI	DOPTED.
Dated:	, 2024	Brian Harris Board Chair
		CERTIFICATION
Inc. (the "DG adopted by the notice of said	RI"), do hereby cert e Board of Advisors	lified and acting Recording Secretary of Downtown Grand Rapids, ify that the foregoing is a true and complete copy of a resolution of DGRI, at a meeting held on, 2024, and that public bursuant to, and in compliance with, Act 267 of the Public Acts of
Dated:	, 2024	Mandy McDaniel Recording Secretary

# EXHIBIT A KENT COUNTY PORTIONS OF PROJECT

- 1. Complete a non-motorized bridge crossing over the Grand River near the Knapp Street crossing.
- 2. Complete a non-motorized trail spanning Plainfield, Cannon and Ada Townships.



### **MFMORANDUM**

DATE: March 13, 2024

TO: DGRI Board of Advisors

FROM: Andy Guy, DGRI COO

SUBJECT: Grand River Greenway Grant Distribution Authorization

This memo requests Board authorization of staff to distribute Grand River Greenway Grant funds consistent with the terms of the subrecipient grant agreements and the advancement of priority Greenway projects.

More specifically, staff requests:

- Authorization of funds not to exceed \$3,178,088 to the City of Grand Rapids to advance the planning, design and construction to support:
  - o Trail building from Leonard to Ann Streets and Fulton to Wealthy Streets.
  - o Oxford Trail rehabilitation and extension.
  - o Grand Rapids Public Museum river front enhancement.
- Authorization of funds not to exceed \$2,615,000 to the County of Kent to advance the planning, design and construction to:
  - o Complete a non-motorized trail spanning Plainfield, Cannon and Ada Townships.
  - o Complete a non-motorized bridge crossing over the Grand River near the Knapp Street crossing.

Funds will be distributed only for grant-eligible expenses and in a manner reasonable and necessary for the success of the projects.

Additionally, staff requests funds not to exceed \$40,000 to support the start-up of a process to develop a recommended Greenway Traill operations and management strategy. The project partners and work group currently are evaluating consultant respondents to a Request for Qualifications and anticipate selecting a consultant later this spring. Staff will bring a full project and fee proposal to the Board at that time. The requested funds would be used only as needed to keep the process moving in between DGRI Board meetings.

# Downtown Vitals Report Downtown Development Authority



Produced for the month of February 2024

# **Summary of Downtown Vital Signs**

Vitals Collected: **February 2024** 

#### **NEW BUSINESSES**

in February

year-to-date

# STOREFRONT VACANCY RATES

-7%

vs. Jan 2024

-4%

vs. 2-yr avg.

#### **OFFICE SPACE VACANCY RATES**

8.3%

in Q4 2023 vs. 9.5% in Q3 2023

# **OFFICE SPACE RENTAL RATES**

**\$22.28** 

per square foot in 04 2023 vs. \$22.12 in 03 2023

# **HOUSING OCCUPANCY**

-.2%

vs. Q3

+1%

vs. 5-yr avg.

+1%

vs. 15-yr avg.

# (JAN) HOTEL OCCUPANCY

+6%

+6%

**-7%** 

vs. Dec 2023

vs. Jan 2023

vs. 5-yr avg.

# **VISITOR ACTIVITY COUNTS**

+20%

vs. Jan 2024

+8%

vs. Feb 2023

# **EMPLOYEE ACTIVITY COUNTS**

vs. Jan 2024

+10% +10%

vs. Feb 2023

# **RESIDENT ACTIVITY COUNTS**

+8%

vs. Jan 2024

+40%

vs. Feb 2023

### (DEC) DASH WORK RIDES

-34%

vs. Nov 2023

# (DEC) DASH CIRCULATOR RIDES

+8%

vs. Nov 2023

# **(OCT) CITY EMPLOYMENT**

+2%

+6%

+6%

vs. Sep 2023

vs. Oct 2022

vs. 5-yr avg.



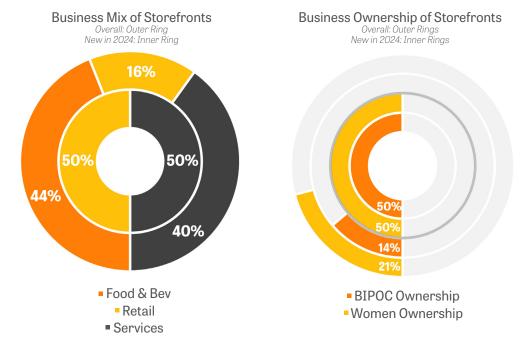
# **Storefront Business Openings** | Updated February 2024

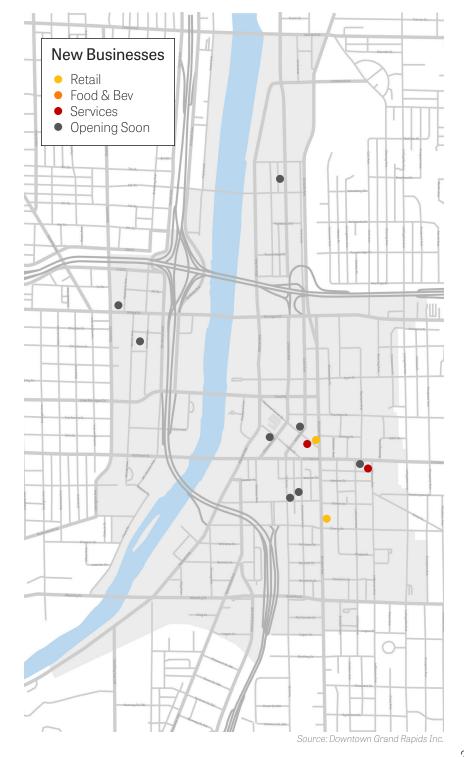
Retail
Shinola Detroit\*
Grammotones\*

Food & Beverage

#### **Services**

D'Vine Nails & Spa Euphoria Wellness







# **Storefront Vacancies & Recent Closures**

Updated Feb 2024

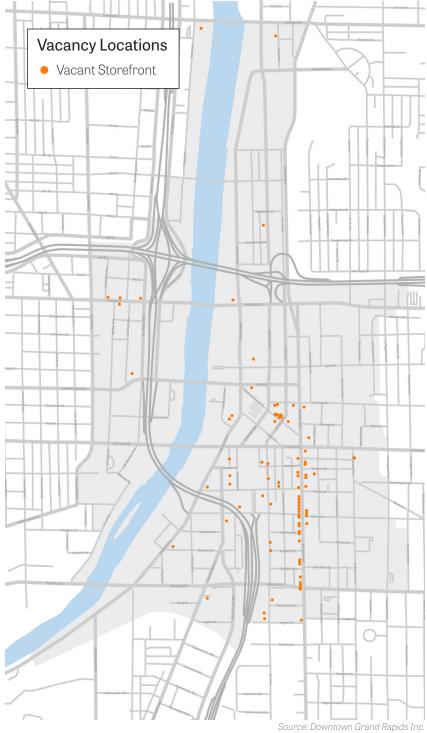
storefront businesses have closed in 2024

2024 Closures: 67% Food & Bev 33% Retail 0% Services

20% vacancy rate



	Storefronts	Vacancies	Vacancy %	Sq Ft Available
Bridge Street	22	3	14%	6,335 sq ft
Center City	121	21	20%	98,609 sq ft
Monroe Center*	53*	8*	15%*	55,388 sq ft*
Fulton & Jefferson	21	0	0%	0 sq ft
Heartside: Division	100	32	32%	~87,997 sq ft
Heartside: Ionia	68	8	12%	38,312 sq ft
Heartside: C. Chavez	13	3	23%	12,087 sq ft
Monroe North	28	2	7%	3,280 sq ft
Other	6	2	40%	4,460 sq ft
DISTRICT TOTALS:	379	72	19%	~251,080 sq ft

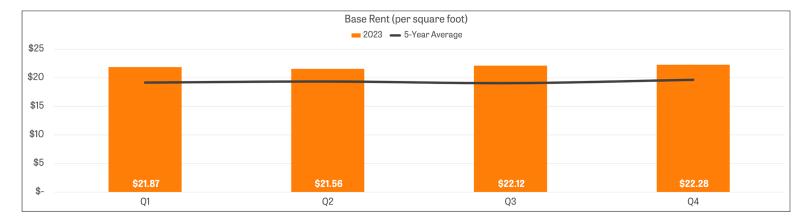




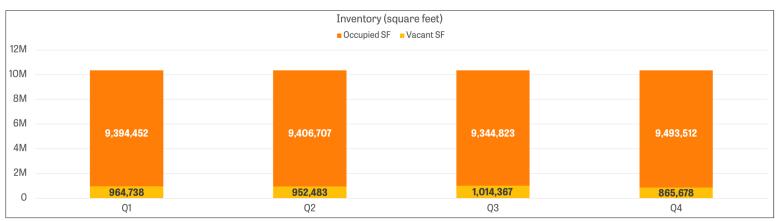
8.3% vacancy in Q4 2023 vs. 9.5% in Q3 2023



\$22.28 per sq ft in Q4 2023 vs. \$22.12 in Q3 2023



10.4 M square feet of office space inventory

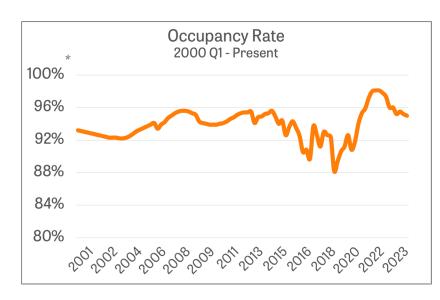


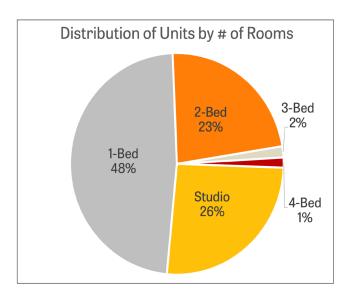


Source: CoStar

95% occupancy in Q4 2023

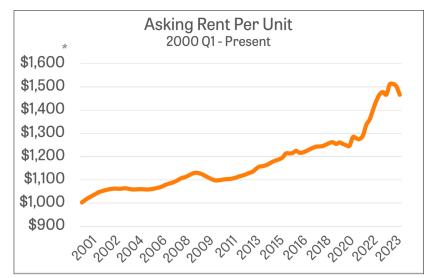
\$1,466 asking rent rate in Q4 2023



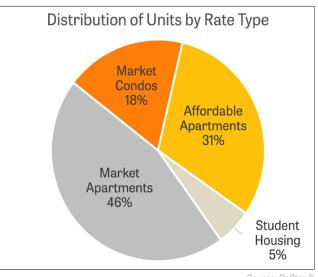


248
units under
construction

1,033 units in planning



\*truncated y-axis to highlight changes



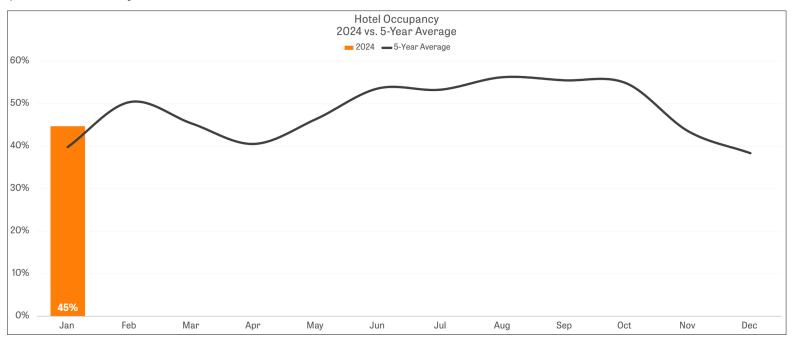
Source: CoStar & Downtown Grand Rapids Inc.



# Hotel Occupancy | Updated January 2024

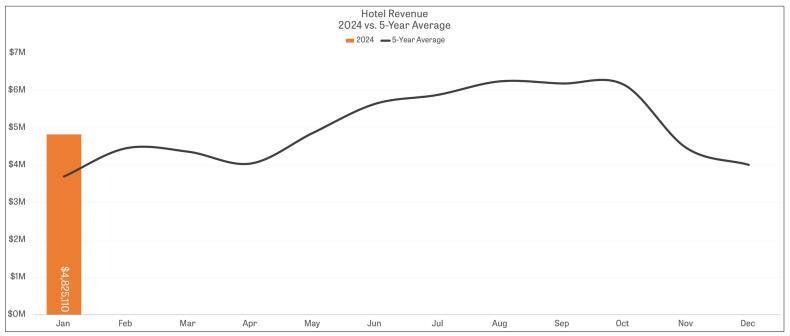
45% hotel occupancy in January 2024

57% average hotel occupancy in 2023



\$4.8 N hotel revenue in January 2024

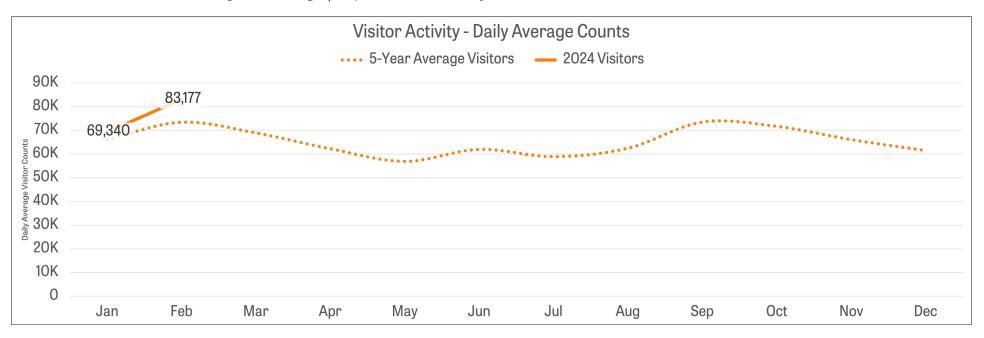
\$82M hotel revenue in 2023



Source: Smith Travel Research via CoStar



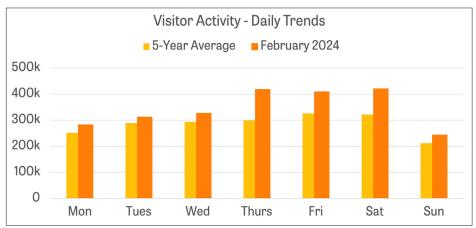
# **Downtown Visitor Activity Tracking** | Updated February 2024



20% increase in Feb 2024 vs. Jan 2024 increase in Feb 2024 vs. 2024 average 13% increase in Feb 2024 vs. Feb 5-year average

increase in Feb 2024 vs. Feb 2023

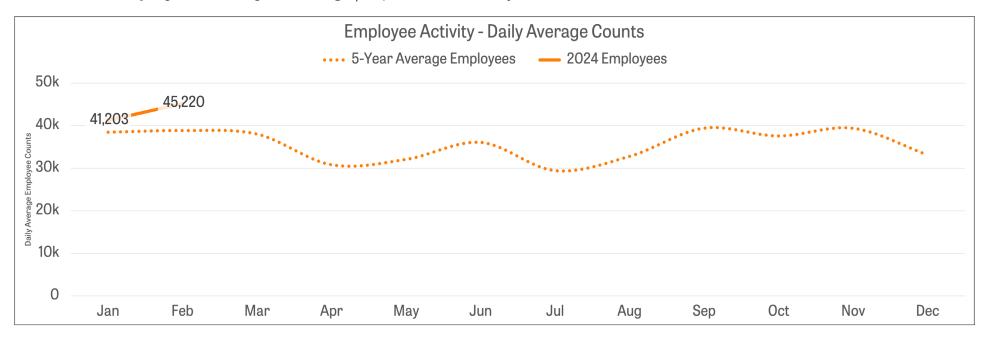






Source: Placerai

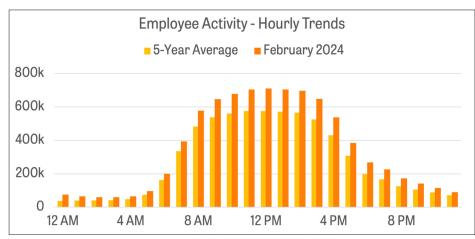
# **Downtown Employee Activity Tracking** | Updated February 2024

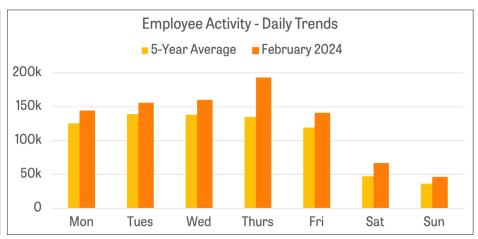


10% increase in Feb 2024 vs. Jan 2024 5%
increase in Feb 2024
vs. 2024 average

16% increase in Feb 2024 vs. Feb 5-year average

increase in Feb 2024 vs. Feb 2023

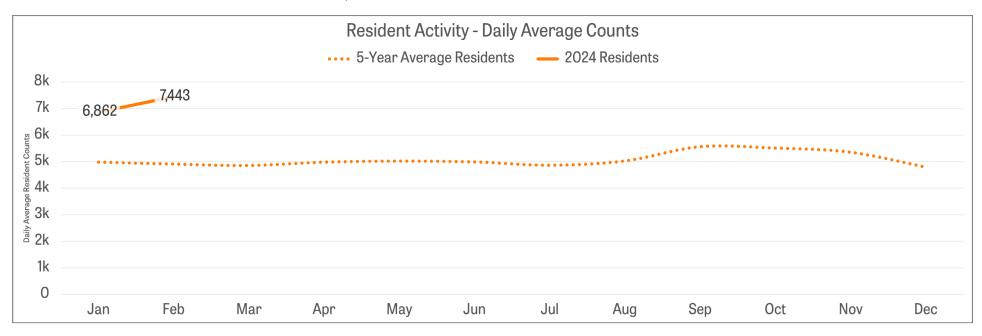




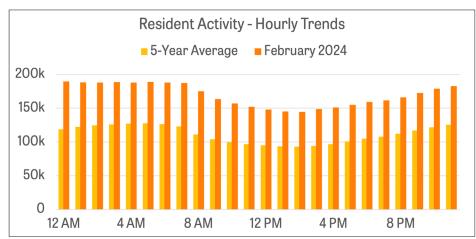


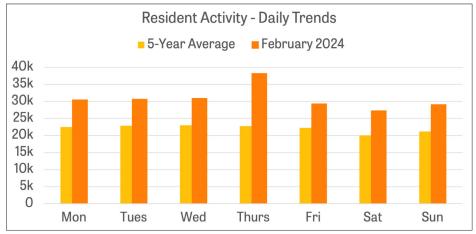
Source: Placer.ai

# **Downtown Resident Activity Tracking** | Updated February 2024



increase in Feb 2024 vs. Jan 2024 increase in Feb 2024 vs. 2024 average 52% increase in Feb 2024 vs. Feb 5-year average 40% increase in Feb 2024 vs. Feb 2023







Source: Placer.ai

# **Current Construction & Development** | Updated February 2024

1 Corewell Health Ambulatory Building anticipated completion: Spring 2024

+240,000 square feet of office space \$20,000,000 investment

2 Center for Transformation & Innovation anticipated completion: Summer 2024

- +303,000 square feet of office space
- +1,200 jobs
- +1,090 parking spaces \$110,000,000 investment

3 Studio Park Residential Tower anticipated completion: End 2024

+190 housing units \$52,000,000 investment

4 Wealthy & Sheldon Lofts

anticipated completion: End 2024

- +58 housing units
- +2,400 square feet of commercial space
- +30 parking spaces \$17,500,000 investment

**5** Corewell Health Parking Structure

**6** Lyon Square Reconstruction anticipated completion: Fall 2024 \$12,000,000 investment

7 GRPM River's Edge Work anticipated completion: 2025 \$12,000,000 investment

square feet of office space

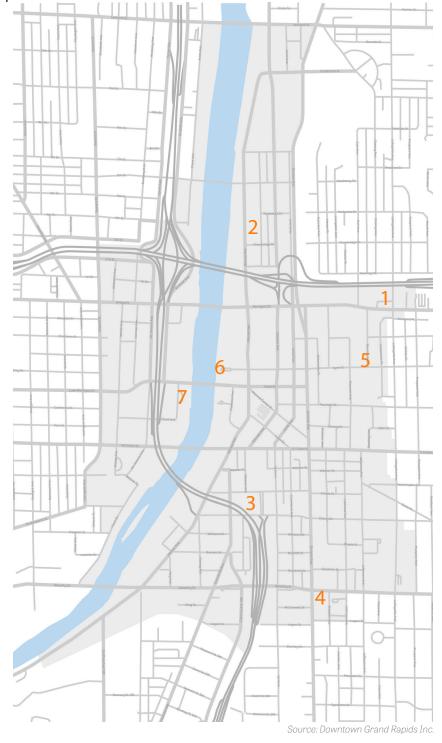
square feet of commercial space

housing units

new jobs

parking spaces

\$224M in investment

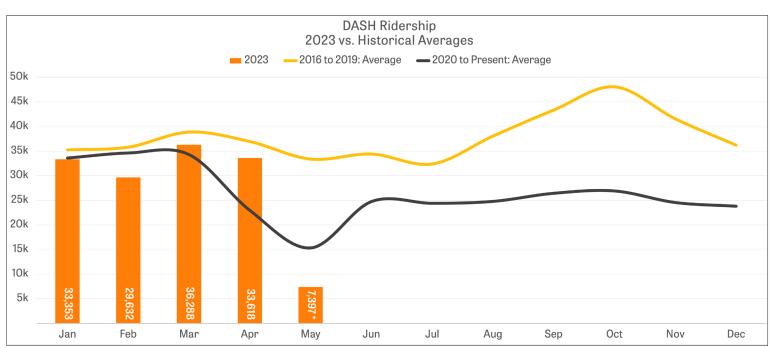


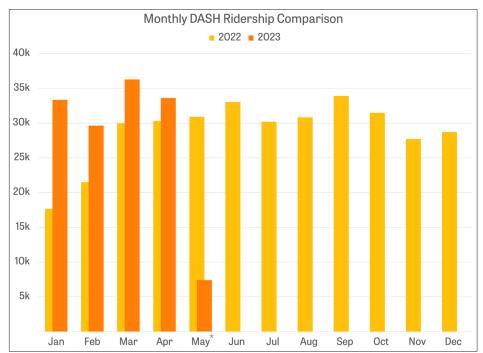


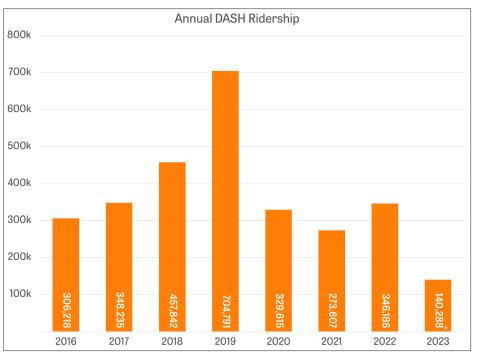
# DASH 2.0 Ridership | Retired May 2023

decrease in average ridership Jan - Apr 2023 vs. 7-year average

34%
increase in ridership
in Jan - Apr 2023 vs.
Jan - Apr 2022







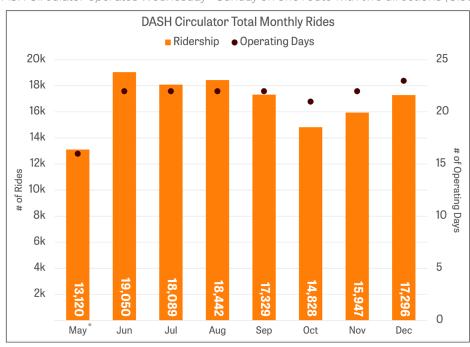


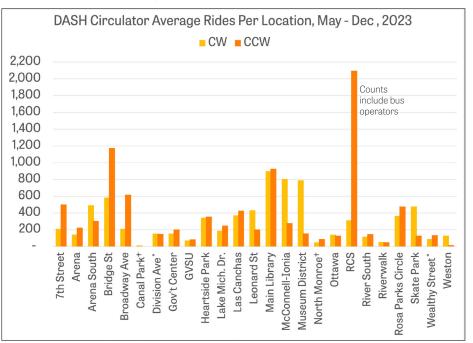
\*incomplete year & month

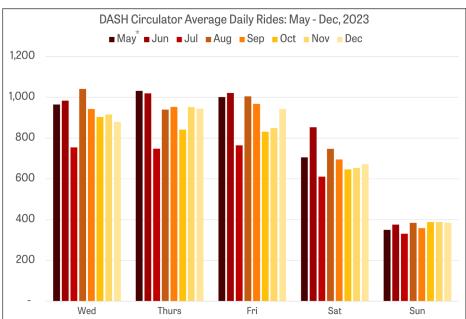
Source: The Rapid

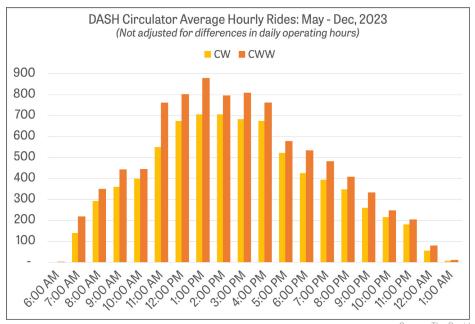
# **DASH 3.0: Circulator Ridership** | Updated December 2023

DASH Circulator operates Wednesday - Sunday on one route with two directions (Clockwise and Counterclockwise).









Number of operating days: May: 16; Jun: 22; Jul: 22; Aug: 22; Sep: 22; Oct 21; Nov: 21; Dec: 23

<sup>\*</sup> May service started on 5/10/23

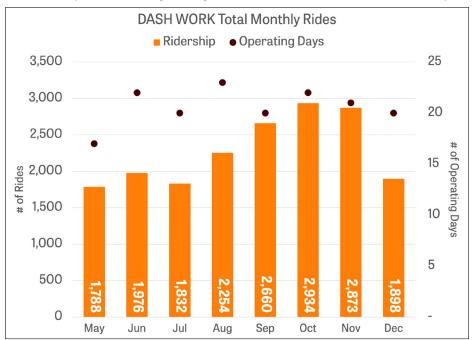
<sup>\*</sup>Service to Canal Park & North Monroe stops was disrupted due to Ottawa & Coldbrook construction

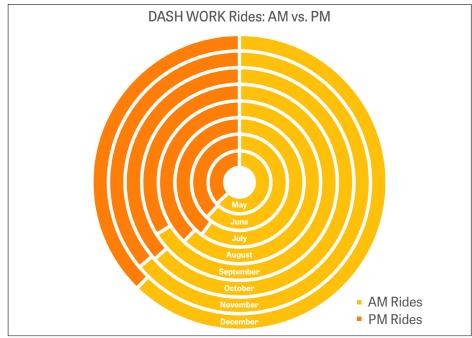
<sup>\*</sup>Division Avenue & Wealthy Street stops were added (8/30/23)

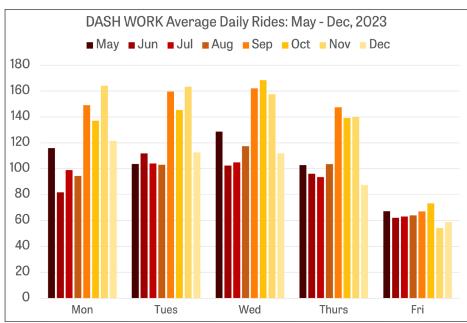
N.B.: No service on Thanksgiving Day (11/23/23)

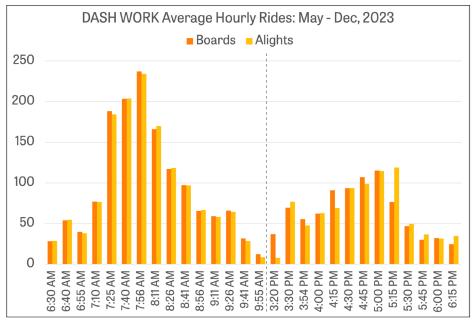
# **DASH 3.0: WORK Ridership** | Updated December 2023

DASH WORK operates Monday - Friday, 6:30 AM - 9:30 AM & 3:30 PM - 6:30 PM, primarily servicing Downtown employees that park in Area 7 & 9.





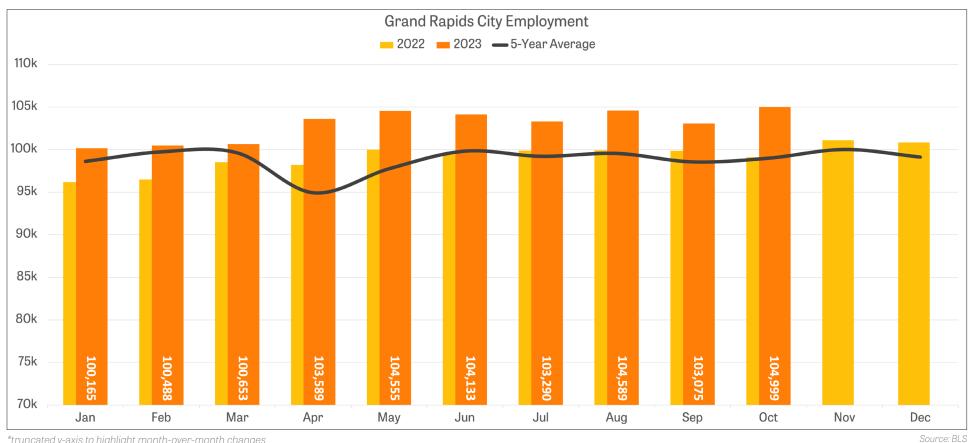








# **Grand Rapids City Employment** | Updated October 2023



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

in Oct 2023 vs. Sep 2023

increase in Oct 2023 vs. 2023 average so far

in Oct 2023 vs. 5-year average

in Oct 2023 vs. Oct 2022

