

AGENDA

DOWNTOWN
DEVELOPMENT
AUTHORITY



Board Members:

Luis Avila • Mayor Rosalynn Bliss • Kayem Dunn • Jermale Eddie • Brian Harris • Jen Schottke • Diana Sieger • Jim Talen
Rick Winn

Wednesday, December 11, 2019

8:00 a.m. Meeting

29 Pearl Street, NW Suite #1

- | | | |
|---|-----------|---------|
| 1. Call to Order | | |
| 2. Approve Meeting Minutes from November 13, 2019 (8:01)
(enclosure) | Motion | Harris |
| 3. Accept November 30, 2019 Financial Statements (8:05)
(enclosure) | Motion | Wallace |
| 4. 2020 Meeting Schedule (8:10)
(enclosure) | Motion | Kelly |
| 5. Ottawa Avenue Extension Land Conveyance (8:15)
(enclosure) | Motion | Kelly |
| 6. Business Innovation Grant Requests (8:25)
(enclosure) | Motion | Kitavi |
| 7. Economics of Place Assessment (8:35)
(enclosure) | Motion | Kelly |
| 8. World of Winter Report (8:55) | Info Item | Catcho |
| 9. 2020 Officer Election (9:10) | Motion | Board |
| 10. President and CEO Report (9:15) | Info Item | Kelly |
| 11. Public Comment (9:20) | | |
| 12. Board Member Discussion (9:25) | | |
| 13. Adjournment (9:30) | | |





MEETING OF THE DOWNTOWN DEVELOPMENT AUTHORITY

November 13, 2019

1. Call to Order – The meeting was called to order at 8:21 a.m. by Chair Brian Harris

2. Attendance

Present: Jim Talen, Rick Winn, Brian Harris, Diana Sieger, Mayor Rosalynn Bliss

Absent: Luis Avila, Jen Schottke, Kayem Dunn, Jermale Eddie

Others Present: Tim Kelly (DDA Executive Director), Flor Valera, (DDA Recording Secretary) Jana Wallace (DDA Treasurer), Dick Wendt (Legal Counsel), Annamarie Buller, Megan Catcho, Kimberly Van Driel, Melvin Eledge, Marion Bonneaux, Mark Miller, Kiley Tippman, Max Vanderforest, Kyama Kitavi (DGRI Staff), David Davis, Dante Villareal, Ramzy Kade, Josh Naramore, Sam Cummings, Denny Sturtevant, Julio Cano, Sergio Cira Reyes and others.

3. Approve Meeting Minutes from October 9, 2019

Motion: Diana Sieger, supported by Mayor Rosalynn Bliss, moved approval of the minutes from the October 9, 2019 meeting as presented. Motion carried unanimously.

4. Accept October 31, 2019 Financial Statements

Jana Wallace introduced the financial statements for the first four months of the fiscal year ending June 30, 2020. Ms. Wallace said development project reimbursements totaling \$1,039,585 were issued in October to fifteen (15) developers, other than that there is no unusual activity to report on.

Motion. Diana Sieger, supported by Mayor Rosalynn Bliss, moved to accept Statement D: Schedule of October 30, 2019 expenditures as recommended. Motion carried unanimously.

5. Development Area Liquor License Request

Kyama Kitavi presented a liquor license application for Gita Pita LLC. Mr. Kitavi said Gita Pita is seeking a Class C development area liquor license for their business located at 2, 4, and 6 Jefferson Ave SE Grand Rapids, Michigan. DGRI staff has reviewed the application, and if approved by the board, the request will proceed to the Grand Rapids City Commission for consideration and then to the State Board. Ramzy Kade co-owner of Gita Pita was introduced to provide a brief overview of his business. Mr. Kade said Gita Pita is located at 2 and 4 Jefferson Ave SE and serves Middle Eastern

Mediterranean food; this establishment has been open for five (5) years. The next-door restaurant located at 6 Jefferson Ave SE is also owned by Gita Pita LLC and is called Char. This is an Asian fusion restaurant that has been open to the public for one (1) year. The approval of the liquor license will allow for the sale and consumption of single bottles of beer and small bottles of wine on-premise.

Motion: Rick Winn, supported by Mayor Rosalynn Bliss, moved to approve the resolution for the issuance of a development area liquor license for Gita Pita. Motion carried unanimously.

6. North Monroe Banner Funding

Melvin Eledge introduced the request to authorize funding to support the installation of new banners along the North Monroe corridor. Mr. Eledge said DGRI is collaborating with representatives from the Monroe North Business Association as they have identified banners as one of their main priorities. He presented images of the current banners and said the improper installation and the poorly designed features have resulted in many banners falling, creating an inconsistent look throughout the corridor. To address this issue, DGRI is proposing to work with Vizcom, a local company that specializes in creating long-lasting and durable banners. The contractor will also provide better hardware and installation as well as replacement warranties on both hardware and banners. The request has been reviewed by both Goal 2 and Goal 5 Citizen Alliance. Both the DDA and MNTIFA have budgeted funds to support this initiative. Mr. Eledge shared the cost breakdown, which includes banners, hardware, installation, and banner permit. Rick Winn asked who was the previous contractor. Mr. Eledge said DGRI will be working with the same contractor; the only difference is that Vizcom now produces their banners locally rather than outsourcing them as they previously were.

Motion: Rick Winn, supported by Mayor Rosalynn Bliss, moved to authorize the expenditure not to exceed \$19,516.90 to Vizcom for the creation and installation of the Monroe North Banners and accompanying hardware. Motion carried unanimously.

7. YMCA Parking Agreement

Tim Kelly introduced the request to approve a new parking lease agreement with YMCA for the DASH Area 8 parking space. Mr. Kelly said the current agreement expired in 2006, DGRI and the YMCA have maintained a month to month lease agreement since then. Mr. Kelly said the revised agreement proposes adjusting the current parking rate from \$29.50 to \$48/space a month. The new term will run for three (3) years with an option for either party to terminate upon 60 days' notice. In addition to recognizing that these parking lots will eventually be redeveloped, the YMCA, along with stakeholders, will participate in the envisioning and planning process for Area 8 and other publicly owned lots in the Westside. Rick Winn asked how are the parking rates set for the Westside. Josh Naramore explained that the cost for parking is based on cost recovery; the surrounding market rate used for Areas 7 and 9, which is 48 dollars per month. Diana Sieger asked if the YMCA is conformable with the new parking rate. Mr. Kelly answered, yes.

Motion: Rick Winn, supported by Diana Sieger, moved to authorize the DDA Executive Director along with the DDA legal counsel, to finalize and execute a new parking lease agreement with the YMCA for the DASH Area 8. Motion carried unanimously.

8. Vandenberg Center Development Support Request

Tim Kelly presented a request for development support for 111 Lyon Street NW and 200 Monroe Avenue NW. Mr. Kelly said CDW 111 Lyon LLC (the developer) is requesting the utilization of this

program to reimburse eligible expenses associated with these projects. The Projects will yield restaurant and retail space along Lyon Street NW between Ottawa and Monroe avenues. Mr. Kelly gave an overview of the total capital investment and added that the development support from the DDA would be used to reimburse costs associated with the replacement of one elevator in 111 Lyon, as well as infrastructure improvements in the right of way, snowmelt in the adjacent sidewalks and landscaping. Mr. Winn asked to be reminded of how the development support amount is determined. Mr. Kelly said these are projections based on tax increment revenues that will be generated from the new investment. Mr. Kelly added that since he believes this project will also be using Brownfield Redevelopment Authority funds, the development support reimbursement is often a balance between eligible activities dictated under the BRA and the DDA. Legal Counsel stated that it would be beneficial to incorporate that this project will not be capturing school tax increment revenues since the Arena bonds are reaching their maturity and there are sufficient funds in an established debt service reserve fund to pay the remaining bond debt. The DDA can forgo the capture of school tax increment revenues and defer the collection to the Brownfield Redevelopment Authority (BRA). The Board agreed to make that clarification in the motion. Sam Cummings, principal and managing partner of CWD, was introduced to provide an overview of the project. Mr. Cummings said the project would yield 18,000 square feet of ground-floor retail. The western anchor tenant is already signed up, and CWD hopes to make that announcement within the next two weeks. Their next goal will be to fill in the other retail spots with affordable fast-casual restaurants that will serve as amenities to the Convention Center and the hotels nearby. Mr. Harris asked about the timeline for completion. Mr. Cummings said we want to start work immediately, demolition of the granite wall is expected to begin next week, but the entire project is expected to take about two (2) years to complete. Mayor Bliss asked if the corner of Lyon will include outdoor seating. Mr. Cummins said yes, we hope to activate the street by incorporating outdoor seating. Ms. Wallace asked if the underground passage from Ottawa Ave, connecting the City-County parking ramp with the bank will be preserved. Mr. Cummings said yes, we have an easement agreement with the City to maintain it.

Motion: Rick Winn, supported by Diana Sieger, moved to approved and authorize the execution of a development and reimbursement agreement pursuant to the DDA Development Support Program as to content by the Executive Director and as to form by legal counsel for reimbursement of DDA eligible expenses of an amount not to exceed \$950,000 from non-school tax increment revenues for a period of 7 years. Motion carried unanimously.

9. Retail Retention and Attraction Initiative

Tim Kelly introduced the request to authorize funding to support a Retail Retention and Attraction Initiative. Mr. Kelly said DGRI is working in partnership with the City of Grand Rapids and the Grand Rapids Area Chamber of Commerce (GRACC) to develop a more proactive strategy to support existing businesses by providing information and access to resources as well as provide support for the attraction of new retail businesses to Downtown and throughout the City. The initiative involves the hiring of a Retail Recruitment and Retention Specialist, who will be tasked with identifying, attracting, and retaining businesses by leveraging the expertise of various stakeholders and organizations as well as with the development of a Retail Market study. The Retail Market Study will be developed within the first year for Downtown and City-Wide Business corridors to evaluate available space, growth projections, and other relevant metrics. Mr. Kelly said the completion of the Market Analysis would yield recommendations to develop an Action Plan and further determine whether this is a one-person job or if more efforts are needed. In addition, recognizing that the DDA will provide funding for one year, partners will analyze a sustainability initiative to explore funding sources that could sustain this

retail initiative beyond the one year. DGRI and partners have also started to develop an evaluation matrix to measure the success of the initiative. This will be done by tracking the number of existing retail businesses assisted and recruited and by monitoring the reduction in first-floor vacancy rates. The total amount to support this work is \$173,846, with DDA requested to contribute \$60,000 from the FY20 local tax increment (LTI) budget under Economic Development line item. The City Commission approved their contribution of \$100,000, and the remaining will be provided as an in-kind contribution. Mr. Kelly added that the Retail Specialist position would be filled by the end of 2019, and the selected person will be staffed at GRACC. Mayor Bliss said that the Chamber will be taking the lead in the recruitment process, though partners (DGRI & City of GR) will have an input in the hiring selection. Mayor Bliss commented that this is a great partnership and that the Market Analysis is crucial for future retail decision making not only for Downtown but for the neighboring business corridors. Mr. Harris asked about the type of data that will be collected. Mr. Kelly answered data related to retail supply and demand, demographic data of the surrounding businesses to understand what retail type can be supported, and data that will help us analyze more creative solutions for ground-floor retail opportunities outside primary streets. Mr. Winn mentioned that it would be useful to review other cities' retail models for guidance. Mr. Kelly said they have been evaluating other cities' retail strategic plans, such as Cincinnati's Retail Action Plan; though their plan is only targeted to support only downtown retail as opposed to our initiative, which will focus beyond our Downtown.

Motion: Rick Winn, supported by Mayor Rosalynn Bliss, moved to authorize funding for the Retail Retention and Attraction Initiative in an amount not to exceed \$60,000. Motion carried unanimously.

10. Dwelling Place Affordable Housing Funding Request

Annamarie Buller said one of the community goals established in the GR Forward Master Plan is the desire for maintaining and expanding a broad range of housing choices with an emphasis on affordable housing. As a response, in May of 2019, the Goal 2 Citizen Alliance released a Request for Proposals (RFP) to solicit creative solutions that advance the Downtown's affordable housing goal. Ms. Buller said the Dwelling Place Nonprofit Housing Corporation submitted two proposals to address the housing issues in the Downtown area. The proposals were reviewed and recommended to move forward by the Goal 2 Citizen Alliance. Ms. Buller introduced Denny Sturtevant, Chief Executive Officer at Dwelling Place, to provide an overview of the first proposal. Mr. Sturtevant said the first approach proposes the formation of a Community Land Trust (CLT). The unique model is a solution to affordable homeownership for the "missing middle" demographic (50%-110% of the area median income) in the downtown area.

The missing middle is described as those that are not low income enough to qualify for a subsidy but also do not earn enough to afford market-rate units downtown. The Dwelling Place is requesting DDA funding to support the professional consulting services for the development of a CLT plan to convert a rental apartment community into homeownership opportunities. Ms. Buller said the Dwelling place contracted Burlington Associates, who are experts on the CLT model. In addition, DDA funding will also be used towards DDA eligible façade improvements/ADA accessibility accommodations. Mr. Sturtevant said we are evaluating Martineau Apartments located on South Division Avenue for the CLT conversion. This is a 23-unit apartment community that was established in 2004 as an artist, live/work community. The entire budget associated with the rehabilitation of the Martineau project exceeds \$3.8 million, most of which would be financed with anticipated mortgage proceeds from CLT buyers. Mr. Sturtevant said the Dwelling Place would also be working closely with Huntington Bank and Opportunity Resource Fund, who are committed to the economic development of communities by providing CLT mortgage financing. Mr. Sturtevant said the CLT model would not create

displacement; people can still choose to rent or buy the units. Mr. Talen applauded the Dwelling Place for taking the lead and stated the proposal it's innovative and targets a population that the government and market don't address. He also took a moment to express his concern regarding the utilization of DDA tax increment funds. He stated the RFP listed examples of uses that are not eligible for DDA funding, one of them being the utilization of funds for the construction of privately-owned affordable housing. Legal Counsel clarified that the Board could use DDA tax increment funds to support the planning process or a proposal that aims to have a positive economic development impact in the downtown area. Public infrastructure improvements are also considered DDA eligible expenses. Mr. Sturtevant concluded that since the CLT model is new to Grand Rapids, the Dwelling Place is committed to documenting the process to evaluate if this model can be replicated in other areas.

Motion: Diana Sieger, supported by Mayor Rosalynn Bliss moved to approve the request for funding in the amount not to exceed \$100,000 for Dwelling Place to create a CLT and to assist in the rehabilitation of Martineau Apartments. Motion carried unanimously.

The second Dwelling Place proposal examines the idea of piloting a project called FUSE (Frequent User Systems Engagement). Mr. Sturtevant said the Dwelling Place facilitated community conversations regarding the intersection of behavioral health and economic development issues within the Heartside-Downtown area. Over nine months, representatives from more than 30 separate public and private organizations participated in these meetings to discuss solutions to address a demographic of people experiencing homelessness in downtown Grand Rapids who most frequently use police, fire, EMS, hospitals, judicial, and social services programs. Data presented at these meetings showed that 15 percent of total Emergency Medical Services (EMS) pickups come from the Heartside area. Mr. Sturtevant said the total cost for the Grand Rapids Fire Department, EMS, and ER to treat them ranges from \$1000 to \$3,000 per pickup. After analyzing the data, representatives agreed to create a plan to focus on several local initiatives, FUSE being one of them. FUSE is a proven model identifying frequent users of jails, shelters, hospitals and other crisis public services and then improving their lives through supportive housing. Supportive housing is an evidence-based solution that leads to better health and other good outcomes for people homeless and disabled. Tenants are provided affordable housing with wrap-around support services, which stabilizes their lives and significantly reduces returns to jail and homelessness, reliance on emergency health services, and improves the overall quality of life. The Corporation for Supportive Housing (CSH), a national intermediary that works with communities to create a supportive housing strategy submitted a proposal to the Dwelling Place to provide planning assistance for the creation of a Heartside-Downtown FUSE plan in conjunction with the Michigan Department of Health and Human Services, local police, fire, health care, judiciary and social service organizations. DDA funding will be used to support a portion of the planning assistance with CSH to implement this initiative. In addition, a Steering Committee comprised of major health care entities, social services agencies, and local government will be formed to oversee the implementation of this initiative. Mr. Sturtevant said the goal of the pilot is not to solve the homelessness problem; instead, we are trying to facilitate conversations with all these different entities and move the needle to address the individuals that use a lot of community resources. Ms. Sieger asked if this is an appropriate use of tax increment funds. Legal Counsel stated similar to the previous request; the DDA contribution can only be used for the planning process, not for the implementation. The board can also make the determination to support pilots that will have a positive economic development impact. Mr. Winn asked for clarification on how the wrap-around services work. Mr. Sturtevant explained that this would be a team-based, collaborative approach where a number of organizations will need to work together to provide a holistic program of supports. Mr. Talen

expressed his concern associated with the implications of supporting this initiative, as it is not clear how this pilot aims to support the overall supply of affordable housing goals established in the RFP. Mr. Kelly said while this proposal falls outside of what we would traditionally consider a goal to solve affordable housing, we decided to move forward based on the economic development conversations and the future positive impact this program will have to alleviate some of those issues. The proposal also incorporates a housing element that ties to our overall neighborhood goals (GR Forward and Heartside Quality of Life Plan). Mr. Winn expressed his support, noting that it is crucial to be part of these piloting initiatives. He added that this proposal could also fall under retail and retention as the core issue is causing a detriment to retail in the Heartside area. He said we could perhaps move it to the retail funding bucket to make more sense for the DDA eligibility standing point. Mayor Bliss also expressed her support by stating that solutions are so complex, but if we don't have housing as part of the mix, programs such as this one wouldn't be successful.

Motion: Diana Sieger, supported by Mayor Rosalynn Bliss moved to approve the request for to cover planning assistance to support FUSE in the amount not to exceed \$33,425.00. Motion carried unanimously.

11. Heartside Restroom Funding Authorization

Annamarie Buller introduced the request to authorize funding to support a Heartside Restroom Initiative. Ms. Buller said the DDA budgeted funds to support this initiative for several years now, knowing that issues regarding public health (urination and defecation) have been identified in the Heartside Neighborhood. After extensive community conversations and data collection, DGRI identified the Portland Loo (stand-alone public restroom facility) as the recommended solution. Images of the Loo were shown. Ms. Buller gave an overview of the design features stating that the Portland Loo is a simple, sturdy, flush-toilet kiosk fabricated in Portland, Oregon. Built from heavy gauge stainless steel, the Loo is easy to maintain and can take a lot of abuse. The Loo has a small footprint, allowing it to be located on sidewalks in high-traffic areas. It has been explicitly designed to deter vandalism and inappropriate, illegal activity. Louvers on the top and bottom of the Loo allow law enforcement officials to verify if the unit is occupied while still providing privacy for users. The location for the placement of the Loo will be at the intersection of South Division Avenue and Weston (southeast corner). The selected location offers clear sightlines that make the service visible to a wide variety of people utilizing the sidewalk. DGRI and the City are working in partnership to implement this initiative. She added that the Downtown Ambassadors would be responsible for maintenance. Ms. Buller said if approved, the requested funding will be used to support the engineering designs and the purchase of the Loo from Moore & Bruggink, and we will return to the DDA when construction costs are finalized after bidding. Mayor Bliss asked about the timeline for installation. Ms. Buller said the design and fabrication of the Portland Loo takes approximately 6-9 months; we are hoping to have this installed by July of 2020. Mr. Harris inquired about the ongoing operating costs. Ms. Buller said we are estimating an average of 15-30 thousand in annual operating and maintenance costs.

Motion: Mayor Rosalynn Bliss, supported by Rick Winn, moved to authorize the purchase of the Portland Loo and Design Engineering from Moore & Bruggink for a total not to exceed \$121,270. Motion carried unanimously.

12. Latino Community Coalition Partnership Report

Mark Miller reported on the 2019 Latino Community Coalition (LCC) Placemaking series. Mr. Miller said this year, DGRI once again partnered with the LCC to host Gil Penalosa from September 23-24.

Mr. Penalosa is the founder of a successful Canadian non-profit organization, 8 80 Cities. He advises cities on how to enhance public spaces and mobility for people regardless of age, gender, economic, or ethnic background. The placemaking activities this year included; kayaking on the Grand River, a walking tour of Downtown, an alley visioning workshop, a placemaking breakfast, lunch, and dinner. Mr. Miller said the workshops were hosted at the Grand Rapids Community Foundation, and we used the same storytelling interactive process taught by James Rojas (last year's LCC placemaking guest speaker) to envision the activation of the alley. Julio Cano and Sergio Cira Reyes, members of the LCC, gave an overview of some of the lessons learned. Mr. Cano talked about the challenges that our Centro (Spanish word for Downtown) faces stating that through conversations, we have learned that people of color, specifically within the Latino Community, don't see "el Centro" as a place where they can be themselves. He noted that it is through partnerships such as this one that helps us bring genuine connections while also identifying areas of growth for further inclusivity for the Latino Community. Mr. Reyes shared the mission and vision of the LCC and provided an overview of the shared goals with DGRI. He said this partnership we hope to increase access for communities of color do host more events, create business opportunities, and participate in the designing of inviting spaces that will make people of color feel more connected to Downtown. We also want to counter the isolating effects of culture while also promoting cultural awareness and the immigrant experience. Kimberly Van Driel gave an update on what is to come through his partnership. She said the LCC expressed the desire to do an alley activation; they chose the alley located next to the Grand Rapids Community Foundation. Ms. Van Driel noted we have been working with the Goal 5 Citizen Alliance as well as with a community focus group to gather ideas to activate the selected site. Ms. Van Driel provided an overview of the group's findings, which includes activating the alley by focusing on greenery, safety, seating, accessibility, lighting, street murals, trash consolidation. She said the gathered recommendations would help us decide what areas of the alley we should prioritize. The next steps include working with surrounding partners and businesses to develop a framework plan. The LCC will be putting together a proposal for us to review, and if approved, we will be coming back to the DDA to request funding. Mr. Harris asked about the timing. Mr. Van Driel said we would love to have a ribbon-cutting ceremony by fall 2020 to celebrate heritage month, but this will depend on the LCC proposal. Mr. Harris thanked them for the update and added that he would love to connect more with the LCC and learn more about "el Centro." The River Restoration project will provide the opportunity to gather ideas for designing amenities that will serve our diverse community.

13. Public Comment
None

14. Board Member Discussion
None

15. Adjournment
The meeting adjourned at 10:07 a.m.

MEMORANDUM

CITY OF GRAND RAPIDS · DOWNTOWN DEVELOPMENT AUTHORITY

**Agenda Item 3.
December 11, 2019
DDA Meeting**

DATE: December 11, 2019

TO: Brian Harris
Chairman

FROM: Jana M. Wallace
Downtown Development Authority Treasurer

SUBJECT: FY2020 Interim Financial Statements as of November 30, 2019

Attached are the Authority's interim financial statements for the first five months of the fiscal year ending June 30, 2020. The attached statements include:

- Statement A: Balance Sheet
- Statement B: Comparison of FY2020 Budget vs Actual Results
- Statement C: Statement of FY2020 Project Expenditures
- Statement D: Schedule of November, 2019 Expenditures

November was a quiet month in terms of financial transactions as construction season winds down and DGRI staff gear up for the busy winter events season. There is no unusual activity to report.

Please contact me at 616-456-4514 or at jwallace@grcity.us if you have any questions.

Attachments

STATEMENT A

DOWNTOWN DEVELOPMENT AUTHORITY

Balance Sheet

As of November 30, 2019

	Non-Tax Funds	Debt Increment	Local Tax Increment	TOTAL
ASSETS				
Pooled Cash and Investments	\$ 4,968,531	\$ 10,060,235	\$ 10,594,398	\$ 25,623,164
Petty Cash	-	-	500	500
Loan Receivable - Project Developer	388,848	-	-	388,848
General Fixed Assets	-	-	87,946,535	87,946,535
Accumulated Depreciation on Fixed Assets	-	-	(57,452,061)	(57,452,061)
Future Tax Increment Revenues Anticipated	-	19,110,000	15,500	19,125,500
TOTAL ASSETS	\$ 5,357,379	\$ 29,170,235	\$ 41,104,872	\$ 75,632,486

LIABILITIES AND FUND EQUITY

Liabilities

Current Liabilities	\$ 231	\$ -	\$ 42	\$ 273
Parking Revenue Payable	59,069	-	-	59,069
Current Year Estimated Excess Capture	-	4,236,018	-	4,236,018
Deposit - Area 4 Developer Damage	1,000	-	-	1,000
Prior Year Property Tax Appeals	-	14,347	33,320	47,667
Deferred Revenue - 158 Oakes SW LOU	75,000	-	-	75,000
Deferred Revenue - Developer Loan	388,848	-	-	388,848
Contract Payable	-	-	15,500	15,500
Bonds Payable	-	19,110,000	-	19,110,000
TOTAL LIABILITIES	524,148	23,360,365	48,862	23,933,375

Fund Balance / Equity:

Investments in General Fixed Assets, net of Accumulated Depreciation	-	-	30,494,474	30,494,474
Non-Tax Increment Reserve	4,297,097	-	-	4,297,097
Reserve for Authorized Projects	-	-	10,494,404	10,494,404
Reserve for Brownfield Series 2012A Bonds	530,998	-	-	530,998
Reserve for Compensated Absences	-	-	10,000	10,000
Reserve for Eligible Obligations	-	5,809,870	-	5,809,870
Reserve for Encumbrances	5,136	-	57,132	62,268
TOTAL FUND EQUITY	4,833,231	5,809,870	41,056,010	51,699,111

TOTAL LIABILITIES & FUND EQUITY	\$ 5,357,379	\$ 29,170,235	\$ 41,104,872	\$ 75,632,486
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STATEMENT B

DOWNTOWN DEVELOPMENT AUTHORITY Comparison of FY2020 Budget vs Actual Results July 1, 2019 - November 30, 2019

	Non-Tax Funds		Debt Tax Increment		Local Tax Increment	
	Budget	Actual	Budget	Actual	Budget	Actual
REVENUES						
Property Tax Increment - General	\$ -	\$ -	\$ 11,778,166	\$ 11,466,518	\$ 5,738,550	\$ 5,785,107
Property Tax Increment - Transit Millage	-	-	-	-	524,663	583,933
Property Tax Increment - Prior Year Appeals	-	-	(25,000)	-	(75,000)	-
Property Tax Increment - County/GRCC/City/ITP Rebates	-	-	-	-	(618,821)	-
Special Assessments - Areaway	15,000	-	-	-	-	-
Earnings from Investments - General	108,466	37,145	60,252	36,549	142,199	67,158
Earnings from Investments - Prior Year Accrual Reversal	-	(43,290)	-	(40,447)	-	(60,438)
Interest Paid by Developer - The Gallery on Fulton Note	17,498	-	-	-	-	-
Property Rental - DASH Parking Lots	950,000	207,701	-	-	-	-
Property Rentals - YMCA Customer Parking	51,207	21,125	-	-	-	-
Event Sponsorships and Fees	50,000	11,530	-	-	-	-
Valent-ICE Sculpture Reimbursements	15,000	-	-	-	-	-
Contributions - Lyon Square Reconstruction	-	-	-	-	900,000	-
Contributions - Arena Plaza Reconstruction	-	-	-	-	440,000	440,148
Principal Repayments - The Gallery on Fulton Note	100,000	-	-	-	-	-
Reimbursements and Miscellaneous Revenues	2,000	-	-	-	5,000	-
From / (To) Fund Balance	1,810,129	-	(60,252)	-	3,060,084	-
TOTAL REVENUES	\$ 3,119,300	\$ 234,211	\$ 11,753,166	\$ 11,462,620	\$ 10,116,675	\$ 6,815,908
EXPENDITURES						
<u>GR Forward Projects:</u>						
Goal #1: Restore the River as the Draw and Create a Connected and Equitable River Corridor	\$ 30,000	\$ 26,835	\$ -	\$ -	\$ 1,500,000	\$ 11,697
Goal #2: Create a True Downtown Neighborhood Which is Home to a Diverse Population	165,000	236	-	-	1,965,000	1,080,509
Goal #3: Implement a 21st Century Mobility Strategy	200,000	-	-	-	1,715,000	253,380
Goal #4: Expand Job Opportunities and Ensure Continued Vitality of the Local Economy	50,000	9,385	-	-	450,000	109,372
Goal #5: Reinvest in Public Space, Culture, and Inclusive Programming	2,669,000	358,780	-	-	2,460,000	204,049
Total GR Forward Projects	\$ 3,114,000	\$ 395,236	\$ -	\$ -	\$ 8,090,000	\$ 1,659,007
Administration	5,300	602	-	-	1,250,000	721,347
Debt Service for Bond Issues	-	-	7,230,500	477,750	776,675	76,023
Estimated Capture to be Returned	-	-	4,522,666	-	-	-
TOTAL EXPENDITURES	\$ 3,119,300	\$ 395,838	\$ 11,753,166	\$ 477,750	\$ 10,116,675	\$ 2,456,377
EXCESS / (DEFICIT)	\$ -	\$ (161,627)	\$ -	\$ 10,984,870	\$ -	\$ 4,359,531

STATEMENT C

DOWNTOWN DEVELOPMENT AUTHORITY
Statement of FY2020 Project Expenditures
As of November 30, 2019

Project Name	FY2020 Project Budgets		Expenditures		Remaining
	%	Amount	Month	Fiscal Year	FY2020 Budgets
Arena South Implementation		\$ 50,000	\$ -	\$ 1,020	\$ 48,980
Downtown Plan		250,000	325	1,457	248,543
Grand River Activation		-	456	1,512	(1,512)
Lyon Square Improvements		900,000	66	308	899,692
Parks Design		300,000	1,484	1,484	298,516
River Trail Improvements		-	4,943	5,916	(5,916)
GRForward Goal # 1 - Local Tax Increment	13.39%	\$ 1,500,000	\$ 7,274	\$ 11,697	\$ 1,488,303
Downtown Speakers Series		15,000	14,563	18,209	(3,209)
Riverwalk Maintenance		15,000	-	-	15,000
Stakeholder Engagement Programs		40,000	4,906	8,626	31,374
GRForward Goal # 1 - Non-Tax Increment	0.62%	\$ 70,000	\$ 19,469	\$ 26,835	\$ 43,165
Affordable Housing Support		250,000	-	-	250,000
Development Project Guidance		50,000	1,078	2,926	47,074
Development Project Reimbursements		1,400,000	-	1,039,585	360,415
Downtown Census		15,000	-	-	15,000
Downtown Enhancement Grants		250,000	189	31,969	218,031
Weston Street - Sheldon to LaGrave Ave		-	-	6,029	(6,029)
GRForward Goal # 2 - Local Tax Increment	17.54%	\$ 1,965,000	\$ 1,267	\$ 1,080,509	\$ 884,491
Heartside Quality of Life Implementation		125,000	90	236	124,764
GRForward Goal # 2 - Non-Tax Increment	1.12%	\$ 125,000	\$ 90	\$ 236	\$ 124,764
Accessibility and Mobility Repairs		75,000	6,721	37,002	37,998
Bicycle Friendly Improvements		125,000	-	-	125,000
CBD/Heartside/Arena S Streetscape Improvs		360,000	6,110	92,967	267,033
DASH North Shuttle Services		120,000	22,500	112,500	7,500
Division Ave - Fulton to Wealthy Streetscape Improvs		310,000	-	10,271	299,729
Michigan / Ottawa Gateway		50,000	-	-	50,000
New Downtown Circulator Infrastructure		475,000	-	-	475,000
Wayfinding System Improvements		200,000	-	640	199,360
GRForward Goal # 3 - Local Tax Increment	15.31%	\$ 1,715,000	\$ 35,331	\$ 253,380	\$ 1,461,620
Transportation Demand Mnmt Program		200,000	-	-	200,000
GRForward Goal # 3 - Non-Tax Increment	1.79%	\$ 200,000	\$ -	\$ -	\$ 200,000
Economic Development and Innovation		450,000	57,323	109,372	340,628
GRForward Goal # 4 - Local Tax Increment	4.02%	\$ 450,000	\$ 57,323	\$ 109,372	\$ 340,628
Downtown Workforce Programs		50,000	800	9,385	40,615
GRForward Goal # 4 - Non-Tax Increment	0.45%	\$ 50,000	\$ 800	\$ 9,385	\$ 40,615
Arena Plaza Improvements: Local Tax Increment		672,000	-	-	672,000
Calder Plaza Improvements: Local Tax Increment		672,000	5,000	14,000	658,000
Downtown Marketing and Inclusion Efforts		416,000	12,429	67,224	348,776
Downtown Tree Plantings		100,000	-	74,954	25,046
Heartside Public Restroom Facilities Construction		50,000	-	-	50,000
Public Realm Improvements: Local Tax Increment		200,000	970	10,422	189,578
Sheldon Blvd - Weston to Cherry Street		200,000	-	2,869	197,131
Snowmelt System Repairs / Investigation		25,000	-	-	25,000
State of Downtown Event & Annual Report		25,000	-	22,851	2,149
Urban Recreation Improvements		100,000	1,804	11,729	88,271
GRForward Goal # 5 - Local Tax Increment	21.96%	\$ 2,460,000	\$ 20,203	\$ 204,049	\$ 2,255,951
Arena Plaza Improvements: Non-Tax Increment		600,000	-	-	600,000
Bridge Lighting Operations		10,000	-	-	10,000
Calder Plaza Improvements: Non-Tax Increment		600,000	-	-	600,000
DGRI Event Production		270,000	7,646	119,173	150,827
Diversity / Inclusion Programming		50,000	20,323	53,475	(3,475)
Downtown Ambassadors		222,000	22	26,924	195,076
Experience - Miscellaneous		50,000	2,555	17,964	32,036
Holiday Décor Program		60,000	-	-	60,000
Major Event Sponsorship		70,000	-	-	70,000
Police Foot Patrols		35,000	-	35,000	-
Project and Fixed Asset Maintenance		25,000	999	1,203	23,797
Public Realm Improvements: Non-Tax Increment		200,000	-	-	200,000
Public Space Activation		250,000	675	47,683	202,317
Rosa Parks Circle Skating Operations		40,000	-	-	40,000
Special Events - Grants		25,000	-	-	25,000
Special Events - Office of		75,000	5,000	30,000	45,000
Special Events - Training Program		5,000	34	1,557	3,443
Ticketed Events - Police Services		80,000	15,260	25,801	54,199
Winter Avenue Building Lease		2,000	-	-	2,000
GRForward Goal # 5 - Non-Tax Increment	23.82%	\$ 2,669,000	\$ 52,514	\$ 358,780	\$ 2,310,220
TOTAL	100.00%	\$ 11,204,000	\$ 194,271	\$ 2,054,243	\$ 9,149,757

STATEMENT D
DOWNTOWN DEVELOPMENT AUTHORITY
Schedule of FY2020 Expenditures
November, 2019

Source	Date Posted	Vendor	Purpose / Project	Description	Amount
Local	11/8/2019	Paychex	Administration	DDA Payroll Wages, 401, Taxes-October 2019	\$ 109,136.58
Local	11/30/2019	Paychex	Administration	DDA Payroll Wages, 401, Taxes-November 2019	97,634.98
Local	11/20/2019	FW Shoring Company	Economic Development and Innovation	Incubator support grant - Mosby's Popcorn 11/2019	45,000.00
Local	11/18/2019	City Treasurer - MobileGR/Parking Svcs	DASH North Shuttle Services	NOV 2019 DDA SHARE OF DASH NORTH SERVICE	22,500.00
Non-Tax	11/4/2019	Daniel Tellalian	Downtown Speakers Series	River LA Guest Speaker 2019	12,516.00
Non-Tax	11/20/2019	City Treasurer - Police Dept	Ticketed Events - Police Services	DEVOS/VANANDEL GRPD OVERTIME - OCT 2019	11,676.75
Local	11/1/2019	City Treasurer - Budget Office	Administration	Support services allocation - November, 2019	10,722.08
Local	11/25/2019	Arcadia NM, Inc.	Economic Development and Innovation	Speaker Series: Chris Leinberger 10/24-10/25	10,052.27
Local	11/21/2019	Disability Advocates of Kent Co	Accessibility and Mobility Repairs	Charrate Inclusive Design & Event Planning 10/2019	6,000.00
Local	11/20/2019	Federal Square Bldg Co. #1, LLC	Administration	Office Lease: 29 Pearl Street 10/2019	5,728.56
Local	11/20/2019	Federal Square Bldg Co. #1, LLC	Administration	Office Lease: 29 Pearl Street 11/2019	5,728.56
Local	11/20/2019	Eco-Compteur Inc	CBD/Heartside/Arena S Streetscape Improvs	Pedestrian counter contract renewal until 09/30/2020	5,670.00
Non-Tax	11/15/2019	City Treasurer - Office of Special Events	Special Events - Grants	CHRISTMAS LIGHTING EVENT SPONSORSHIP	5,000.00
Non-Tax	11/21/2019	Jonathan A Jelks	Diversity / Inclusion Programming	City Hacks event sponsorship 11/2019	5,000.00
Local	11/20/2019	The Parrish Group, Inc.	Calder Plaza Improvements: Local Tax	Calder Plaza feasibility assessment 2 of 2 11/2019	5,000.00
Non-Tax	11/19/2019	Gil Penalosa & Associates	Diversity / Inclusion Programming	LCC Placemaking 2019 Speaker: 2 of 2 payments	4,761.80
Non-Tax	11/19/2019	Gil Penalosa & Associates	Diversity / Inclusion Programming	LCC Placemaking 2019 Speaker: 1 of 2 payments	4,641.00
Local	11/20/2019	McAlvey Merchant & Associates	Administration	Governmental Consulting October 2019	4,500.00
Non-Tax	11/20/2019	YMCA of Greater Grand Rapids	Stakeholder Engagement Programs	Veggie Van at Harris Bldg 2019 Season	4,350.00
Non-Tax	11/26/2019	ArtPeers	Diversity / Inclusion Programming	DITA Rooftop Project 10/23/19	3,920.00
Local	11/18/2019	City Treasurer - MobileGR/Parking Svcs	River Trail Improvements	HRC Engineering and Design Charges	3,893.17
Non-Tax	11/20/2019	City Treasurer - Police Dept	Ticketed Events - Police Services	DEVOS/VANANDEL GRPD OVERTIME - OCT 2019	3,583.03
Local	11/26/2019	Mighty Co.	Downtown Marketing & Inclusion Efforts	Website: Middleware Update Oct 14-Nov 10	3,393.75
Local	11/20/2019	Erika Townsley	Downtown Marketing & Inclusion Efforts	Photography Services at various locations 11/2019	3,000.00
Local	11/20/2019	DropDrop.com LLC	Downtown Marketing & Inclusion Efforts	Branding video production 2019	2,700.00
Local	11/7/2019	Fifth Third Bank P-Card 10/19	Administration	Staff travel and training 10/2019	2,346.44
Non-Tax	11/26/2019	West Bend Mutual Insurance Company	DGRI Event Production	DGRI Event Insurance: World of Winter 2020	2,150.00
Non-Tax	10/31/2019	Katharine Mary Dunn	Experience - Miscellaneous	2019 Austin Exchange Registration Reimbursement	2,050.00
Local	11/7/2019	Fifth Third Bank P-Card 10/19	Administration	CEO prof devel-IDA annual conf Baltimore 10/2019	1,956.26
Local	11/16/2019	City of Grand Rapids	Administration	Staff services - payroll period ended 11/16/2019	1,896.46
Local	11/21/2019	Blue Cross Blue Shield of Michigan	Administration	Dental Insurance Premium 12/2019-2/2020	1,832.71
Non-Tax	11/26/2019	Castle Party Rentals LLC	DGRI Event Production	50% Deposit: Rentals for World of Winter 2020	1,815.00
Local	11/7/2019	Fifth Third Bank P-Card 10/19	Urban Recreation Improvements	Dog Waste Bags for Downtown Dog park 10/2019	1,678.45
Local	11/7/2019	Fifth Third Bank P-Card 10/19	Downtown Marketing & Inclusion Efforts	Marketing & social media 10/2019	1,561.09
Local	11/4/2019	Dickinson Wright PLLC	Administration	DDA Legal Matters 08/2019	1,474.00
Non-Tax	11/26/2019	Swank Motion Pictures	DGRI Event Production	Movie Licensing: World of Winter 2020	1,205.00
Local	11/4/2019	Dickinson Wright PLLC	Economic Development and Innovation	Retail Incubator 08/2019	1,122.00
Local	11/1/2019	City Treasurer - Risk Management	Administration	Monthly General Insurance Allocation	1,047.00
Local	11/4/2019	Dickinson Wright PLLC	Development Project Guidance	101 Ottawa Project 8/2019	1,012.00
Non-Tax	11/21/2019	GR Area Chamber of Commerce	Diversity / Inclusion Programming	132nd annual mtg - table sponsorship 2019	1,000.00
Non-Tax	11/26/2019	Opera Grand Rapids	Diversity / Inclusion Programming	2019-2020 Holiday Caroling Sponsor	1,000.00
Non-Tax	11/18/2019	City Treasurer - Water System	Project & Fixed Asset Maintenance	Wealthy Street roundabout irrigation thru 10/31/2019	999.52
Local	11/20/2019	City Treasurer - MobileGR/Parking Svcs	Public Realm Improvements: Local Tax	Calder Parklet Meter Hooding October 2019	970.00
Local	11/21/2019	TGG, Inc.	Administration	Life & S/T & L/T disability insurance - 12/2019	942.87
Local	11/18/2019	City Treasurer - Water System	River Trail Improvements	WATER CONNECTION PERMIT - 211 MICHIGAN	940.00
Local	11/2/2019	City of Grand Rapids	Administration	Staff services - payroll period ended 11/02/2019	912.61
Local	11/20/2019	Creative Studio Promotions	Economic Development and Innovation	Relax at Rosa hand fans 2019	875.08
Local	11/4/2019	Dickinson Wright PLLC	Parks Design	Parks Millage Proposal 08/2019	858.00
Local	11/26/2019	The KR Group, Inc.	Administration	IT Services 12/2019	821.60
Non-Tax	11/26/2019	Hannah Rose Graves	Downtown Workforce Programs	Music Performance at Relax at Rosa 2019	800.00
Non-Tax	11/7/2019	Fifth Third Bank P-Card 10/19	Downtown Speakers Series	Lunch Meeting C Leinberger & stakeholders 10/2019	753.26
Non-Tax	11/18/2019	Ana Traverso-Krejcarek	Downtown Speakers Series	Travel exps Highline Network 11/19 to 11/21/19	746.60
Non-Tax	11/7/2019	Fifth Third Bank P-Card 10/19	DGRI Event Production	Event Storage Rental fees 10/2019	739.55
Local	11/20/2019	HR Collaborative LLC	Administration	HR Consultant services 10/2019	728.55
Local	11/24/2019	Disability Advocates of Kent Co	Accessibility and Mobility Repairs	Charette: Workshop Prototype Testing 11/04/19	720.84
Local	11/21/2019	Site Design Solutions, LLC	Parks Design	19025-Ah-Nab-Awen Park Improve (#1902-4)-DDA	625.76
Local	11/26/2019	La Mejor GR LLC	Downtown Marketing & Inclusion Efforts	Radio Advertising: World of Winter 2019-2020	579.00
Local	11/4/2019	Dickinson Wright PLLC	Administration	Creos rental agreement 08/2019	572.00
Local	11/7/2019	Fifth Third Bank P-Card 10/19	Administration	Office Supplies 10/2019	534.82
Non-Tax	11/7/2019	Fifth Third Bank P-Card 10/19	Experience - Miscellaneous	Events & Comms. Staff outing 10/2019	504.82
Non-Tax	11/7/2019	Fifth Third Bank P-Card 10/19	DGRI Event Production	Moving services for Calder Plaza 10/2019	489.95
Local	11/20/2019	Federal Square Bldg Co. #1, LLC	Administration	Office Lease: 29 Pearl Street Mezz Office 10/2019	475.14
Local	11/20/2019	Federal Square Bldg Co. #1, LLC	Administration	Office Lease: 29 Pearl Street Mezz Office 11/2019	475.14
Local	11/7/2019	Fifth Third Bank P-Card 10/19	Grand River Activation	River gov consultants & organizational mtg 10/2019	455.72
Local	11/20/2019	Professional Maint of Michigan Inc.	Administration	Janitorial services October 2019	451.38
Non-Tax	11/26/2019	La Mejor GR LLC	DGRI Event Production	Radio Advertising: World of Winter 2019-2020	450.00
Local	11/18/2019	Geotech Inc	CBD/Heartside/Arena S Streetscape Improvs	18026-Division Street Lighting (#7044) - DDA	440.19
Non-Tax	11/7/2019	Fifth Third Bank P-Card 10/19	Downtown Speakers Series	Chris Leingberger Lodging exp. 10/2019	438.15
Local	11/7/2019	Fifth Third Bank P-Card 10/19	Downtown Marketing & Inclusion Efforts	Photovoice River Project expense 10/2019	432.87
Non-Tax	11/7/2019	Fifth Third Bank P-Card 10/19	Public Space Activation	Supplies - various space activation initiatives 10/2019	416.72
Non-Tax	11/20/2019	Brian Hedrick	Stakeholder Engagement Programs	Neighbors of Belknap; design services 10/2019	400.00

continued on the next page

STATEMENT D - continued
DOWNTOWN DEVELOPMENT AUTHORITY
Schedule of Expenditures - FY2020
November, 2019

Page 2

Source	Date Posted	Vendor	Activity # Purpose / Project	Description	Amount
<i>Continued from previous page</i>					
Local	11/30/2019	Paychex	Administration	DDA Payroll Processing Fee-November 2019	\$ 367.05
Non-Tax	11/26/2019	Shelby Verstrate	DGRI Event Production	Graphic Design services: Events 2019	350.00
Local	11/20/2019	Z2 Systems Inc	Downtown Marketing & Inclusion Efforts	NeonCRM Monthly cloud-based software 10/2019	350.00
Local	11/24/2019	Catering by Martha's	Downtown Plan	Catering Core Values breakfast briefing 10/25/2019	325.00
Local	11/26/2019	Mighty Co.	Downtown Marketing & Inclusion Efforts	Website: Nov 4-Nov 17	300.00
Local	11/20/2019	The KR Group, Inc.	Administration	IT Office 365 Software Agreement 10/2019	268.43
Local	11/8/2019	Paychex	Administration	DDA Payroll HRS Processing Fees-October 2019	249.34
Local	11/21/2019	TDS Metrocom, LLC	Administration	Phone Service 11/2019	249.26
Local	11/20/2019	Federal Square Bldg Co. #1, LLC	Administration	Utility Service: Electric Oct 2019	247.00
Local	11/30/2019	Paychex	Administration	DDA Payroll HRS Processing Fees-November 2019	245.34
Local	11/8/2019	Paychex	Administration	DDA Payroll Processing Fee-October 2019	244.70
Local	11/3/2019	Michigan Downtown Association	Administration	Annual conf - staff registration fee 2019	225.00
Local	11/20/2019	Swift Printing & Communications	Economic Development and Innovation	Small Business Expo Flyers 07/2019	220.66
Local	11/21/2019	County of Kent	KCDC Series 2008 Floodwalls	Share of annual paying agent fee	200.00
Local	11/24/2019	County of Kent	KCDC Series 2008 Floodwalls	Share of annual paying agent fee	200.00
Local	11/18/2019	Tim Kelly	Administration	Reimb: Lunch meeting & APA Conf San Fran	198.44
Local	11/18/2019	Moore & Bruggink Inc	Downtown Enhancement Grants	19034-S Dvn areaway removal (#190156.1-3)-DDA	189.16
Local	11/20/2019	The KR Group, Inc.	Administration	IT Agreement Managed Network 10/2019	177.88
Non-Tax	11/7/2019	Fifth Third Bank P-Card 10/19	DGRI Event Production	Domain fee for World of Winter 10/2019	172.80
Local	11/19/2019	PCS Gophers LTD	Administration	September, 2019 courier services	169.29
Local	11/20/2019	PCS Gophers LTD	Administration	October, 2019 courier services	169.29
Local	11/20/2019	Staples Contract & Commercial Inc.	Administration	Office supplies 10/28/2019	161.48
Local	11/20/2019	MVP Sportsplex - GR, LLC	Administration	Paid via Payroll Deductions 11/2019	160.75
Non-Tax	11/26/2019	Swift Printing & Communications	Public Space Activation	A frames for Calder 2019	146.00
Local	11/21/2019	Selective Ins Company of America	Administration	Liability Insurance Endorsement for DDA 11/2019	133.83
Local	11/21/2019	Cellco Partnership dba Verizon	Administration	Cell Phone Service 10/2019	132.39
Non-Tax	11/7/2019	Fifth Third Bank P-Card 10/19	DGRI Event Production	Event Supplies 10/2019	129.46
Local	11/20/2019	Eco-Compteur Inc	Urban Recreation Improvements	Pedestrian counter batteries 10/2019	125.00
Non-Tax	11/7/2019	Fifth Third Bank P-Card 10/19	Public Space Activation	Cricut training class for space activation 10/2019	112.50
Local	11/20/2019	Mighty Co.	Downtown Marketing & Inclusion Efforts	Website Admin Support 10/21/19-11/03/19	112.50
Non-Tax	11/26/2019	Rock Dandeneau	Stakeholder Engagement Programs	DNN Stakeholder luncheon Nov 2019	112.50
Local	11/4/2019	Dickinson Wright PLLC	River Trail Improvements	Bridge St. Crosswalk MOU 08/19	110.00
Local	11/21/2019	Pure Water Partners LLC	Administration	Water Cooler Lease Nov. 2019- Jan. 2020	99.78
Non-Tax	11/26/2019	Andy Guy	Administration	Speaker Series & lunch mtg reimb 11/2019	95.03
Local	11/20/2019	Fusion IT LLC	Administration	Down Payment for Adobe Acrobat License 10/2019	94.96
Local	11/21/2019	Madcap Coffee Company	Administration	Meeting Supplies 11/2019	90.85
Local	11/20/2019	Creative Studio Promotions	Administration	Office supplies: DGRI Jackets 8/2019	90.83
Non-Tax	11/20/2019	City Treasurer - MobileGR/Parking Svcs	Heartside Quality of Life Implementation	Veggie Van Meter Hooding October 2019	90.00
Local	11/4/2019	Dickinson Wright PLLC	Administration	Piazza Agreement with Studio C 08/2019	66.00
Local	11/4/2019	Dickinson Wright PLLC	Development Project Guidance	111 Lyon St Dev support 09/2019	66.00
Local	11/4/2019	Dickinson Wright PLLC	Lyon Square Improvements	Lyon Square Project 08/2019	66.00
Non-Tax	11/26/2019	Andy Guy	Downtown Speakers Series	Speaker Series & Lunch Meeting reimb 11/2019	54.94
Non-Tax	11/26/2019	Amanda Sloan	Downtown Speakers Series	Supplies: Equity & Grd River High Line breakfast	53.65
Non-Tax	11/7/2019	Fifth Third Bank P-Card 10/19	DGRI Event Production	Event Permit fees 10/2019	50.00
Local	11/20/2019	Engineered Protection Systems	Administration	Office Security Access Card Keys 9/2019	46.72
Local	11/20/2019	Staples Contract & Commercial Inc.	Administration	Office supplies 10/07/2019	40.00
Local	10/31/2019	Andy Guy	Economic Development and Innovation	C. Leinberger uber Reimb. 10/25/19	38.08
Non-Tax	11/18/2019	Amanda Sloan	DGRI Event Production	supplies reimbursements CMG meeting 11/2019	35.36
Non-Tax	11/7/2019	Fifth Third Bank P-Card 10/19	Special Events - Training Program	Postage for EMP certificates 10/2019	33.75
Non-Tax	11/18/2019	Amanda Sloan	Stakeholder Engagement Programs	Supplies Stakeholder engagement events 11/19	31.85
Local	11/20/2019	PeopleG2	Administration	Criminal Background Check services 10/2019	29.70
Local	11/21/2019	Gordon Water Systems	Administration	Water Cooler Lease 10/2019	27.91
Non-Tax	10/31/2019	Kimberly Van Driel	DGRI Event Production	Mileage reimb. DGRI Events 10/2019	27.14
Non-Tax	11/20/2019	DTE Energy	Downtown Ambassadors	351 Winter Ave NW - 11/2019 DDA's share	22.31
Non-Tax	11/26/2019	Amanda Sloan	DGRI Event Production	Supplies Reimb. Postage Events	15.70
Non-Tax	10/31/2019	Megan Catcho	DGRI Event Production	Mileage Reimb. DGRI Events 10/2019	15.66
Local	10/31/2019	Mark Miller	Economic Development and Innovation	Mileage C. Leinberger transport from airport	15.08
Local	10/24/2019	Amanda Sloan	Administration	Mileage reimbursement 10/2019	14.84
Non-Tax	10/24/2019	Amanda Sloan	Stakeholder Engagement Programs	Supplies. Stakeholder engagement event 10/2019	11.57
Local	11/26/2019	Fusion IT LLC	Administration	Network Management 12/01/2019	9.50
Local	11/20/2019	Staples Contract & Commercial Inc.	Administration	Office supplies 10/07/2019	4.74
Local	11/18/2019	Tim Kelly	Administration	Reimb: Lunch Meeting & APA Conf San Fran	(198.44)
NOVEMBER, 2019 EXPENDITURES					\$ 448,499.64



Downtown Development Authority

Second Wednesday of each month

8:00 a.m. – 10:00 a.m.

Downtown Grand Rapids Inc.

29 Pearl St. NW, Suite 1

2020 Meeting Schedule

January 8

February 12

March 11

April 8

May 13

June 10

July 8

August 12

September 9

October 14

November 4 (November 11th *Veteran's Day)

December 9

Please contact Downtown Grand Rapids Inc. at 719-4610 if you have any questions prior to the meeting.

MEMORANDUM

DOWNTOWN
DEVELOPMENT
AUTHORITY



DATE: December 6, 2019

TO: Downtown Development Authority

FROM: Tim Kelly, AICP
Executive Director

Agenda Item #5
December 11, 2019
DDA Meeting

SUBJECT: Ottawa Avenue Extension Land Conveyance

The disposition of Areas 4 and 5 for the Studio Park development included terms to complete the construction of an extension to connect Ottawa Avenue from Cherry Street SW to Oakes Street SW. As outlined in the terms of the development Agreement, the developer constructed the road and then turned it over to the City to be dedicated as right of way.

While most of the Ottawa Avenue extension was constructed within City of Grand Rapids (City) owned property, a portion of the new road includes land that is still owned by the Downtown Development Authority (DDA) (see attached). To officially dedicate that property as right of way the DDA is being asked to convey the property to the City via Quit Claim Deed in exchange for \$539,774.68. The purchase price was established using the appraised value of \$48.22 / square foot from the sale of Area 4 and 5 and includes an amount for a reminder parcel of land owned by the DDA that is being occupied by the Cherry Street public right-of-way.

If approved by the DDA, the City Commission would be asked to accept the Quit Claim Deeds, authorize the payment, and dedicate the public right of way at their December 17, 2019 meeting (attached).

Recommendation: Adopt the Resolution approving the sale of property to the City of Grand Rapids related to the Ottawa Avenue extension for \$539,774.68.

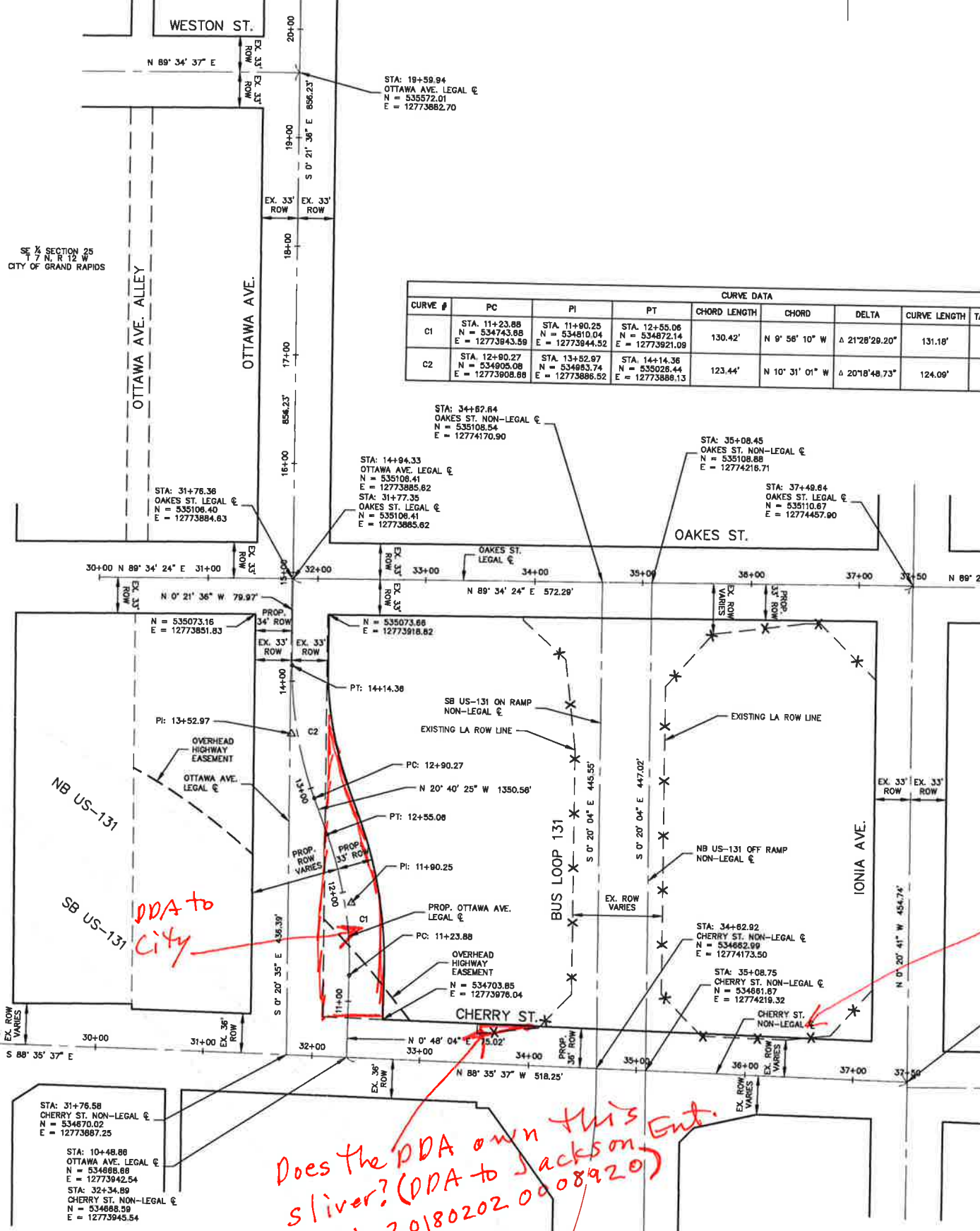


25 25 N 88° 10' 15" W 1581.26'
CENTER 1/4 CORNER, SECTION 25

STA: 23+50.58
OTTAWA AVE. LEGAL E
N = 535982.62
E = 12773880.24

E-W 1/4 SECTION LINE N 88° 10' 15" W 1209.86'

25 25 E 1/4 CORNER, SECTION 25



CURVE DATA									
CURVE #	PC	PI	PT	CHORD LENGTH	CHORD	DELTA	CURVE LENGTH	TANGENT LENGTH	RADIUS
C1	STA: 11+23.88 N = 534743.88 E = 12773943.59	STA: 11+90.25 N = 534810.04 E = 12773944.52	STA: 12+55.06 N = 534872.14 E = 12773921.08	130.42'	N 9° 56' 10" W	Δ 21° 28' 28.20"	131.18'	88.37'	350.00'
C2	STA: 12+90.27 N = 534805.08 E = 12773905.88	STA: 13+52.97 N = 534883.74 E = 12773886.52	STA: 14+14.36 N = 535028.44 E = 12773889.13	123.44'	N 10° 31' 01" W	Δ 20° 18' 48.73"	124.09'	62.70'	350.00'

BENCHMARKS:

BM M&B #1 ELEVATION - 617.69
SQUARE CUT ON TOP CENTER NORTH
END OF CONCRETE CURB ISLAND AT
ENTRANCE TO P-Lot OFF OF CHERRY
AVE. UNDER SOUTH BOUND US-131.

BM M&B #2 ELEVATION - 614.87
NORTHWEST CORNER OF 6'x7' CONCRETE
PAD TO ELECTRIC BOX, LOCATED 110'±
WEST OF C/L IONIA AVE. ON THE
SOUTH SIDE OF CHERRY STREET.

BM M&B #4 ELEVATION - 611.99
SQUARE CUT ON TOP CENTER 6"
STANDING CONCRETE CURB PLANTER,
LOCATED AT THE NW CORNER OF
OAKES ST. AND OTTAWA AVENUE.

BM M&B #3 ELEVATION - 611.88
SQUARE CUT ON TOP NORTH SIDE OF
CONCRETE SIGN BASE, LOCATED ON THE
SOUTH SIDE OF OAKES STREET & 92'±
WEST OF C/L IONIA AVENUE.



SCALES
PLAN: 1"=60'

ALIGNMENT & ROW

REV. NO.	DESCRIPTION
1	SURVEYED & DESIGNED BY: MOORE & BRUGGINK, INC. Consulting Engineers 2020 Monroe Avenue N.W. Grand Rapids, Michigan 49503-4298 Phone: (616) 365-9881 Web: www.mbrinc.com
2	City of Grand Rapids Design, Development and Enterprise Services Engineering Department
RECONSTRUCTION OF OTTAWA AVENUE, CHERRY STREET & OAKES STREET	
Drawn by: MJK	GPF No.
Check: Field	5434
Check: Office	24 of 53

P:\PROJECTS\EXTENSION OF OTTAWA AVE AND RECONSTRUCTION OF CHERRY STREET\ALIGNED ROW SHEET (DRAWING) 4/11/2018 8:31 AM WATT-RODAS



CITY OF GRAND RAPIDS AGENDA ACTION REQUEST

DATE: December 17, 2019

TO: Mark Washington, City Manager

COMMITTEE: Community Development Committee

LIAISON: Eric DeLong, Deputy City Manager

FROM: Tim Burkman, City Engineer
Engineering Department

SUBJECT: **Resolution accepting Quit Claim Deeds, authorizing a payment (\$539,774.68), and dedicating Public Rights-of-Way for Ottawa Avenue Extension from Cherry Street to Oakes Street**

On March 27, 2018 (Proceeding No. 87546) the City authorized a Budget Substitution in connection with the Extension of Ottawa Avenue from Cherry Street to Oakes Street. The majority of the Ottawa Avenue extension was constructed within the platted Ottawa Avenue right-of-way, but a portion of Ottawa Avenue just north of Cherry Street needed to be constructed on property that is owned by the City of Grand Rapids Downtown Development Authority (DDA) due to the location of the bridge piers for the Michigan Department of Transportation's US-131 highway bridge structure. Another small remainder parcel of land owned by the DDA is also being occupied by Cherry Street public right-of-way.

It is necessary to accept two Quit Claim Deeds from the DDA and to authorize a payment to the DDA for the parcels that are being utilized as Ottawa Avenue and Cherry Street public rights-of-way. It is further necessary to dedicate the aforesaid properties and another small City-owned remainder parcel as public rights-of-way, all in connection with the aforesaid project.

The attached resolution provides for the acceptance of two Quit Claim Deeds, the authorization of a payment, and the dedication of the aforesaid Quit Claim Deeds and a parcel of City-owned property as public rights-of-way. The compensation for the aforesaid Quit Claim Deeds (\$539,774.68) is based on an appraisal completed by Genzink Appraisal Company dated November 18, 2015 in connection with a Development Agreement for a portion of Area 4 and Area 5 surface parking lots that was approved by the City on April 26, 2016 (Proceeding No. 85594). Said compensation amount will be paid from the Streets Capital Fund.

cc: Richard Wendt, Dickinson Wright PLLC
Tim Kelly, DDA

Paula Grivins-Jastifer
James Hurt

#16025

YOUR COMMUNITY DEVELOPMENT COMMITTEE recommends adoption of the following resolution accepting two Quit Claim Deeds, authorizing a payment, and dedicating public rights-of-way in connection with the Extension of Ottawa Avenue from Cherry Street to Oakes Street.

WHEREAS:

1. On March 27, 2018 (Proceeding No. 87546) the City authorized a Budget Substitution in connection with the Extension of Ottawa Avenue from Cherry Street to Oakes Street; and
2. It is necessary to accept two Quit Claim Deeds, authorize a payment, and dedicate the aforesaid Quit Claim Deeds and a parcel of City-owned property as public rights-of-way in connection with the aforesaid project; therefore

RESOLVED:

1. That the City hereby accepts two Quit Claim Deeds from the following property owner for the described property for the compensation amount noted:

City of Grand Rapids	
Downtown Development Authority	(\$539,774.68)
29 Pearl Street NW	
Grand Rapids, Michigan 49503	

Previously Part of 143 Cherry St. SW, Parcel No. 41-13-25-433-008

That part of Lots 30, 32, 34, 36, 38, 40, 42, 43 and 44 of Kent Plat Calder Street Block, all located in part of the East one-half of Section 25, Town 7 North, Range 12 West, City of Grand Rapids, Kent County, Michigan, described as: COMMENCING at the East one-quarter corner of said Section 25; thence North 88°10'15" West 1143.92 feet along the East-West one-quarter line of said section; thence South 01°49'45" West 887.32 feet perpendicular to said one-quarter line to the Northwest corner of Lot 30 of said plat and the PLACE OF BEGINNING; thence North 89°34'24" East 0.99 feet along the North line of said Lot 30; thence South 00°22'29" East 47.01 feet; thence Southerly 112.39 feet on a 317.00 foot radius curve to the left, the chord of which bears South 10°31'01" East 111.80 feet; thence South 20°40'25" East 35.20 feet; thence Southerly 143.55 feet on a 383.00 foot radius curve to the right, the chord of which bears South 09°56'10" East 142.71 feet; thence South 00°48'04" West 39.37 feet; thence North 88°35'37" West 56.02 feet; thence North 00°20'35" West 368.43 feet along the East line of aforesaid Kent Plat Calder Street Block to the Place of Beginning. Containing 10,888 square feet, more or less (Ottawa Avenue); and also

That part of the East one-half of Section 25, Town 7 North, Range 12 West, City of Grand Rapids, Kent County, Michigan, described as: COMMENCING at the East one-quarter corner of said Section 25; thence South 00°21'00" East 1217.76 feet along the East line of said section; thence South 89°39'00" West 976.45 feet perpendicular to said East line of said section to a point on the existing right-of-way line of Cherry Street and the PLACE OF BEGINNING; thence South 43°40'54" West 2.20 feet along the existing right-of-way of Cherry Street; thence South 83°38'12" West 56.45 feet along the existing right-of-way of Cherry Street; thence North 00°42'24" East 9.26 feet along the existing right-of-way of Cherry Street thence South 88°35'37" West 57.52 feet to the Place of Beginning. Containing 306 square feet, more or less (Cherry Street); and

2. That the above described properties and the following described City-owned property are hereby dedicated to street and highway purposes:

Previously Part of 111 Ionia Ave. SW, Parcel No. 41-13-25-437-005

That part of the East one-half of Section 25, Town 7 North, Range 12 West, City of Grand Rapids, Kent County, Michigan, described as: COMMENCING at the East one-quarter corner of said Section 25; thence South 00°21'00" East 1225.25 feet along the East line of said section; thence South 89°39'00" West 732.23 feet perpendicular to said East line of said section to a point on the existing right-of-way line of Cherry Street and the PLACE OF BEGINNING; thence South 83°50'04" West 17.02 feet along said right-of-way line; thence North 88°43'23" West 77.92 feet along said right-of-way line; thence North 44°47'49" West 3.50 feet along said right-of-way line to Point A, so-called; thence South 88°35'37" East 97.32 feet to the Place of Beginning. Containing 204 square feet, more or less (Cherry Street).

- A. That, subject to the supervision and control of the City Manager, the Director of Public Service shall manage and have charge of the above-described properties in accordance with Title VI, Section 9, of the Charter of the City of Grand Rapids.
- B. That the City Engineer and other affected City officials and departments are hereby directed to designate and delineate said property on the official maps and records of the City as public rights-of-way to be known as Ottawa Avenue and Cherry Street for the use and benefit of the public at large.
- C. That the City Clerk is hereby authorized and directed to notify the State Treasurer of the State of Michigan of the dedication of the aforesaid property by the City of Grand Rapids as public rights-of-way.
- D. That the City shall certify 445 feet for the City of Grand Rapids Act 51 report for 2019 to the State of Michigan in connection with the aforesaid dedication of Ottawa

Avenue as public right-of-way and the reopening of Ottawa Avenue from Cherry Street to Oakes Street.

3. That the City Comptroller is hereby authorized and directed to make payments, in amounts and to said payees, as the City Engineer or his designee requests in connection with the aforesaid Quit Claim Deeds; and
4. That the City Clerk is hereby authorized and directed to record the aforesaid Quit Claim Deeds and this resolution with the Kent County Register of Deeds.

Prepared by Christine Barfuss and Rick DeVries

**CITY OF GRAND RAPIDS
DOWNTOWN DEVELOPMENT AUTHORITY**

**RESOLUTION APPROVING THE SALE OF PROPERTY
TO THE CITY OF GRAND RAPIDS RELATED TO THE
OTTAWA AVENUE EXTENSION**

Boardmember _____, supported by Boardmember _____,
moved the adoption of the following resolution:

WHEREAS, pursuant to a Development Agreement dated as of August 9, 2017 (the “Agreement”), between the City of Grand Rapids Downtown Development Authority (the “DDA”), the City of Grand Rapids, Michigan (the “City”) and Jackson Entertainment, L.L.C. (the “Developer”) the DDA sold the Developer a portion of real property located between Oaks and Cherry Streets S.W. in the City identified in the Agreement as Area 4 for development of the Project as defined in the Agreement; and

WHEREAS, as a part of the Project, the Developer was to extend Ottawa Avenue S.W. from Oakes Street, S.W., to Cherry Street, S.W. (the “Ottawa Avenue Extension”) on a portion of Area 4 which the DDA retained ownership , the cost of which is initially to be paid by the City, and upon completion of the Ottawa Avenue Extension, the City was to acquire from the DDA, the real property occupied by the Ottawa Avenue Extension and have it formally designated as a public street, i.e. public right-of-way; and

WHEREAS, the construction of the Ottawa Avenue Extension has been completed and the property to be acquired by the City consists of 10,888 square feet plus an additional nearby 306 square foot parcel (collectively, the “Acquired Property”); and

WHEREAS, the DDA has determined to sell the Acquired Property and convey ownership by one or more quit claim deeds for a price equal to the price per square foot it sold a

portion of Area 4 to the Developer, i.e. \$48.22 per square foot, for a total purchase price of \$539,774.68 (the "Purchase Price").

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. That the DDA agrees to sell the Acquired Property to the City for the Purchase Price and the DDA Executive Director is authorized to work out the details of payment of the Purchase Price with the City.

2. That the Chairperson of the DDA Board is authorized to execute one or more quit claim deeds approved as to form by DDA legal counsel conveying the Acquired Property to the City.

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 _____

RESOLUTION DECLARED ADOPTED.

Dated: December 11, 2019

Amanda Sloan, Recording Secretary

CERTIFICATION

I, the undersigned duly qualified and acting Recording Secretary of the City of Grand Rapids Downtown Development Authority (the "DDA"), do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of the DDA at a meeting held on December 11, 2019, and that public notice of said meeting was given pursuant to, and in compliance with, Act 267 of the Public Acts of Michigan of 1976, as amended.

Dated: December 11, 2019

Amanda Sloan, Recording Secretary

MEMORANDUM

DOWNTOWN
DEVELOPMENT
AUTHORITY



DATE: December 11, 2019

TO: Downtown Development Authority

FROM: Kyama Kitavi, Economic Development Manager

SUBJECT: **Retail Innovation/Incubation Grant Support for GRNoir – 35 S. Division Ave**

**Agenda Item #6
December 11, 2019
DDA Meeting**

The GR Forward community planning process revealed considerable demand for more retail options in Downtown Grand Rapids. Attracting retail tenants that provide goods or services currently not available or underserved in the Downtown area emerged as a particular priority, with an emphasis on locally-owned businesses that strengthen and diversify the mix of Downtown retail offerings.

The community clearly called for more focused and active entrepreneurship and capacity-building programs to support the growth of businesses owned by women, people of color and other disadvantaged populations, albeit not to the exclusion of other entrepreneurs and small business owners.

The overarching goal is to build a unique retail market and experience that expand opportunities for everyone to participate and prosper in the local economy while better positioning Downtown with a truly unique retail experience that attracts and serves an increasingly diverse population of residents, employees and visitors.

To advance on this goal, the Grand Rapids Downtown Development Authority took several steps:

- Updated its financing plan in October 2016 to prioritize statutorily-sanctioned efforts that work to attract underserved and/or unavailable retail options in Downtown.
- Adopted a budget in June 2017 that directed funding to support a retail business innovation and incubation program that further the community's goals discussed above. Subsequent adopted budgets have included additional funding to support the program.
- Developed and in March 2018 released a Request for Proposals (RFP) to solicit business ideas.

Downtown Grand Rapids Inc. staff received several initial calls of interest and in June 2018 the DDA approved an agreement with Tamales Mary, AmbianceGR, Mosby's Popcorn and Mel Styles most recently.

Subsequently, a proposal was submitted by Nadia and Shatawn Brigham of GRNoir Wine & Jazz with staff recommending accepting and supporting the establishment of uniquely Black owned wine and jazz room in the heart of Grand Rapids.



GRNoir Wine & Jazz, the creation of husband and wife team Shatawn and Nadia Brigham, is a way to leverage two of the most powerful communal essences in the world: wine and jazz in order to bring forth a venue where meaningful connections take place. Considering Grand Rapids' reputation as Beer City USA, this is an opportunity to cater to the increasing number of wine consumers in search of an alternative. The emphasis on jazz, in particular, is an offering that would add to a scene lacking a consistent venue for such a setting.

Together, Nadia and Shatawn bring over 40 collective years of experience, including budget management, contract management, strategy development and execution, customer service, project management, and event planning for major, mid-sized, and smaller projects and initiatives for grassroots, national, and international organizations. Through her work at the W.K. Kellogg Foundation, Nadia has managed a portfolio of over \$400 million. Her work also included making the case for the Foundation to select Grand Rapids as a priority place. She was instrumental in establishing their Grand Rapids office. Additionally, Shatawn has extensive experience with community engagement, program development, transformation of school culture, and customer service. He is also a certified Level 1 Sommelier. This has served them well in the management of their equity, inclusion and leadership development consulting firm, Brigham Consulting, LLC with a national, and increasingly local portfolio of clients.

The Brighams are bringing to bear their passion and full cadre of skills, knowledge and values together with their passions for wine and jazz. It is proving to be a concept that has sparked tremendous interest in the community, as demonstrated in their being one of the 10 winners of Start Garden's 100 Ideas competition. That distinction comes with access to a full cadre of support services from the Start Garden team, ensuring the strength and longevity of the business. Their commitment to this project is further demonstrated by their intentional engagement of other technical assistance providers including the Small Business Development Center and industry specific consultations with local restaurateurs and sommeliers.

It is important to note that 35 S. Division is a formally sunken lot that sat empty for about five years until its recent \$4 million development by Rockford Construction. However, just as important is that the Brighams will be investing over \$75,000 of their own funding in to the project in the form of their own savings and financing in order to customize the buildout of the space, purchase equipment and inventory as well advertise and market the business. Today's request is to use DDA retail innovation funds of \$21,164.97 to help underwrite a portion of the lease fees, a lease with a five-year commitment with the option of two additional five-year renewals. Expenditure of these funds must and will occur in accordance with sections 7(1)(r) and 7(2) the DDA's enabling statute PA 197 of 1975.

This proposal, affirmed by a working group of the GR Forward Goal 4 Alliance, advances on numerous Downtown goals, including:

- Diversifying the mix of Downtown retail offerings.
- Supporting entrepreneurship and small business growth.
- Supporting activation of a space that has been vacant for about 5 years engaging and entertaining activities.

Recommendation: Approve the resolution authorizing the DDA Executive Director to prepare a written contract with the applicants for an amount not to exceed \$21,164.97 and a period of time not to exceed 18 months.

MEMORANDUM

DOWNTOWN
DEVELOPMENT
AUTHORITY



DATE: December 11, 2019

TO: Downtown Development Authority

FROM: Kyama Kitavi, Economic Development Manager

SUBJECT: **Retail Innovation/Incubation Grant Support for Art Caribbean Fusion Cuisine**
– **57 Monroe Center**

Agenda Item #6
December 11, 2019
DDA Meeting

The GR Forward community planning process revealed considerable demand for more retail options in Downtown Grand Rapids. Attracting retail tenants that provide goods or services currently not available or underserved in the Downtown area emerged as a particular priority, with an emphasis on locally-owned businesses that strengthen and diversify the mix of Downtown retail offerings.

The community clearly called for more focused and active entrepreneurship and capacity-building programs to support the growth of businesses owned by women, people of color and other disadvantaged populations, albeit not to the exclusion of other entrepreneurs and small business owners.

The overarching goal is to build a unique retail market and experience that expand opportunities for everyone to participate and prosper in the local economy while better positioning Downtown with a truly unique retail experience that attracts and serves an increasingly diverse population of residents, employees and visitors.

To advance on this goal, the Grand Rapids Downtown Development Authority took several steps:

- Updated its financing plan in October 2016 to prioritize statutorily-sanctioned efforts that work to attract underserved and/or unavailable retail options in Downtown.
- Adopted a budget in June 2017 that directed funding to support a retail business innovation and incubation program that further the community's goals discussed above. Subsequent adopted budgets have included additional funding to support the program.
- Developed and in March 2018 released a Request for Proposals (RFP) to solicit business ideas.

Downtown Grand Rapids Inc. staff received several initial calls of interest and in June 2018 the DDA approved an agreement with Tamales Mary, AmbianceGR, Mosby's Popcorn and Mel Styles most recently. Subsequently, a proposal was submitted by Gilma and Edward DeLaCruz of Art Caribbean Fusion Cuisine with staff



recommending accepting and supporting the establishment of a restaurant that provides a unique culinary option that would share Caribbean skills, food and culture to the Downtown community.

Both immigrating from the Dominican Republic; the husband and wife of team have had a passion for food and culture since Gilma started working in the family restaurant in the Dominican Republic where she was raised as well as her mother's restaurant Rincon Criollo Restaurant located on Grandville Ave. and Edward helped his sister run a Dominican restaurant in 2007. In 2017 Gilma graduated from the Secchia Institute for Culinary Education and was received certification in food and beverage safety and restaurant management. In mid early 2018 pair, leveraged Edward's more than 20 years of management and customer service experience and launched El Caribe Food Truck and have spent the last year providing authentic, made from scratch Caribbean food throughout the city of Grand Rapids including Downtown and DGRl events such as Relax at Rosa. This experience has helped Gilma and Edward not only hone their offerings and business acumen but also helped confirm the demand for more culturally diverse food options Downtown from residents, visitors and employees. They have continued deepening their business experience by participating in an being on of Start Gardens 100 Ideas cohort for the past two years and continued to receive technical assistance have participated in been one of Start Gardens 100.

The 57 Monroe Center location previously housed a deli and so presented an opportunity for Art Caribbean to move into a space that was already built out for a restaurant. This has allowed Gilma and Edward the ability to focus on expanding the base of support they have built from the food truck, as it will continue to operate and promote the downtown location. In addition to serving dine in customers, take out customers and having an ala cart menu; having a physical location will allow them to take on more catering opportunities which they only do occasionally at the moment. Throughout their journey Gilma and Edward have shown a commitment to making their business succeed. They have been one of the Start Garden 100 for the past two years and continue to seek technical assistance support from other entrepreneurial support organizations.

Given that much of the build out has been done; the DeLaCruzs will be investing about \$5,000 - \$10,000 of their own savings primarily for cosmetic upgrades, licensing, inventory and marketing. However, it is important to note that the property owner will be financing the purchase of the equipment by the business and is valued at about \$42,000. Today's request is to use DDA retail innovation funds of \$36,000 to help underwrite a potion of the lease fees, a lease with a five-year commitment and the option of two additional five-year renewals. Expenditure of these funds must and will occur in accordance with sections 7(1)(r) and 7(2) the DDA's enabling statute PA 197 of 1975.

This proposal, affirmed by a working group of the GR Forward Goal 4 Alliance, advances on numerous Downtown goals, including:

- Diversifying the mix of Downtown retail offerings.
- Supporting entrepreneurship and small business growth.
- Supporting activation of a space that recently vacated in a signature district with unique offering currently absent from Downtown.

Recommendation: Approve the resolution authorizing the DDA Executive Director to prepare a written contract with the applicants for an amount not to exceed \$36,000 and a period of time not to exceed 18 months.

MEMORANDUM

DOWNTOWN
DEVELOPMENT
AUTHORITY



DATE: December 11, 2019

TO: Downtown Development Authority

FROM: Kyama Kitavi, Economic Development Manager

Agenda Item #6
December 11, 2019
DDA Meeting

SUBJECT: **Retail Innovation/Incubation Grant Support for Oh, Hello Co. – 40 Monroe Center**

The GR Forward community planning process revealed considerable demand for more retail options in Downtown Grand Rapids. Attracting retail tenants that provide goods or services currently not available or underserved in the Downtown area emerged as a particular priority, with an emphasis on locally-owned businesses that strengthen and diversify the mix of Downtown retail offerings.

The community clearly called for more focused and active entrepreneurship and capacity-building programs to support the growth of businesses owned by women, people of color and other disadvantaged populations, albeit not to the exclusion of other entrepreneurs and small business owners.

The overarching goal is to build a unique retail market and experience that expand opportunities for everyone to participate and prosper in the local economy while better positioning Downtown with a truly unique retail experience that attracts and serves an increasingly diverse population of residents, employees and visitors.

To advance on this goal, the Grand Rapids Downtown Development Authority took several steps:

- Updated its financing plan in October 2016 to prioritize statutorily-sanctioned efforts that work to attract underserved and/or unavailable retail options in Downtown.
- Adopted a budget in June 2017 that directed funding to support a retail business innovation and incubation program that further the community's goals discussed above. Subsequent adopted budgets have included additional funding to support the program.
- Developed and in March 2018 released a Request for Proposals (RFP) to solicit business ideas.

Downtown Grand Rapids Inc. staff received several initial calls of interest and in June 2018 the DDA approved an agreement with Tamales Mary, AmbianceGR, Mosby's Popcorn and Mel Styles most recently. Subsequently, a proposal was submitted by Kayla and Alex Benda of Oh, Hello Co. with staff recommending accepting and supporting the establishment of an engaging and interactive gift shop that focuses on the city of Grand Rapids.



Married couple Kayla and Alex Benda started the 100% female owned Oh, Hello Co. in 2014. Originally a greeting card company, Oh, Hello Stationery quickly expanded into the planner and stationery world. Oh, Hello's designs and patterns are completely unique and designed exclusively for the brand. Years after starting Oh, Hello, the Bendas have created their own line of customizable traveler's notebook planners, as well as a vast collection of other personalized home goods. Alex also runs Oh, Hello Promo , a promotional products business, and works with clients like Comcast, The Grand Rapids Chamber of Commerce, the US Army, Perrin Brewing, and more. Kayla posts videos on her YouTube channel, Oh, Hello Living , about planning, lifestyle, and organization and runs her blog OhHelloLiving.com .

For the last five years, Oh, Hello Co. has worked exclusively online which has allowed them to keep their overhead costs low, perfect their business with a detailed operations manual and processes, and fill their ranks with passionate, community driven team members. This led them to become one of the top 5% of companies on the popular handmade website Etsy.com. The move to 40 Monroe Center, which previously hosted a gift shop, would allow the Benda's to capitalize on the experiential aspects of their business. As part of their offering, both Kayla and Alex, currently put on workshops, tutorials and seminars that support other entrepreneurs and artists. A brick and mortar location would allow them to have a central location to fully engage with the local business and creative community. Additionally, the a gift shop that emphasizes local Grand Rapids products, artists and businesses is something missing in the Downtown experience and would be a major boost for the Monroe Center business corridor.

In addition to our support the applicants will be investing \$25,000 of their own business saving into the buildout of the space which will include displays, painting and signage and will use an additional \$20,000 in personal savings to cover initial inventory and marketing. Today's request is to use DDA retail innovation funds of \$20,312.76 to help underwrite a portion of the lease fees, a lease with a four-year commitment and the option of one additional three-year renewals. Expenditure of these funds must and will occur in accordance with sections 7(1)(r) and 7(2) the DDA's enabling statute PA 197 of 1975.

This proposal, affirmed by a working group of the GR Forward Goal 4 Alliance, advances on numerous Downtown goals, including:

- Diversifying the mix of Downtown retail offerings.
- Supporting entrepreneurship and small business growth.
- Supporting activation of a space that recently vacated in a signature district with an engaging and entertaining activities missing Downtown.

Recommendation: Approve the resolution authorizing the DDA Executive Director to prepare a written contract with the applicants for an amount not to exceed \$20,312.76 and a period of time not to exceed 18 months.

MEMORANDUM

DOWNTOWN
DEVELOPMENT
AUTHORITY



DATE: December 8, 2019

TO: Downtown Development Authority

FROM: Tim Kelly, AICP
Executive Director

Agenda Item #7
December 11, 2019
DDA Meeting

SUBJECT: Economics of Place Assessment

Among the stated goals of GR Forward (Plan) are to ensure the continued vitality of the local economy to expand job opportunities, and to achieve a critical mass of residents within Downtown. Further, the Plan goes on to establish an equity driven growth model to create a Downtown and River Corridor where all people and communities come together and thrive.

To achieve those goals, it is important to have a clear understanding of the macro forces that influence development – particularly in the real estate markets of Downtown and throughout the City of Grand Rapids (City). This information helps inform how the City can capitalize on existing momentum and manage change in a way that enables the economy and business climate to thrive for all.

To that end, in October 2019 Downtown Grand Rapids Inc. and other community partners invited Chris Leinberger to Grand Rapids to discuss how we as a community can continue to strengthen our urban core as the center of business and economic energy in West Michigan.

Mr. Leinberger is an experienced real estate developer, land use strategist and professor leading the national conversation about corporate location trends and the economics of urban walkable places. He currently serves as the Charles Bendit Distinguished Scholar and Research Professor & Chair at the Center for Real Estate and Urban Analysis at the George Washington University School of Business.

He is also a published author and in 2015 worked with the Michigan Economic Development Corporation and the Michigan State Housing Development Authority to publish The WalkUp Wake-Up Call: Michigan Metros, which detailed the demand in Michigan metropolitan areas for walkable urban places, including in Grand Rapids (attached). That report helps illuminate that the concentration of workers in urban, walkable areas is increasingly understood as a key driver of community growth and competitiveness in the modern economy.



Following the discussion in October, a group of community partners – including the City of Grand Rapids, the Grand Rapids Area Chamber of Commerce and The Right Place - debriefed to determine how to build on Mr. Leinberger’s previous work and conduct a more in depth analysis of local conditions with the goal of helping inform ongoing and upcoming planning initiatives. The attached scope of work is the outcome of that discussion and the partners desire to build upon the work completed in 2015, and to incorporate new technology to evaluate the economic, fiscal and social equity performance of real estate throughout the City.

As outlined in the scope this work would happen over a 3 – 4-month timeline beginning in early 2020, and includes, but is not limited to, the following tasks:

- A complete inventory of the real estate in the City.
- An analysis and mapping of that real estate to identify where it is located on the form/function matrix established in the 2015 WalkUp Wake Up report (i.e. walkable urban v drivable suburban).
- An in-depth analysis of the City’s real estate (including examination of vacancies, valuations, absorptions, etc) to better understand the performance across the forms and locations – including trends over the past three real estate cycles dating back to 1980.
- A breakdown of “place-based GDP” to understand the fiscal contributions of all of the City’s neighborhoods to the City.
- An analysis of social equity performance of all neighborhoods in the City across indicators such as percent of income spent on housing and transportation, as well as proximity to jobs.
- An identification of the gross fiscal revenues generated for the City by the various form and function types. This analysis will also consider the capital and operating costs of infrastructure and services and will illustrate the current net fiscal impact for each of the form and function types, considering revenues and costs to the City.
- Scenario forecasting that will allow for detailed understanding of economic value, net fiscal impact and social equity performance of proposed and future development throughout the City.

Mr. Leinberger will lead the team completing the research and analysis, which will also include representatives from Smart Growth America and State of Place. Once complete, the assessment will not only identify where and how Grand Rapids economically “works” and where the City’s revenue is primarily generated, but it will also help inform strategies on how it can become more socially and economically equitable. This will have far reaching implications and is expected to help inform strategies for ongoing processes including the Grand River Corridor development, Housing Needs Assessment, and the Equitable Economic Development and Mobility Strategy.

Finally, as Downtown looks to build upon its recent successes, this analysis would help in the evaluation of future development proposals and will help refine existing strategies to meet the goals related to critical mass and equitable growth, among others.

As proposed, the total cost of the Assessment is estimated at \$225,000. Funding for the analysis was budgeted in the Economic Development and Innovation and Downtown Plan line items in the FY20 Local Tax Increment budgets. Sponsorship from project partners is also being pursued.

Recommendation:

Authorize the DDA Executive Director to finalize the scope of work and execute an agreement with Chris Leinberger for an amount not to exceed \$225,000 to complete an Economics of Place Assessment for Grand Rapids.

Goals: Optimize sustainable economic growth and social equity, comprised of inclusive mixed-income/race places and locations, in the city of Grand Rapids. These goals will be reached by understanding 100% of the real estate in the city, the GDP at the place/location level, the net fiscal impact of the different types of places/locations and the social equity performance for low income households. The fundamental typology will analyze the real estate inventory on the 4-cell Urban Form/Economic Function matrix, shown below:



1. Task 1. Inventory

- a. The Research Team will begin by building off the methodology used and research generated in the [2015 WalkUP Wake-Up Call: Michigan Metros](#), written by the co-researchers on this project, and expand on this base research using current methods and data sources.
- b. Using Co-Star or comparable commercial real estate data, the research team will identify commercial spaces including office, retail, industrial and multifamily space and place into the Form/Function Matrix. It is understood that these data sets are only multi-tenant and do not include owner-occupied space, which will be developed using a different methodology, below.
- c. Using Zillow and/or Redfin data sets, the for-sale housing inventory will be determined for metro Grand Rapids and placed into the Form/Function Matrix.
- d. In coordination with the City of Grand Rapids, the Research Team will identify owner-user space by utilizing GIS databases. This will allow for an approximation of location and characteristics of owner-occupied spaces (federal, state and local government, universities, corporate facilities, hospitals, etc.).

- e. The result of this task will be a current approximation of building inventory of the city of Grand Rapids’.

2. Identify and Map All Real Estate

- a. Utilizing the Inventory from Task 1, the Research Team will employ the methodology to divide the city’s land uses into the Form/Function Matrix:
 - i. WalkUPs (Type I)
 - ii. Walkable Neighborhoods (Type II)
 - iii. Edge Cities (Type III)
 - iv. Sub-Divisions (Type IV)
- b. Additional data sources (US Census, the Bureau Labor Statistics, Center for Neighborhood Technology, and WalkScore®/ Redfin) will be employed to determine relevant information about each type of place/location for analysis below.
- c. The Research Team will consult with government staff, real estate professionals and others to validate (“ground truth”) the identification and classification of metro land in the four-cell matrix.
- d. The results of this task are a database of the city’s inventory divided into the Form/Function four-cell matrix, and a set of maps that visualize the City in terms of the WalkUP methodology.

3. Urban MorphoMetrics

- a. Research partners from the University of Strathclyde (UK) will run their Urban MorphoMetrics computations and produce a series of maps of Grand Rapids expressing a taxonomy of its form at different levels of detail (a series of maps with different number of urban types identified). That will allow to match the levels of detail of the Form/Function Matrix layers of data.
- b. There will be missing data from buildings identified in task #1 and #2 above that will highlighted and filled in to complete the 100% census of all real estate.
- c. The public realm (streets, sidewalks, parks, etc.) will also be mapped and the density quantified for all four cells of the Form/Function Matrix.

4. Real Estate Analysis

- a. The Research Team will analyze the real estate metrics for each of the locations/places, and compare the aggregate results of each of the four Types.
- b. Metrics from the residential, commercial, industrial and owner-user real estate analysis include (but are not limited to)
 - i. Vacancy-adjusted rents/sales prices
 - ii. Net absorption
 - iii. Operating costs
 - iv. Capitalization rates
 - v. Valuation (aggregate \$ and \$/square foot)
 - vi. Market Share Shifts between drivable sub-urban and walkable urban form

- c. This real estate analysis will also determine the market share of real estate over the past three real estate cycles (1992-2000, 2000-2007, 2010-2018), and compare net absorption trends across the four Form/Function types of land use.
 - d. The results of this task are numerical estimates of real estate performance across the four Form/Function types.
- 5. Economic Analysis
 - a. Using industry level data from IMPLAN, the Research Team will determine the GDP generated by each place and location, as well as the aggregated GDP of each of the four Form/Function types. This place-based GDP assessment has never before been completed in the past.
- 6. Social Equity Analysis
 - a. Combined with data collected above on housing costs, transportation costs, and socio-economic measures the Research Team will use a previously-developed Social Equity Index to determine the social equity performance of each place and location, as well as that of the aggregated Form/Function types.
- 7. Fiscal Impact Analysis
 - a. Using the Smart Growth America Net Fiscal Impact framework, the Research team will identify the gross fiscal revenues by the city of Grand Rapids for all the aggregated Form/Function types.
 - b. The fiscal impact will consider the capital and operating costs of roads, water, sewer, public safety, parks and other infrastructure items, in consultation with the City staff, and based on data availability.
 - c. The analysis will provide a current *net* fiscal impact for each of the Form/Function types, considering government revenues and costs to the city
- 8. Scenario Forecast
 - a. Using information and estimates from Task 5, the Research Team will conduct a scenario forecast using three future scenarios of development patterns. The three scenarios will include:
 - i. 1990s cycle market share shifts (predominantly drivable sub-urban in form)
 - ii. 2010s cycle market share shifts (more balanced between walkable urban and drivable sub-urban forms)
 - iii. Future vision forecast market share shifts (a majority of walkable urban development)
 - b. Forecasts scenarios will include:
 - i. GDP estimates
 - ii. Net fiscal impact estimates (revenues and infrastructure expenditures)
 - iii. Social equity performance
- 9. Implementation Strategy.

- a. The Research Team will conduct an implementation strategy developed with public, private and civic input following the above findings.
- b. The goals of the Implementation Strategy are to achieve an optimization of economic and social equity goals being achieved. This strategy will include incentive packages, re-zoning, education, infrastructure and place management (non-profit, private and public), as required.



The WalkUP
Wake-Up Call:

Michigan Metros

By Christopher B. Leinberger & Patrick Lynch

The George Washington University
School of Business

The Center for Real Estate
and Urban Analysis

School of Business

THE GEORGE WASHINGTON UNIVERSITY

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Smart Growth America
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The WalkUP *Wake-Up* Call:

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EXECUTIVE SUMMARY

Walkable urban places are not just a phenomenon of coastal U.S. metropolitan areas. This report demonstrates that the market desires them in Michigan—and they are gaining traction.

If this emerging trend in favor of walkable urbanism plays out in Michigan as it has in the other metro areas studied by George Washington University—Atlanta, Boston, and Washington, D.C.—it will mean an historic shift away from the drivable development patterns that have dominated development for the latter half of the 20th century. The state could return to the walkable urban development pattern that predominated before World War II.

Consider that in the current real estate cycle in the seven metro areas evaluated in this report (Detroit-Ann Arbor, Flint, Grand Rapids-Muskegon-Holland, Jackson, Kalamazoo-Battle Creek, Lansing, and Saginaw-Bay City-Midland, the “Michigan Metros”) 22 percent of all new income property development has located in the 2.7 percent of land that is walkable urban. This share of new development is up from only 6 percent in the 1990s real estate cycle and 12 percent from the 2001-2008 cycle. Boston and Washington, D.C. provide an indication of how far this trend can go. Their shares of new income property development located in walkable urban places in the most recent cycle have been 46 percent and 48 percent respectively.

Walkable places’ increasing share of development is most likely a response to pent-up market demand. Because drivable development patterns dominated for so long, residents of Michigan have had few choices about where to live. Only eight percent of the total housing stock is located in a walkable urban place and only half of that was built after 1960, meaning a significant portion may be obsolete. This is despite national polls suggesting that at least 40 percent of residents would like to live in a walkable urban place and demographics that increasingly favor urban living. Sixty-four percent of Michigan households have just one or two persons, the target market for walkable urbanism, and the percentage is rising.

This pent-up demand is reflected in rents and prices. Across all the Michigan Metros analyzed, average office rents in regionally significant walkable urban places are two percent higher than in comparable drivable locations, retail rents are 13 percent higher, multifamily rental apartment rents are 28 percent

higher, and for-sale residential prices are 50 percent higher. These are crude averages that hide significant variation among and within metro areas, but the broad implication is clear—there is pent-up demand for walkable urban places in Michigan.

Nonetheless, progress is uneven. Places like Downtown Birmingham, Main Street in Ann Arbor, and Downtown Grand Rapids provide a glimpse of the full potential of walkable urbanism to create value. Downtown and Midtown Detroit have demonstrated how rapidly revitalization can occur over just the last five to seven years, while plans being made in Lansing for a bus-rapid transit corridor show the way forward. However, there is a longer list of walkable urban places that have not taken off. For some of these places, government support, aggressive place-making, and a few pioneering developments may be enough to introduce dramatic change. For others, it may be more a question of time and an improvement in the overall regional economy.

All of the metro areas, if not the entire State of Michigan, has an economic, fiscal, and social equity interest in seeing these walkable places thrive. Although it has not been possible thus far to definitively prove causation, the circumstantial evidence is mounting that young, educated members of the workforce, the foundation of future economic development, want to live and work in walkable urban places. Previous research, confirmed again here, finds a positive correlation between the walkability of a metro area and the educational attainment of its residents, an important factor for economic performance. In the context of a state that is rightly concerned about brain drain, improving the quality and quantity of these walkable urban places must be a part of the policy discussion.

INTRODUCTION

For decades, real estate practitioners, observers and scholars studying land use have looked through an urban-versus-suburban lens. It is not unlike the classic social science joke about the tipsy guest who drops his keys at the front door as he leaves a party. While searching under a streetlight at the curb, he is asked, “Why aren’t you looking where you lost the keys?” He replies, “This is where the light is.” This research casts a new light on where households and businesses want to live, work, and play.

This analysis is focused on seven metropolitan areas in Michigan (the “Michigan Metros”):

- **Detroit-Ann Arbor**
- **Grand Rapids-Muskegon-Holland**
- **Lansing**
- **Jackson**
- **Kalamazoo-Battle Creek**
- **Saginaw-Bay City-Midland**
- **Flint**

The research applies an analytical framework that replaces the city-versus-suburb dichotomy with a new lens by dividing each metropolitan area into two broad categories:

- **Drivable Sub-urban:** This development form has the lowest development density in metropolitan history. It features stand-alone real estate products (office, retail, for-sale residential, rental apartments, hotel, industrial, etc.), tends to be socially and racially segregated, and relies upon cars and trucks as the only viable form of transportation.

- **Walkable Urban:** This form of development has much higher density, has multiple real estate products close to one another, and employs multiple modes of transportation that get people and goods to the place. And once there, the place is walkable.

Both drivable sub-urban and walkable urban forms of development have market support and appeal. Each is found in both cities and suburbs. For example, within the city limits of Detroit, which spans 139 square miles, there are examples of walkable urbanism, like Downtown and Midtown. But much of the city is drivable sub-urban. Conversely, Ann Arbor and Birmingham contain examples of walkable urbanism in their downtowns, even though they are technically suburbs of Detroit.

Walkable urban development was the predominant development form around the world until low-density, drivable sub-urban appeared in the United States just before World War II. Drivable sub-urban development was propelled by the very industry that made Michigan one of the wealthiest regions in the world during the 20th century—car and truck manufacturing. Walkable urban development calls for dramatically different approaches to urban design, planning, regulation, financing and construction than the drivable sub-urban paradigm. It also requires the introduction of a new level of governance: place management. Place managers develop the strategy and provide the day-to-day management of walkable urban places, creating a distinctive “could only be here” identity in which investors and residents invest for the long term.


This research also defines—in a new way—the economic function of all land use in the Michigan Metros, as either regionally significant or local-serving.

- **Regionally Significant:** Export or base employment, civic functions, cultural assets, entertainment clusters, regional retail, higher education and major hospitals and one-of-a-kind facilities (stadium, arenas, etc.) cluster in these places and locations. They tend to include much of the wealth-creating functions that bring new cash into the economy and these functions are the primary reasons the metropolitan area exists.

- **Local Serving:** These are bedroom community where the majority of the housing in the metropolitan area is located. Roughly 80 percent of local serving places and locations are comprised of residential development with the rest being support commercial (primary education, super markets, local doctors and dentist offices, etc.).

These two factors form the Form/Function Matrix, and all land in the Michigan Metros has been assigned to the appropriate cell using geographic information system (GIS) software. The methodology then determines the economic and the social equity performance of the various regionally significant walkable urban places

Metropolitan Land Use Options in the United States

	REGIONALLY SIGNIFICANT	LOCAL SERVING
 WALKABLE URBAN	WALKUP (Walkable Urban Place)	WALKABLE NEIGHBORHOOD
 DRIVABLE SUB-URBAN	EDGE CITY	DRIVABLE SUB-DIVISION

("WalkUPs"), local serving walkable urban places (Walkable Neighborhoods), regionally significant drivable sub-urban locations (Edge Cities) and local serving drivable sub-urban locations (Drivable Sub-divisions).

By applying this new four-cell Form/Function lens, we aim to uncover trends not generally understood by using the old urban-versus-suburban dichotomy. We have observed in the metropolitan areas of Washington, D.C., Atlanta, and Boston that the pendulum is swinging away from drivable sub-urban development, which was the dominant form of development for the second half of the 20th century, and back to walkable urbanism, which dominated in the 19th and early 20th centuries. In these metros, walkable urban places are gaining market share of new development and seeing strong price and rent premiums over their drivable sub-urban counterparts. This latest research finds a nascent, but similar, trend emerging in the Michigan Metros.

If this trend continues in Michigan, which is not guaranteed since it requires public policy changes and significant adaptation by the real estate and finance industry, it will present a major challenge and opportunity for everyone connected with the built environment (real estate and infrastructure). This includes new opportunities for real estate developers, investors, land use regulators, infrastructure providers, social equity advocates, public sector managers, academics and citizens. However, it requires rethinking the way we manage the 35 percent of our nation's wealth that is invested in the built environment, the largest asset class in the economy.¹

KEY FINDINGS

- **After decades of disinvestment in the late 20th century, walkable urban places are making a comeback in Michigan, led by Grand Rapids and Detroit-Ann Arbor.**

The Michigan Metros can all point to examples of walkable urban places in their communities that have seen at least some form of investment and activity that 15 years ago would have been almost unimaginable. The ongoing rebirth of Downtown and Midtown Detroit and the emergence of places like Royal Oak and Ferndale, as well as the successful conversion of old buildings into modern offices and lofts in Grand Rapids and Flint, are only a few examples. Nevertheless, the strength of this comeback is not the same in each metro area. Grand Rapids-Muskegon-Holland and Detroit-Ann Arbor are the clear leaders.

- **There is significant pent-up demand for walkable urbanism in Michigan.** National polls consistently show that at least 40 percent of the population would like to live in a walkable urban place, either a WalkUP or a Walkable Neighborhood. A series of recent target market analyses conducted for the Michigan State Housing Development Authority (MSHDA) finds substantial demand for them. Yet only eight percent of the total housing stock in the Michigan Metros is walkable and only four percent of the housing stock built since 1960 is walkable. The imbalance between supply and demand is likely to grow, as the proportion of households most predisposed to locating in walkable urban places, particularly one- and two-person households, has been rising steadily since 1960 and is projected to rise further. In fact, the

vast majority of household growth over the next 20 years is projected to be one- and two-person households.

- **The comeback of WalkUPs is evident in market trends. Rent and price premiums for WalkUP real estate have emerged over the last several years.** On average, across all of the Michigan Metros, apartments rent for 28 percent and homes sell for 56 percent more per square foot when they are located in a WalkUP as compared to an Edge City. The data on commercial rents is more mixed. For office, the average rent premium is two percent and for retail, it is 14 percent. Nonetheless, the same statistics in 2008 actually showed a slight discount for WalkUP office and retail space. Moreover, WalkUPs are maintaining lower office vacancy rates. The average office vacancy rate in WalkUPs is now 13.7 percent, as compared to 22.2 percent for Edge Cities and 15.5 percent for Drivable Subdivisions. However, these averages hide substantial variation, not only among the Michigan Metros, but among places within them.
- **The rent and price premiums for walkable urbanism in the Michigan Metros are not as high as the current premiums in Washington, D.C., or Boston but the current premiums in these two metros may be the future for Michigan's Metros.** Today, the high value of real estate in walkable urban places, particularly center-city and inner-suburban jurisdictions served by rail transit, is obvious in both Washington, D.C., and Boston. However, this was not the case until 10-to-20 years ago. Before then, drivable sub-urban locations had a price premium and some of today's very high-rent neighborhoods, like Columbia Heights and Capitol Riverfront in Washington, were consid-

ered slums. Strategic public investments and visionary developers changed the perception of these areas and unleashed some of the pent-up demand for walkable urbanism. It is now clear that Downtown Detroit, just one Michigan example, is on a similar path.

- **Most of Michigan’s walkable urban places are still in a state of transition. Continued support and management by local leaders, patient investment capital, and federal, state, and local government remain critical to their growth.** Progress towards successful walkable urbanism does not necessarily proceed along a linear path. There is a tipping point when enough businesses and amenities are in place to attract residents, or vice versa, before rents and prices rise enough to support new development, known as reaching “critical mass”. Until that critical mass is reached—and the data suggests that only a few places in Michigan’s Metros have—active support and guidance is needed. As much as the market wants walkable urbanism after it is fully established, places in transition require urban pioneers and they must be encouraged.
- **Walkable urban places tend to offer both lower combined housing and transportation costs, as well as better access to jobs than drivable locations.** Households living in walkable urban places are less likely to own a car, and are estimated to spend 14 percent less of their income on transportation, freeing it for other investments, like housing, education, and savings. In many of the walkable places in Michigan, however, housing is no more expensive than in drivable locations, resulting in a lower total housing and transportation cost. In addition, because walkable urban

places are usually more centrally located in the region, more jobs are accessible to them within a reasonable commute time. All else being equal, both lower housing and transportation costs, as well as better access to jobs, should make households in walkable places more financially resilient. Nevertheless, close attention must be paid to the affordability of WalkUPs and Walkable Neighborhoods as pent-up market demand increases. In Detroit-Ann Arbor, Grand Rapids-Muskegon-Holland, and Saginaw-Bay City-Midland, home prices in walkable places are beginning to take off. If this trend continues, the housing affordability advantages of walkable places may dwindle.

- **The development and expansion of walkable urban places will generate an economic return for the Michigan Metros and the State of Michigan.** A growing body of evidence indicates that people under the age of 35, particularly those with college degrees, prefer walkable places. These young people are critical to the modern knowledge economy and yet Michigan has been losing market share of this demographic group. While not the only solution, having the option of living and/or working in a walkable place will help reverse the trend.



GRAND RAPIDS HOLLAND MUSKEGON

Grand Rapids–Muskegon–Holland

Introduction

The Grand Rapids–Muskegon–Holland metropolitan area delivers hard evidence of walkable urbanism’s potential to succeed, even in an automobile-oriented metro environment with free-flowing traffic, abundant land, and no rail transit. Grand Rapids is a model not only for cities across Michigan, but also for much of the rest of the country, where similar conditions prevail.

The indications from the real estate data are clear: walkable urban properties are more desirable today. Average WalkUP office rents are 46 percent higher than in Edge Cities and the average apartment rental rate in WalkUPs is 39 percent higher than in Edge Cities. The premium for for-sale residential in WalkUPs is 77 percent over Edge Cities and 58 percent over Drivable Sub-divisions. Only WalkUP retail rents were slightly lower than in Edge Cities. It is worth noting, though, that these premiums reflect the difference between the weighted average rents of all seven established and emerging WalkUPs in the metro area, and the weighted average for all Edge Cities. In Downtown Grand Rapids alone, retail rents are higher than the Edge City average.

Walkable urbanism in the Grand Rapids metro area is gaining market share over the last three real estate cycles. In the 1992–2000 cycle, only four percent of new development was walkable urban. In the 2001–2008 cycle, it tripled to 13 percent. In the latest real estate cycle 31 percent of all income-property development in the metro region occurred in walkable urban places. In Downtown Grand Rapids, this is visible in the form of a variety of new lofts, apartments and office space. The trend shows no sign of abating. Several new projects, including a 20-story residential tower, a 12-story office building, and a new 160,000 square foot research center that is part of Michigan State University are planned.²⁴

The shift towards walkable urban development is not only visible in Downtown Grand Rapids, however. One developer with experience in Downtown Grand Rapids is now working on several projects in Downtown Muskegon, including the redevelopment of an old office building into 48 market-rate apartments.²⁵ Downtown Holland is seeing a new 140-room Marriott Courtyard hotel under construction—a significant development for a city with a population of 33,000.

same population for the State of Michigan and an 18 percent increase for the entire United States.

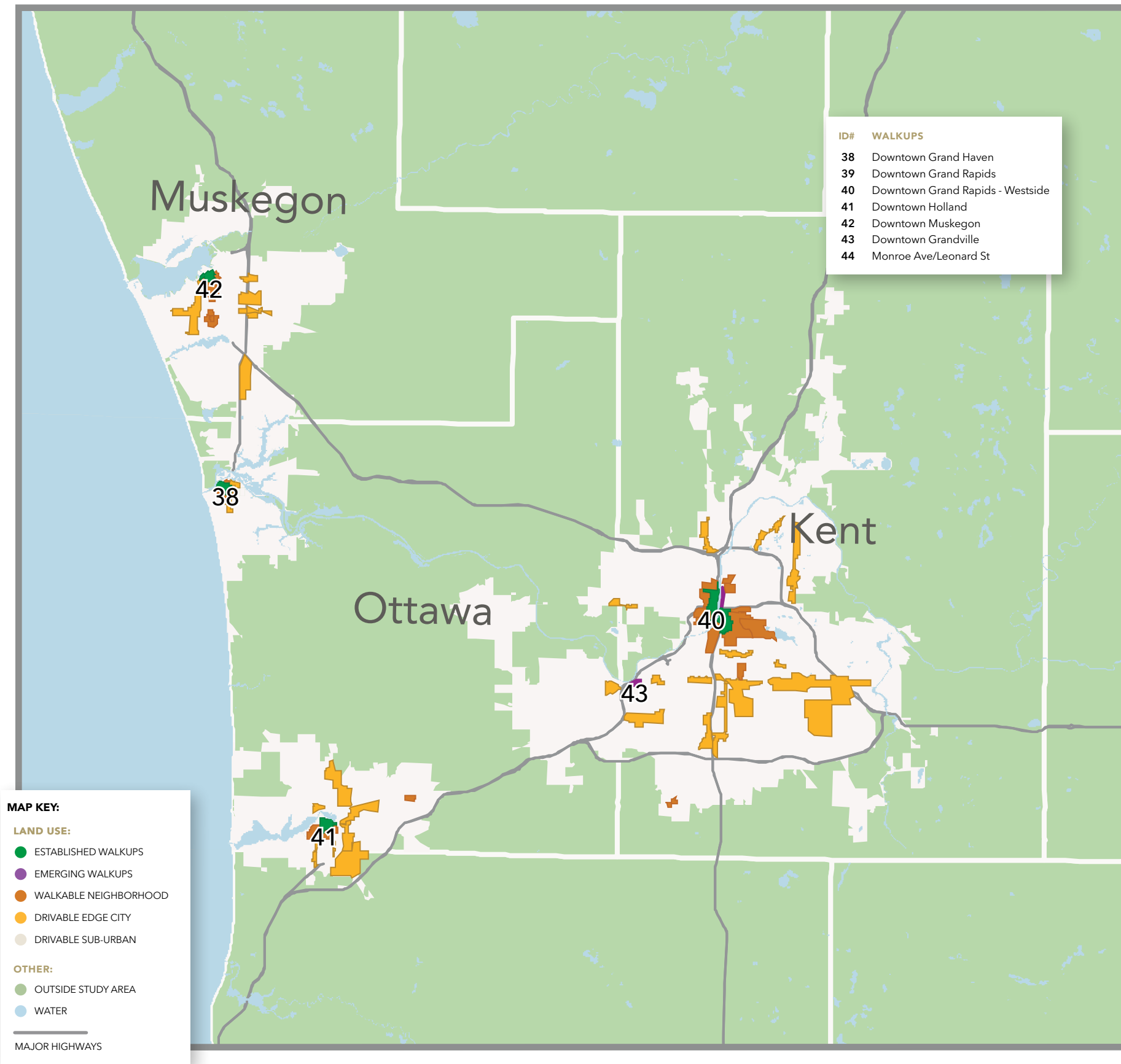
Causation is difficult to prove, but research conducted by the National Association of Realtors, Richard Florida, and the Milken Institute, as well as our recent research shows that those with the most education are most likely to have a preference for living in walkable places.

In the context of a state which has experienced significant brain drain, the Grand Rapids–Muskegon–Holland metropolitan area has seen its population of people under the age of 35 with college degrees increase by 54 percent since 2005, as compared to only a 2.5 percent increase in the same population for the State of Michigan.

The remarkable activity in Downtown Grand Rapids is not an accident. It happened because of the commitment of both the public sector and the private sector, including several “anchor” institutions located Downtown. Brownfield incentives and other public investments were critical to the realization of many developments Downtown over the last several years.

The return on these investments is apparent not only in terms of rising property values and property taxes but also in the attraction and retention of young, educated people. In the context of a state which has experienced significant brain drain, the Grand Rapids–Muskegon–Holland metropolitan area has seen its population of people under the age of 35 with college degrees increase by 54 percent since 2005, as compared to only a 2.5 percent increase in the

The improvements in walkable urbanism in the Grand Rapids metro have most likely played a role in the success of attracting young, educated people.



Grand Rapids-Muskegon-Holland

Geographic Findings

We divided the entire Grand Rapids-Muskegon-Holland metro land use into the four major categories described on page 18 of this report. This section presents key statistics related to the breakdown of land, population, and employment among these areas.

- **There are seven WalkUPs in the Grand Rapids-Muskegon-Holland metro area.** The five established WalkUPs are: Downtown Grand Rapids, Downtown Grand Rapids - Westside, Downtown Muskegon, Downtown Holland, and Downtown Grand Haven. Downtown Grandville and Monroe Ave./Leonard St. are both emerging WalkUPs. The average size of all WalkUPs in the Grand-Rapids-Muskegon-Holland metro area is 326 acres. Together they make up 0.8 percent of the metro area’s urbanized land. Walkable Neighborhoods account for an additional 2.1 percent of the urbanized land.
- **These WalkUPs have 13.5 percent of the metro area’s employment and 1.9 percent of the population.**
- **WalkUPs in this metro area have more than four times the job density as Edge Cities while Walkable Neighborhoods have nearly six times the job density of Drivable Sub-divisions.** WalkUPs have over twice the population density of Edge Cities while Walkable Neighborhoods have nearly four times the population density of Drivable Sub-divisions.
- **In the Grand Rapids-Muskegon-Holland metro region, a greater percentage of people walk or use a non-car mode of transportation to get to work (bike, transit) in WalkUPs compared to Walkable Neighborhoods, Edge Cities and Drivable Sub-divisions.** Twenty-four percent of WalkUP residents either walk, cycle, or use transit to get to work. In Walkable Neighborhoods, this share is 14 percent and in both Edge Cities and Drivable Sub-divisions, it is four percent.

Key Metrics by Land Use

EMPLOYMENT

Share of Employment in Each Land Use Type:



POPULATION

Share Residing in Each Land Use Type:

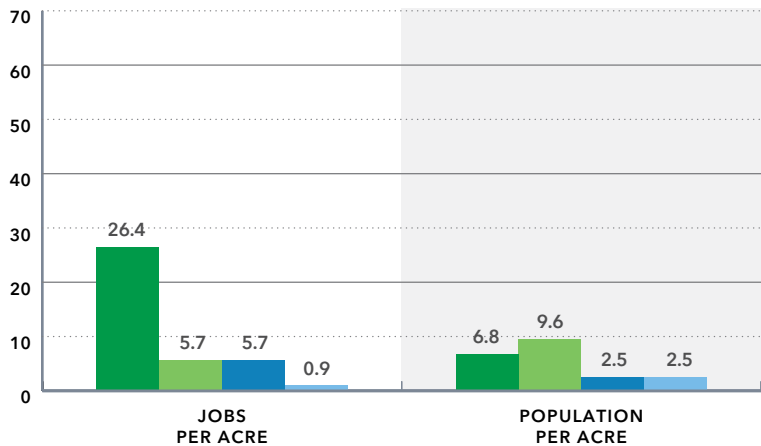


REGIONAL LAND

Share of Regional Land by Land Use Type:



Population & Employment Density



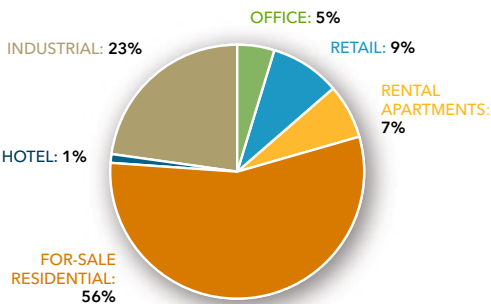
WALKUP WALKABLE NEIGHBORHOOD DRIVABLE EDGE CITY DRIVABLE SUB-DIVISION

Grand Rapids-Muskegon-Holland

Product Findings

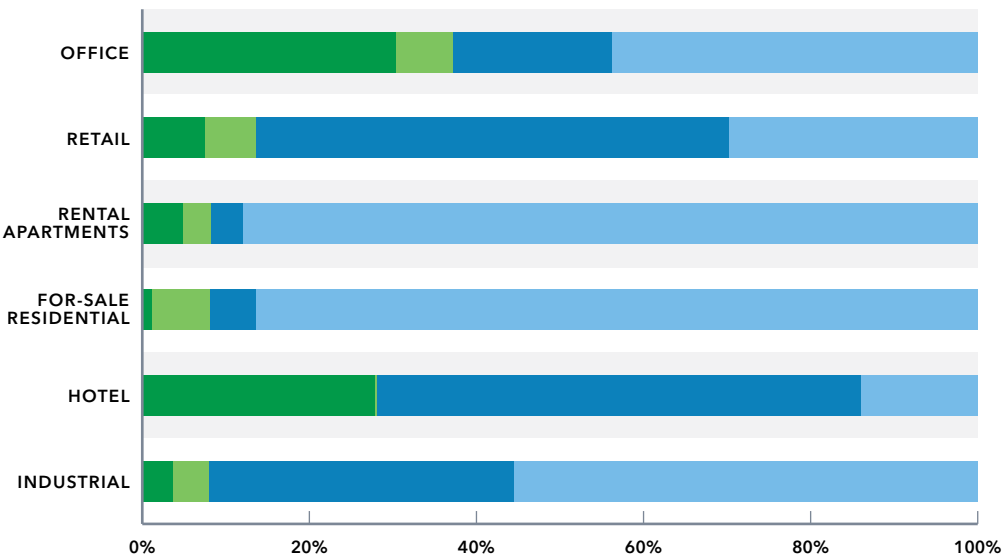
- There is an estimated 728 million square feet of real estate in the Grand Rapids-Muskegon-Holland metro region, not including owner-user space, such as hospitals, universities, and government buildings. Fifty-six percent of the space is for-sale residential, although at least 10 percent-age points of this share is actually renter-occupied.²⁶ To our knowledge, this is the first time such an inventory has been made.

Breakdown of Total Regional Square Footage by Product Type

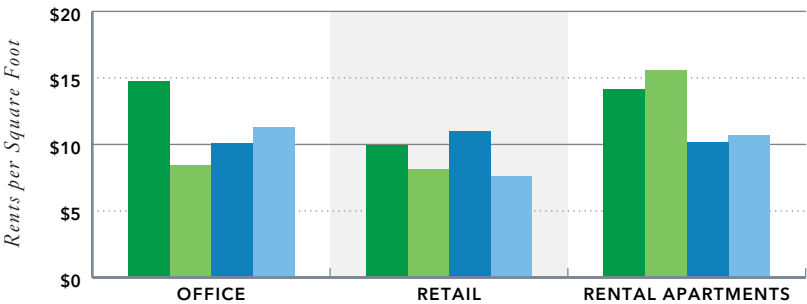


- WalkUPs account for 6.5 percent of the total estimated square footage in the Grand Rapids-Muskegon-Holland metro region. Office and hotel have the highest walkable urban square footage: Thirty percent of the office inventory and 28 percent of the region's hotel inventory are located in WalkUPs.

Estimated Distribution of Regional Square Footage Across Land Use Categories



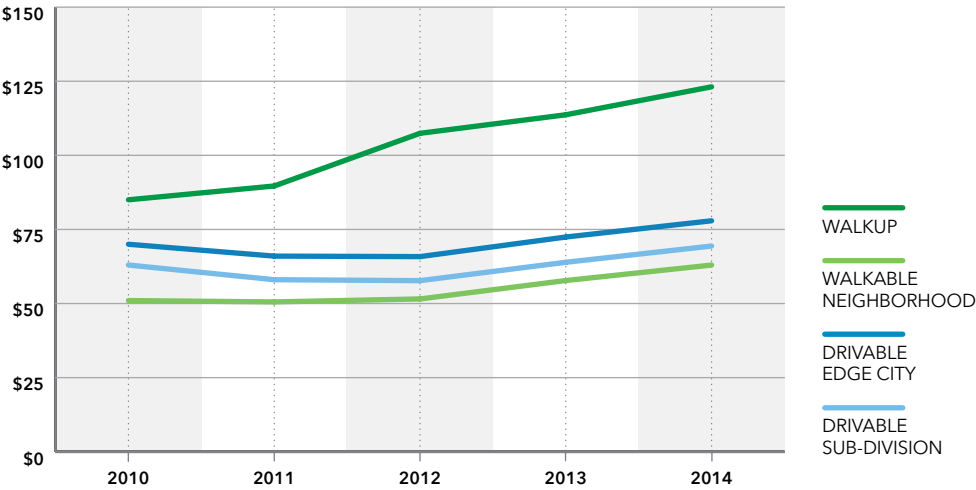
Average Annual Rents by Land Use Category



WALKUP WALKABLE NEIGHBORHOOD DRIVABLE EDGE CITY DRIVABLE SUB-DIVISION

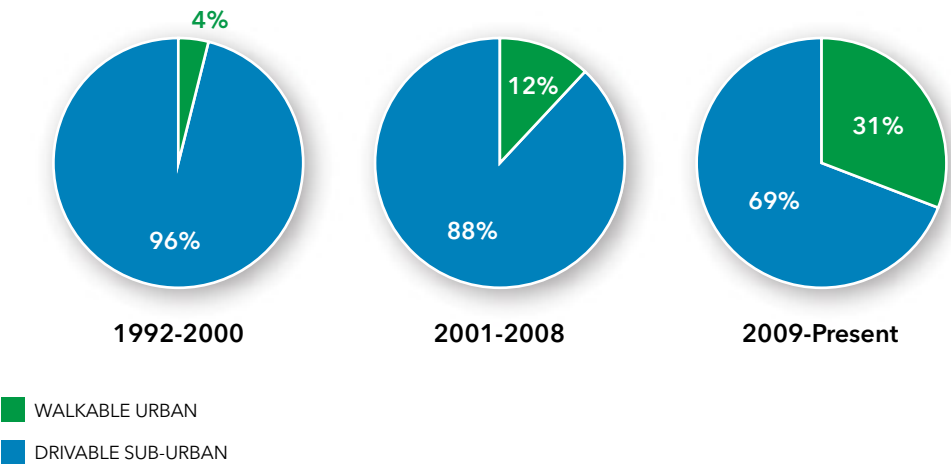
- An estimated 8.2 percent of the metro area’s total housing stock is located in a WalkUP or Walkable Neighborhood.
- WalkUPs have an average gross floor-area-ratio (FAR) of 0.32 in Grand Rapids versus 0.16 for both Walkable Neighborhoods and Edge Cities, and 0.05 for Drivable Sub-divisions. This means that WalkUPs are twice as dense as Edge Cities while Walkable Neighborhoods are nearly four times as dense as Drivable Sub-divisions in the Grand Rapids metro area.
- WalkUPs command the highest rents for office and multifamily apartments but are somewhat lower than Edge Cities, on average, for retail. Compared to Edge Cities, average WalkUP rents differ by the following percentages:
 - OFFICE+46%
 - RETAIL-9%
 - RENTAL APARTMENTS:+39%
- Average for-sale residential prices per square foot are 58 percent higher in WalkUPs than in Drivable Sub-divisions. This premium has increased from 22 percent in 2010. Prices in Walkable Neighborhoods, however, still lag those of all other categories.
- Walkable urbanism’s share of new income property development is clearly trending upwards. From 1992-2000, only four percent of new development occurred in WalkUPs or Walkable Neighborhoods. In the latest cycle, 31 percent of all new income property development in the region occurred on just 2.9 percent of the metropolitan land.

Average Home Sale Price:
(Price per Square Foot)



Last Three Real Estate Cycles:
Share of Income Property Development in
Walkable Urban vs. Drivable Sub-Urban

Income Property = Office, Retail, Hotel, and Rental Apartments



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These Acknowledgements must start with the inspiration and financial support of the **Michigan State Housing Development Authority** and the **Michigan Economic Development Corporation**, especially Gary Heidel, Chief Placemaking Officer of MSHDA; Jim Tishler, Director of Community Development of MSHDA; and Jennifer Rigterink, Manager in the Community Development Division of MEDC. MSHDA and MEDC provide leadership, vision, and funding for the Michigan Metros.

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An affiliated research partner is **Cushman and Wakefield**, the premier commercial real estate firm in United States. Maria Sicola, Executive Managing Director, Head of Americas Research, led this effort, following projects in Boston and various national research projects with both George Washington University and LOCUS. The **CoStar Group, Inc.**, generously provides free access to their national commercial real estate database that we have used in all of the *WalkUP Wake-Up Call* research though their academic access program.

Michigan-based foundations provide remarkable support for place making and community development in the state. These foundations, cities and corporations provided additional funding for specific Michigan Metros. These include:

- **Detroit-Ann Arbor:** The Hudson-Webber Foundation and The Kresge Foundation
- **Flint:** Charles Stewart Mott Foundation
- **Saginaw-Midland-Bay City:** Midland Area Community Foundation
- **Lansing-Jackson:** Great Lakes Capital Fund and Consumers Energy
- **Jackson:** City of Jackson and Jackson Downtown Development Authority
- **Kalamazoo-Battle Creek:** Battle Creek Unlimited, Kalamazoo Community Foundation and The Jim Gilmore Jr. Foundation

The Governor's Office of Urban Initiatives also provided guidance and support.

A series of "ground-truthing" meetings with local experts were held in each of the Michigan Metros. Grand Valley Metropolitan Council, The Charles Stewart Mott Foundation, Saginaw County Metropolitan Planning Commission, Southeast Michigan Council of Governments, Southwest Michigan First, The Right Place, and Downtown Grand Rapids, Inc. hosted these meetings. Well over a hundred state and local experts came to these meeting to assist us in making sure we understood the land use types in the Michigan Metros.

This research was completed in conjunction with **LOCUS: Responsible Real Estate Developers and Investors**, a project of **Smart Growth America**. The leadership of LOCUS who provided support and coordination of the research include Christopher Coes, Director; Zack Smith, Program Associate; and Megan Piece, Associate. The research was released at the **LOCUS Michigan Leadership Summit** on June 23, 2015.

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Christine Patton of **Patton Creative** provided the creative direction and production of the report.



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