

MEETING OF THE DOWNTOWN DEVELOPMENT AUTHORITY

Wednesday, June 4, 2014

8:30 a.m. Meeting

Room 601, City Hall

AGENDA

1. Call to order
2. Approval of meeting minutes of May 14, 2014 (8:30).....*Motion Harris*
(enclosure)
3. Authorize Execution of Reimbursement Agreement with Civic Theater (8:33).....*Motion Pratt*
(enclosure)
4. Recommend Proposed FY 15 Budget / FY 15-19 Priority Plan (8:50).....*Motion Larson*
(enclosure)
5. President & CEO Report (9:20).....*Info Item Larson*
6. Public Comment (9:30)
7. Board Member Discussion (9:35)
8. Adjournment

Downtown Grand Rapids

Prosperous ❖ Livable ❖ Walkable ❖ Inclusive ❖ Green ❖ Connected ❖ Distinctive

MEETING OF THE DOWNTOWN DEVELOPMENT AUTHORITY

May 14, 2014

1. Call to Order – The meeting was called to order at 8:31 a.m. by Chair Brian Harris.

2. Attendance

Present: Dr. Wendy Falb, Jane Gietzen, Brian Harris, Jim Talen, Rick Winn

Absent: Kayem Dunn, Mayor George Heartwell, Elissa Hillary

Others Present: Kristopher Larson (Executive Director), Mary Sierawski (DDA Executive Asst/Office Manager), Jana Wallace (DDA Treasurer), Eric Pratt, Tim Kelly, Bill Kirk, Kim Van Driel, Mandy Cech (staff), Molly Klimas (GRJazzFest), Marcia Warner, Marc Thomas (WOODTV), and others.

3. Approval of Minutes of April 9, 2014

Motion: Jane Gietzen, supported by Rick Winn, moved approval of the minutes of the April 9, 2014 DDA meeting as presented. Motion carried unanimously.

4. Presentation of March 31, 2014 and April 30, 2014 Financials

Ms. Wallace provided preliminary financial statements for the periods ending March 31, 2014 and April 30, 2014, including: Statement A: Balance Sheet; Statement B: Comparison of FY2014 Budget vs Actual Results; Statement C: Statement of Project Expenditures; Statement D: Schedule of March and April 2014 Expenditures.

Ms. Wallace shared that the largest payment this month was the second semi-annual interest payment for the Van Andel Arena bonds. Ms. Wallace added that in the case a project runs over budget, such as a large infrastructure project, the Board could decide to make budget amendments. Mr. Harris said he doesn't feel the Board should make those amendments because projects do come in under and over budget and that it's a good historical recording of these projects and how they end up budget-wise. Mr. Larson said a project potentially going over budget will be communicated with the Board and that the Board would have a good idea of where projects stand on a monthly basis. Mr. Talen asked about the investment portion of the budget and pointed out that the balances are significant. Mr. Talen requested an update on when these projects will be completed and if it will be within this fiscal year. Ms. Wallace responded that in regards to project budgets, they are capital projects which span several years. The priority plan shows what we plan to expend in this fiscal year and there is a fund balance and what funds don't get spent in this fiscal year, get re-allocated to the next fiscal year. Mr. Larson said half of the projects are within budget and some projects are

moving slower than anticipated. Mr. Talen pointed out the Sixth St. Bridge and GR/Indiana Railroad Bridge line items and asked if these projects were complete. Mr. Larson said they are complete, but at times the DDA receives bills years after a project is completed from MDOT.

Motion: Jane Gietzen, supported by Dr. Wendy Falb, moved to approve Statement D: Schedule of March 2014 Expenditures as recommended. Motion carried unanimously.

Motion: Jane Gietzen, supported by Rick Winn, moved to approve Statement D: Schedule of April 2014 Expenditures as recommended. Motion carried unanimously.

5. Approve Event Support Grants

Ms. Cech shared that at its April 21, 2014 meeting, the Alliance for Vibrancy reviewed two applications for DDA event support. The first event being recommended, GRandJazzFest is in its third year of operations and has received financial support from the DDA since its start in 2012. The second event, Swing Dancing at Rosa Parks Circle, was also brought before the DDA in April as its full series of events for the calendar year began in FY14 and will continue into FY15. Ms. Cech said that staff separated requests for events that spanned fiscal years to allow Alliance members to consider applications for FY14 and FY15 separately from their corresponding budgets. Mr. Larson added that since we're on the cusp of the next fiscal year, it was preferred to approve each event in each individual fiscal year. The events approved for FY15 will land as an earmark in the FY15 budget. The Board will also see these events in the upcoming budget approval process. Mr. Harris said that the Board can take these as a single action. Mr. Talen asked Ms. Cech about the point system used to evaluate the events. Ms. Cech said there are certain guidelines within the application system and that DGRI staff evaluates the event based on eligible activities and criteria. The point system helps to guide the discussion on what the eligible activities are. Mr. Larson said the event application DGRI inherited is highly subjective, so the point system enables us to inject some level of quantitative analysis. Dr. Falb asked if the applicants see the rubric before applying. Mr. Larson said no, they don't see the points, but are given the criteria. Ms. Gietzen said the point system helps the Alliance for Vibrancy members focus on each individual application.

- GR and Jazz: GRandJazzFest

Motion: The Alliance for Vibrancy recommended the DDA fund the event in the amount of \$18,960 for eligible activities identified within the event grant application.

- Grand Rapids Original Swing Society: Grand Rapids Swing Dance at Rosa Parks Circle

Motion: The Alliance for Vibrancy recommended the DDA fund the event in the amount of \$4,958 for City-related expenses in FY 2015.

Motion: Rick Winn, supported by Jim Talen, moved to approve \$23,918.00 in event grants to support eligible activities identified in the Alliance for Vibrancy's motions from April 21, 2014. Motion carried unanimously.

6. Approve Downtown Plan MOUs

Mr. Harris commended Mr. Kelly on his weekly Downtown Plan updates and said they are very informative. Mr. Kelly shared that the request before the Board is to approve three (3) MOUs in relation to the Downtown Plan. Mr. Kelly said that at the January DDA Board meeting, the DDA Board approved a Resolution directing staff and counsel to finalize a scope of work, and authorized the Chairperson of the DDA Board to execute a contract with Interface Studios (Interface) for consulting services for the Downtown Plan. After the approval of the resolution, the City of Grand Rapids and Grand Rapids Public Schools asked to expand the scope of work beyond what was originally contemplated. Mr. Kelly said these additions include a more comprehensive analysis of the Grand River Corridor, Downtown parking and transportation, and the GRPS Central Campus. Mr. Kelly said the City Commission did approve the City-related MOUs. Mr. Winn asked if this is a reimbursement program or if it's a direct pay by each entity. Mr. Kelly said the DDA will receive reimbursement, so essentially the DDA will pay upfront and be reimbursed. Mr. Larson clarified that we can code City-related costs to correct departments internally at the time of invoicing and that in regards to GRPS, it would be more of a reimbursement model. Mr. Winn asked if the contract experiences additional costs, which party would cover those costs. Mr. Larson said that if there are additional costs in relation to the different scopes, all overruns would have to be approved by the City as each partner has control over their respective scope and that change orders would have to be initiated. Mr. Wendt added that the contracts provide a not-to-exceed number and that if an aspect of the scope exceeded this number, it would have to be approved. Mr. Wendt said that each cost is itemized and that the MOUs are extremely detailed. Mr. Harris agreed with Mr. Winn that the DDA doesn't want to be responsible for any overruns that occur throughout this process. Dr. Falb expressed her appreciation for Mr. Larson's leadership in regards to the Downtown Plan and including GRPS in the Downtown Plan process. Mr. Kelly said that Interface is impressed that we are including the public schools within the Downtown Plan and they are very supportive and pleased about this. Mr. Harris said that all of these pieces are inter-related and it makes sense that all partners are on board.

Motion: Jane Gietzen, supported by Dr. Wendy Falb, moved to approve the Resolutions and Memorandums of Understanding between the Downtown Development Authority, Grand Rapids Public Schools, and the City of Grand Rapids for work related to the Downtown and River Corridor Plans. Motion carried unanimously.

7. Draft DDA Budget Presentation

Mr. Larson shared that the Board will see a budget preview and that there are members of the MNTIFA Board present as we think of Downtown more holistically. Mr. Larson said each fiduciary board will have separate approval processes. Each Alliance lead staff member shared an update with the DDA Board on the budget items the Alliances are considering. Dr. Falb said it's really helpful to see each Alliances' projects, purpose, and mission and there seems to be some overlap, which is a positive thing. Mr. Larson said all of the Alliances are driven by the people involved and that currently we have 65 Alliance members. Mr. Harris requested a tool to see the big picture on how all of the Alliances work together and what the overlapping projects are. Ms. Gietzen said the presentation seen today is a good place to start to begin understanding what each Alliance is focusing on currently and for the next fiscal year. Mr. Winn would like to ensure integration and not duplication amongst the Alliances. Mr. Harris said the Board should think about this longer and in the future we could explore how each Alliance works together most efficiently. Mr. Harris said the budget preview was a very professional presentation and thanked the DGRI staff for their systematic approach. Mr. Harris said seeing this budget preview is a product of the evolution of DGRI and bringing Mr. Larson onboard and said he is very pleased. Dr. Falb also complimented Mr. Larson and DGRI staff on their dynamic balance between thinking structurally and creatively. Mr. Harris asked each of the DDA Board liaisons to take this feedback to their Alliances and thank all members for their contributions throughout the budget process.

8. Report from DGRI President and CEO

MNTIFA (6/4)

- Will consider MNTIFA Budget

DID (6/2)

- Will consider FY15 DID Budget
- Will establish quarterly meeting dates for remainder of 2014

DGRI Board of Advisors (5/23)

- Will consider Alliance diversification recommendations
- Will consider an Alliance attendance policy
- Will consider establishing a policy committee

CITY

- Launched panhandling education program and introduced ordinance restricting panhandling in conjunction with Heartside Neighborhood Collaboration Project, City Manager and City Attorney
- Approved MOU with DGRI regarding Downtown & River Corridor Planning projects

Alliances:

VIBRANCY (5/19)

- Chair: Dr. David Rosen, Citizen Extraordinaire
- Advising on the Special Events Optimization Process
- Developing FY15 budget recommendations
- Advising on State of the Downtown event planning

LIVABILITY (5/27)

- Chair: Lynee Wells, Principal @ Williams & Works
- Assisting in the formation of a unified Downtown residential association
- Reconvened the Bicycle Working Group to identify FY15 priorities
- Developing FY15 Budget recommendations

INVESTMENT (5/13)

- Chair: Nikos Monoyios, Long Range Planner @ The Rapid
- Approved FY15 Budget recommendations
- Advising on the Downtown Plan process
- Received updates on planning efforts also underway that might impact Downtown

DGRI Staff Highlights

- Hosted the IDA Midwest Urban District Forum conference May 5 & 6
- Hosted a Merchant Mixer event April 16th, 6-8 PM @ DGRI
- Accepted a one-year extension for the option on Area 5
- Advancing toward disposition of Area 1 for Arena Place
- Synthesizing results from Special Events Optimization Process focus groups
- Continuing legislative advocacy regarding protecting DDA act
- Launched 2014 Movies in the Park Series Teaser video and poster
- Launched “Real Change not Spare Change” collaboration effort
- Planning for State of the Downtown June 26, 2014 – Mosaic Space
- Designing FY14 Annual Report
- Working with businesses to design first parklets

- Held second Downtown Plan steering committee meeting May 8th
- Preparing for launch of Grandwich 2014

9. Public Comment

None.

10. Board Member Discussion

Mr. Harris requested a preview of the Annual Report for the State of the Downtown in advance of the event.

11. Adjournment

The meeting adjourned at 9:53 a.m.

MEMORANDUM

CITY OF GRAND RAPIDS · DOWNTOWN DEVELOPMENT AUTHORITY

Agenda Item #3
June 4, 2014
DDA Meeting

DATE: May 30, 2014

TO: Downtown Development Authority

FROM: Eric Pratt, 
Project Manager

SUBJECT: Areaway Reimbursement Agreement – Grand Rapids Civic Theatre

Enclosed in your packets is an Areaway Reimbursement Agreement between the Downtown Development Authority (DDA) and the Grand Rapids Civic Theatre (GRCT) regarding the vacation of an existing areaway located at 20 Monroe Center Ave NE (the Wenham Building). This agreement spells out the terms in which GRCT will reimburse the DDA for its share of costs associated with the vacation of the areaway located in front of their building.

At the DDA Board meeting held April 12, 2014, the DDA Board approved a contract with Katerberg-Verhage for the reconstruction of Monroe Center Phase III project. As a part of the reconstruction, the existing areaway in front of the Wenham Building will be vacated and a portion of it reclaimed to accommodate the placement of a new vault which will house the mechanical systems needed to operate the new snowmelt system underneath Monroe Center Avenue NE. In order to achieve the aggressive timetable for this project, it was agreed that the DDA would complete the work related to the vacation of the areaway and be reimbursed by GRCT for their share of costs related to their building.

Under this agreement, the DDA will be reimbursed by GRCT in the amount of \$22,000. Authorization to execute this agreement is requested.

Recommendation:

Staff recommends adoption of the enclosed resolution.

See attachments.

AREAWAY REMOVAL AGREEMENT

THIS AREAWAY REMOVAL AGREEMENT (the "Agreement") is made as of _____, 2014, between the **CITY OF GRAND RAPIDS DOWNTOWN DEVELOPMENT AUTHORITY**, a statutory authority created by the City of Grand Rapids, a Michigan municipal corporation (the "City"), pursuant to Act 197 of the Public Acts of Michigan of 1975, as amended (the "DDA"), 29 Pearl Street, N.W., Grand Rapids, Michigan, 49503 and **GRAND RAPIDS CIVIC THEATRE, INC.**, a Michigan nonprofit corporation (the "Civic Theatre"), 30 N. Division Avenue, Grand Rapids, Michigan 49503.

RECITAL

A. The Civic Theatre owns a building known as the Wenham Building (the "Building") on a parcel of property legally described on the attached Exhibit A (the "Property") located at 20 Monroe Center, N.E. in the City which is adjacent to Monument Park located at the northeast corner of N. Division Avenue and E. Fulton Street in the City (the "Park").

B. The Building was constructed with an areaway approximately 22 feet wide and extending approximately 14 feet within the public right-of-way adjacent to the Park (the "Areaway").

C. In connection with the reconstruction of the Park (the "Project") the Areaway will be removed.

NOW, THEREFORE, in consideration of the respective covenants contained herein, the parties agree as follows:

1. The Civic Theatre hereby grants to the DDA and the City and their respective officers, employees, agents and contractors permission to enter upon the Property for the purpose of removing the Areaway which includes the removal of the Areaway roof, removal of the Areaway wall, removal of base slab, new reinforced Building wall, sand backfill and relocation

of utilities (the "Improvements"). Any work related to the Improvements necessary to ensure the structural integrity of the Property or the Building and any improvements thereon, including without limitation any required repairs to the Building, are not included in the Improvements and shall be solely the Civic Theatre's responsibility.

2. The Civic Theatre shall be responsible for relocating any of its personal property located within the Areaway or on the Property to protect it from construction activity related to the Improvements.

3. The DDA will cause the Improvements to be undertaken in general conformance with the construction plans prepared by O'Boyle, Lowell, Blalock & Associates, Inc. and on file at the City Engineer's Office located on the 5th Floor of City Hall, 300 Monroe Avenue, N.W. in the City.

4. The total estimated cost of Phase III of the reconstruction of the Park which includes the Improvements related to removal of the Areaway is \$197,000. The Civic Theatre's share of such costs is \$22,000 (the "Civic Theatre Costs") which will be funded initially by the DDA. The Civic Theatre will reimburse the DDA for the Civic Theatre Costs pursuant to paragraph 7 hereof.

5. Any costs associated with the removal of personal property pursuant to paragraph 2 hereof shall be the responsibility of the Civic Theater.

6. Upon completion of the Improvements, the Civic Theatre shall be responsible for the new reinforced Building wall and the backfill adjacent to the wall. The Civic Theatre shall retain all rights to the same along with the maintenance obligations and liabilities related thereto, and the Civic Theatre agrees to save and hold the DDA and the City and their respective officers, employees, agents and contractors harmless from any and all claims in connection therewith.

7. The Civic Theatre shall reimburse the DDA for the Civic Theatre Costs in 10 equal annual installments of \$2,200 plus interest.

8. The Civic Theatre hereby waives any and all claims for (a) damages, excluding acts of negligence, (b) unlawful taking and (c) similar claims it might otherwise attempt to assert against the DDA or the City or their respective officers, employees, agents and contractors.

9. The interest rate shall be 4.00% per annum on the unpaid principal balance commencing October 1, 2014.

10. The first installment plus accrued and unpaid interest shall be due October 1, 2014. Succeeding installments plus accrued and unpaid interest will be due and payable on each subsequent annual anniversary date of the first installment until the total amount due plus accrued and unpaid interest is paid in full. If the Civic Theatre shall fail to pay any annual

installment plus accrued and unpaid interest within 30 days after the due date, the unpaid principal balance plus accrued and unpaid interest and any applicable penalty fee as provided in paragraph 11 hereof shall be immediately due and payable.

11. A penalty fee of 1.0% per calendar month or any portion of a calendar month will be charged on each overdue unpaid annual installment, beginning with the calendar month following the month an annual installment is due.

12. The unpaid principal balance may be paid in full at any time without prepayment penalty, but with applicable accrued interest and penalty fees, if any.

13. Upon the conveyance of the Property by the Civic Theatre to an unrelated third party the unpaid principal balance plus accrued interest shall be immediately due and payable.

14. The DDA shall require the contractor undertaking the improvement to name the Civic Theatre as an additional insured on the general liability insurance policy it is required to maintain during construction of the Improvements. The DDA shall cause the contractor to provide the Civic Theatre with a copy of a Certificate of Insurance evidencing the same.

15. This Agreement is binding upon and inures to the benefit of the parties hereto and their respective successors and assigns. This Agreement shall be recorded with the Kent County, Michigan Register of Deeds.

IN WITNESS WHEREOF, the parties hereto have set their hands thereto as of the day above written.

**CITY OF GRAND RAPIDS
DOWNTOWN DEVELOPMENT
AUTHORITY**

By: _____
Brian Harris, Chairperson

STATE OF MICHIGAN)
 :SS
COUNTY OF KENT)

On this _____ day of _____, 2014, before me, a Notary Public in and for said County, personally appeared Brian Harris, Chairperson of the City of Grand Rapids Downtown Development Authority, to me known to be the same person described in and who executed the within instrument, who has acknowledged the same to be his free will and deed.

Notary Public, Kent County, Michigan
My commission expires _____
Acting in Kent County, Michigan

**GRAND RAPIDS CIVIC
THEATRE, INC.**

By: _____

Its: _____

STATE OF MICHIGAN)
 :SS
COUNTY OF KENT)

On this _____ day of _____, 2014, before me, a Notary Public in and for said County, personally appeared _____, the _____ of the Grand Rapids Civic Theatre, Inc., to me known to be the same person described in and who executed the within instrument, who has acknowledged the same to be his free act and deed.

Notary Public, Kent County, Michigan
My commission expires _____
Acting in Kent County, Michigan

Drafted by and when recorded return to:
Richard A. Wendt
Dickinson Wright, PLLC
200 Ottawa Avenue, N.W., Suite 1000
Grand Rapids, Michigan 49503

EXHIBIT A

Property

PART OF LOT 3 BLK 15 * BOSTWICK & CO'S ADDITION * & PART OF
LOTS 5 & 6 SEC 21 * PLAT OF THE VILLAGE OF GRAND RAPIDS
CAMPAU PLAT /SO CALLED/ * COM 73.92 FT N ALONG E LINE OF
DIVISION AVE FROM S LINE OF SD LOT 6 TH S ALONG E LINE OF
DIVISION AVE 73.92 FT TO NLY LINE OF MONROE AVE TH SELY
ALONG NLY LINE OF MONROE AVE 45 FT TH NELY PERP TO MONROE
AVE 70 FT TO S LINE OF N 37.96 FT OF SD LOT 6 TH E ALONG SD S
LINE TO E LINE OF SD LOT 6 TH N ALONG E LINE OF SD LOT 6 & E
LINE OF SD LOT 5 TO N LINE OF S 14.96 FT OF SD LOT 5 TH W ALONG
SD N LINE TO BEG & RIGHT OF WAY OVER 12 FT ALLEY RUNNING
FROM REAR OF SD PREMISES TO SHELDON AVE

**CITY OF GRAND RAPIDS
DOWNTOWN DEVELOPMENT AUTHORITY**

**RESOLUTION APPROVING AND AUTHORIZING
EXECUTION OF AN AREAWAY REMOVAL
AGREEMENT WITH THE GRAND RAPIDS CIVIC
THEATRE, INC.**

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

WHEREAS, the City of Grand Rapids Downtown Development Authority (the “DDA”) has undertaken the reconstruction of Monument Park (the “Park”) in three phases; and

WHEREAS, the third and final phase of the Park reconstruction includes the removal of an areaway within the public right-of-way adjacent to the Park (the “Areaway”) which Areaway extends from a building known as the Wenham Building owned by the Grand Rapids Civic Theatre, Inc. (the “Civic Theatre”) and located at 20 Monroe Center, N.E. in the City of Grand Rapids (the “Building”); and

WHEREAS, the DDA and the Civic Theatre have agreed to enter into an agreement where the Civic Theatre will be responsible of reimbursing the DDA a portion of the costs of the final phase of the reconstruction, i.e. \$22,000, on an installment basis including interest over a ten year period, related to an areaway for the Building located in the public right-of-way adjacent to the Park.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. That the Areaway Removal Agreement (the “Agreement”) between the DDA and the Civic Theatre in the form presented at this meeting is approved with such modifications not

material adverse to the DDA approved as to content by the DDA Executive Director and as to form by DDA legal counsel.

2. That the Chairperson of the Board of Directors of the DDA is authorized and directed to execute the approved Agreement for and on behalf of the DDA.

3. That Downtown Grand Rapids, Inc. staff (the "DGRI Staff") shall file an executed copy of the Agreement with the Grand Rapids City Treasurer.

4. That DGRI Staff shall cause an executed copy of the Agreement to be recorded with the Kent County, Michigan, Register of Deeds.

5. 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: June 4, 2014

Mary Sierawski
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 Directors of the DDA at a meeting held on June 4, 2014, 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: June 4, 2014

Mary Sierawski
Recording Secretary

MEMORANDUM

CITY OF GRAND RAPIDS · DOWNTOWN DEVELOPMENT AUTHORITY

DATE: June 2, 2014

TO: Downtown Development Authority

FROM: Kristopher Larson, AICP
President & CEO



Agenda Item 4
June 4, 2014
DDA Meeting

SUBJECT: Recommendation to Approve DDA's FY2015 Budget and FY2015-2019 Priority Plans

Beginning in February of 2014, Downtown Grand Rapids Inc. (DGRI) staff began soliciting input from the three Alliances charged with advising DGRI staff on projects and priorities. This input process evolved from process overviews, to understanding prior years' initiatives, to generating concepts for new projects, and finally, to prioritizing and phasing projects strategically. This 4-month, iterative process culminated in each of the three Alliances tendering unanimous recommendations to the three fiduciary Boards of DGRI (DDA, DID, and MNTIFA) regarding their ambitions for the coming fiscal years.

Additionally, DGRI staff has also intently listened to its partner organizations, City staff, the public-at-large, and the DGRI fiduciary Boards regarding preferences for future year budgetary priorities. Overviews and highlights of the budget input process was presented at the May, 2013 DDA Board meeting to provide Board members with a primer on the detailed work presented for their consideration.

The documentation included herein is a reflection of the many voices that participated in the 4-month budget process. In addition to the line-item budgets for both the Local Tax Increment Fund and the Non-Tax fund, DGRI staff has also provided a budget narrative that provides additional detail on the various priorities that emerged during the budget process.

Following an action that would occur at the DDA Board, DGRI staff will present each of the fiduciary Boards' recommended budgets to the City Commission, requesting bottom-line appropriation. After receiving City Commission appropriation, the fiduciary Boards will each adopt their final annual budgets and priority plans, respectively, and their next scheduled meeting times.

Recommendation: Recommend the FY15 Budget Summary to the Grand Rapids City Commission and request fund appropriation.

MEMORANDUM

CITY OF GRAND RAPIDS · DOWNTOWN DEVELOPMENT AUTHORITY

**Agenda Item - 4.
June 4, 2014
DDA Meeting**

DATE: May 30, 2014

TO: Brian Harris, Chair
Downtown Development Authority

FROM: Jana M. Wallace
Downtown Development Authority Treasurer

SUBJECT: Proposed FY2015 – FY2019 Debt Increment Priority Plan

Attached is the Priority Plan for the DDA's Debt Tax Increment Fund. This Priority Plan includes the proposed FY2015 budget request and the FY2016 through FY2019 budget forecasts.

Property tax increment revenues for this Fund are captured via the State of Michigan Education Tax millage, the Grand Rapids Public Schools millages, and the Kent Intermediate School District millages. State law restricts DDA usage of such 'school tax increment' revenues for payment of debt service and other eligible long-term obligations in existence prior to January 1, 1995 and for debt obligations which refund those pre-1995 eligible obligations.

Based on March, 2014 Board of Review taxable values, the DDA's FY2015 projected tax increment revenues are expected to increase little compared to FY2014. The DDA's rate of increase for FY2015 versus FY2014 property tax revenues is similar to the City's overall forecasted FY2015 property tax revenues as well as for the City's other tax increment financing authorities where there is little or no new construction.

For FY2015 I am proposing another large 'prior year tax increment adjustment' reserve for potential assessment appeal losses. Multiple year appeals continue to be submitted to the Michigan Tax Tribunal by property owners in Michigan. State law allows property owners to appeal their current year assessments as well as the prior two years' assessments. The DDA annually accrues for these potential liabilities as well as for interest owed to the property owner.

This Priority Plan lists the eligible obligations funded with the school tax increment revenues. Now that the bonds issued for the construction of the Public Museum's parking ramp have matured, the only remaining eligible obligations are the two Van Andel Arena bond issues. I have also included a line showing the maximum amount of excess tax increment capture I estimate will be reimbursed to the State, Grand Rapids Public Schools, and the Kent Intermediate School District.

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

Attachment

Downtown Development Authority

Debt Tax Increment Fund Only

Proposed FY2015 Revenue and Appropriation Request and FY2016 - 2019 Forecasts

Prepared - May 30, 2014

Cost Center : 7050DEBT				FY2014			FY2015	FY2016	FY2017	FY2018	FY2019	FY2015-19	
Table 1 - Projected Revenue				Budget	YTD Actual ¹	Estimate	Budget	Forecast	Forecast	Forecast	Forecast	TOTAL	NOTES
Property Tax Increment ²				\$ 7,514,281	\$ 7,512,260	\$ 7,407,717	\$ 7,529,127	\$ 7,303,253	\$ 7,084,156	\$ 7,119,576	\$ 7,155,174	\$ 36,191,286	FY16-17 est (3.0%) decline then 0.50% growth
Prior Year Tax Increment Adjustments				(200,000)	(240,294)	(350,000)	(200,000)	(100,000)	(50,000)	(30,000)	(30,000)	(410,000)	Reimbursemts and appeal adjustments
Interest				15,000	4,426	9,000	10,000	10,000	10,000	10,000	10,000	50,000	Interest from Debt Service Reserve Fund
TOTAL PROJECTED REVENUE AS AMENDED				\$ 7,329,281	\$ 7,276,392	\$ 7,066,717	\$ 7,339,127	\$ 7,213,253	\$ 7,044,156	\$ 7,099,576	\$ 7,135,174	\$ 35,831,286	
Table 2 - Committed Expenditures - Investment													
Debt service - 1993 Museum Parking Ramp													Final debt service payment due 01/01/2014
	Principal	265,000	265,000	265,000	-	-	-	-	-	-	-	-	
	Interest	7,075	6,625	6,625	-	-	-	-	-	-	-	-	Budget included \$450 paying agent fee
Debt service - 1994 Van Andel Arena CAB Bonds													Final debt service payment due 06/01/2019
	Principal	929,047	-	929,047	921,247	857,487	789,572	734,601	144,554			3,447,461	
	Interest	2,785,953	-	2,785,953	3,073,753	3,137,513	3,205,428	3,260,399	700,446			13,377,539	
Debt service - 2009 Van Andel Arena Refunding													Final debt service payment due 05/01/2024
	Principal	-	-	-	-	-	330,000	345,000	3,510,000			4,185,000	First principal payment on 05/01/2017
	Interest	1,484,525	1,484,525	1,484,525	1,484,525	1,484,525	1,484,525	1,471,325	1,456,663			7,381,563	
Estimate of Maximum Capture to be Returned ³				1,842,681	1,427,973	1,753,866	1,849,602	1,723,728	1,224,631	1,278,251	1,313,511	7,389,723	Excess returned to State, GRPS, & KISD
TOTAL PROJECTED EXPENDITURES				\$ 7,314,281	\$ 3,184,123	\$ 7,225,016	\$ 7,329,127	\$ 7,203,253	\$ 7,034,156	\$ 7,089,576	\$ 7,125,174	\$ 35,781,286	
Table 3 - Excess / (Deficit) of Revenues Over Expenses													
Fund Balance - Beginning				\$ 3,363,791	\$ 3,363,791	\$ 3,363,791	\$ 3,205,492	\$ 3,215,492	\$ 3,225,492	\$ 3,235,492	\$ 3,245,492	\$ 3,205,492	
Plus: Projected Revenue				7,329,281	7,276,392	7,066,717	7,339,127	7,213,253	7,044,156	7,099,576	7,135,174	35,831,286	
Less: Committed Expenditures/Payments				(7,314,281)	(3,184,123)	(7,225,016)	(7,329,127)	(7,203,253)	(7,034,156)	(7,089,576)	(7,125,174)	(35,781,286)	
Fund Balance - Ending				\$ 3,378,791	\$ 7,456,060	\$ 3,205,492	\$ 3,215,492	\$ 3,225,492	\$ 3,235,492	\$ 3,245,492	\$ 3,255,492	\$ 3,255,492	

Note 1 - Actual data as of April 30, 2014

Note 2 - FY2015 revenues estimated using March Board of Review taxable values and estimated 2014 millage rates.

Note 3 - the DDA may only capture school millage-related property tax increment revenue in amounts sufficient to support eligible obligations existing prior to January 1, 1995 and for refunding bonds related to those eligible obligations.



FY 15 Budget Narrative

Investment

DEVELOPMENT INCENTIVE PROGRAMS

Areaway Removal Incentive Program

Continued funding for the existing Areaway Removal Incentive Program. Program funds will be used cover existing obligations, and to continue to improve public safety through the removal of existing areaways. Funds are utilized to reimburse eligible activities, including removal of an areaway cap, construction of a new basement wall, sidewalk improvements, among others.

Building Reuse Incentive Program

Request to continue funding the existing Building Reuse Incentive Program. Program funds will be used cover existing obligations, and to continue to assist property and business owners in the rehabilitation of buildings constructed pre-1950 in Downtown. Funds are utilized to reimburse eligible activities, including barrier free improvements, fire suppression upgrades, providing a second means of egress, and many others.

Development Support Tax Increment Reimbursement

Continued funding for the existing Development Support Program. Program funds will be used to further promote economic growth and development in Downtown by funding approved eligible expenses in new construction projects over \$5 million in new investment and in rehabilitation projects featuring over \$1 million in new investment. Proposed funding is to cover existing obligations, and to capitalize on new opportunities.

Streetscape Improvement Incentive Program

Continued funding for the existing Streetscape Improvement Incentive Program. Program funds will be used cover existing obligations, and to continue to assist property and business owners in the

rehabilitation of the Downtown public realm. Funds are utilized to reimburse eligible activities, including installation of street furniture, snowmelt, parklets, and other public realm improvements.

PLANNING

Downtown Plan

Funding for the completion of the Downtown Plan. The Plan is being undertaken to update the previous Plan which was adopted in 1993, and to develop a community vision for the future of Downtown. The priorities identified in the Plan will be used to strategically guide public investment in Downtown over the next 10 years. Work on the Plan initiated in April 2014, and is scheduled to be complete in the summer of 2015.

Speaker Series

As a component of the Downtown Plan, and to engage the community in informed discussion on important Downtown issues, funding for the FY2015 Speaker Series will be used to produce events with experts in a variety of planning disciplines. This will build upon the success of the FY2014 Speaker Series, which attracted several hundred community members to hear city-building experts such as Jeffrey Tumlin, Mitchell Silver, and Chris Leinberger give public presentations at Kendall College.

PUBLIC INFRASTRUCTURE

Arena South Implementation – Construction Drawings for Ottawa Avenue Extension (FY 16)

To further the community goals developed in the Arena South Visioning Plan, funding is requested to complete construction drawings for the extension of Ottawa Avenue from Cherry Street to Oakes Street. The extension is expected to improve connections between Rapid Central Station and northbound destinations, alleviate traffic Grandville Avenue, and further improve the public realm in Arena South.

Reconstruction of BOSTWICK AVENUE from Lyon Street to Crescent Street (East)

Street reconstruction accompanied by a watermain and sanitary sewer replacement on Bostwick Avenue between Lyon Street and Michigan Street. The DDA is contributing a portion of the total project cost. The remaining costs will be covered by a variety of City of Grand Rapids funding sources. Anticipated completion is summer 2015.

US-131 Underpass and Streetscape Improvements at Bridge Street, Cherry Street, and Ionia Avenue

In collaboration with the City's Engineering Department, this project includes streetscape and lighting improvements at the Bridge Street, Cherry Street, and Ionia Avenue US-131 underpasses. The DDA is contributing a portion of the total project cost. The remaining costs will be covered by a variety of City of Grand Rapids funding sources, private/foundation donations, and grant funding. Completion of the

project is contingent upon receipt of a MAP-21 Transportation Alternatives Program (TAP) grant, which is being sought by the City.

Grand River Activation

As part of their FY2015 priorities, the DGRI Alliance for Investment and the Alliance for Livability identified activation of the Grand River as an area of focus. In collaboration with the Alliances, DGRI staff will work to identify specific infrastructure investments that will accomplish this goal.

Resurfacing of MONROE AVENUE from Louis Street to I-196

Street resurfacing project that includes rotomilling and resurfacing of Monroe Avenue from Louis Street to I-196 (excluding the brick street between Pearl Street and Lyon Street) and the addition of ornamental street lights between Pearl Street and Lyon Street. The DDA is contributing a portion of the total project cost. Work is expected to be complete by fall 2014.

Reconstruction of STATE STREET from Jefferson Avenue to Lafayette Avenue (FY15-18)

Street reconstruction as well as replacement of the watermain and sanitary sewer on State Street from Jefferson Avenue to Lafayette Avenue. The DDA is contributing a portion of the total project cost. The remaining costs will be covered by a variety of City of Grand Rapids funding sources. It is anticipated construction will be complete during summer 2018.

Veterans Park (Construction Documents)

Completion of construction documents for improvements to Veterans Park. The project will continue the work done by the Veterans and Monument Park Steering Committee and will help bring the conceptual designs the Committee and their consultant developed to reality.

Reconstruction of WESTON STREET from LaGrave Avenue to Sheldon Boulevard

The project includes the reconstruction of Weston Street from LaGrave Avenue to Sheldon Boulevard. The existing watermain will also be replaced. The DDA is contributing a portion of the total project cost. The project is expected to be completed over multiple fiscal years, and would be done in conjunction with the proposed redevelopment at the southwest corner of Sheldon Boulevard and Fulton Street.

Public Realm and Pedestrian Improvements

As part of their FY2015 priority development, the DGRI Alliance for Investment and the Alliance for Livability identified completing public realm and pedestrian improvements throughout Downtown as an area of focus. In collaboration with the Alliances, DGRI staff will work to identify specific infrastructure investments that will accomplish this goal.

Livability

ASSET MAINTENANCE PROGRAMS

Fixed Asset Maintenance

Request to continue funding for the maintenance of existing assets and infrastructure, including streetscape trees, the riverwalk, and other fixed assets. Continued upkeep of these assets supports accessibility and connectivity goals within the DDA boundaries.

Wayfinding Sign Maintenance

Request for funding to maintain and repair the existing Downtown wayfinding system. Funds are utilized to address general wear and tear, and to update information due to changes in the built environment as a result of growth and development.

Snowmelt Capital Repairs

Request to continue funding for the on-going maintenance and repair of the snowmelt systems on Monroe Center and Campau Promenade.

Accessibility and Streetscape Repairs

Request for continued funding for repairs related to the findings and recommendations from the 2007 audit of accessibility issues in the Downtown area completed by the Disability Advocates of Kent County.

Winter Avenue Building

Request to continue funding for the on-going maintenance of the Winter Avenue Building, which provides an operations and storage facility for the Clean Team.

BEAUTIFICATION PROGRAMS

Public Space Enhancement

Request for funding to support the Alliance for Livability's priorities and recommendations related to the enhancement of public spaces in the Downtown area. Specifically, funds will be utilized to identify, plan, and implement improvements to public space connections (alleyways, public right-of-ways, etc.) between amenities and attractions. In addition, funds will be utilized to supplement public art support efforts of the Alliance for Vibrancy, specifically related to the siting and enhancement of ideal locations for public art displays, interventions, and projects.

CLEAN AND SAFE

Downtown Safety Ambassador Program

Request for continued funding of the Downtown Safety Ambassador program, which is currently in the first year of operation under a three-year contract. Funds will be utilized for staffing and equipment costs.

Division Avenue Task Force Implementation

Request for continued funding to implement findings and recommendations of the Division Avenue Task Force. Funds will be utilized to address issues related to perception and safety, including but not limited to enhanced street lighting and programs/partnerships with Division Avenue stakeholders.

MOBILITY

Transportation Demand Management

Request for funding to continue transportation demand management efforts and programs. Funding will be utilized for outreach, education, incentive programs, and additional activities to support the mobility management goals of providing more options and alternatives to single-occupancy-vehicle (SOV) travel in and out of the Downtown area. Transportation Demand Management efforts align with stated goals in various master planning documents, including but not limited to the Michigan Street Corridor Plan, Green Grand Rapids, and the Monroe North Area Specific Plan.

DASH North Support

Request to continue funding support for the DASH North transit service through the completion of FY 2015. These funds are utilized in partnership with Grand Rapids Parking Services and the Monroe North TIFA to provide and enhance public transit in the Monroe North neighborhood to connect to the Downtown core.

Bicycle Friendly Improvements

Request for funding to continue efforts to create a more bicycle friendly Downtown. Funds will be utilized to expand the bicycle corral and parking program, invest in amenities for cyclists, and to study the demand and feasibility of a bike share system and a comprehensive cycling facility Downtown.

URBAN RECREATION

Urban Recreation/Park Planning

Request for funding to implement findings and recommendations from both the Arena South Visioning effort and the Alliance for Livability's Urban Recreation working group. Funds will be utilized to support the siting and planning efforts related to Downtown park space expansion, as well as potential infrastructure investments to enhance public space recreation opportunities Downtown.

Downtown Recreational Walk Signage

Request for funds to improve and enhance recreational wayfinding signage in the Downtown area that will promote and connect existing recreational opportunities and amenities. Funding will be utilized to create signage and potentially digital tools for walking tours, fitness activities, and other urban recreation opportunities.

ENGAGEMENT

Downtown Census

Request for funding to conduct a Downtown information gathering effort to provide data that will guide various stakeholder initiatives and DDA priorities. Funds will be utilized to support the collection, analysis, and distribution of data focused on the perceptions and priorities of Downtown stakeholders including residents, employees, students, visitors, etc. This data will support and inform the efforts of many different DDA programs and initiatives.

Educational Partnership Initiatives

Request for funding to support the Alliance for Livability's priority of identifying and implementing opportunities and programs that leverage the collective energies and capacities of the various educational institutions Downtown, including but not limited to the Grand Rapids Public Schools, the Grand Rapids Public Library, the various Downtown Museums, and other partners. Funding will be used to launch and support programs that maximize opportunity to use the Downtown community and environment as an educational tool.

Vibrancy

DGRI Event Production

Request to continue funding for DGRI produced events. In FY 2014, the DDA invested in a 50ft movie screen and equipment to show free movies in the park. Total attendance at the event was nearly 10,000. Funds will be utilized for the programming of the event, administrative fees related to licensing, and collateral to support the event. Funds will also be leveraged to produce new events that support community-identified initiatives for the Downtown.

Diversity/Inclusion Programming

Request to continue funding for Diversity/Inclusion Programming. Program funds will be used to continue the perception of Downtown as a welcoming place for all. Funds will be utilized in the form of sponsorship, communications, and events. The Alliance for Vibrancy has self-selected members for a working group to identify opportunities.

Downtown Marketing

Request to continue funding for Downtown Marketing. Program funds will be used to create collateral that provides information about Downtown and DGRI. Funds will be utilized to include the development of materials such as a new website, a mobile application, business directories, web services, and other campaigns that provide information identified as necessary by those experiencing the Downtown.

Downtown Workforce Program

Program funds will be used for outreach and programming that engages with the workforce population that comes Downtown on a daily basis. Funds will be utilized in the form of events, event administration, and communications. The Alliance for Vibrancy has self-selected members for a working group to identify opportunities.

GoSite

Request for funding from the Grand Rapids Art Museum (GRAM) for an information center to be housed within their building. The information center, called the GoSite, is anticipated to include interactive and static information related to Grand Rapids. Funds will be used on eligible activities, including construction, marketing, and equipment within the space.

Holiday Décor

Funds will be used for the installation and storage of décor owned by the DDA. Funds will also be used to expand the footprint of the holiday décor as the current décor inventory covers one street, one park, and a promenade within the Downtown. Décor will be utilized to create an attraction for those visiting and exploring the Downtown and to increase the perception of safety.

Major Event Sponsorship

The program funds will be used to support emerging events that serve at least 50,000 visitors, not to include races. These events bring recognition to Grand Rapids as a whole and conduct a majority of their activities Downtown. Funds are utilized to leverage the prominence of Downtown and support free-to-the-public programming.

Public Space Activation

Request for funding the Alliance for Vibrancy's priority related to the enhancement of public spaces in the Downtown area. Funding will be used to identify, plan, and implement the activation of publicly viewable properties and objects. Activations may be artistic, interactive, or musical in nature. Funds are utilized for supplies, labor, programming at specific locations, and communicating the project goals with the community.

RPC Ice Skating Support

Funds will be utilized for the annual operations of ice skating at Rosa Parks Circle from December to March. Last year, Rosa Parks Circle served over 35,000 skaters. Funds are a critical component to the annual operational cost.

Special Events- Grant Program

The program funds will be used to support Downtown events and programs that create retail activity, cultural vitality, and positive exposure for the Downtown. Funds will be utilized to reimburse eligible activities, including the cost of equipment, entertainment, marketing, and expenses related to reserving areas of the public realm.

Special Events- Office of

The funds will be utilized to support the operations of the City of Grand Rapids Office of Special Events, an office that administers reservations and permits for the use of public spaces for occasions deemed “special events”. Special Events include park reservations, street closures, and permits for organized activities to occur in the public realm. The funding of the Office of Special Events has been organized as a partnership between the DDA, the City of Grand Rapids Parks and Recreation, and the City of Grand Rapids Parking Services.

Special Events- Training Program

Request for funding the Alliance for Vibrancy’s priority related to a Special Events Training Program. Funds will be utilized to provide educational support to event producers that are receiving DDA funds. The purpose of the program is to enable event producers to leverage DDA dollars most effectively. Alliance for Vibrancy members have self-selected to form a steering committee to structure this training program.

State of the Downtown Event + Annual Report

Funds will be utilized to create an annual report document that offers further insight into DGRI operations and reminds the community of the past year’s investments. Funds will also support an event to release the annual report’s data and engage in a community discussion about Downtown’s past, present, and future.

Ticketed Events – Police Services

Funds will be utilized to cover the costs of supplemental police support at large events occurring in the Downtown. In particular, the police staff assists in the crowd management by guiding both foot and vehicular traffic. The funding for police services at ticketed events has been organized as a partnership between the DDA and Experience Grand Rapids.

Downtown Development Authority

Local Tax Increment Only

Proposed FY2015 Revenue and Appropriation Request and FY2016 - 2019 Forecasts

Prepared June 2, 2014

Cost Centers: 7010ADMIN and 7020PROJ										NOTES
			FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2015-19	
Table 1 - Projected Revenue	Budget	YTD Actual ¹	Estimate	Budget	Forecast	Forecast	Forecast	Forecast	TOTAL	
Local Tax Increment	\$ 3,962,583	\$ 3,892,348	\$ 3,867,348	\$ 4,237,009	\$ 4,109,899	\$ 3,986,602	\$ 4,006,535	\$ 4,026,567	\$ 20,366,612	Estimating (3.0%) declines then 0.50% growth
Public Transit Millage Increment	384,350	384,350	384,350	385,681	374,111	362,887	364,702	366,525	1,853,906	Estimating (3.0%) declines then 0.50% growth
Sub-Total Tax Increment Revenues	\$ 4,346,933	\$ 4,276,698	\$ 4,251,698	\$ 4,622,690	\$ 4,484,009	\$ 4,349,489	\$ 4,371,236	\$ 4,393,093	\$ 22,220,517	
Rebates to City of Grand Rapids and ITP	(126,050)	(119,676)	(119,676)	(278,682)	(267,535)	(259,509)	(260,806)	(262,110)	(1,328,642)	ITP & City rebates were 5% then 10% beginning FY15
Prior Year Tax Increment Adjustments	(50,000)	(156,260)	(240,000)	(100,000)	(100,000)	(50,000)	(50,000)	(50,000)	(350,000)	Adjustments due to appeals.
Sub-Total Tax Increment Revenues - Net	\$ 4,170,883	\$ 4,000,762	\$ 3,892,022	\$ 4,244,008	\$ 4,116,475	\$ 4,039,980	\$ 4,060,430	\$ 4,080,982	\$ 20,541,876	
Interest	40,687	(28,423)	35,000	35,922	28,957	52,632	55,686	73,740	246,938	Estimated 1.0% to 2.0% interest rates
Brownfield Redevelopmt Auth Reimbs - Grandville Ave	21,542	20,440	21,542	21,973	21,094	20,461	20,563	20,666	104,758	Custer STI-capture maxed out after 2012/FY2013
Brownfield Redevelopmt Auth Reimbs - Veterans Park	-	-	-	-	-	500,000	260,000	100,000	860,000	BRA-Fitzgerald tir reimbursemts for eligible costs
Grant - State of Michigan - Cherry Street	-	21,146	21,146	-	-	-	-	-	-	Project reimbursement via City Engineering Dept
Grant - U.S. Dept of Commerce - Seward Avenue	-	511,909	511,909	-	-	-	-	-	-	Project reimbursement via City Engineering Dept
Reimb - Consumers Energy - Monroe Center Ph 3	-	75,561	75,561	-	-	-	-	-	-	Project reimbursement
Reimb - State of Michigan - U.S. 131 Off Ramp	-	19,691	19,691	-	-	-	-	-	-	Project reimbursement via City Engineering Dept
Miscellaneous Reimbursements & Fees	10,000	26,026	28,000	10,000	10,000	10,000	10,000	10,000	50,000	Bid packet fees, incentive applications, etc
TOTAL PROJECTED REVENUE AS AMENDED	\$ 4,243,112	\$ 4,647,112	\$ 4,604,871	\$ 4,311,903	\$ 4,176,525	\$ 4,623,074	\$ 4,406,680	\$ 4,285,389	\$ 21,803,571	
Table 2 - Administration										
General Administration	800,000	743,179	800,000	815,000	815,000	815,000	815,000	815,000	4,075,000	Overhead, staff, professional services, city costs, etc.
City of GR Legacy Costs	-	-	-	37,863	37,863	37,863	37,863	37,863	189,313	Share of former DDA employees' legacy costs
Sub-Total Administration	\$ 800,000	\$ 743,179	\$ 800,000	\$ 852,863	\$ 852,863	\$ 852,863	\$ 852,863	\$ 852,863	\$ 4,264,313	
Table 3 - Debt Service for Bond Issues										
Series 2003B/2013B CCBA Bonds - DeVos Place	83,806	36,246	83,806	333,700	333,650	328,550	327,100	327,100	1,650,100	Debt matures 02/01/2023
Series 2008 KCDC Bonds - Floodwall Refunding	50,044	50,044	50,044	50,151	50,891	51,437	51,537	16,032	220,048	Debt matures 11/30/2020
Series 2012A BRDA Bonds - Ionia South of Wealthy	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	375,000	Debt matures 06/01/2032
Sub-Total Debt Service	\$ 208,850	\$ 161,290	\$ 208,850	\$ 458,851	\$ 459,541	\$ 454,987	\$ 453,637	\$ 418,132	\$ 2,245,148	
Table 4 - Project Expenditures: Committed and Planned										
Investment: Development Incentive Programs										
Areaway Removal Incentive Program	35,000	-	-	35,000	35,000	35,000	35,000	35,000	175,000	Support for areaway abandonment
Building Re-Use Incentive Program	500,000	221,584	275,000	250,000	250,000	250,000	250,000	250,000	1,250,000	Past & current commitments for building re-use
Project Tax Increment Reimbursements	810,000	815,675	820,000	750,000	750,000	500,000	500,000	500,000	3,000,000	Riverhouse, JW Marriott, Hopson Flats, et al
Streetscape Improvement Incentive Program	50,000	-	-	50,000	35,000	35,000	35,000	35,000	190,000	Partial support for enhancements
Sub-Total Development Incentives	\$ 1,395,000	\$ 1,037,259	\$ 1,095,000	\$ 1,085,000	\$ 1,070,000	\$ 820,000	\$ 820,000	\$ 820,000	\$ 4,615,000	
Investment: Planning										
Downtown Plan	\$ 225,000	\$ 1,441	\$ 125,000	\$ 350,000	\$ 12,500	\$ -	\$ -	\$ -	\$ 362,500	New land use / strategic investment plan
Investment: Public Infrastructure										
Arena South Implementation	125,000	30,809	30,809	-	150,000	-	-	-	150,000	Ottawa extension design / construction
Bostwick Avenue - Lyon St to Crescent St	-	-	-	50,000	175,000	-	-	-	225,000	Local match pre-BRT reconstruction
Bridge Street Streetscape / US 131 Underpass	75,000	-	-	125,000	-	-	-	-	125,000	Pedestrian and streetscape design / improvements
Grand Rapids / Indiana Railroad Bridge Painting / Rehab	716,952	376,214	716,952	-	-	-	-	-	-	DDA share of \$1.2 mm project
Grand River Activation	100,000	-	-	100,000	-	-	-	-	100,000	Advance Frmwrk Plan priority
Ionia Avenue 9 - Buckley to Wealthy	325,000	121,016	250,000	-	-	-	-	-	-	Local match for Downtown Market streetscape
Jefferson Avenue - Cherry St to Fulton St	395,000	230,363	250,000	-	-	-	-	-	-	DDA share of \$2,215,000 for non-transit work
Michigan / Ottawa Gateway	-	-	-	-	-	-	-	300,000	300,000	Soften intersection w/landscaping/pedestrian improv

Monroe Avenue Resurfacing - Louis to 196	-	-	-	165,000	-	-	-	-	-	165,000	Rotomill and re-surface street
Monroe Center - Phase 3 / Monument Park	575,000	811,103	875,000	-	-	-	-	-	-	-	Improve outdated park / pedestrian area
Ottawa Ave. Public Improvements	-	-	-	200,000	130,000	-	-	-	-	330,000	Public Improvements associated with Arena Place
Sixth Street Bridge Capital Repairs	-	2,935	2,935	-	-	-	-	-	-	-	Final charges from MDOT
State Street - Jefferson Ave to Lafayette Ave	50,000	-	-	-	-	50,000	400,000	-	-	450,000	DDA share of \$1,060,000 project
Veterans Park Improvements	-	-	-	100,000	-	-	-	-	-	100,000	Construct new park designed by VMP Comm
Wealthy Street - US 131 to Division Ave	-	-	-	-	-	-	885,000	-	-	885,000	DDA share of \$2.65M for approach to US 131
Weston Street - Sheldon to LaGrave Ave.	-	-	-	100,000	100,000	-	-	-	-	200,000	
Sub-Total Public Infrastructure	\$ 2,361,952	\$ 1,572,440	\$ 2,125,696	\$ 840,000	\$ 555,000	\$ 50,000	\$ 1,285,000	\$ 300,000	\$ 3,030,000		
Investment: ITP Millage Funded Transit-Related Investments											
Amtrak Station Re-Location	800,000	746,164	750,000	50,000	-	-	-	-	-	50,000	Contribute towards new station costs
DASH North Shuttles Lease	75,000	37,500	75,000	75,000	-	-	-	-	-	75,000	DASH service from Monroe N area to main downtown
Jefferson Avenue - Cherry Street to Fulton Street	353,000	353,000	353,000	-	-	-	-	-	-	-	Additional match needed for street pre-BRT
Sub-Total Transit-Related	\$ 1,228,000	\$ 1,136,664	\$ 1,178,000	\$ 125,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 125,000	
Livability											
Accessibility and Mobility Repairs	10,000	9,850	9,850	10,000	10,000	10,000	10,000	10,000	50,000	Repairs related to findings of FY2007 audit	
Bicycle Friendly Improvements	105,000	50,119	101,000	100,000	50,000	50,000	50,000	50,000	300,000	Local FY14 match - \$50k for \$400k State grant	
Downtown Census	-	-	-	30,000	-	-	-	-	-	Build exhaustive demographic census of residential bas	
Gateway Signage	20,000	-	-	-	-	-	-	-	-	Signing siting, design, & fabrication	
Public Realm Improvements	-	-	-	100,000	-	-	-	-	-	Physical embellishments to public spaces	
Riverwalk Wayfinding Sign System	15,000	-	-	-	-	-	-	-	-	Places of interest and mile markers	
Seward Avenue Non-Motorized Facility	56,730	7,295	45,000	-	-	-	-	-	-	Local match for \$952k bike facility, trail, & striping	
Skywalk Wayfinding Sign Improvements	50,000	-	-	-	-	-	-	-	-	Directional signage for skywalk users	
Snowmelt System Capital Repairs	25,000	81,602	95,000	50,000	25,000	25,000	-	-	100,000	Electrical and alarm improvements	
Urban Recreation Improvements	65,000	291	1,000	75,000	25,000	25,000	25,000	25,000	175,000	Riverwalk running course, drinking fountains, etc.	
Sub-Total Livability	\$ 346,730	\$ 149,157	\$ 251,850	\$ 365,000	\$ 110,000	\$ 110,000	\$ 85,000	\$ 85,000	\$ 625,000		
TOTAL PROJECT EXPENDITURES AS AMENDED	\$ 6,565,532	\$ 4,801,430	\$ 5,784,396	\$ 4,076,714	\$ 3,059,904	\$ 2,287,850	\$ 3,496,500	\$ 2,475,995	\$ 15,266,961		
Table 4 - Excess / (Deficit) of Revenues Over Expenses											
Fund Balance - Beginning	\$ 3,542,979	\$ 3,542,979	\$ 3,542,979	\$ 1,354,604	\$ 278,080	\$ 82,298	\$ 1,109,673	\$ 713,353	\$ 1,354,604		
Plus: Projected Revenue	4,243,112	4,647,112	4,604,871	4,311,903	4,176,525	4,623,074	4,406,680	4,285,389	21,803,571		
Less: Administration and Debt Service	(1,008,850)	(904,469)	(1,008,850)	(1,311,714)	(1,312,404)	(1,307,850)	(1,306,500)	(1,270,995)	(6,509,461)		
Less: Project Expenditures	(6,565,532)	(4,801,430)	(5,784,396)	(4,076,714)	(3,059,904)	(2,287,850)	(3,496,500)	(2,475,995)	(15,396,961)		
Fund Balance - Ending	\$ 211,709	\$ 2,484,192	\$ 1,354,604	\$ 278,080	\$ 82,298	\$ 1,109,673	\$ 713,353	\$ 1,251,753	\$ 1,251,753		

Note 1: Actual revenues thru 5/19/14. Actual expenditures thru 4/30/2014.

Downtown Development Authority

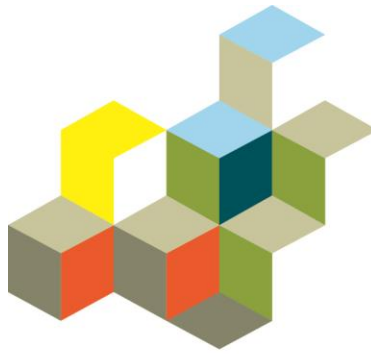
Non-Tax Fund Only

Proposed FY2015 Revenue and Appropriation Request and FY2016 - 2019 Forecasts

Prepared June 2, 2014

Cost Center : 7060UNREST		FY2014			FY2015	FY2016	FY2017	FY2018	FY2019	FY2015-19	
Table 1 - Projected Revenue		Budget	YTD Actual ¹	Estimate	Budget	Forecast	Forecast	Forecast	Forecast	TOTAL	NOTES
Property Rental - Parking Lots		\$ 355,000	\$ 279,834	\$ 333,589	\$ 336,925	\$ 340,294	\$ 343,697	\$ 347,134	\$ 350,605	\$ 1,718,656	25% of gross beginning FY2014
Property Rental - Winter Avenue Building		9,000	-	9,000	9,000	8,000	-	-	-	17,000	Leased to Downtown Alliance / DID
Property Rental - YMCA Parking Lot		52,000	42,250	50,700	52,000	53,000	54,000	55,000	56,000	270,000	Use of the original DASH 8 lot
Areaway Special Assessment (3)		15,000	1,547	1,547	15,000	15,000	15,000	15,000	15,000	75,000	City View, Mel Trotter, Touchstone
Interest on Investments		29,665	401	25,000	18,747	8,618	9,110	5,758	8,736	50,968	Estimated interest rates @ 0.5% to 1.5%
Interest on The Gallery Promissory Note		40,448	-	40,448	40,167	38,761	36,567	33,979	30,323	179,797	4.5% simple interest. 1st principal 04/01/15
Sale of Area 1 Parking Lot		-	-	2,051,451	-	-	-	-	-	-	Property sold for private development project
Miscellaneous		-	-	-	500	515	530	546	563	2,655	Fees, reimbursements, etc.
TOTAL PROJECTED REVENUE		\$ 501,113	\$ 324,032	\$ 2,511,735	\$ 472,339	\$ 464,188	\$ 458,904	\$ 457,417	\$ 461,227	\$ 2,314,075	
Table 2 - Committed and Planned Expenditures											
Investment - Planning and Infrastructure											
Purchase Area 5 Parking Lot		-	-	-	2,051,451	-	-	-	-	2,051,451	Acquire Area 5 for future development
Debt Service Related to Area 5 Purchase		-	-	-	-	185,997	180,683	175,369	170,054	712,103	Principal/interest for Area 5 acquisition
Downtown Speaker Series		30,000	19,923	29,923	35,000	15,000	-	-	-	50,000	Events featuring city-building experts
Sub-Total Investment		30,000	19,923	29,923	2,086,451	200,997	180,683	175,369	170,054	2,813,554	
Livability											
Division Avenue Task Force Implementation		15,000	-	-	5,000	5,000	-	-	-	10,000	Implementation of Task Force findings
Downtown Recreational Walk / Tour Signage		-	-	-	25,000	15,000	-	-	-	40,000	Signage to improve walking
Downtown Safety Ambassador Program		300,000	132,716	225,000	300,000	300,000	175,000	-	-	775,000	Hospitality and Safety Program
Educational Partnerships Initiatives		-	-	-	10,000	10,000	-	-	-	20,000	Growing partnerships to increase awareness
Project and Fixed Asset Maintenance		50,000	2,650	5,000	100,000	50,000	50,000	50,000	50,000	300,000	Asset maintenance not budgeted elsewhere
Riverwalk Maintenance		60,000	-	-	60,000	10,000	10,000	10,000	10,000	100,000	Walkway repairs and maintenance
Stakeholder Engagement Programs		5,000	3,149	5,000	5,000	5,000	5,000	-	-	15,000	Constituency-directed engagement
Street Trees Maintenance Program		10,000	-	-	5,000	5,000	5,000	-	-	15,000	Watering / tending trees within the district
Transportation Demand Mnmt Program		85,000	104	80,000	92,500	92,500	92,500	-	-	277,500	Enabling mobility options
Winter Avenue Building		2,500	-	-	2,500	2,500	2,500	2,500	2,500	12,500	Maintenance and repairs
Sub-Total Livability		527,500	138,619	315,000	605,000	495,000	340,000	62,500	62,500	1,565,000	
Vibrancy											
Bridge Lighting Operations		10,000	-	-	10,000	10,000	10,000	10,000	10,000	50,000	Electricity and maintenance for lighting
DGRI Event Production		25,000	24,580	30,000	45,000	35,000	20,000	-	-	100,000	DGRI-produced events, i.e. Movies in the Park
Diversity / Inclusion Programming		10,000	3,600	4,000	10,000	10,000	10,000	-	-	30,000	Increase Downtown awareness to new audiences
Downtown Marketing		200,000	26,637	100,000	225,000	150,000	150,000	-	-	525,000	Tools to promote and market Downtown
Downtown Workforce Program		15,000	-	-	15,000	15,000	15,000	-	-	45,000	Engaging the Downtown workforce
Go-Site Visitor Center at GRAM		-	-	-	30,000	30,000	30,000	-	-	90,000	Support for visitor engagement center
Holiday Décor Program		50,000	44,927	45,000	60,000	25,000	25,000	-	-	110,000	Adorning Downtown for the holiday season
Major Event Sponsorship		80,000	86,350	86,350	82,000	57,000	57,000	-	-	196,000	Artprize, LaughFest, Restaurant Week
Project-Related / Administration		1,500	2,863	2,863	1,500	1,500	1,500	1,500	1,500	7,500	Legal fees and other miscellaneous
Public Space Activation		-	-	-	30,000	20,000	20,000	-	-	70,000	Buskers, murals, & other enlivening interventions
Rosa Parks Circle Ice Skating Support		42,000	-	42,000	42,000	42,000	42,000	42,000	42,000	210,000	Skate rink operations
Special Events - Grant Programs		50,000	20,000	40,000	50,000	50,000	50,000	-	-	150,000	Support for new & emerging events
Special Events - Office of		100,000	75,580	100,000	100,000	75,000	75,000	75,000	75,000	400,000	Partial support for special events mnmt
Special Events Training Program		-	-	-	5,000	5,000	-	-	-	10,000	Workshops to assist and train event producers
State of the Dntn Event & Annual Report		17,500	-	17,500	22,500	22,500	22,500	-	-	67,500	Spotlighting DGRI and Downtown Progress
Ticketed Events - Police Services		80,000	56,666	75,000	80,000	80,000	-	-	-	160,000	Pedestrian safety - Arena & DeVos Place
Sub-Total Vibrancy		681,000	341,203	542,713	808,000	628,000	528,000	128,500	128,500	2,221,000	
Miscellaneous Projects											
DDA Offices Re-Location		50,000	110,304	120,000	-	-	-	-	-	-	Move out of City Hall to 29 Pearl St NW
Miscellaneous - to be determined		100,000	23,400	40,000	100,000	75,000	75,000	75,000	75,000	400,000	Available for emerging ideas and opportunities
Sub-Total Miscellaneous		150,000	133,704	160,000	100,000	75,000	75,000	75,000	75,000	400,000	
TOTAL PROJECTED EXPENDITURES		\$ 1,388,500	\$ 633,449	\$ 1,047,636	\$ 3,599,451	\$ 1,398,997	\$ 1,123,683	\$ 441,369	\$ 436,054	\$ 6,999,554	
Table 3 - Excess / (Deficit) of Revenues Over Expenses											
Fund Balance - Beginning		\$ 3,895,731	\$ 3,895,731	\$ 3,895,731	\$ 5,359,830	\$ 2,232,718	\$ 1,297,909	\$ 633,130	\$ 649,178	\$ 5,359,830	
Plus: Projected Revenue		501,113	324,032	2,511,735	472,339	464,188	458,904	457,417	461,227	2,314,075	
Less: Committed & Planned Expenditures		(1,388,500)	(633,449)	(1,047,636)	(3,599,451)	(1,398,997)	(1,123,683)	(441,369)	(436,054)	(6,999,554)	
Ending Fund Balance - Before Reserve		\$ 3,008,344	\$ 3,586,314	\$ 5,359,830	\$ 2,232,718	\$ 1,297,909	\$ 633,130	\$ 649,178	\$ 674,351	\$ 674,351	
Reserve for Brownfield 2012A Bonds		(500,144)	(500,144)	(500,144)	(514,748)	(530,584)	(530,637)	(531,071)	(531,071)	(531,071)	Per Downtown Market Repayment Agreement
Ending Fund Balance - With Reserve		\$ 2,508,200	\$ 3,086,170	\$ 4,859,686	\$ 1,717,970	\$ 767,324	\$ 102,493	\$ 118,107	\$ 143,280	\$ 143,280	

Note 1 - Actual data as of April 30, 2014



DOWNTOWN
GRAND RAPIDS INC.

President & CEO Report DGRI Highlights June 2nd, 2014

MNTIFA (6/4)

- Will consider MNTIFA Budget

DID (6/2)

- Will consider FY15 DID Budget
- Will establish quarterly meeting dates for remainder of 2014

DDA (5/23) / (6/4)

- Approved event support requests
- Authorized entering into MOU with City for Downtown / River Edges Plan
- FY15 Budget presentations / approvals
- Civic Theater Relocation Agreement

DGRI Board of Advisors (5/23)

- Approved 18 new Alliance appointments
- Approved Attendance policy
- Discussed endorsement policy

CITY

- Launched panhandling education program and introduced ordinance restricting panhandling in conjunction with Heartside Neighborhood Collaboration Project, City Manager and City Attorney
- Approved MOU with DGRI regarding Downtown & River Corridor Planning projects

Alliances:

VIBRANCY (5/19)

- Chair: Dr. David Rosen, Citizen Extraordinaire
- Advising on the Special Events Optimization Process
- Approved FY15 budget recommendations
- Advising on State of the Downtown event planning

LIVABILITY (5/27)

- Chair: Lynee Wells, Principal @ Williams & Works
- Assisting in the formation of a unified Downtown residential association
- Reconvened the Bicycle Working Group to identify FY15 priorities
- Approved FY15 Budget recommendations

INVESTMENT (5/13)

- Chair: Nikos Monoyios, Long Range Planner @ The Rapid
- Approved FY15 Budget recommendations
- Advising on the Downtown Plan process
- Received updates on planning efforts also underway that might impact Downtown

DGRI Staff Highlights

- Preparing for June 6 kickoff to 2014 Movies in the Park!
- Hosted the IDA Midwest Urban District Forum conference May 5 & 6
- Hosted a Merchant Mixer event April 16th, 6-8 PM @ DGRI
- Accepted a one-year extension for the option on Area 5
- Closed on Area 1 for Arena Place
- Synthesizing results from Special Events Optimization Process focus groups
- Continuing legislative advocacy regarding protecting DDA act
- Launched “Real Change not Spare Change” collaboration effort
- Planning for State of the Downtown June 26, 2014 – Mosaic Space
- Designing FY14 Annual Report
- Working with businesses to design first parklets
- Held second Downtown Plan steering committee meeting May 8th
- Preparing for launch of Grandwich 2014