

MEETING OF THE DOWNTOWN DEVELOPMENT AUTHORITY

Wednesday, May 13, 2015

8:30 a.m. Meeting

Downtown Grand Rapids Inc. 29 Pearl St. NW, Suite 1

AGENDA

1. Call to order
2. Approve Meeting Minutes from April 8, 2015 (8:31)*Motion Harris*
(enclosure)
3. Accept April 30, 2015 Financial Statements (8:33).....*Motion Wallace*
(enclosure)
4. Approve Extension of Services Agreement with DGRI (8:36).....*Motion Larson*
(enclosure)
5. Consent to TIF Assignment for Waters Building, 161 Ottawa Ave. NW (8:40).....*Motion Larson*
(enclosure)
6. Approve Fee Schedule for Real Estate Support Programs (8:45).....*Motion Kelly*
(enclosure)
7. Approve Contract for Downtown Demographic Research (8:55).....*Motion Kirk*
(enclosure)
8. Approve BRIP Support for Signage at 64 Ionia SW (9:03).....*Motion Pratt*
(enclosure)
9. Consent to Development Area Liquor Licenses (9:08).....*Motion Pratt*
(enclosure)
 - 144 E. Fulton
10. Consent to Personal Property Exemption for Founders Brewing Co. (9:14).....*Motion Pratt*
(enclosure)
11. Recommend FY16 DDA Budget and Priority Plan (9:22).....*Motion Larson*
(enclosure)
12. GR Forward: GRPS Partner Progress (9:47).....*Info Item Helmholdt*
13. Public Comment (9:54)
14. Board Member Discussion (9:57)
15. Adjournment

MEETING OF THE DOWNTOWN DEVELOPMENT AUTHORITY

April 8, 2015

1. Call to Order – The meeting was called to order at 8:29 a.m. by Chair Brian Harris.

2. Attendance

Present: Kayem Dunn, Brian Harris, Mayor George Heartwell, Diana Sieger, Rick Winn

Absent: Dr. Wendy Falb, Jane Gietzen, Elissa Hillary, Jim Talen

Others Present: Kristopher Larson (Executive Director), Mary Sierawski (DDA Executive Asst/Office Manager), Jana Wallace (DDA Treasurer), Eric Pratt, Tim Kelly, Bill Kirk, Brian Hedrick, (staff), Breese Stam (City of GR Engineering Dept.), Ben Sietsema, Johanna DenBesten, Mike Mraz (Rockford Construction), Robert Potts, Robert Schermer (Meritage Hospitality), Charlsie Dewey (GRBJ), Jim Harger (MLive), and others.

3. Approval of Minutes of March 11, 2015

Motion: Mayor George Heartwell, supported by Rick Winn, moved approval of the minutes of the March 11, 2015 DDA meeting as presented. Motion carried unanimously.

4. Accept March 31, 2015 Financial Statements

Ms. Wallace said rebates and reimbursements were made, in advance of the State's July 31st deadline, to the Grand Rapids Public Schools and the Kent Intermediate School District for school millage-related tax increment revenues captures in excess of the DDA's FY2015 eligible obligations. In addition, the DDA rebated 5% of its district-wide local tax increment revenues to the City of Grand Rapids and the Interurban Transit Partnership. The total amount of rebates and reimbursements issued in March by the DDA was \$1,522,402.47.

Mr. Larson noted that the DDA receives sponsorships for DGRI Events and is expecting \$25,000 for Movies in the Park. Mr. Larson asked where the sponsorship money shows up on the budget. Ms. Wallace said the DDA would see it as revenue. Ms. Dunn asked for a footnote on the budget indicating this revenue for the DGRI Event Production line item.

Motion: Diana Sieger, supported by Kayem Dunn, moved to approve Statement D: Schedule of March 2015 Expenditures as recommended. Motion carried unanimously.

5. Approve FY 16 Special Events Support Application

Mr. Larson presented information about the Special Events Advisory Council (SEAC) and the process that took place to create the revised Special Events Support Application. Mr. Larson said the SEAC organized eight unique focus groups which included a total of 62 participants. The eight groups included focuses on access & equity, institutions, merchants, residents, City staff, hospitality, sponsors/media, and promoters/producers. The SEAC then administered a Special Events Optimization survey in digital and print and received a total of 767 responses. After organizing all the key findings and the top rated priorities of the community, the SEAC was able to create framework for measuring individual applications that are submitted to DGRI seeking DDA event grant support. Mr. Larson said with this evaluation criteria tool, there is a clear understanding to event applicants whether they are eligible for DDA event grant support. Mayor Heartwell said he thought this was a well thought out process and is a good plan. Mr. Harris asked if the tool was tested to determine its feasibility. Mr. Larson said the application was tested and other events such as ArtPrize and LaughFest were evaluated through the rubric to determine weighting of scores to confirm the tool's accuracy in regards to the community's desires. Mr. Larson added that all of the metrics are subject to change over time because the community's goals may change. Mr. Harris confirmed that individuals that participated in the survey that said they were from Grand Rapids included the surrounding neighborhoods. Mr. Larson said yes, all Grand Rapids zip codes were represented in the survey results. Ms. Dunn congratulated Mr. Larson and the team for what they have accomplished and said it's great work.

Motion: Kayem Dunn, supported by Diana Sieger, moved to approve the FY16 Special Event Support Program Application. Motion carried unanimously.

6. Approve Development Support for 25 Ottawa SW

Mr. Larson said Franklin Ottawa, LLC has requested the utilization of the DDA Development Support Program to reimburse certain Tax-increment finance (TIF) eligible expenses associated with a new entertainment venue at 25 Ottawa SW. The support request of the DDA is specific to the public realm and renovation work is expected to be completed this year, with a total project investment of approximately \$5.0M. Mr. Larson introduced John Byl to answer any questions. Mr. Byl said this project would include streetscape improvements, snowmelt, bicycle racks, and planters. Mr. Byl thanked Mr. Larson and DGRI staff for working with Franklin Partners on this request. Mr. Winn asked if this building has received any DDA support in the past. Mr. Wendt said this is the second renovation of this building and that it was initially renovated around the time the Van Andel Arena was constructed. Mr. Pratt said the building received DDA funds for a BRIP grant, but never has utilized the DDA Development Support Program. Mr. Winn asked if there's a policy that a building can't use DDA support more than once. Mr. Larson said there's not a policy regarding using DDA funds more than once, but we do have institutional memory to assist with these matters. Mr. Harris asked if there is a policy on the repeat use of a tool over time. Mr. Larson said we are

able to layer the different tools, but as a practice we do not allow a building to come to the DDA for assistance multiple times. Mr. Larson said if a building needed assistance again in the future and the Board thought it appropriate, then the building could apply for DDA assistance again. Mayor Heartwell asked if the building is being actively leased. Mr. Byl said yes. Ms. Dunn said the streetscape improvements will enhance this area and is much needed. Mr. Larson congratulated Franklin Partners on their success with 99 Monroe and Mr. Byl said that Franklin Partners is a terrific owner and landlord and is investing a significant amount of money into this building, which is great for the Downtown.

Motion: Mayor George Heartwell, supported by Kayem Dunn, moved to approve up to \$210,000 in support for the streetscape work associated with the Twenty-5 Ottawa building located at 25 Ottawa Ave., SW and authorize the DDA Chair to execute a Development and Reimbursement Agreement prepared by the DDA's legal counsel. Motion carried unanimously.

7. Approve Development Tools for 89 Ionia NW

Mr. Kelly said Rockford Construction, dba 89 Ionia Partners, LLC, is requesting utilization of the Downtown Development Authority's (DDA) Areaway, Building Reuse, and Streetscape Incentive Programs for enhancements to the Cornerstone Building at 89 Ionia Ave, NW. Mr. Kelly said the enhancements are part of a full-scale building renovation aimed to increase occupancy and capitalize on the new energy being brought to the block through The Morton redevelopment. In addition, Mr. Kelly said the enhancements are expected to help activate the vacant ground floor space, and to attract new tenants to the building. The renovations are largely focused in the public realm, and include capping of an existing areaway, new brickwork, and snowmelt. In addition, there are proposed improvements to the building façade, as well as improvements to the fire suppression system and a new elevator. Mr. Kelly said total project renovations are estimated at \$3.5 million, with \$856,980 of those identified as eligible expenses. Additionally, it is expected 70 jobs will be created through the renovations and the additional building tenants. Mr. Kelly introduced Mike Mraz from Rockford Construction to answer any questions. Mr. Mraz said this project would assist in connecting Fountain St. to Monroe Center. Mayor Heartwell asked how The Morton House construction is coming. Mr. Mraz said it's progressing very well and they are planning to have occupancy around ArtPrize this year. Mr. Mraz said they are excited to showcase The Morton House building and the façade improvements will begin now that the weather has improved.

Motion: Diana Sieger, supported by Rick Winn, moved to approve a \$35,000 SIIP reimbursement, a \$35,000 ARIP, and a \$50,000 BRIP reimbursement for Rockford Construction dba 89 Ionia Partners, LLC. Motion carried unanimously.

8. Consent to Various Liquor License Applications

- 435 Ionia SW – Slows BBQ

Mr. Pratt presented a liquor license application for Slows BBQ located at 435 Ionia Ave. Mr. Pratt said staff has reviewed the application and finds that it meets or exceeds the requirements of the act and that other City departments, including the Planning Commission, are reviewing it as well. Ms. Dunn disclosed that she is the Chair of the Downtown Market Board. Mr. Harris said there is no conflict of interest and that Ms. Dunn can participate in this motion.

Motion: Mayor George Heartwell, supported by Rick Winn, moved to approve Slows BBQ's (435 Ionia Ave.) liquor license resolution. Motion carried unanimously.

- 55 Ottawa SW – The Wheelhouse

Mr. Pratt presented a liquor license application for The Wheelhouse located at 55 Ottawa Ave SW. Pratt said staff has reviewed the application and finds that it meets or exceeds the requirements of the act and that other City departments, including the Planning Commission, are reviewing it as well. Mr. Pratt introduced Bob Potts and Bob Schermer from Meritage Hospitality Group to answer any questions. Mr. Potts said they are moving Meritage Hospitality's headquarters to this location as well, so it total there will be 125 new employees at the restaurant and around 50 employees that work for Meritage Hospitality. Ms. Sieger asked about the alleyway behind the development and asked about the parking deck above the restaurant. Mr. Potts said there will be a special driveway built to avoid use of the alleyway and that very few parking spots will be dedicated to the restaurant.

Motion: Kayem Dunn, supported by Rick Winn, moved to approve The Wheelhouse's (55 Ottawa Ave. SW) liquor license resolution. Motion carried unanimously.

9. Authorize Support for Bartlett-Finney-Williams Streets NW

Mr. Larson introduced Breese Stam from the City of Grand Rapids Engineering department to present information about the reconstruction of Bartlett Street, Finney Avenue, and Williams Street. Mr. Stam said this work is happening in conjunction with the construction around Founders Brewing Co. and the goal is to upgrade the lighting in the area. Mr. Stam said the DDA is being asked to contribute its share of costs up to \$100,000 for ornamental LED street lighting. Mr. Stam said bids open tomorrow. Mayor Heartwell asked Mr. Stam to explain in more detail the areas on the map that would have the improved lighting. Mr. Winn asked Mr. Stam to describe what a bioswale is. Mr. Stam replied that bioswales help to filter the water and water the surrounding areas.

Motion: Mayor George Heartwell, supported by Diana Sieger, moved to approve up to \$100,000 for a portion of the ornamental LED street lighting in Bartlett Street and Williams Street, east of Finney Avenue and in Finney Avenue. Motion carried unanimously.

10. Downtown Residential Inventory Overview

In response to Ms. Dunn and Mr. Talen's requests, Mr. Larson presented a residential inventory overview. Ms. Sieger said the community seems to be very interested in the GR Forward plan and that we must come up with a more standardized term for affordable housing, because it could mean different things to different people. Mr. Harris said this topic is very interesting to discuss and would like to include a follow-up item on an upcoming agenda to continue this discussion. Mr. Harris said creating a dialogue for understanding this topic is important as GR Forward unveils. Ms. Dunn thanked Mr. Larson for creating this presentation and said that there are many complicated issues that factor into this discussion. Mr. Larson said it's not just a Downtown conversation, but a regional conversation that's going to take a lot of concurrent actions. Mr. Larson reminded the Board about the GR Forward Public Forum being held on April 16th at Innovation Central High.

11. 29 Pearl Street Parklet Conceptual Design

Mr. Kelly presented information about a parklet designed by KCAD students. Mr. Kelly introduced the students to elaborate on the design and answer any questions. The students said the goal is to have the parklet constructed this year and Mr. Kelly said the next step is to go through a bidding process and work with a contractor to build the parklet.

12. Events Recap: Valent-ICE and Broomball

Presentation was tabled due to time constraints.

13. DGRI President and CEO Report

MNTIFA (1/14)

- IDLE

DID

- DID Renewal Steering Committee –
 - Completed Stakeholder Survey
 - Pursuing small boundary adjustments, public safety / management programs
 - Will make recommendations to DID Board in April
- DID will consider authorization recommendation to City Commission (4/21)

DGRI (2/17)

- Approved Alliance slates – 16 new members!
 - 44 percent non-profit representation from organizations including but not limited to The Right Place, Grand Rapids Children's Museum, Experience GR, Grand Rapids Area Chamber of Commerce, and ArtPrize.

- 37 percent private sector representation from small businesses such as Central District Cyclery to large enterprises such as Amway Hotel Corp.
- 19 percent public sector representation from organizations including but not limited to Kent County, the Rapid transit agency, the City of Grand Rapids, and Michigan Economic Development Council.
- Whites and non-whites comprise 73 and 27 percent of the Alliances, respectively.
- Women and men comprise 31 and 69 percent of the Alliances, respectively.
- Approved updated cost allocation methodology

Alliances:

INVESTMENT (4/14)

- Chair: Nikos Monoyios, Long Range Planner @ The Rapid
- Advising on the Downtown Plan process
- Approved their 2015 goals, policies, and implementation measures synthesis
- Voted to pursue a full cost recovery plan to cover administrative overhead on development incentive programs
- Approved fee schedule for development incentive programs – to DDA in May
- Finalizing FY16 budget process

VIBRANCY (4/15)

- Chair – Brandy Moeller, City of Grand Rapids
- Planning busker program roll out
- Launched Workforce programming series
- Finalizing FY16 budget process

LIVABILITY (4/27)

- Chair: Lynee Wells, Principal @ Williams & Works
- Selecting a vendor for streetscape beautification design effort
- Preparing to install bike repair station equipment
- Closed call for artists for potential mural locations
- Finalizing FY16 Budget Recommendations

DGRI Staff Highlights

- GR Forward – April 16 Public Forum!
- Meeting with major property owners re: DID renewal / expansion

- Next DID Renewal Steering Committee – April 17th
- Meeting weekly with Movie Theater developers
- Arranged and touring DNR Director 4/17
- Movies in the Park Announcement Party: April 30
- Pop-Up Performers first appearance – May 1st
- Free Comic Book Day – May 2nd
- RPC Lunchtime Programming – May 7th (Every Thursday from 11:30am-1:30pm)

14. Public Comment

None.

15. Board Member Discussion

Mr. Harris said the DDA Board agendas are becoming increasingly robust and that the Board should anticipate a 2-hour meeting beginning June 10, 2015. The new meeting time will be from 8:00-10:00am.

16. Adjournment

The meeting adjourned at 10:17 a.m.

MEMORANDUM

CITY OF GRAND RAPIDS · DOWNTOWN DEVELOPMENT AUTHORITY

**Agenda Item 3.
May 13, 2015
DDA Meeting**

DATE: May 8, 2015

TO: Brian Harris
Chairman

FROM: Jana M. Wallace
Downtown Development Authority Treasurer

SUBJECT: FY2015 Financial Statements Through April 30, 2015

Attached are the financial statements for the first ten months of the DDA's fiscal year ending June 30, 2015. These statements include:

- Statement A: Balance Sheet
- Statement B: Comparison of FY2015 Budget vs Actual Results
- Statement C: Statement of Project Expenditures
- Statement D: Schedule of April, 2015 Expenditures

April was a relatively slow month for financial transactions. Two debt service payments were made along with typical operating expenditures. The Authority continues to have sufficient cash to support budgeted expenditures.

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

Attachments

STATEMENT A

DOWNTOWN DEVELOPMENT AUTHORITY

Balance Sheet

April 30, 2015

	Non-Tax Funds	Debt Increment	Local Tax Increment	TOTAL
ASSETS				
Pooled Cash and Investments	\$ 5,183,136	\$ 6,895,709	\$ 4,525,549	\$ 16,604,394
Petty Cash	-	-	500	500
Debt Service Reserve Fund	-	5,400,768	-	5,400,768
Accounts Receivable	8,715	-	(1,511)	7,204
Loan Receivable - Project Developer	723,848	-	-	723,848
Loan Receivable - Special Assessments	14,736	-	-	14,736
General Fixed Assets	-	-	89,511,580	89,511,580
Future Tax Increment Revenues Anticipated	-	31,877,460	183,750	32,061,210
TOTAL ASSETS	\$ 5,930,435	\$ 44,173,937	\$ 94,219,868	\$ 144,324,240
LIABILITIES AND FUND EQUITY				
Liabilities				
Current Liabilities	\$ -	\$ -	\$ 100	\$ 100
Parking Revenue Payable	17,311	-	-	17,311
Project Increment Due to Developers	-	-	40,277	40,277
Due to Other Governmental Units	-	3,774,320	-	3,774,320
Debt Increment Reimbursement Payable	-	661,920	-	661,920
Deposit - Area 1 and Area 5 Options to Buy	122,903	-	-	122,903
Deposit - Movies in the Park Vendors	1,300	-	-	1,300
Net Retiree Health Care Obligation ¹	-	-	(5,667)	(5,667)
Prior Year Property Tax Appeals	-	42,528	22,139	64,667
Deferred Revenue - Developer Loan	723,848	-	-	723,848
Contract Payable	-	-	183,750	183,750
Bonds Payable	-	31,877,460	-	31,877,460
TOTAL LIABILITIES	865,362	36,356,228	240,599	37,462,189
Fund Balance / Equity:				
Investments in General Fixed Assets	-	-	89,511,580	89,511,580
Non-Tax Increment Reserve	4,486,745	-	-	4,486,745
Reserve for Authorized Projects	-	-	4,033,074	4,033,074
Reserve for Brownfield Series 2012A Bonds	530,584	-	-	530,584
Reserve for Compensated Absences	-	-	6,897	6,897
Reserve for Eligible Obligations	-	7,817,709	-	7,817,709
Reserve for Encumbrances	47,744	-	427,718	475,462
TOTAL FUND EQUITY	5,065,073	7,817,709	93,979,269	106,862,051
TOTAL LIABILITIES & FUND EQUITY	\$ 5,930,435	\$ 44,173,937	\$ 94,219,868	\$ 144,324,240

Note 1: This line is the accumulated amounts of the actuarially determined Annual Required Contributions (ARC) for pre-65 year old retiree health insurance in excess of the "pay as you go" charges disbursed from the Retiree Health Insurance Fund plus interest on the unpaid portion of the prior year liability. The trust fund is currently over-funded which is why the account has a negative balance.

STATEMENT B

DOWNTOWN DEVELOPMENT AUTHORITY Comparison of FY2015 Budget vs Actual Results July 1, 2014 - April 30, 2015

	Non-Tax Funds		Debt Tax Increment		Local Tax Increment	
	Budget	Actual	Budget	Actual	Budget	Actual
REVENUES						
Property Tax Increment - General	\$ -	\$ -	\$ 7,529,127	\$ 7,542,368	\$ 4,237,009	\$ 4,337,341
Property Tax Increment - Transit Millage	-	-	-	-	385,681	385,681
Property Tax Increment - Prior Year Appeals	-	-	(200,000)	(12,111)	(100,000)	(3,092)
Property Tax Increment - Rebates to City / ITP	-	-	-	-	(278,682)	(133,590)
Special Assessments - Areaway	15,000	1,289	-	-	-	-
Brownfield Authority - Grandville Avenue	-	-	-	-	21,973	24,730
Interest on Investments - General	18,747	40,297	10,000	1	50,644	103,812
Interest on Investments - Multi-Year Accrual Reversal ¹	-	(28,853)	-	-	-	(95,793)
Interest on Investments - The Gallery Note	40,167	37,341	-	-	-	-
Property Rental - DASH Parking Lots	336,925	247,308	-	-	-	-
Property Rentals - Movies in the Park Vendors	-	2,450	-	-	-	-
Property Rentals - Winter Avenue Building	9,000	9,802	-	-	-	-
Property Rentals - YMCA Customer Parking	52,000	42,250	-	-	-	-
Sponsorship - Movies in the Park	-	1,500	-	-	-	-
Principal Repayments - The Gallery on Fulton Note	-	200,000	-	-	-	-
Reimbursement - GR Public Schools for GR Forward	-	-	-	-	-	37,010
Reimbursement - Monroe Ctr Ph 3 / Monument Park	-	-	-	-	-	81,679
Reimbursement - ValentICE	-	15,400	-	-	-	-
Reimbursements and Fees - Miscellaneous	500	200	-	-	10,000	1,405
From / (To) Fund Balance	3,127,112	-	(10,000)	-	145,089	-
TOTAL REVENUES	\$ 3,599,451	\$ 568,984	\$ 7,329,127	\$ 7,530,258	\$ 4,471,714	\$ 4,739,183
EXPENDITURES						
Investment - Planning and Infrastructure						
Development Incentive Programs	\$ -	\$ -	\$ -	\$ -	\$ 1,085,000	\$ 1,096,921
Transit Projects - Transit Millage Funded	-	-	-	-	125,000	38,751
Planning	35,000	20,781	-	-	350,000	361,329
Public Infrastructure	2,051,451	-	-	-	890,000	391,737
Investment Total	\$ 2,086,451	\$ 20,781	\$ -	\$ -	\$ 2,450,000	\$ 1,888,738
Livability - Residents / Workers / Neighborhood	605,000	317,363	-	-	700,000	163,948
Vibrancy - Attracting Visitors	808,000	552,428	-	-	-	-
Miscellaneous	100,000	51,613	-	-	-	-
Total Alliance Projects	\$ 3,599,451	\$ 942,185	\$ -	\$ -	\$ 3,150,000	\$ 2,052,686
Administration	-	1,314	-	-	862,863	868,560
Debt Service for Bond Issues	-	-	5,479,525	1,484,525	458,851	343,501
Estimated Capture to be Returned	-	-	1,849,602	1,388,812	-	-
TOTAL EXPENDITURES	\$ 3,599,451	\$ 943,499	\$ 7,329,127	\$ 2,873,337	\$ 4,471,714	\$ 3,264,747
EXCESS / (DEFICIT)	\$ -	\$ (374,515)	\$ -	\$ 4,656,921	\$ -	\$ 1,474,436

Note 1: For efficiency reasons, the City Treasurer does not record interest revenue when earned from multiple year investments. Instead, revenues associated with multiple year investments are accumulated annually, accrued, & then reversed in the following fiscal year. ddastmts-apr15.xlsx jmw 05082015

STATEMENT C

DOWNTOWN DEVELOPMENT AUTHORITY Statement of Current Project Expenditures As of April 30, 2015

Project Title	Project Budgets		EXPENDITURES			Available Budget
	%	Cost	Month	Fiscal Year	All Years	
Areaway Fill Program (ARIP)		\$ 35,000 ^{1,2}	\$ -	\$ 35,000		\$ -
Building Re-use Incentive Program (BRIP)		250,000 ^{1,2}	-	295,748		(45,748)
Development Project Guidance		- ^{1,2}	5,060	47,390		(47,390)
Development Project Reimbursements		750,000 ^{1,2}	4,033	690,733		59,267
Streetscape Improvement Incentive Program		50,000 ^{1,2}	-	28,050		21,950
Investment - Development Incentives Sub-Total	9.86%	\$ 1,085,000	\$ 9,093	\$ 1,096,921		\$ (11,921)
Amtrak Station Relocation		800,000 ²	-	-	746,164	53,836
DASH North Shuttle Services		150,000 ²	7,501	38,751	101,251	48,749
Investment - Transit Millage Funded Sub-Total	8.63%	\$ 950,000	\$ 7,501	\$ 38,751	\$ 847,415	\$ 102,585
Downtown Plan		487,500 ²	26,864	361,329	520,304	(32,804)
Investment - Planning Sub-Total	4.43%	\$ 487,500	\$ 26,864	\$ 361,329	\$ 520,304	\$ (32,804)
Arena South Implementation		230,809 ²	-	672	34,696	196,113
Bostwick Avenue - Lyon St to Crescent St		225,000 ²	-	-	-	225,000
Bridge Street Streetscape Improvs		125,000 ²	105	105	105	124,895
Grand River Activation		232,435 ²	-	-	132,435	100,000
Ionia Ave 9 - Buckley St to Wealthy St		886,673 ²	-	3,837	686,526	200,147
Michigan / Ottawa Gateway		300,000 ²	-	-	-	300,000
Monroe Ave Resurfacing - Louis to I-196		165,000 ²	-	76,196	76,196	88,804
Monroe Center-Phase 3 / Monument Park		725,000 ²	-	88,594	1,256,839	(531,839)
Ottawa Avenue Public Improvements		330,000 ²	-	186,633	186,633	143,367
State Street - Jefferson to Lafayette		450,000 ²	-	-	-	450,000
Veterans Park Improvements		100,000 ²	35,700	35,700	35,700	64,300
Wealthy Street - US 131 to Division Ave		885,000 ²	-	-	-	885,000
Weston Street - Sheldon to LaGrave Ave		400,000 ²	-	-	-	400,000
Investment - Public Infrastructure Sub-Total	45.93%	\$ 5,054,917	\$ 35,805	\$ 391,737	\$ 2,409,130	\$ 2,645,787
Downtown Speakers Series		35,000 ^{1,3}	6,511	20,781		14,219
Investment - Non-Tax Supported Sub-Total	0.32%	\$ 35,000	\$ 6,511	\$ 20,781		\$ 14,219
Accessibility and Mobility Repairs		10,000 ^{1,2}	-	10,000		-
Bicycle Friendly Improvements		401,000 ²	7,153	7,153	128,709	272,291
Downtown Census		30,000 ^{1,2}	-	-	-	30,000
Monroe Ave Phase 3 Services		- ^{1,2}	-	-	-	-
Public Realm Improvements		200,000 ²	1,526	46,824	46,824	153,176
Seward Ave Non-Motorized Facility		56,730 ²	-	17,858	33,152	23,578
Snowmelt System Repairs / Investigation		532,574 ²	7,450	46,706	429,280	103,294
Urban Recreation Plan		326,496 ²	1,102	2,083	53,579	272,917
Wayfinding System Improvements		310,000 ²	-	33,324	33,324	276,676
Livability - Local Tax Supported Sub-Total	16.96%	\$ 1,866,800	\$ 17,231	\$ 163,948	\$ 724,868	\$ 1,131,932
Division Ave Task Force Implemntn		5,000 ^{1,3}	-	-		5,000
Downtown Ambassadors		300,000 ^{1,3}	24,638	243,228		56,772
Educational Partnerships Initiatives		10,000 ^{1,3}	-	-		10,000
Project and Fixed Asset Maintenance		100,000 ^{1,3}	-	4,441		95,559
Recreational Walk / Tour Signage		40,000 ³	-	9,715	9,715	30,285
Riverwalk Maintenance		60,000 ^{1,3}	-	1,000		59,000
Stakeholder Engagement Program		5,000 ^{1,3}	100	4,487		513
Street Trees Maintenance Program		5,000 ^{1,3}	-	5,000		-
Transportation Demand Mgmt Prog		92,500 ^{1,3}	111	49,492		43,008
Winter Avenue Building Lease		2,500 ^{1,3}	-	-		2,500
Livability - Non-Tax Supported Sub-Total	5.63%	\$ 620,000	\$ 24,849	\$ 317,363		\$ 302,637
Bridge Lighting Operations		10,000 ^{1,3}	-	-		10,000
DGRI Event Production		45,000 ^{1,3}	1,791	65,747		(20,747)
Diversity/Inclusion Programming		10,000 ^{1,3}	50	4,050		9,950
Downtown Marketing		225,000 ^{1,3}	19,084	147,149		77,851
Downtown Workforce Program		15,000 ^{1,3}	143	4,420		10,580
Go-Site Visitor Center at GRAM		30,000 ^{1,3}	-	-		30,000
Holiday Décor Program		60,000 ^{1,3}	-	62,536		(2,536)
Major Event Sponsorship		82,000 ^{1,3}	-	65,240		16,760
Public Space Activation		30,000 ^{1,3}	-	1,174		28,826
Rosa Parks Circle Skating Operations		42,000 ^{1,3}	-	504		41,496
Special Events - Grants		50,000 ^{1,3}	-	46,573		3,427
Special Events - Office of		100,000 ^{1,3}	56,250	85,469		14,531
Special Events - Training Program		5,000 ^{1,3}	-	-		5,000
State of Dntn Event & Annual Reports		22,500 ^{1,3}	-	150		22,350
Ticketed Events - Police Services		80,000 ^{1,3}	14,723	65,425		14,575
Wayfinding Sign Maintenance		- ^{1,3}	-	3,991		(3,991)
Vibrancy Support Sub-Total	7.33%	\$ 806,500	\$ 92,041	\$ 552,428		\$ 254,072
Experience - Miscellaneous		100,000 ^{1,3}	450	14,713		85,287
Monroe Ave Phase 3 Services		- ^{1,3}	6,639	36,900		(36,900)
Misc - Non-Tax Supported Sub-Total	0.91%	\$ 100,000	\$ 7,089	\$ 51,613		\$ 48,387
TOTAL	100.00%	\$11,005,717	\$ 226,984	\$ 2,994,871		\$ 4,454,894

Note 1: Current year (FY2015) budget only.

Note 2: Paid from local tax increment.

Note 3: Paid from non-tax funds.

Note 4: Expense shown without reimbursements. Downtown Plan reimbursed \$37,010 by GRPS for its share of project. DGRI Event Production reimbursed \$15,400 for ValentICE sculpture costs. Monroe Center Ph 3 - Monument Park reimbursed \$81,679 by Consumers Energy for electrical infrastructure costs.

STATEMENT D
DOWNTOWN DEVELOPMENT AUTHORITY
Schedule of Expenditures
April, 2015

Source	Vendor	Purpose / Project	Description	Amount
Debt	U.S. Bank Corporate Trust	MMBA 2009A Bonds - Van Andel Arena	Semi-annual interest payment	\$ 742,262.50
Local	Paychex	Administration	DGRI payroll, taxes, 401(k), FSA - April, 2015	59,286.24
Local	SKO Design Group	Veterans Park Improvements	Design engin services - through 60% completion Mar 2015	35,700.00
Local	Interface Studio, LLC	Downtown Plan	DDA share of services - February 2015	26,607.03
Non Tax	Mydatt Services, dba Block by Block	Downtown Ambassadors	Monthly services - March 2015	24,510.78
Non Tax	City Treasurer - Special Events Dept	Special Events - Office of	Fourth quarter 2015 support	18,750.00
Non Tax	City Treasurer - Special Events Dept	Special Events - Office of	Second quarter 2015 support	18,750.00
Non Tax	City Treasurer - Special Events Dept	Special Events - Office of	Third quarter 2015 support	18,750.00
Non Tax	Mighty Co.	Downtown Marketing	Website - back/front end devel & testing 03/01-03/15/2015	18,685.00
Non Tax	City Treasurer - Police Department	Ticketed Events - Police Services	Pedestrian safety - March 2015	14,722.91
Local	CycleSafe	Bicycle Friendly Improvements	5 bicycle repair stations	6,775.00
Local	City Treasurer - Parking Services	DASH North Shuttle Services	Shuttle lease - February 2015	6,667.00
Non Tax	Consumers Energy	Monroe Ave Phase 3 Services	Electricity - 02/24-03/23/2015	6,639.36
Non Tax	Sextant Marketing Group	Downtown Speakers Series	P. Kageyama - presentation & travel February 2015	6,511.20
Local	Federal Square Building Co #1 LLC	Administration	Share of April, 2015 office lease	5,749.42
Local	City Treasurer - Budget Office	Administration	Support services allocation - April 2015	5,196.50
Local	Geotech, Inc.	Snowmelt System Repairs/Investigation	Share of engineering services - 02/01-02/28/2015	4,760.50
Local	Owen-Ames-Kimball Co.	Development Project Reimbursements	Winter and partial summer 2014 reimbursements	4,033.12
Local	City of Grand Rapids	Administration	Staff services - April 2015	3,824.47
Local	County of Kent	KCDC - Series 2008 Floodwalls	Semi-annual interest payment	3,582.81
Local	Dickinson Wright PLLC	Development Project Guidance	Legal services - sale of lot 5 February 2015	2,329.60
Local	Monroe North Business Association	Public Realm Improvements	Neighborhood signage located within DDA boundaries	1,526.40
Local	Geotech, Inc.	Snowmelt System Repairs/Investigation	Share of engineering services - 02/01-02/28/2015	1,291.50
Local	Applied Imaging	Administration	Share of copier rental, and black/white/color overage fees	1,245.96
Local	Fifth Third Bank - Procurement Card	Urban Recreation Plan	Supplies - urban recreation program	1,102.36
Local	City Treasurer - Risk Management	Administration	General insurance - April 2015	1,068.00
Local	City Treasurer - Parking Services	Administration	Parking - DGRI staff - April 2015	1,055.00
Non Tax	Kerkstra Portable Restroom Svc Inc.	DGRI Event Production	Portable toilets for Movies in the Park 08/22/2014	960.00
Local	Dickinson Wright PLLC	Development Project Guidance	Legal services - Morton House proj February 2015	910.00
Local	City Treasurer - Parking Services	DASH North Shuttle Services	Shuttle lease - add'l December/January per new contract	834.00
Local	Dickinson Wright PLLC	Development Project Guidance	Legal services - Venue BOB II project February 2015	746.20
Local	Dickinson Wright PLLC	Development Project Guidance	Legal services - Venue Towers proj February 2015	728.00
Local	Wondergem Consulting Inc	Administration	Share of public relations 04/02-04/14/2015	660.71
Non Tax	Fifth Third Bank - Procurement Card	DGRI Event Production	Movies in the Park - supplies	660.61
Local	City Treasurer - Parking Services	Administration	Parking validations - April 2015	610.00
Local	Dickinson Wright PLLC	Administration	Legal services - misc matters February 2015	455.00
Local	Professional Maint of Michigan, Inc.	Administration	Share of janitorial services - March 2015	451.65
Non Tax	Fifth Third Bank - Procurement Card	Experience - Miscellaneous	Stakeholder Engagement Specialist job postings	450.00
Local	Geotech, Inc.	Snowmelt System Repairs/Investigation	Share of engineering services - 02/01-02/28/2015	446.00
Non Tax	Fifth Third Bank - Procurement Card	Downtown Marketing	DGRI website / CRM subscriptions and domain renewals	398.54
Local	CycleSafe	Bicycle Friendly Improvements	Bicycle Repair stations - 2 racks	378.00
Local	Geotech, Inc.	Snowmelt System Repairs/Investigation	Share of engineering services - 03/01-03/28/2015	327.00
Local	Federal Square Building Co #1 LLC	Administration	Share of 29 Pearl St NW electricity - March 2015	299.49
Local	Geotech, Inc.	Snowmelt System Repairs/Investigation	Share of engineering services - 03/01-03/28/2015	259.00
Local	Fifth Third Bank - Procurement Card	Downtown Plan	GR Forward lunch meeting	257.05
Local	TDS Metrocom LLC	Administration	Share of 29 Pearl NW telephone service - April 2015	250.62
Local	Dickinson Wright PLLC	Development Project Guidance	Legal services - Hopson Flats project February 2015	236.60
Local	Staples Advantage	Administration	Share of office supplies	233.48
Local	Fusion IT	Administration	Share of IT services - monthly services April 2015	227.98
Local	Fifth Third Bank - Procurement Card	Administration	Professional dev - K Larson American Planning Assoc	215.00
Local	Cellco Partnership dba Verizon	Administration	Share of staff cellphone svc/equip 03/02-04/01/2015	201.80
Local	Great America Financial Services	Administration	Share of Ricoh copier system lease - April 2015	176.78
Non Tax	City Treasurer - Parking Services	DGRI Event Production	ValentICE - parking meter hooding during event	170.00
Local	PCS Gophers	Administration	Interoffice and mail service	156.93
Local	Fusion IT	Administration	Share of IT services - server updates, check hardware Marc	155.93
Local	Geotech, Inc.	Snowmelt System Repairs/Investigation	Share of engineering services - 02/01-02/28/2015	154.50
Local	Professional Maint of Michigan, Inc.	Administration	Share of window cleaning March 2015	150.55
Local	Fusion IT	Administration	Share of IT services - email issues	143.03
Local	Paychex	Administration	DGRI payroll processing fees - April, 2015	136.42

continued on the next page

STATEMENT D - continued
DOWNTOWN DEVELOPMENT AUTHORITY
Schedule of Expenditures
April, 2015

Page 2

Source	Vendor	Purpose / Project	Description	Amount
<i>continued from previous page</i>				
Local	Paychex	Administration	DGRI HRS processing fees - April, 2015	\$ 135.00
Non Tax	City Treasurer - Parking Services	Downtown Ambassadors	Parking - Melvin Eledge April 2015	127.00
Local	Comcast	Administration	Share of high speed internet April 2015	118.59
Local	Dickinson Wright PLLC	Development Project Guidance	Legal services - 12 Weston devel project February 2015	109.20
Local	Fifth Third Bank - Procurement Card	Bridge Street Streetscape Improvs	Refreshments for Bridge St. public meeting	105.32
Local	Eric N Pratt	Administration	MDA board meeting and spring workshop	100.05
Local	Geotech, Inc.	Snowmelt System Repairs/Investigation	Share of engineering services - 03/01-03/28/2015	100.00
Non Tax	Fifth Third Bank - Procurement Card	Stakeholder Engagement Program	ArtPrize venue registration	100.00
Local	Fifth Third Bank - Procurement Card	Administration	Share of office supplies	93.99
Local	Ferris Coffee & Nut Company, Inc.	Administration	Share of coffee for staff and meetings	88.19
Non Tax	Swift Printing & Communications	Downtown Workforce Program	Workforce lunch program - musician solicitation cards	86.32
Local	Ferris Coffee & Nut Company, Inc.	Administration	Share of coffee for staff and meetings	85.51
Local	Godwin Plumbing, Inc.	Administration	Share of 29 Pearl St. toilet repair April 2015	82.53
Local	Geotech, Inc.	Snowmelt System Repairs/Investigation	Share of engineering services - 02/01-02/28/2015	78.50
Local	Engineered Protection Systems Inc	Administration	Share of 29 Pearl NW security services 05/01-07/31/2015	77.42
Local	Staples Advantage	Administration	Share of office supplies	70.77
Non Tax	Cellco Partnership dba Verizon	Transportation Demand Mhmt Prog	B. Kirk cellphone svc/equip 03/02-04/01/2015	64.90
Non Tax	Swift Printing & Communications	Downtown Workforce Program	Workforce lunch program - musician solicitation cards	56.27
Non Tax	Fifth Third Bank - Procurement Card	Diversity/Inclusion Programming	Diversity workshop - M. Sierawski	50.00
Local	Dickinson Wright PLLC	Administration	Share of legal services - DGRI misc matters Feb 2015	46.97
Non Tax	Fifth Third Bank - Procurement Card	Transportation Demand Mhmt Prog	Office bicycle repairs	46.48
Local	JPMorganChase	Administration	DGRI payroll account bank fees - April, 2015	39.28
Local	Geotech, Inc.	Snowmelt System Repairs/Investigation	Engineering services - 03/01-03/28/2015	32.50
Local	Model Coverall Service, Inc.	Administration	Share of floor mats - DGRI Offices 03/04/15	31.40
Local	Model Coverall Service, Inc.	Administration	Share of floor mats - DGRI Offices 03/18/15	31.40
Local	Fusion IT	Administration	Share of IT services new email/inventory April 2015	20.43
APRIL, 2015 EXPENDITURES				<u>\$1,055,801.55</u>


Local - local tax increment funds
Non-tax - non-tax funds
Debt - school tax increment funds

MEMORANDUM

CITY OF GRAND RAPIDS · DOWNTOWN DEVELOPMENT AUTHORITY

DATE: May 8, 2015

TO: Downtown Development Authority

FROM: Kristopher Larson, AICP 
President & CEO

Agenda Item 4
May 13, 2015
DDA Meeting

SUBJECT: Recommendation to Approve Extension of Services Agreement with Downtown Grand Rapids Inc.

The 2011 DDA Framework Plan recommended that the DDA and its key partners adopt a new organizational model to improve the management and advance the long-term development of Downtown Grand Rapids. The new organization would combine the resources of the Downtown Improvement District (DID), the Downtown Alliance (DA), and the Downtown Development Authority (DDA) to advance a common agenda. The new structure would achieve efficiencies by combining of staff of the above referenced organizations and eliminate any confusion associated with having multiple downtown organizations.

On March 13, 2013, the DDA Board of Directors authorized the implementation of the Downtown Grand Rapids, Inc. (DGRI) organizational model and plan for execution. DGRI will be the singular management entity for the combined operations of the DDA, the DID, and the Monroe North TIFA (MNTIFA).

On September 23, 2013, the DDA and DGRI have previously entered into a Services Agreement (the "Agreement") pursuant to which DGRI has agreed to perform certain services for the DDA. The Agreement articulates and formalizes the operating relationships between the DDA and DGRI.

The initial term of the Agreement ends on December 31, 2015, and leadership from the DGRI Board of Advisors is seeking to renew the term of the Agreement pursuant to the provisions of the Agreement for an additional three years, commencing January 1, 2016, through December 31, 2018.

Recommendation: Approve the attached resolution and authorize the DDA Board Chair to execute the attached services agreement addendum on behalf of the DDA.

FIRST ADDENDUM TO SERVICES AGREEMENT

THIS FIRST ADDENDUM TO SERVICES AGREEMENT (the “First Addendum”) is made as of _____, 2015, by and between the **CITY OF GRAND RAPIDS DOWNTOWN DEVELOPMENT AUTHORITY** (the “DDA”) and **DOWNTOWN GRAND RAPIDS, INC.** (“DGRI”).

RECITALS

A. The DDA and DGRI have previously entered into a Services Agreement (the “Agreement”) made as of September 23, 2013, pursuant to which DGRI has agreed to perform certain services for the DDA.

B. The initial term of the Agreement ends on December 31, 2015

C. The DDA and DGRI have agreed to renew the term of the Agreement pursuant to the provisions of the Agreement for an additional three years.

NOW, THEREFORE, in consideration of the mutual promises set forth herein and in the Agreement and this First Addendum, the DDA and DGRI agree as follows:

1. Agreement Term. As provided in Section 13 of the Agreement, the term of the Agreement is renewed for three years commencing January 1, 2016, through December 31, 2018 (the “First Renewal Term”), upon the same other terms and conditions stated in the Agreement.

2. Ratification. Except for the First Renewal Term, the Agreement is in all other respects ratified and confirmed.

IN WITNESS WHEREOF, the parties have signed this First Addendum as of the date shown in the first paragraph hereof.

**CITY OF GRAND RAPIDS
DOWNTOWN DEVELOPMENT
AUTHORITY**

By: _____
Brian Harris, Chairperson

DOWNTOWN GRAND RAPIDS, INC.

By: _____
Raymond J. Kisor, Chairperson

**CITY OF GRAND RAPIDS
DOWNTOWN DEVELOPMENT AUTHORITY**

**RESOLUTION OF NOTICE OF INTENT TO RENEW THE
INITIAL TERM OF SERVICES AGREEMENT WITH
DOWNTOWN GRAND RAPIDS, INC. FOR AN
ADDITIONAL THREE YEARS AND APPROVING AND
AUTHORIZING THE EXECUTION OF A FIRST
ADDENDUM TO SERVICES AGREEMENT RELATED
THERE TO**

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

WHEREAS the City of Grand Rapids Downtown Development Authority (the “DDA”) has entered into a Services Agreement dated as of September 23, 2013, with Downtown Grand Rapids, Inc. (“DGRI”) for DGRI to perform certain services on behalf of the DDA (the “Agreement”); and

WHEREAS, the Agreement provides that its initial term ends December 31, 2015, that the term may be renewed for an additional three-year term upon mutual agreement of the parties and that either party, if it desires to renew the term, shall give the other party written notice of the desire to renew not more than 36 days and not less than 180 days before December 31, 2015; and

WHEREAS, the DDA desires to renew the term of the Agreement an additional three years and to provide notice thereof to DGRI; and

WHEREAS, upon DGRI indicating its desire to renew the term of the Agreement for three years, the DDA has determined to enter into a first addendum to the Agreement renewing its term.

RESOLVED:

1. That the DDA desires to renew the term of the Agreement for three years commencing January 1, 2016, through December 31, 2018, upon the other same terms and conditions of the Agreement.

2. That the DDA Executive Director shall provide DGRI with a copy of this resolution representing its desire to so renew the Agreement.

3. That the First Addendum to Services Agreement with DGRI renewing the term of the Agreement through December 31, 2018, is approved in the form presented at this meeting and the Chairperson of the DDA Board of Directors is authorized and directed to execute the First Addendum to Services Agreement for and on behalf of the DDA upon approval thereof by the DGRI Board of Advisors.

4. That all resolutions and 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: May 13, 2015

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 May 13, 2015, 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: May 13, 2015

Mary Sierawski
Recording Secretary

SERVICES AGREEMENT

THIS SERVICES AGREEMENT (the “Agreement”) is made as of September 23, 2013, by and between the **CITY OF GRAND RAPIDS DOWNTOWN DEVELOPMENT AUTHORITY**, a statutory authority created by the City of Grand Rapids, Michigan (the “City”), pursuant to the Downtown Development Authority Act, Act 197 of the Public Acts of Michigan of 1975, as amended (“Act 197”), and action of the City Commission (the “City Commission”) of the City (the “DDA”), of 29 Pearl Street, N.W., Grand Rapids, Michigan, and **DOWNTOWN GRAND RAPIDS, INC.**, a Michigan non-profit corporation created pursuant to the Nonprofit Corporation Act, Act 162 of the Public Act of Michigan of 1982, as amended (“Act 162”), (“DGRI”), of 29 Pearl Street, N.W., Grand Rapids, Michigan.

RECITALS

A. Pursuant to the provisions of Act 197, the City Commission created the DDA for the purpose of halting property value deterioration and increasing property tax valuation, eliminating the causes of deterioration and promoting economic growth in the downtown area of the City.

B. The DDA is governed by a board (the “DDA Board”) appointed by the City’s Mayor and confirmed by the City Commission, which operates within a defined district in downtown Grand Rapids, as amended and as may be amended from time to time (the “Downtown District”), in accordance with development and tax increment financing plans, as amended, and as may be amended (the “Plans”), as approved from time to time by the DDA Board and City Commission in accordance with Act 197.

C. In 2010 the DDA commissioned the development of a participatory community visioning and priority setting process for downtown Grand Rapids known as the “Framework Plan.”

D. The Framework Plan approved by both the DDA Board and City Commission presents a vision for downtown Grand Rapids and a new construct for guiding DDA investments, decision-making and organizational structure through a collaborative downtown development and management approach.

E. DGRI was created, pursuant to Act 162, to assist in the implementation of the Framework Plan.

F. The DDA and DGRI desire to enter into this Agreement to, in part, provide for and assist in the implementation of the Framework Plan within the provisions and subject to the requirements of Act 197.

NOW, THEREFORE, in consideration of the mutual promises set forth below, the DDA and DGRI agree as follows:

Section 1. Engagement of DGRI. Subject to the terms and conditions of this Agreement, the DDA engages DGRI to provide the services set forth herein (the “Services”) during the term hereof and DGRI accepts such engagement. In providing such Services, unless otherwise described

herein, DGRI shall be responsible for providing necessary staff, furniture, equipment, supplies and office and meeting space.

Section 2. Specific Services. DGRI shall provide for and on behalf of the DDA the following specific Services:

- a. Long-term visioning, planning and advocacy for the Downtown District through DGRI's (i) Board of Advisors, (ii) alliances for investments, vibrancy and livability, (iii) listening posts, (iv) councils and (v) special project committees.
- b. Implement projects and programs of the DDA identified in the Plans in accordance with annual DDA budgets approved by the DDA Board and the City Commission and the DDA approved priority plan (the "Priority Plan").
- c. Regularly review and recommend to the DDA Board modifications and amendments to the Plans, the Priority Plan and the boundaries of the Downtown District.
- d. Attend and staff DDA Board meetings and DDA committee meetings including the taking and transcribing of meeting minutes and sending and posting of meeting notices as required by the Open Meetings Act, Act 267 of the Public Acts of Michigan of 1976, as amended ("Act 267"), and the DDA Rules of Procedure.
- e. Coordinate with the City Engineer's Office planning and implementation of DDA Board approved public facility capital improvement projects within the Downtown District.
- f. To the extent funds are provided by the DDA in the annual DDA budgets, administer the various DDA incentive programs including the Building Reuse Incentive Program, the Streetscape Incentives Program, the Areaway Fill Incentives Program, the Downtown Development Support Policy and such additional incentive programs as shall be approved by the DDA Board from time to time, recommend to the DDA Board projects for such programs and once projects have been approved, administer such projects on behalf of the DDA.
- g. Prepare and recommend the annual DDA budget for approval by the DDA Board and the City Commission.
- h. Act as the employer of record for the DDA's Executive Director including conducting employee evaluations and performance reviews even though such person shall be (i) selected by and have his/her compensation set by the DDA Board through approval of the annual DDA budget and (ii) approved by the City Commission.
- i. To the extent funds are provided by the DDA, create, operate and administer marketing initiatives that benefit retail in and general marketing of the Downtown District.
- j. To the extent funds are provided by the DDA, provide for broadband service and wireless technology service in the Downtown District.

k. To the extent a program is approved and funds are provided by the DDA, operate and administer a retail business incubator program in the Downtown District in accordance with the requirements of Act 197.

l. To the extent a program is approved and funds are provided by the DDA, create and administer a loan program to fund improvements for existing buildings in the Downtown District in accordance with the requirements of Act 197.

m. Such other Services as shall be agreed to in writing by the DDA and DGRI as permitted by, and in accordance with, Act 197.

n. Provide day-to-day administrative services in support of the other Services provided pursuant to this Agreement.

Section 3. Tangible Assets Provided. The DDA will make available to DGRI the tangible assets identified in the attached Exhibit A which may be used by DGRI in connection with the Services to be provided pursuant to this Agreement and services provided pursuant to agreements with others. It is agreed that all such assets have been fully depreciated and it is not necessary to allocate the usage of such assets for the purpose of crediting or assigning costs. Even though such tangible assets have been fully depreciated, DGRI agrees to keep a current inventory of such assets, of a copy of which it shall provide the DDA from time to time upon request. DGRI shall not dispose of such assets without approval of the DDA.

If subsequent to the Effective Date of this Agreement the DDA shall acquire tangible assets (the “DDA Assets”) which are used by DGRI in connection with the Services and/or services provided pursuant to agreements with others, the annual depreciated amount of such assets, until fully depreciated, shall be allocated based on usage in accordance with Section 5 hereof for the purpose of crediting and assigning costs of such assets. DGRI agrees to keep a current inventory of such assets and any additions including the annual depreciated amount, which it shall provide to the DDA from time to time upon request. DGRI shall not dispose of any such assets without the approval of the DDA.

Section 4. Funding of Services. Utilizing the approved annual DDA budget, DGRI shall prepare an analysis of its cash flow needs to provide the Services for each calendar quarter of such budget year. The DDA shall advance, or cause to be advanced, on or before the first business day of each calendar quarter, sufficient non-tax increment funds and non-school tax increment funds or other funds available to the DDA to pay for the Services to be provided pursuant to this Agreement during such quarterly period after giving the DDA appropriate credit for tangible assets used, in whole or in part, to provide services pursuant to DGRI agreements with others. DGRI shall establish and maintain a cost accounting system reasonably acceptable to the DDA that separately accounts and records the expenses it incurs to perform the Services during the period. At the end of each budget year DGRI shall determine whether the quarterly advances in such year meet expenses, exceed expenses or fall short of expenses. Any excess amount advanced shall be applied as a credit against the advance in the first calendar quarter of the following budget year. If expenses exceed the quarterly advances in such budget year, the DDA shall forward or cause to be forwarded promptly the difference to DGRI to cover such shortfall.

Section 5. Cost Allocation Methodology. Prior to the Effective Date of this Agreement DGRI shall use its reasonable best efforts to estimate the percentage of time each employee of DGRI will spend in providing the Services pursuant to this Agreement for DGRI's fiscal year ending June 30, 2014. Such percentage of each employee's compensation and an equal percentage of such employee's benefits shall be allocated to the Services. In addition, all or any portion of the annual amount of depreciated DDA Assets made available to DGRI pursuant to this Agreement and any tangible assets not fully depreciated and made available to DGRI through agreements with others and utilized to provide the Services shall be allocated to the cost of providing the Services and, where such tangible assets are provided pursuant to DGRI agreements with others, credited to the owners of such tangible assets based on DGRIs' reasonable best efforts to estimate such allocated usage. Finally, all other costs of providing the Services, including, but not limited to, rent, utilities, office supplies, insurance premiums, annual auditing cost and staff education and development, shall be assigned to the Services provided pursuant to this Agreement based on the blended percentage of all DGRI employees performing Services pursuant to this Agreement and similar agreements with others. These allocations shall be the basis for determining the cost of Services for the period commencing on the Effective Date and ending June 30, 2014.

Pursuant to the procedures in the immediately preceding paragraph, allocated expenses shall be tracked for the period beginning on the Effective Date of this Agreement through March 31, 2014. Based on such tracking the percentages, determined in accordance with the preceding paragraph, shall be adjusted, if necessary, and the allocation of costs for Services for DGRI's fiscal year ending June 30, 2015, shall be based on such percentages, as adjusted. Thereafter, during the term of this Agreement, allocated expenses shall be tracked for the first nine months of a fiscal year of DGRI and based on such tracking the percentages, determined in accordance with the preceding paragraph, shall be adjusted, if necessary, and the allocation of costs for Services for the next succeeding fiscal year of DGRI shall be based on such percentages, as adjusted.

Section 6. Accounting Records. DGRI shall keep full and accurate accounting records related to its activities in providing the Services in accordance with generally accepted accounting principles. DGRI shall maintain a system of bookkeeping, in accordance with Section 5 hereof, to track and apportion its expenses related to providing the Services so that they are separate from the other activities of DGRI that are not Services provided pursuant to this Agreement. DGRI shall, upon request, give an authorized representative(s) of the DDA, designated by the DDA Board, or an authorized representative(s), designated by the Chief Financial Officer of the City, access to inspect and audit such books and records as is deemed necessary and desirable by the DDA or the City. DGRI shall keep and safely store such books and records for a minimum of three years.

Section 7. Annual Audits. On or before December 31 following the end of each fiscal year of DGRI, DGRI shall provide the DDA with an independent audit report for such fiscal year of a nationally recognized independent certified public accountant or firm of independent certified public accountants selected by DGRI and approved by the DDA. The allocated cost of such audit related to the Services provided pursuant to this Agreement shall be a permissive expense of providing the Services.

Section 8. DGRI Employees. DGRI shall select and employ such employees as it deems necessary and as are provided for in the DDA and City approved annual DDA budget. Employees of DGRI shall not, for any purpose, be considered employees of the DDA. Except as otherwise

provided in this Agreement, DGRI shall be solely responsible for their supervision, direction and control, compensation and income tax and other applicable withholding, any employee benefits, employment insurance and workers' compensation insurance expenses.

Section 9. Nondiscrimination. In connection with performance of the Services pursuant to this Agreement, DGRI shall not discriminate against any employee or applicant for employment to be employed in performance of the Services with respect to hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment because of race, color, religion, natural origin, age, sex, height, weight, marital status, military status, sexual orientation or physical or mental disability. Breach of this covenant may be regarded as a material breach of this Agreement as provided in Act 220 and Act 243 of the Public Acts of Michigan of 1976, as amended, entitled the "Michigan Handicapper's Civil Rights Act" and the "Michigan Elliot-Larson Civil Rights Act."

Section 10. Insurance. DGRI shall keep in force, at all times during the term of this Agreement, a general commercial liability insurance policy, including public liability and property damage, subject to normal policy exclusions, covering the Services provided pursuant to this Agreement in a combined single limit of \$1,000,000 for each occurrence and \$3,000,000 in the annual aggregate. DGRI shall also maintain, if necessary, comprehensive automotive bodily injury and property damage insurance for business use covering all vehicles owned by DGRI and operated by DGRI employees in connection with the Services. The policies must be written by a company licensed to do business in the State of Michigan. The coverage amounts under the foregoing policies shall be re-evaluated every three years during the term of this Agreement. Both the DDA and the City shall be named as an additional or co-insured as their interest may appear. Copies of the policies or certificates evidencing the policies shall be provided to the DDA and the City prior to the effective date of this Agreement. Each policy or certificate shall contain a provision or endorsement stating that the policy will not be canceled or materially changed or altered without requiring 30 days' advanced written notice to the DDA and the City. The terms of all insurance policies shall preclude subrogation claims against the DDA and the City. The allocated cost of the premiums for such policies related to the Services provided pursuant to this Agreement shall be a permissible expense of providing such Services.

Section 11. Compliance with Laws. DGRI's provision of the Services pursuant to this Agreement shall at all times be in conformance with all applicable laws, ordinances, rules and regulations including, but not limited to, Act 197 and the conditions for and the limitations upon the use of DDA tax increment revenues (as defined in Act 197) and other funds of the DDA provided to DGRI to provide the Services. Further, DGRI including its Board of Advisors and Alliances shall at all times in connection with providing the Services be subject to and will comply with Act 267 and the Freedom of Information Act, Act 442 of the Public Acts of Michigan of 1976, as amended.

Section 12. Ownership of Assets. The ownership of all equipment, furniture, displays, vehicles and similar tangible property acquired with funds provided by the DDA shall immediately upon purchase or acquisition vest in the DDA. DGRI shall keep a written current inventory of such assets identifying the owner which shall be available to the DDA for review and inspection upon written request. The ownership of all consumable assets, such as office supplies and cleaning materials, purchased with funds received from the DDA, shall remain with the DDA, but such assets may be utilized and consumed by DGRI in the provision of the Services pursuant to this

Agreement. The assets described herein shall not be pledged, lien, encumbered or otherwise alienated or assigned.

Section 13. Term. Subject to the provisions of this Agreement, its term shall commence on the Effective Date (set forth in Section 17.h. hereof) and continue through December 31, 2015, unless terminated earlier as provided in Section 14 hereof (the “Initial Term”). The DDA and DGRI may mutually agree to renew this Agreement for five additional three-year terms (the “Renewal Terms”) upon the same terms and conditions as stated in this Agreement as may be modified by agreement of the DDA and DGRI. It is the intent of both the DDA and DGRI that the arrangement between them as set forth in this Agreement be long-term and that the term of this Agreement be renewed for each of the Renewal Terms. If either party desires to renew this Agreement, it must notify the other in writing of that desire no sooner than 365 days and no later than 180 days before the expiration of the Initial Term or the then current Renewal Term. The party receiving such notice shall have until 30 days before expiration of the Initial Term or the current Renewal Term to grant or deny the request for renewal.

Section 14. Termination.

a. Except as otherwise provided elsewhere in this Section 14, either party may terminate this Agreement early upon default by the other party under this Agreement. A party shall be in default under this Agreement if such party fails in any material respect to perform or comply with any of the terms, covenants, agreements or conditions of this Agreement and such failure continues for more than 30 days after written notice of default from the other party. In the event that a default is not able to be cured by the defaulting party within such 30-day period, the defaulting party shall not be deemed in default so long as the defaulting party commences curing its breach within the 30-day period and thereafter diligently pursues such cure to completion.

b. DGRI has the right to terminate this Agreement early if the DDA shall fail to advance or cause to be advanced the funds to DGRI by the first business day of each calendar quarter as provided in Section 4 hereof and such failure continues for more than 10 days after the DDA receives written notice of its intent to terminate this Agreement if funds are not received by DGRI within such 10 days.

c. The DDA shall have the right to terminate this Agreement early if DGRI provides the Services in a grossly negligent manner or engages in willful and wanton misconduct in connection therewith and DGRI continues to perform in such manner for more than 15 days after receiving written notice from the DDA of its intent to terminate this Agreement.

d. Either party shall have the right to terminate this Agreement early if the other party becomes insolvent or unable or unwilling to pay its debts, or the filing of a voluntary or involuntary petition in bankruptcy or of reorganization related to the other party.

Section 15. Effect of Termination. Upon termination of this Agreement, at the end of its Term or as provided in Section 14 hereof, (i) all obligations of the DDA and DGRI shall terminate and (ii) DGRI shall surrender possession to the DDA all tangible and intangible assets owned by the DDA including all remaining funds it received from the DDA that it has on hand at the time of termination after outstanding expenses have been paid.

Section 16. Notices. All notices and other communications to be given pursuant to this Agreement shall be given in writing and delivered personally, by first-class mail or by electronic e-mail, to the appropriate party at the address or e-mail address set forth below:

If to the DDA:

City of Grand Rapids Downtown
Development Authority
29 Pearl Street, N.W.
Grand Rapids, Michigan 49503
Attention: Chairperson
E-mail:_____

If to the DGRI:

Downtown Grand Rapids, Inc.
29 Pearl Street, N.W.
Grand Rapids, Michigan 49503
Attention: Chairperson
E-mail:_____

Either party may change its designated address/e-mail address by delivery of written notice of the change to the other party. Notices shall be deemed effective upon actual receipt. Actual receipt of electronic e-mail transmissions shall be presumed based upon the transmitting party's record that it was sent and received.

Section 17. General Provisions.

a. This Agreement constitutes the entire agreement between the DDA and DGRI and may be modified or amended in whole or in part from time to time only by mutual written agreement of the DDA and DGRI.

b. This Agreement shall be interpreted under the laws of the State of Michigan.

c. If any particular clause or portion of this Agreement is rendered void, illegal, unenforceable or otherwise of no effect, the remaining provisions of this Agreement shall remain in full force and effect so that the essence and intent of this Agreement is preserved.

d. A failure by either party to give notice or insist on the immediate performance of any right that it has under this Agreement shall not constitute a waiver of that right or any other right under this Agreement.

e. The section headings of this Agreement are for convenience only and shall not be considered a part of the substance of this Agreement, or affect the interpretation of this Agreement.

f. This Agreement shall not be assigned, transferred or conveyed by either party without the prior written consent of the other party.

g. DGRI shall act solely as an independent contractor with respect to this Agreement. The relationship between the DDA and DGRI under this Agreement shall in no way be construed to create a joint venture or partnership, or to constitute either party as an agent of the other for any purpose other than as set forth in this Agreement.

h. This Agreement shall be effective September 23, 2013 (the "Effective Date").

i. The parties agree that all rights and remedies provided in this Agreement shall be deemed cumulative and additional and not in lieu of or exclusive of each other or of any other remedy available at law or in equity.

IN WITNESS WHEREOF, the parties have signed this Agreement as of the date shown in the first paragraph hereof.

**CITY OF GRAND RAPIDS
DOWNTOWN DEVELOPMENT AUTHORITY**

By: _____
Brian Harris, Chairperson

DOWNTOWN GRAND RAPIDS, INC.

By: _____
_____, Chairperson

EXHIBIT A
Tangible Assets

[ADD LIST OF DDA TANGIBLE ASSETS]

MEMORANDUM

CITY OF GRAND RAPIDS · DOWNTOWN DEVELOPMENT AUTHORITY

DATE: May 8, 2015

TO: Downtown Development Authority

FROM: Kristopher Larson, AICP
President & CEO



Agenda Item 5
May 13, 2015
DDA Meeting

SUBJECT: Recommendation to Consent to TIF Assignment for 161 Ottawa Ave. NW

Enclosed in your packet is a resolution consenting to the assignment of the developer's rights to receive DDA tax increment revenues and grant proceeds to their lender as security for a construction loan for the redevelopment of the Waters building.

On October 8, 2014, the DDA Board agreed to provide the developer, Waters Building, LLC, with the following:

- 1) A \$35,000 Areaway Fill Program Grant for the removal and vacation of an existing areaway along Pearl Street NW; and the rehabilitation of the Ottawa Avenue and Lyon Street areaways.
- 2) \$35,000 Streetscape Improvement Grant for a new sidewalk and streetscape treatments, possibly including a new snowmelt system, along Pearl Street NW, Ottawa Avenue NW and Lyon Street NW.
- 3) Use of 75% of the new tax increment revenues generated by the project to reimburse the developer for eligible costs associated with providing barrier-free access in the building and the additional costs related to improvements within the public right-of-way, in an amount not to exceed \$1,484,000, as outlined by the DDA's Development Support Policy.

As a term of the developer's financing, Mercantile Bank is requesting that the DDA consent to the assignment of the developers rights to receive reimbursable tax increment revenues as security for the construction loan.

Recommendation: Approve the attached resolution and authorize the DDA Board Chair to execute the attached services agreement addendum on behalf of the DDA.

**CITY OF GRAND RAPIDS
DOWNTOWN DEVELOPMENT AUTHORITY**

**RESOLUTION APPROVING ASSIGNMENT OF TAX
INCREMENT FINANCING RELATED TO THE WATERS
BUILDING, LLC PROJECT**

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

WHEREAS, the City of Grand Rapids Downtown Development Authority (the “DDA”) has entered into a Development and Reimbursement Agreement dated October 8, 2014 (the “Agreement”), with Waters Building, LLC. (“Waters”) pursuant to which Waters has agreed to construct a mixed use residential/office/retail/motel development as more fully described in the Agreement (the “Project”); and

WHEREAS, in connection with the construction of the Project, Waters will incur certain Eligible Costs (as defined in the Agreement) for certain Public Facility Improvements (as defined in the Agreement) for which it is to be reimbursed by the DDA from Project Tax Increment Revenues (as defined in the Agreement) subject to the terms and conditions of the Agreement; and

WHEREAS, Waters will initially pay for the cost of the Public Facility Improvements with certain loan funds provided in a lending package for the Project to be provided by Mercantile Bank of Michigan (the “Bank”); and

WHEREAS, the Bank has requested an assignment of the Project Tax increment Revenues that Waters is entitled to receive pursuant to the Agreement to secure that the loan used initially to pay the Eligible Costs related to the Public Facility Improvements; and

WHEREAS, such assignment will be accomplished pursuant to a letter of consent (the “Consent”) from the Bank and to Waters and the DDA; and

WHEREAS, the Agreement requires that such assignment have the prior written approval of the DDA.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. That the Consent in the form presented at this meeting is approved and the Chairperson of the DDA Board is authorized and directed to execute the Consent for and on behalf of the DDA.

2. That all resolutions or parts of resolutions in conflict herewithin shall be and the same are hereby rescinded.

YEAS: Boardmembers _____

NAYS: Boardmembers _____

ABSTAIN: Boardmembers _____

ABSENT: Boardmembers _____

RESOLUTION DECLARED ADOPTED.

Dated: May 13, 2015

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 May 13, 2015, 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: May 13, 2015

Mary Sierawski
Recording Secretary

**MERCANTILE BANK OF MICHIGAN
310 LEONARD N.W.
GRAND RAPIDS, MI 49504**

April __, 2015

City of Grand Rapids Downtown Development Authority
300 Monroe Avenue N.W.
Grand Rapids, MI 49503
Attn: Executive Director

Waters Building, LLC
1946 Turner Ave NW
Grand Rapids, MI 49504
Attn: William Mast

Re: Development and Reimbursement Agreement ("Development and Reimbursement Agreement") between City of Grand Rapids Downtown Development Authority (the "Authority") and Waters Building, LLC ("Developer"), dated October 8, 2014, regarding 161 Ottawa Avenue N.W., Grand Rapids, Michigan 49503 (the "Project")

Security Agreement (Incentives) ("Security Agreement") executed by Developer in favor of Mercantile Bank of Michigan (the "Bank")

Ladies and Gentlemen:

In consideration for the Bank providing construction financing to Developer for the Project, Developer has by execution of the Security Agreement collaterally assigned to Bank and granted Bank a security interest in (among other things) Developer's rights to reimbursement of its Eligible Costs from Project Tax Increment Revenues upon Developer's compliance with and subject to the terms and conditions of the Development and Reimbursement Agreement. Said collateral assignment and grant is permitted under Section 11 of the Development and Reimbursement Agreement. In connection therewith, the Bank requests that the Authority:

(a) in the event of Developer's default (beyond any applicable grace period or notice and cure period) under the Bank loan documents (a "Development Loan Default"), permit the Bank to complete the performance of any remaining Developer obligations concerning the Project, submit (in accordance with the Development and Reimbursement Agreement) to the Authority its costs for doing so, and otherwise satisfy any remaining conditions precedent to the Authority's reimbursement from Project Tax Increment Revenues of Eligible Costs, all without altering the nature/scope of the Project as described in the Development and Reimbursement Agreement; and

(b) whether or not a Development Loan Default exists, remit directly to the Bank (at the above address) all payments which the Authority is obligated to make to Developer from time to time under the Development and Reimbursement Agreement to the extent that advances of the TIF Loan have been made by the Bank for the payment of Eligible Costs and not been repaid/reimbursed to the Bank by Developer.

As used above, the "TIF Loan" means that certain loan from the Bank to Developer in an amount of up to \$1,350,000 to extent that the proceeds of said loan fund Eligible Costs.

City of Grand Rapids Downtown -2-
Development Authority
Waters Building, LLC

April ___, 2015

Please confirm the Authority's receipt and review of this letter and agreement to the contents hereof by executing and returning its below Acknowledgment to me at the above address. Developer is also requested to similarly execute and return its below Acknowledgment.

Capitalized terms not defined in this letter have the meanings ascribed to them in the Development and Reimbursement Agreement.

Thank you for your cooperation.

MERCANTILE BANK OF MICHIGAN

By: _____
Doug Holtrop
Vice President

Acknowledged and Agreed:

WATERS BUILDING, LLC

By:
Its:

CITY OF GRAND RAPIDS DOWNTOWN DEVELOPMENT AUTHORITY

By: _____

Printed Name:

Title:

cc: Jonathan J. Siebers, Esq.

MEMORANDUM

CITY OF GRAND RAPIDS · DOWNTOWN DEVELOPMENT AUTHORITY

DATE: May 8, 2015

TO: Downtown Development Authority

FROM: Tim Kelly, AICP
Planning Manager



Agenda Item #6
May 13, 2015
DDA Meeting

SUBJECT: FY16 DDA Incentive Program Fee Schedule

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

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

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

- Areaway Fill: \$75
- Building Reuse: \$150
- Development Support: n/a
- Streetscape Improvement: \$75

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

After examining annual costs, it was determined on average it costs DGRI \$114,000 annually on program administration. The variables that influence costs include the number of applications processed, amount of attorney's fees to finalize an agreement, the approved reimbursement schedule, among others. These costs are in stark contrast to the application fees collected, which in FY14 and FY15, averaged \$1,600 annually.

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

The policy as proposed includes a \$200 application fee for all incentive programs, in addition to a processing fee of 3 percent that is due at the time an application is approved by the Downtown Development Authority (DDA) Board. To control fees for projects approved for the Development Support Program, a maximum fee of \$25,000 is being proposed. Additionally, in recognition of the financing challenges that many development project face before being built, as proposed the fee for Development Support will be deducted from the 1st year reimbursement payment.

The AI approved the policy as recommend at their March 10, 2015 meeting. If approved by the DDA Board, the policy would take effect July 1, 2015.

RECOMMENDATION: Approve the amended fee schedule for FY2016.

May 2015

Proposed FY 2016 Incentive Program Fee Schedule

The following proposed fees will be effective July 1, 2015 for DDA incentive programs.

APPLICATION FEES

1. A \$200 application fee is due at the time of submitting an application for all DDA incentive programs.
2. An additional 3% Processing Fee is due at the time an application is approved by the DDA Board. The maximum Processing Fee for the Building Reuse, Streetscape Improvement, and Areaway Fill programs is \$2,250 (i.e. 3% of the maximum allowable BRIP grant of \$75,000).
3. For approved Development Support, the Processing Fee shall also be 3%, with the maximum fee capped at \$25,000. Rather than requiring an upfront payment, and in consideration of financing challenges many development projects face, the fee will be deducted from the 1st year reimbursement payment.

EXAMPLES

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

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

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

1. \$200 due at the time an application is submitted.
2. \$25,000 deducted from the 1st year reimbursement payment, due following approval of the grant by the Downtown Development Authority, and approval of the first reimbursement request .

MEMORANDUM

CITY OF GRAND RAPIDS · DOWNTOWN DEVELOPMENT AUTHORITY

**Agenda Item 7
May 13, 2015
DDA Meeting**

DATE: May 8, 2015

TO: Downtown Development Authority

FROM: Bill Kirk
Mobility Manager

SUBJECT: Request for Funding Authorization to Enter Into a Contract for Services for the Downtown Census Effort

During the FY 2015 Budget Planning process, the Alliance for Livability prioritized funding to support a "Downtown Census" effort with the goal acquiring and/or creating the most accurate representation of the demographic profile for the Downtown residential population. This project was originally intended to support the foundation and creation of a Downtown Residents Council by providing clear and accurate data about the very diverse Downtown residential population in order to inform engagement strategies and overall goals of the Council. This remains a primary goal of this effort, however, the database, reports, and other information that will comprise the final product of the project will also supplement multiple projects and engagement efforts for DGRI.

DGRI staff created a scope of work for the downtown demographic researcher in January 2015 to lead this effort. Six statements of interest were received, and three candidates were interviewed. The successful proposal, submitted by Gustavo Rotondaro of Metric-a LLC, has been collaborating with DGRI staff over the past few weeks to refine the specific scope of the project, define deliverables, and create a timeline for completion.

Pending DDA approval, Mr. Rotondaro will be tasked with acquiring and compiling all available and existing data related to Downtown residents, generating a Downtown Demographic Profile report, creating a dynamic database that is fully compatible with DGRI's customer relationship management (CRM) system, creating a plan for on-going database management, and creating a plan for phase 2 primary data collection. In addition, Mr. Rotondaro will be responsible for multiple presentations of this work, outreach and engagement with various entities and organizations with relevant data sets, creation of a policy to address privacy and confidentiality concerns, and other duties.

Mr. Rotondaro has extensive experience in this sector, including work as the Director of Information Services and Community Data Initiatives at the Community Research Institute housed at Grand Valley State University. He is active in multiple community efforts in Grand Rapids. Mr. Rotondaro is the principal with Metric-a, LLC.

The funds to fill the requests are currently available in the Local Tax Increment line item **Livability: Downtown Census**. A project scope and deliverables are included after this memo.

RECOMMENDATION:

Approve the recommendation and authorize the DGRI President & CEO to execute a contract for services with Metric-a, LLC for the scope of work associated with the Downtown Census effort (attached) not to exceed \$30,000.

Downtown Demographic Researcher Phase I – Overview and Scope of Work

1. **Overall Project Goal:** to acquire and create the most accurate representation of the downtown residential population
2. **Deliverables:** a number of information products have been discussed as part of Phase I of the Downtown Residential Population project. They are briefly described below and will be further defined with DGRI staff for final approval:

- *Reports Production*

- Downtown Demographic Profile: write and produce a report (data briefs/insights) containing baseline line data for who lives in downtown using a variety of readily available data sets:
 - Define and create a Statistical Planning Area (SPA) boundaries for data collection and map production
 - Population and housing counts/estimates using block level and parcel level data
 - Household compositions including age, housing occupied tenure, income and education using census and ACS products
 - Use employer-household dynamics to understand inflow/outflow population patterns (e.g., who lives and work in/outside downtown, demographics, earnings, industry of workers)
 - Evaluate similar downtown reports (e.g., Downtown Long Beach) and improve upon DGRI's annual report
- Data Strategies Report: write and produce a document containing strategies DGRI should pursue to further acquire and collect information beyond Phase I of this project. This will be based on data priorities set forth by DGRI staff and opportunities/barriers for accessing the information. This report also incorporates information learned in the technical assistance section below.
- *Technical Assistance*: assist DGRI staff in the development of data strategies to further enhance and sustain DGRI's downtown information infrastructure.
 - Development of data strategies: this work includes providing assistance to DGRI in setting data priorities, identifying sources for the information, meeting with local data partners, research and acquisition of proprietary data sets and development of formal agreements to access, process and retain sensitive information. Special emphasis will be given to issues of privacy, confidentiality, retention policies and integration with DGRI's CRM platform
 - Ad-hoc data requests: this may include customized data requests/insights to support conversations around the creation of a Downtown Residents Council, developers, retailers etc.
- *Presentations*: presentations to DGRI staff and stakeholders to include:
 - Downtown demographic report
 - Overview of data strategies, priorities and future data acquisition efforts
 - Concept plan for phase 2
 - Recommendations

3. Timeline: The project will be completed 4 months after contract is signed. Consultant will work with DGRI staff to set specific deliberate dates for the reports and presentation(s).

4. Reporting and Supervision: Weekly project update meetings and on-going coordination with DGRI staff.

MEMORANDUM

CITY OF GRAND RAPIDS · DOWNTOWN DEVELOPMENT AUTHORITY

DATE: May 8, 2015

TO: Downtown Development Authority

FROM: Eric Pratt 
Project Manager

Agenda Item #8
May 13, 2015
DDA Meeting

SUBJECT: Request for a Ground floor Commercial Signage Grant at 64 Ionia Avenue SW
– The Judd Building

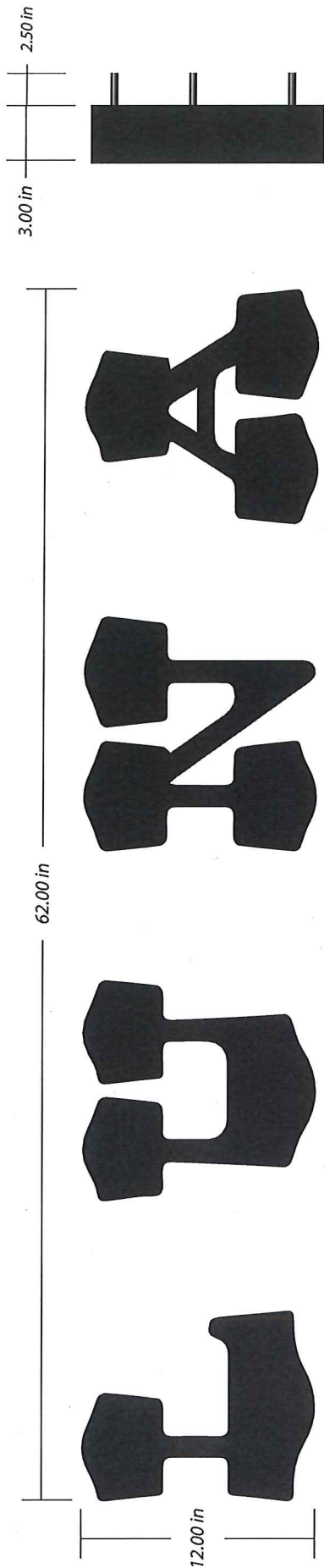
64 Ionia LLC requests a \$2,000 Ground Floor Commercial Signage grant to assist in the design, engineering, fabrication and installing of a new signage package for the vacant storefronts at 64 Ionia Avenue SW (The Judd Building). The applicant is proposing to open “Luna,” a new Latin-American influence restaurant in downtown Grand Rapids. Luna is scheduled to open in early late Fall of 2015.

As a part of the signage package, the applicant is proposing to install one new (1) internally illuminated wall sign above the main entrance to the storefront. The new projecting sign will be illuminated using LED lighting. The total square footage of the signage package is 5.5 square-feet and is estimated to cost \$6,600. The sign has been reviewed and approved by the Grand Rapids Historic Preservation Commission.

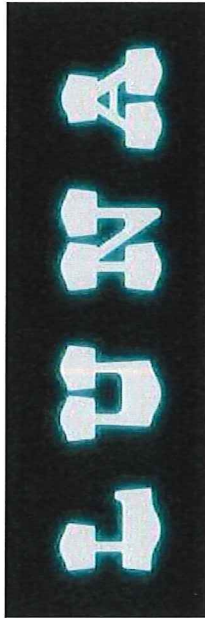
Recommendation:

Staff recommends approval of one (1) Commercial Signage grant in the amount of \$2,000 to 64 Ionia LLC to assist with the installation of a new signage package for the vacant storefront at 64 Ionia Avenue SW – The Judd Building.

See Attachment.



Night Simulation



Dual Color Film	Teal Green Scotchcal #3630-246	Artwork Rec'd
MAP Black		

CONCEPT

DRAWING #154,691-1

SCALE: 1 1/2" = 1'-0"

ONE (1) WALL LOGO, INTERNALLY
ILLUMINATED, HALO LIGHTING

PROJECT: LUNA

PHOTOSCAN (S): No DESIGNER: SV

DATE: 2.8.15 REVISIONS:

HOURS: 1.0 SALES: Julie

CUSTOMER SIGNATURE

**VALLEY CITY
SIGN**
An Employee Owned Company

5009 West River Drive • Comstock Park, MI 49321 • Ph.616.784.5711 • Fax.616.784.8280 • www.valleycitysign.com


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MEMORANDUM

CITY OF GRAND RAPIDS · DOWNTOWN DEVELOPMENT AUTHORITY

DATE: May 8, 2015

TO: Downtown Development Authority

FROM: Eric Pratt 
Project Manager

Agenda Item #9
May 13, 2015
DDA Meeting

SUBJECT: Development Area Liquor License Request – 144 E Fulton St (Grand River Cigar)

The City Commission policy establishing procedures for the review and approval of development area liquor licenses requires the City Clerk to forward any such requests for licenses received in the DDA district to the DDA Board for review and recommendation. In evaluating a proposal, the DDA Board may consider how the issuance of a license would promote economic growth in a manner consistent with adopted goals, plans or policies of the district. The policy also gives the highest priority for approval of these licenses to existing restaurants in the district.

A new application under this procedure has been submitted by:

GRC Bar, LLC is requesting DDA support for the issuance of a new liquor license at the building located at 144 E Fulton St. GRC Bar, LLC is proposing to open and operate “GRC Bar & Cigar Lounge, a retail bar and specialty cigar shop w/ lounge. Previously located at 131 S. Division Avenue, the applicant is looking to relocate and expand their business at 144 E. Fulton Street. Upon completion, Grand River Cigar will employ up to seven (7) new full and part-time employees; provide seating for a minimum of 50 patrons and will be open six (6) days a week.

Staff has reviewed the applicant’s request and finds that it meets or exceeds the requirements of the act. Concurrent review by other city departments, including the Planning Commission is currently underway.

Recommendation:

Staff recommends approval of the attached resolution.

Attachment.

**DOWNTOWN DEVELOPMENT AUTHORITY
OF THE CITY OF GRAND RAPIDS**

**RESOLUTION SUPPORTING ISSUANCE OF A LIQUOR LICENSE
FOR A BUSINESS LOCATED IN A DOWNTOWN DEVELOPMENT DISTRICT**

Board member _____, supported by Board member _____, moved the adoption of the following resolution:

WHEREAS, the Downtown Development Authority of the City of Grand Rapids (the "DDA") was created by the City Commission on October 16, 1979, and operates pursuant to the authority of Act 197 of 1975, and

WHEREAS, the State of Michigan has provided for the issuance of additional licenses within the DDA district, as authorized by Public Act 501 of 2006, being MCL 436.1521a, (the "Act"), and

WHEREAS, GRC Bar, LLC, a Michigan Limited Liability Corporation, located at 144 East Fulton Street, Grand Rapids, Michigan, 49503; has applied to the City for approval of a license under the Act, and is located within the DDA district, and

WHEREAS, GRC Bar, LLC, in its application, has indicated its intention to operate Grand River Cigar, a retail bar and cigar lounge, and

WHEREAS, the application has been forwarded to the DDA for review and consideration.

WHEREAS, that the DDA finds that the issuance of a liquor license to GRC Bar, LLC. as proposed by GRC Bar, LLC would promote economic growth by:

1. operating in a manner that would be consistent with adopted goals, policies and plans of the district, particularly by promoting the competitiveness and vitality of downtown Grand Rapids as a destination for dining, arts and tourism.
2. facilitate private investment and promote economic growth within the leased space at 144 East Fulton Street.
3. supporting the creation of up to ___ new full and part-time jobs in the district.

NOW, THEREFORE, BE IT RESOLVED, that the Downtown Development Authority of the City of Grand Rapids recommends issuance of a Class C Liquor License to GRC Bar, LLC at 144 East Fulton Street, above all others.

YEAS: Board members _____

NAYS: Board members _____

ABSTAIN: Board members _____

ABSENT: Board members _____

RESOLUTION DECLARED ADOPTED.

Dated: May 13, 2015

Kristopher Larson
Executive Director

CERTIFICATION

I, the undersigned duly qualified and Secretary of the Downtown Development Authority of the City of Grand Rapids (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 regular meeting held on May 13, 2015, 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.


Mary Sierawski
DDA Secretary

MEMORANDUM

CITY OF GRAND RAPIDS · DOWNTOWN DEVELOPMENT AUTHORITY

DATE: May 8, 2015

TO: Downtown Development Authority

FROM: Eric Pratt 
Project Manager

Agenda Item #10
May 13, 2015
DDA Meeting

SUBJECT: Consent to the Granting of an Industrial Facilities Exemption Certificate Pursuant to P.A. 198 of 1974 – Canal Street Brewing, LLC (dba Founders Brewing Company)

Enclosed in your packet is a memo from the City's Economic Development Director requesting that the Grand Rapids City Commission consider an application for an Industrial Facilities Exemption Certificate under Public Act 198 of 1974 ("Act 198") at 231 Bartlett Street SW, 248 Williams Street SW and 235 Grandville Avenue SW (the "Property").

The applicant, Canal Street Brewing Company, LLC (dba Founders Brewing Company), is requesting a 12-year exemption on the real property investment and an eight-year exemption on personal property investment in connection with the expansion of their brewing operations on these three parcels. Upon completion, the new brewing facility will incorporate all three (3) properties.

While all three properties reside within the Downtown Development Authority's Tax Increment Finance (TIF) District; the two properties located at 248 Williams SW and 235 Grandville SW were included in the City's Brownfield Plan prior to being added to the DDA's TIF District. Therefore the Brownfield Redevelopment Authority is in a first position to capture any tax increment revenues generated by the two properties for the purposes of Founder's Brownfield Plan Amendment.

However, because the property located at 231 Bartlett was added to the DDA's TIF District prior to being added to the Brownfield Authority, the DDA is able to capture certain local millages levied against the property. Approval of an Industrial Facilities Exemption Certificate would impact the DDA's ability to capture any tax increment revenues generated by the property over the life of the certificate.

Pursuant to City Commission policy, the DDA is being asked to take action on this matter prior to City Commission consideration.

Recommendation:

Staff recommends that the Board consent to the granting of the Industrial Facilities Exemption Certificate to Canal Street Brewing, LLC (dba Founders Brewing Company) at 231 Barlett Street SW, pursuant to P.A. 198 of 1974.

Attachment



CITY OF GRAND RAPIDS AGENDA ACTION REQUEST

DATE: May 20, 2015

TO: Gregory A. Sundstrom, City Manager

COMMITTEE: Community Development Committee
LIAISON: Eric R. DeLong, Deputy City Manager

FROM: Kara L. Wood, Economic Development Director

SUBJECT: **Resolution Scheduling a Public Hearing to Consider an Application for an Industrial Facilities Exemption Certificate Pursuant to P.A. 198 of 1974 – Canal Street Brewing, LLC (dba Founders Brewing Company)**

Attached is a resolution setting the date of Tuesday, May 26, 2015 at 7:00 p.m. as the time when the City Commission will hold a public hearing to consider an application for an Industrial Facilities Exemption Certificate under Public Act 198 of 1974 (“Act 198”) for Canal Street Brewing Company, LLC (dba Founders Brewing Company) at 231 Bartlett Street SW, 248 Williams Street SW and 235 Grandville Avenue SW (the “Property”). The application is for a 12-year exemption for the real property investment and an eight-year exemption for personal property investments.

Founders Brewing Company (“Founders”) continues to increase its production and expand its distribution footprint and therefore is undertaking a significant two-phase expansion project necessary for the continued growth of its business. Previous expansions for which Industrial Facilities Tax Exemption Certificates and Brownfield Plan Amendments have been approved have facilitated the addition of over 40,000 square feet of office and manufacturing space and the creation of more than 150 new jobs. There are currently 232 individuals employed by Founders, and 70 new jobs are anticipated to be created in connection with the project, 50 created by the Phase I project and 20 created by the Phase II project.

The current project involves the build-out of the entire block bounded by Grandville Avenue SW, Finney Avenue SW, Bartlett Street SW and Williams Street SW over two separate phases. Phase I involves the construction of an approximately 37,000 square foot addition over the northern half of the block and the acquisition and installation of new production equipment. Phase II of the proposed project involves the construction of an approximately 20,000 square foot addition along the southwestern corner of the block for additional production and storage. This application relates only to Phase I of the project.

Founders' existing properties at 235 Grandville Avenue SW and 248 Williams Street SW were established as an Industrial Development District (IDD) on June 4, 2007, and 231 Bartlett Street SW was added to the IDD on October 28, 2014. Also on October 28, 2014, the City Commission approved the Third Amendment to a Brownfield Plan Amendment for Founders providing for eventual reimbursement of up to \$4.2 million including approximately \$3.4 million of investment in public infrastructure improvements being undertaken by the City to benefit the project and the surrounding area. Since that time, the City has also been awarded a \$1.2 million grant from the Michigan Department of Transportation for improvements to the streets surrounding Founders, as well as improvements to the south bound off-ramp from U.S. 131 at Market Ave. Founders currently leases the portion of the 231 Bartlett property required to construct the Phase I addition, with the ability to acquire the entire 231 Bartlett parcel prior to construction of the Phase II addition.

For the first phase of the project, investment is anticipated to be \$9.5 million for land and building improvements, and \$26.9 million for equipment. Although the personal property may be exempt from the personal property tax pursuant to recent amendments to relevant legislation, Founders requests consideration of their application as security for their investment. Project projections provided below assume that personal property will be exempt.

There are no significant environmental concerns at the Phase I property, and additional environmental investigation will be required at the Phase II property prior to excavation activities. Taxes are current and the project is in accordance with the City's Master Plan. The project was reviewed by the Economic Development Project Team on October 7, 2014, and the Planning Commission provided the necessary approvals for the project at its meeting on October 23, 2014.

The three separate parcels overlap the Downtown Development Authority's development district I. However, the parcels at 248 Williams SW and 235 Grandville SW were added to the City's Brownfield Plan prior to establishment of DDA district I; therefore, the DDA does not capture any taxes from those parcels as they are captured by the Brownfield Redevelopment Authority for the purposes of Founder's Brownfield Plan Amendment. However, certain millages levied on the 231 Bartlett SW parcel are subject to capture by both the DDA. Pursuant to City policy, the DDA will consider approval of the application prior to City Commission consideration.

PROJECT PROJECTIONS CANAL STREET BREWING, LLC – PHASE I PROJECT*		
	Total Amount	City of Grand Rapids Portion
Investment – Real Property	\$9,949,105	-
Investment – Personal Property	\$26,883,760	-
Retained Jobs	232	-
New Jobs	50	-
Average Hourly Wage	\$30.00	-
Total New Taxes Generated (1 year)	\$252,814	\$45,982
Taxes Paid (1 year)	\$140,762	\$22,991
Taxes Abated (1 year)	\$112,052	\$22,991
New City Income Taxes	-	\$31,200

*Project projections presented at the October 28, 2014 City Commission meeting included both phases of the project, and indicated \$8.4M (real) and \$32M (personal) investment. Cost estimates have increased, particularly for the real property investment, since that time, and are now estimated at approximately \$12.5M (real) and \$39M (personal) for the complete project.

KLW/jk

cc: Eric R. DeLong

YOUR COMMUNITY DEVELOPMENT COMMITTEE recommends adoption of the following resolution scheduling a public hearing to consider an application for an Industrial Facilities Exemption Certificate filed by Canal Street Brewing, LLC at 235 Grandville Avenue SW, 248 Williams Street SW and 231 Bartlett Street SW.

CORRECT IN FORM

DEPARTMENT OF LAW

COMMUNITY DEVELOPMENT COMMITTEE

Com. _____, supported by Com. _____,
moved to adopt the following resolution:

RESOLVED:

1. That the application submitted by Canal Street Brewing, LLC requesting an Industrial Facilities Exemption Certificate for the installation of real and personal property at 235 Grandville Avenue SW, 248 Williams Street SW and 231 Bartlett Street SW, shall remain on file in the Economic Development Office for consideration by the public; and

2. That the City Commission shall meet in the City Commission Chambers, City Hall, 300 Monroe NW, Grand Rapids, Michigan, on May 26, 2015 at 7:00 p.m. at which time and place the City Commission shall afford the applicant, the City Assessor, and a representative of each of the taxing units an opportunity to be heard on the question of approving the application for an Industrial Facilities Exemption Certificate for Canal Street Brewing, LLC to be applied to real and personal property at 235 Grandville Avenue SW, 248 Williams Street SW and 231 Bartlett Street SW; and

3. That the City Clerk shall notify in writing the City Assessor and the legislative body of each taxing unit which levies ad valorem property taxes in the City of the receipt of the application and also, the date, time, and location at which the City Commission shall afford the applicant, the Assessor, and a representative of each affected taxing unit an opportunity for a hearing.

This resolution was drafted by Jonathan Klooster, Economic Development

Yeas

Nays

Bliss

Gutowski

Kelly

Lenear

Lumpkins

Shaffer

Mayor Heartwell

Yeas:

Nays:

Adopted: _____


Failed: _____

MEMORANDUM

CITY OF GRAND RAPIDS · DOWNTOWN DEVELOPMENT AUTHORITY

DATE: May 8, 2015

TO: Downtown Development Authority

FROM: Kristopher Larson, AICP 
President & CEO

Agenda Item 11
May 13, 2015
DDA Meeting

SUBJECT: Recommendation to Approve DDA's FY2016 Budget and FY2015-2019 Priority Plans

Beginning in February of 2015, 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 and emerging priorities from GR Forward, to generating concepts for new projects, and finally, to prioritizing and phasing projects strategically. This 3-month, iterative process culminated in each of the three Alliances tendering recommendations to the three fiduciary Boards of DGRI (DDA, DID, and MNTIFA) regarding their ambitions for the coming fiscal years.

Expenditures proposed FY16 DDA Budget include 98 individual capital projects, programs, events, and other initiatives. Examples of each include undergrounding utilities, pedestrian area beautification along the Pearl St. gateway into Downtown, revamping Lyon Square, inclusion efforts intended to create a more welcoming Downtown for all citizens, festoon lighting over the South Ionia entertainment district, plus the very popular 6-event series, Movies in the Park.

Taken together, the investments total \$9,653,555 for FY16. After removing obligations such as debt service payments, the real estate purchase of Area 5, and administrative / overhead costs, the FY16 budget includes \$4,924,500 in discretionary investments. In addition to the 70 members that comprise the three Alliances, 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. *Citizens participated in identifying and prioritizing 94% of the \$4,924,500 in discretionary investments proposed in the FY16 DDA Budget.*

Also included within the proposed budget are 56 specific initiatives emerging from community visioning process, GR Forward. To date, more than 3,500 citizens have participated in crafting the vision. Examples of proposed GR Forward implementation-related projects include transforming four highway overpasses that create barriers within Downtown, developing a flexible greening treatment for Calder Plaza and Gillett Bridge, bike share system planning, improvements to the Downtown tree canopy, plus an urban walking / running trail.

The documentation included herein is a reflection of the many voices that participated in the budgeting 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 process.

Following a recommendation from the DDA Board, DGRI staff will present each of the fiduciary Boards' recommended budgets to the City Commission on May 26, 2015, requesting bottom-line appropriation. After receiving City Commission appropriation, the fiduciary Boards will each adopt their final annual budgets and priority plans, respectively, during their next scheduled meeting times.

Recommendation: Recommend the FY16 Budget Summary to the Grand Rapids City Commission and request fund appropriation.

MEMORANDUM

CITY OF GRAND RAPIDS · DOWNTOWN DEVELOPMENT AUTHORITY

Agenda Item - 11.
May 13, 2015
DDA Meeting

DATE: May 8, 2015

TO: Brian Harris, Chair
Downtown Development Authority

FROM: Jana M. Wallace
Downtown Development Authority Treasurer

SUBJECT: Proposed FY2016 – FY2020 Debt Increment Priority Plan

Attached is the Priority Plan for the DDA's Debt Tax Increment Fund. This Priority Plan includes the proposed FY2016 appropriation request and the FY2017 through FY2020 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 the DDA's use of these '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 refunded those pre-1995 eligible obligations.

Based on the March, 2015 Board of Review taxable values, the DDA's FY2016 projected debt tax increment revenues are expected to be 5.5% higher compared to FY2015. Since local taxing units have not yet announced their 2015/FY2016 millage rates, for the tax increment revenue forecast I used last year's millage rates. Since there will be no 2015 Headlee-related millage rate rollbacks for Grand Rapids, the only likely school-related millage rate change will be the amount Grand Rapids Public Schools chooses to levy for its bonded debt millage.

For FY2016 and beyond, I propose to reduce the revenue expected to be lost due to Prior Year Tax Increment Adjustments to \$100,000 or less. The number and size of multiple year appeals have decreased significantly in the last three years. However, State law allows property owners to appeal their current year assessments as well as the prior two years' assessments. The DDA annually accrues for any property assessment appeals that haven't been settled as of June 30 each year.

This Priority Plan also lists payments for the two remaining eligible obligations for which payments may be funded with school tax increment revenues. Both eligible obligations were issued for the construction of the Van Andel Arena. I also included an expenditure line to show 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 each year.

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 FY2016 Revenue and Appropriation Request and FY2017 - 2020 Forecasts

Prepared - April 28, 2015

Table 1 - Projected Revenue	FY2015			FY2016	FY2017	FY2018	FY2019	FY2020	FY2016-20	NOTES
	Budget	YTD Actual ¹	Estimate	Budget	Forecast	Forecast	Forecast	Forecast	TOTAL	
Property Tax Increment - Estimated Mills ²	\$ 7,529,127	\$ 7,542,368	\$ 7,529,127	\$ 7,970,567	\$ 8,010,420	\$ 8,050,472	\$ 8,090,724	\$ 8,131,178	\$ 40,253,361	Est. 0.50% annual growth after FY2016
Prior Year Tax Increment Adjustments	(200,000)	(12,111)	(200,000)	(100,000)	(100,000)	(50,000)	(50,000)	(50,000)	(350,000)	Reimbursements and appeal adjustments
Interest	10,000	1	10,000	8,000	8,000	8,000	8,000	8,000	40,000	
TOTAL PROJECTED REVENUE AS AMENDED	\$ 7,339,127	\$ 7,530,258	\$ 7,339,127	\$ 7,878,567	\$ 7,918,420	\$ 8,008,472	\$ 8,048,724	\$ 8,089,178	\$ 39,943,361	
Table 2 - Committed Expenditures - Investment										
Debt service - 1994 Van Andel Arena CAB Bonds										Final debt service payment due 06/01/2019
Principal	921,247	-	921,247	857,487	789,572	734,601	144,554	-	2,526,214	
Interest	3,073,753	-	3,073,753	3,137,513	3,205,428	3,260,399	700,446	-	10,303,786	
Debt service - 2009 Van Andel Arena Refunding										Final debt service payment due 05/01/2024
Principal	-	-	-	-	330,000	345,000	3,510,000	4,530,000	8,715,000	First principal payment on 05/01/2017
Interest	1,484,525	742,263	1,484,525	1,484,525	1,484,525	1,471,325	1,456,663	1,281,163	7,178,201	
Estimate of Maximum Capture to be Returned ³	1,849,602	1,388,812	1,705,768	2,391,042	2,100,895	2,189,147	2,229,061	2,270,015	11,180,160	Excess returned to State, GRPS, & KISD
TOTAL PROJECTED EXPENDITURES	\$ 7,329,127	\$ 2,131,075	\$ 7,185,293	\$ 7,870,567	\$ 7,910,420	\$ 8,000,472	\$ 8,040,724	\$ 8,081,178	\$ 39,903,361	
Table 3 - Excess / (Deficit) of Revenues Over Expenses										
Fund Balance - Beginning	\$ 3,822,708	\$ 3,822,708	\$ 3,822,708	\$ 3,976,542	\$ 3,984,542	\$ 3,992,542	\$ 4,000,542	\$ 4,008,542	\$ 3,976,542	
Plus: Projected Revenue	7,339,127	7,530,258	7,339,127	7,878,567	7,918,420	8,008,472	8,048,724	8,089,178	39,943,361	
Less: Committed Expenditures/Payments	(7,329,127)	(2,131,075)	(7,185,293)	(7,870,567)	(7,910,420)	(8,000,472)	(8,040,724)	(8,081,178)	(39,903,361)	
Fund Balance - Ending	\$ 3,832,708	\$ 9,221,891	\$ 3,976,542	\$ 3,984,542	\$ 3,992,542	\$ 4,000,542	\$ 4,008,542	\$ 4,016,542	\$ 4,016,542	

Note 1 - Actual data as of March 31, 2015

Note 2 - FY2016 revenues estimated using March, 2015 Board of Review taxable values and 2014 millage rates, since local units haven't announced their 2015 rates yet.

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



DOWNTOWN
GRAND RAPIDS INC.

FY 2016 Recommended Budget

Narrative

The following narrative document outlines priority project areas developed with all three Alliances of DGRI over the past few months. Projects and funding represent commitments to on-going obligations, as well as existing, on-going, and new projects in the next fiscal year.

Alliance for Investment

Development Incentive Programs

- *Areaway Fill*

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 Project Guidance*

Funding for legal and staff time expended on behalf of facilitating development projects.

- *Development Support*

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*

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, and other public realm improvements.

Planning

- *GR Forward*

Funding for the completion of an update to the Downtown and River Corridor Plan. The Plan is being undertaken to update the previous Plan (voices and Visions) 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 into the future. Work on the Plan initiated in April 2014, and is scheduled to be complete in the summer of 2015.

Public Realm Improvements

- *Arena South Implementation*

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. Additional funds will be used to install festoon lighting over Ionia Ave. SW.

- *Bridge Street Streetscape Enhancements*

Streetscape improvements on Bridge Street from Mt. Vernon to Scribner. Improvements will include enhanced pedestrian walkways, improved lighting, and crosswalks to improve pedestrian safety.

- *Grandville / Market Area Public Improvements*

DDA contribution to underground of utilities in the area surrounding Founders, plus the installation of decorative streetlights.

- *Library Improvements*

Public realm enhancements at the main branch of the Grand Rapids Public Library, including street furniture, trees, and other improvements to enhance the pedestrian experience and connect the area surrounding the library to Veteran's Park.

- *Lyon Square Improvements*

Design and implementation of enhancements to Lyon Square as recommended through GR Forward. The improvements are intended to add outdoor dining capacity, provide enhanced access to the lower River walkway, and create an events plaza.

- *Ottawa Avenue Public Improvements (Arena Place)*

Public realm improvements associated with the construction of Arena Place, including new sidewalks, lights, and street furniture along Ottawa Ave.

- *Pearl Street Enhancements*

Streetscape improvements to Pearl Street from Mt. Vernon Avenue to the Grand River to build upon the City / MDOT street re-construction project. Improvements will include additional lighting, street trees, planters, and a lookout to the Grand River at the Public Museum.

- *Rowe Hotel Public Improvements*

Public realm improvements to accompany redevelopment of the Rowe Hotel at 201 Michigan Street. Improvements will include new sidewalk and streetscape treatments, snowmelt, and façade improvements.

- *State Street Improvements: Jefferson Avenue to Lafayette Avenue*

DDA contribution to improvements on State Street, including porous pavements, bike lanes, brick pavers, historic street lighting, and low-impact design features to help capture and treat stormwater.

ITP Millage Funded Transit-Related Investments

- *DASH North Shuttles Lease*

This funding is intended to provide continued support for the DASH North shuttle service in partnership with the City of Grand Rapids Parking Services Department and The Rapid. All three partners have agreed to continue the service through 2016, with the understanding that GRFWD recommendations could alter the overall system.

- *Downtown Circulator Infrastructure*

This funding is intended to be used for potential branding and information (digital and otherwise) enhancements to the DASH system. Upon finalization of GRFWD recommendations related to DASH, this line item will allow for near-term implementation of efforts to transition the DASH to a more broad-based circulator system.

Alliance for Livability

Asset Maintenance

The line items specified under “Asset Maintenance” represent commitments to keep previous investments in a state of good repair and function. Numerous investments have been made to improve Downtown’s accessibility and safety (Accessibility and Mobility Repairs, Street Trees Maintenances, Snowmelt System Capital Repairs), and connectivity (Riverwalk Maintenance). Additionally, many other investments (park and public right-of-way enhancements, etc.) are maintained via “Project and Fixed Asset Maintenance”.

Clean, Safe, and Beautiful

- Public Realm Enhancements

Multiple projects will exist in this line item, potentially including major design work for enhancements to Calder Plaza in partnership with the City of Grand Rapids, design work for a “Monroe North Gateway” immediately north of Michigan Street on Monroe Avenue, and Downtown district wayfinding, branding, public art, and potentially graffiti mitigation.

- *Downtown Ambassador Program*

This funding is intended to continue to support the Downtown Ambassador Program and allow for potential expansion of service area and capacity.

- *Division Avenue Task Force Implementation*

The first major priority from the Division Avenue Task Force report was implementation of the Downtown Ambassador Program – this funding is intended to address new priorities, primarily lighting and safety enhancements on Division Avenue from Fulton to Wealthy.

Engagement

- *Downtown Census*

This funding is intended to support Phase II of the Downtown Census effort. Following the completion of Phase I (existing Residential Demographic conditions based on the compilation of existing data sets, as well as identification of deficiencies in existing data), Phase II will include data acquisition to create as complete of a picture as possible of the Downtown Residential population. A component of this effort will be a management plan to continually update and maintain this data.

- *Stakeholder Engagement Programs*

This funding is intended to support the activities of multiple partners and stakeholders in the Downtown, as well as constituency-directed engagement. Past examples of this work include event hosting for community groups, sponsorships, surveying, etc.

Mobility

- *Bike-Friendly Improvements*

This funding is intended to support continued investments in infrastructure such as enhanced bike parking and public repair stands, as well as new efforts including feasibility and planning efforts related to Bikeshare, and a potential pilot project for protected, on-street bike amenities (buffered or protected bike lanes).

- *Skywalk Wayfinding Improvements*

This funding is intended to support digital enhancements to the Skywalk wayfinding system to better serve multiple Downtown stakeholders, constituents, and skywalk users.

- *Wayfinding System Improvements*

This funding is intended to be used to maintain and repair the existing Downtown wayfinding system - to address general wear and tear, and to update information due to changes in the built environment as a result of growth and development.

- *Downtown Recreational Walk/Tour Signage*

This funding is intended 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.

- *Transportation Demand Management*

This funding is intended 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.

Urban Recreation

- *Urban Recreation Improvements*

This funding is intended to be utilized to pursue the design and potentially first phases of implementation of an urban recreational trailhead, as well as other urban recreation enhancements. Priorities and strategies from the GR Forward plan will also guide these investments, potentially including skate plaza siting and design.

Alliance for Vibrancy

Committed Obligations

- *Ticketed Events: Police Services*

DDA contribution for GRPD police services for ticketed special events include those located at Van Andel Arena and DeVos Place for pedestrian safety.

- *City of Grand Rapids Office of Special Events Support*

DDA contribution for The City of Grand Rapids Office of Special Event (OSE) support financially helps maintain and run the office's management in order to schedule, process and permit events looking to host an event within The City of Grand Rapids.

- *Rosa Parks Circle Ice Skating*

DDA contribution to Rosa Parks Circle Ice Skating helps to support skate rink operations including operations of the Zamboni, maintenance and upkeep of the rink.

- *Major Event Sponsorship*

DDA contribution to Major Event Sponsorship helps to support Downtown signature events like ArtPrize, LaughFest and GRandJazzFest.

- *Bridge Lighting Operations*

DDA contribution to Bridge Lighting Operations helps to support electricity and maintenance for lighting on the Indiana Railroad Bridge (Blue Bridge) and the Gillett Bridge.

Vibrancy Projects

- *Downtown Marketing*

DDA contribution to Downtown Marketing helps to support the website, marketing collateral for events happening within the Downtown, expansion of more inclusion-directed programming, DGRI advertising and printed merchandise.

- *State of the Downtown Event/Annual Report*

DDA contribution to the State of the Downtown Event/Annual Report helps to support the programming activities and production for the annual event as well as the costs to support the marketing medium for DGRI's annual report

- *DGRI Event Production*

DDA contribution to DGRI Event Production contributes to the support of six Movies in the Park events, Valent-ICE, Rosa Parks Ice-skating programming and the ArtPrize Pre-view party.

- *Diversity/Inclusion Programming*

DDA contribution to Diversity/Inclusion Programming helps to support efforts to welcome new audience to the Downtown. This could include, but not limited to; marketing, public speakers, events and event support.

- *Downtown Workforce Program*

DDA contribution to Downtown Workforce Program helps to support programming and other efforts in order to connect with the downtown workers of Grand Rapids. This could include, but not limited to; Broomball Tournament, exercise and fitness classes, marketing, Picnics in the Park, food trucks and Relax at Rosa.

- *Non-Tax Administration*

DDA contribution to Non-Tax Administration helps to support legal fees and other miscellaneous items in support of DGRI events.

- *Go-Site Visitor Center at the GRAM*

DDA contribution to the Go-Site Visitor Center at the GRAM helps to support the marketing towards visitor engagement and collateral designed to create awareness of the visitor's center at the GRAM.

- *Holiday Décor Program*

DDA contribution to Holiday Décor Program helps to support the DDA's investment towards lighting and decorating the downtown during the holiday season. This continued support will allow DGRI to continue to decorate the downtown with existing decoration investments as well as expanding to the Monroe North area.

- *Public Space Activation*

DDA contribution to Public Space Activation helps to continue and expand upon the new Pop-Up Performer Program, public games, the Holiday's Cheer, downtown murals, and other enlivening interventions that help create an ambiance at atmosphere within the downtown.

- *Special Events: Event Grant Support Program*

DDA contribution to Special Events Event Grant Support Program will help to support events happening within the downtown that are seeking event grant support and align with the community goals that were voiced through the Special Events Optimization process finalized in FY15.

- *Special Events Training Program*

DDA contribution to Special Events Training Program will help to support workshops and training to help assist event planners and producers on how to successfully plan and manage an event within the downtown.

Downtown Development Authority

Local Tax Increment Only

Proposed FY2016 Revenue and Appropriation Request and FY2017 - 2020 Forecasts

Updated 5/8/2015 by Jana Wallace

Table 1 - Projected Revenue	FY2015			FY2016	FY2017	FY2018	FY2019	FY2020	FY2016-20	NOTES
	Budget	YTD Actual ¹	Estimate	Budget	Forecast	Forecast	Forecast	Forecast	TOTAL	
Local Tax Increment - Calculated with Estimated Mills	\$ 4,237,009	\$ 4,338,852	\$ 4,237,009	\$ 4,695,425	\$ 4,718,902	\$ 4,742,497	\$ 4,766,209	\$ 4,790,040	\$ 23,713,073	Estimating 0.50% annual growth after FY2016
Public Transit Millage Increment	385,681	385,681	385,681	417,549	419,637	421,735	423,844	425,963	2,108,727	Estimating 0.50% annual growth after FY2016
Sub-Total Tax Increment Revenues	\$ 4,622,690	\$ 4,724,533	\$ 4,622,690	\$ 5,112,974	\$ 5,138,539	\$ 5,164,232	\$ 5,190,053	\$ 5,216,003	\$ 25,821,800	
Rebates to City of Grand Rapids and ITP	(278,682)	(133,590)	(133,590)	(150,850)	(303,209)	(304,725)	(306,248)	(307,779)	(1,372,811)	Rebates are 5% thru FY2016 then 10% beginning FY2017
Prior Year Tax Increment Adjustments	(100,000)	(3,092)	(75,000)	(100,000)	(100,000)	(50,000)	(50,000)	(50,000)	(350,000)	Adjustments due to appeals.
Sub-Total Tax Increment Revenues - Net	\$ 4,244,008	\$ 4,587,851	\$ 4,414,100	\$ 4,862,124	\$ 4,735,330	\$ 4,809,507	\$ 4,833,805	\$ 4,858,224	\$ 24,098,990	
Interest	50,644	2,202	57,000	60,500	49,466	70,467	93,546	167,769	441,749	Estimated 1.0% to 2.0% interest rates
Brownfield Redevelopmt Auth Reimbs - Grandville Ave	21,973	24,730	24,730	25,225	24,216	23,489	23,607	23,725	120,261	Custer STI-capture maxed out after 2012/FY2013
Brownfield Redevelopmt Auth Reimbs - Veterans Park	-	-	-	-	606,979	129,569	10,952	-	747,500	TIR from BRA-Fitzgerald by 12/31/2019 nte \$747,500
Reimb - Consumers Energy - Monroe Center Ph 3	-	81,679	81,679	-	-	-	-	-	-	Project reimbursement
Reimb - GR Public Schools - GR Forward Participation	-	37,010	67,290	5,000	-	-	-	-	5,000	GRPS' total commitment to the project is \$72,290
Miscellaneous Reimbursements & Fees	10,000	1,075	5,000	10,000	10,000	10,000	10,000	10,000	50,000	Bid packet fees, incentive applications, etc
TOTAL PROJECTED REVENUE AS AMENDED	\$ 4,326,625	\$ 4,734,547	\$ 4,649,799	\$ 4,962,848	\$ 5,425,991	\$ 5,043,033	\$ 4,971,910	\$ 5,059,717	\$ 25,463,499	
Table 2 - Administration										
General Administration	825,000	710,587	915,000	915,000	942,450	970,724	999,845	1,029,841	4,857,859	Staff, supplies, technology, legal, city costs, etc.
City of GR Legacy Costs	37,863	37,863	37,863	37,863	37,863	37,863	37,863	-	151,450	Share of former DDA emps' legacy costs - 5 yr payout
Sub-Total Administration	\$ 862,863	\$ 748,450	\$ 952,863	\$ 952,863	\$ 980,313	\$ 1,008,586	\$ 1,037,708	\$ 1,029,841	\$ 5,009,310	
Table 3 - Debt Service for Bond Issues										
Series 2003B/2013B CCBA Bonds - DeVos Place	333,700	293,100	333,700	333,650	328,550	327,100	324,225	326,125	1,639,650	Debt matures 02/01/2023
Series 2008 KCDC Bonds - Floodwall Refunding	50,151	46,318	50,151	50,891	51,437	51,537	16,032	15,933	185,830	Debt matures 11/01/2020
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
Series 2009A MMBA Van Andel Arena Refunding Bonds	-	500	500	500	500	500	500	500	2,500	Paying agent fees for Debt Increment Bonds
Sub-Total Debt Service	\$ 458,851	\$ 414,918	\$ 459,351	\$ 460,041	\$ 455,487	\$ 454,137	\$ 415,757	\$ 417,558	\$ 2,202,980	
Table 4 - Project Expenditures: Committed and Planned										
Investment: Development Incentive Programs										
Areaway Removal Incentive Program	35,000	35,000	35,000	70,000	35,000	35,000	35,000	35,000	210,000	Support for areaway abandonment
Building Re-Use Incentive Program	250,000	295,748	350,000	250,000	250,000	200,000	200,000	200,000	1,100,000	Historic preserv, ADA compliance, & façade improv
Development Project Guidance	-	42,330	65,000	80,000	85,000	85,000	90,000	90,000	430,000	Legal / staff time expended on behalf of devel projects
Project Tax Increment Reimbursements	750,000	686,700	686,700	600,000	600,000	650,000	650,000	700,000	3,200,000	Development Support Program Reimbursements
Streetscape Improvement Incentive Program	50,000	28,050	50,000	50,000	50,000	50,000	50,000	50,000	250,000	Partial support for streetscape enhancements
Sub-Total Development Incentives	\$ 1,085,000	\$ 1,087,828	\$ 1,186,700	\$ 1,050,000	\$ 1,020,000	\$ 1,020,000	\$ 1,025,000	\$ 1,075,000	\$ 5,190,000	
Investment: Planning										
Downtown Plan	\$ 350,000	\$ 361,329	\$ 467,290	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000	Scope expanded - see Reimbs-GRPS in Revenues above.
Investment: Public Infrastructure										
Arena South Implementation	-	672	5,000	200,000	500,000	250,000	-	-	950,000	Ionia festoon lights, Ottawa extension, arcade arena alley
Bostwick Avenue - Lyon St to Crescent St	50,000	-	-	-	225,000	-	-	-	225,000	Local match for State grant to reconstruct Bostwick
Bridge Street Streetscape / US 131 Underpass	125,000	-	1,500	225,000	-	-	-	-	225,000	Pedestrian and streetscape design / improvements
Grandville Area Public Improvements	-	-	-	850,000	-	-	-	-	850,000	Share of ornamental lighting & utility undergrounding
Grand River Activation	100,000	-	-	-	-	-	-	-	-	
Ionia Avenue 9 - Buckley to Wealthy	-	3,837	3,837	-	-	-	-	-	-	

Pearl Street Gateway Enhancements	-	-	-	600,000	-	-	-	-	600,000	Pedestrian enhancements to gateway roadway
Michigan / Ottawa Gateway	-	-	-	-	-	-	-	-	-	
Monroe Avenue Resurfacing - Louis to I-196	165,000	76,196	100,000	-	-	-	-	-	-	
Monroe Center - Phase 3 / Monument Park	-	88,594	125,000	-	-	-	-	-	-	
Ottawa Ave. Public Improvements	200,000	186,633	186,633	130,000	-	-	-	-	130,000	Public Improvements associated with Arena Place
Rowe Hotel Public Improvements	-	-	-	120,000	-	-	-	-	120,000	Final costs for Arena Place streetscape work
Library Area Improvements	-	-	-	130,000	-	-	-	-	130,000	Additional streetscape amenities, bicycle parking, etc.
Lyon Square Improvements	-	-	-	200,000	-	-	-	-	200,000	DDA contribution to \$2M fiber downtown infrastructure
State Street - Jefferson Ave to Lafayette Ave	50,000	-	-	50,000	850,000	-	-	-	900,000	DDA share of \$1,060,000 project
Veterans Park Improvements	100,000	-	100,000	-	1,000,000	-	-	-	1,000,000	Construct new park designed by VMP Comm
Weston Street - Sheldon to LaGrave Ave.	100,000	-	-	-	100,000	-	-	-	100,000	DDA contribution to street redesign
Sub-Total Public Infrastructure	\$ 890,000	\$ 355,932	\$ 521,970	\$ 2,505,000	\$ 2,675,000	\$ 250,000	\$ -	\$ -	\$ 5,430,000	
Investment: ITP Millage Funded Transit-Related Investments										
Amtrak Station Re-Location	50,000	-	-	-	-	-	-	-	-	Project completed ahead of schedule
DASH North Shuttles Lease	75,000	31,250	75,000	80,000	80,000	-	-	-	160,000	DASH service from Monroe N area to main downtown
New Downtown Circulator Infrastructure	-	-	-	150,000	100,000	-	-	-	250,000	bus wraps, digital / infromation infrastructure, etc.
Sub-Total Transit-Related	\$ 125,000	\$ 31,250	\$ 75,000	\$ 230,000	\$ 180,000	\$ -	\$ -	\$ -	\$ 410,000	
Livability										
Accessibility and Mobility Repairs	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	50,000	Repairs related to findings of FY2007 audit
Bicycle Friendly Improvements	100,000	-	20,000	150,000	500,000	500,000	-	-	1,150,000	On-street infrastructure, bikeshare study/plan, protected bike lane pilot, etc.
Downtown Census	30,000	-	5,000	25,000	-	15,000	-	-	40,000	Build/update comprehensive residential demographic census
Public Realm Improvements	200,000	45,298	50,000	300,000	100,000	100,000	-	-	500,000	Improving Calder Plaza; Monroe North Gateway; public art
Seward Avenue Non-Motorized Facility	-	17,858	17,858	-	-	-	-	-	-	Local match for \$952k bike facility, trail, & striping
Snowmelt System Capital Repairs	100,000	39,256	75,000	50,000	50,000	50,000	50,000	50,000	250,000	Electrical and alarm improvements
Urban Recreation Improvements	150,000	981	10,000	150,000	150,000	150,000	-	-	450,000	Running course, skate plaza, winter rec improvs, etc
Heartside Public Restroom Facility	-	-	-	100,000	-	-	-	-	100,000	Facility construction only. Operations paid by DID.
Tree Well Fill	-	-	-	50,000	50,000	50,000	-	-	150,000	Support half of cost, net of revenue for scrapped iron wells
Skywalk Wayfinding System	-	-	-	40,000	5,000	5,000	-	-	50,000	Electronic wayfinding tools for Skywalk system
Wayfinding System Improvements	110,000	33,324	75,000	120,000	120,000	120,000	-	-	360,000	Regular updates and repairs to wayfinding system
Sub-Total Livability	\$ 700,000	\$ 146,717	\$ 262,858	\$ 995,000	\$ 985,000	\$ 1,000,000	\$ 60,000	\$ 60,000	\$ 3,100,000	
Vibrancy										
Downtown Marketing and Inclusion Efforts	-	-	-	250,000	250,000	250,000	250,000	250,000	1,250,000	Grow vibrancy & diversity for a more welcoming Downtown
State of Downtown / Annual Report	-	-	-	20,000	20,000	20,000	20,000	20,000	100,000	Production of state-mandated reports and annual meeting
Sub-Total Vibrancy	\$ -	\$ -	\$ -	\$ 270,000	\$ 270,000	\$ 270,000	\$ 270,000	\$ 270,000	\$ 1,350,000	
Total Project Expenditures	\$ 3,150,000	\$ 1,983,056	\$ 2,513,818	\$ 5,125,000	\$ 5,130,000	\$ 2,540,000	\$ 1,355,000	\$ 1,405,000	\$ 15,555,000	
Total Expenditures	\$ 4,471,714	\$ 3,146,424	\$ 3,926,032	\$ 6,537,904	\$ 6,565,800	\$ 4,002,723	\$ 2,808,465	\$ 2,852,399	\$ 22,767,290	
Table 4 - Excess / (Deficit) of Revenues Over Expenses										
Fund Balance - Beginning	\$ 2,986,356	\$ 2,986,356	\$ 2,986,356	\$ 3,710,123	\$ 2,135,068	\$ 995,259	\$ 2,035,568	\$ 4,199,013	\$ 3,710,123	
Plus: Projected Revenue	4,326,625	4,734,547	4,649,799	4,962,848	5,425,991	5,043,033	4,971,910	5,059,717	25,463,499	
Less: Administration and Debt Service	(1,321,714)	(1,163,368)	(1,412,214)	(1,412,904)	(1,435,800)	(1,462,723)	(1,453,465)	(1,447,399)	(7,212,290)	
Less: Project Expenditures	(3,150,000)	(1,983,056)	(2,513,818)	(5,125,000)	(5,130,000)	(2,540,000)	(1,355,000)	(1,405,000)	(15,555,000)	
Fund Balance - Ending	\$ 2,841,267	\$ 4,574,479	\$ 3,710,123	\$ 2,135,068	\$ 995,259	\$ 2,035,568	\$ 4,199,013	\$ 6,406,332	\$ 6,406,332	

Note 1: Actual data through March 31, 2015

Downtown Development Authority

Non-Tax Fund Only

Proposed FY2016 Revenue and Appropriation Request and FY2017 - 2020 Forecasts

Updated 5/8/2015 by Jana Wallace

Cost Center : 7060UNREST

Table 1 - Projected Revenue	FY2015			FY2016	FY2017	FY2018	FY2019	FY2020	FY2016-20	NOTES
	Budget	YTD Actual ¹	Estimate	Budget	Forecast	Forecast	Forecast	Forecast	TOTAL	
Property Rental - Parking Lots	\$ 336,925	\$ 247,308	\$ 315,000	\$ 318,150	\$ 321,332	\$ 324,545	\$ 327,790	\$ 331,068	\$ 1,622,885	25% of gross beginning FY2014
Property Rental - Winter Avenue Building	9,000	-	9,000	9,000	9,000	9,000	9,000	9,000	45,000	Leased to DID
Property Rental - YMCA Parking Lot	52,000	38,025	52,000	53,000	54,000	55,000	56,000	57,000	275,000	Use of the original DASH 8 lot
Areaway Special Assessment (3)	15,000	1,289	1,289	15,000	15,000	15,000	15,000	15,000	75,000	City View, Mel Trotter, Touchstone
Interest on Investments	18,747	10,111	24,171	16,719	8,768	12,988	12,717	22,828	74,020	Estimated interest rates @ 0.5% to 1.5%
The Gallery Promissory Note - Interest	40,167	-	45,181	30,887	28,637	26,107	22,451	17,951	126,033	4.5% simple interest.
The Gallery Promissory Note - Principal	-	175,000	200,000	50,000	50,000	75,000	100,000	100,000	375,000	\$25k due 04/15. Developer pd \$175k 11/7/14
Movies in the Park Sponsorship	-	1,250	20,000	20,000	30,000	30,000	30,000	35,000	145,000	Food trucks and other vendors
Valent-ICE Sculpture Reimbursements	-	15,400	15,400	20,000	25,000	25,000	25,000	25,000	120,000	Offset costs of sponsor sculptures
Miscellaneous	500	-	500	500	515	530	546	563	2,655	Fees, reimbursements, etc.
TOTAL PROJECTED REVENUE	\$ 472,339	\$ 488,383	\$ 682,541	\$ 533,256	\$ 542,252	\$ 573,170	\$ 598,505	\$ 613,410	\$ 2,860,592	
Table 2 - Committed and Planned Expenditures										
Investment - Planning and Infrastructure										
Purchase Area 5 Parking Lot	2,051,451	-	-	2,051,451	-	-	-	-	2,051,451	Acquire Area 5 for future development
Debt Service Related to Area 5 Purchase	-	-	-	-	185,997	180,683	175,368	170,054	712,102	Principal and interest for Area 5 acquisition
Downtown Speaker Series	35,000	14,270	30,000	15,000	15,000	-	-	-	30,000	Events featuring city-building experts
Sub-Total Investment	2,086,451	14,270	30,000	2,066,451	200,997	180,683	175,368	170,054	2,793,553	
Livability										
Division Avenue Task Force Implementation	5,000	-	1,500	5,000	5,000	-	-	-	10,000	Implementation of Task Force findings
Downtown Recreational Walk / Tour Signage	25,000	9,715	10,000	15,000	10,000	-	-	-	25,000	Signage to improve walking
Downtown Ambassador Program	300,000	218,590	300,000	225,000	225,000	200,000	-	-	650,000	Hospitality and Safety Program
Educational Partnerships Initiatives	10,000	-	-	5,000	-	-	-	-	5,000	Growing partnerships to increase awareness
Project and Fixed Asset Maintenance	100,000	4,441	50,000	50,000	25,000	25,000	25,000	25,000	150,000	Asset maintenance not budgeted elsewhere
Riverwalk Maintenance	60,000	1,000	30,000	25,000	10,000	10,000	10,000	10,000	65,000	Walkway repairs and maintenance
Stakeholder Engagement Programs	5,000	4,387	5,000	7,500	7,500	7,500	7,500	7,500	37,500	Constituency-directed engagement
Street Trees Maintenance Program	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	25,000	Watering / tending trees within the district
Transportation Demand Mnmt Program	92,500	49,381	80,000	125,000	125,000	125,000	-	-	375,000	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	605,000	292,514	481,500	465,000	415,000	375,000	50,000	50,000	1,355,000	
Vibrancy										
Bridge Lighting Operations	10,000	-	10,000	10,000	10,000	10,000	10,000	10,000	50,000	Electricity and maintenance for lighting
DGRI Event Production	45,000	63,956	65,000	60,000	60,000	60,000	-	-	180,000	DGRI-produced events, i.e. Movies in the Park
Diversity / Inclusion Programming	10,000	4,000	6,000	10,000	10,000	10,000	-	-	30,000	Increase Downtown awareness to new audiences
Downtown Marketing	225,000	128,065	225,000	-	-	-	-	-	-	Moved to Local Tax Increment fund
Downtown Workforce Program	15,000	4,277	15,000	20,000	22,500	22,500	-	-	65,000	Events engaging the Downtown workforce
Go-Site Visitor Center at GRAM	30,000	-	5,000	10,000	-	-	-	-	10,000	Support for visitor engagement center

Holiday Décor Program	60,000	62,536	62,536	30,000	20,000	20,000	-	-	70,000	Adorning Downtown for the holiday season
Major Event Sponsorship	82,000	65,240	65,240	80,000	80,000	-	-	-	160,000	Artprize, LaughFest, and GRand Jazz Fest
Public Space Activation	30,000	1,174	25,000	35,000	15,000	15,000	-	-	65,000	Buskers, murals, & other enlivening interventions
Rosa Parks Circle Ice Skating Support	42,000	504	40,000	42,000	42,000	42,000	-	-	126,000	Skate rink operations
Special Events - Grant Programs	50,000	46,573	49,073	50,000	50,000	50,000	50,000	50,000	250,000	Support for new & emerging events
Special Events - Office of	100,000	29,219	86,000	100,000	75,000	-	-	-	175,000	Partial support for special events mnmt
Special Events Training Program	5,000	-	-	5,000	-	-	-	-	5,000	Workshops to assist and train event producers
State of the Dntn Event & Annual Report	22,500	150	10,000	-	-	-	-	-	-	Moved to Local Tax Increment fund
Ticketed Events - Police Services	80,000	50,702	80,000	80,000	80,000	-	-	-	160,000	Pedestrian safety - Arena & DeVos Place
Wayfinding Sign Maintenance	-	3,991	3,991	-	-	-	-	-	-	Moved to Local Tax Increment fund
Sub-Total Vibrancy	806,500	460,387	747,840	532,000	464,500	229,500	60,000	60,000	1,346,000	
Miscellaneous Projects										
Administration	1,500	1,315	2,000	2,200	2,500	2,700	2,900	3,100	13,400	Miscellaneous fees and expenditures
Monroe Avenue Phase 3 Services	-	30,261	55,000	-	-	-	-	-	-	Monument Park snowmelt and lighting
Experience Miscellaneous	100,000	14,263	80,000	50,000	50,000	50,000	50,000	50,000	250,000	Available for emerging ideas and opportunities
Sub-Total Miscellaneous	101,500	45,839	137,000	52,200	52,500	52,700	52,900	53,100	263,400	
TOTAL PROJECTED EXPENDITURES	\$ 3,599,451	\$ 813,010	\$ 1,396,340	\$ 3,115,651	\$ 1,132,997	\$ 837,883	\$ 338,268	\$ 333,154	\$ 5,757,953	
Table 3 - Excess / (Deficit) of Revenues Over Expenses										
Fund Balance - Beginning	\$ 5,439,588	\$ 5,439,588	\$ 5,439,588	\$ 4,725,789	\$ 2,143,394	\$ 1,552,648	\$ 1,287,936	\$ 1,548,172	\$ 4,725,789	
Plus: Projected Revenue	472,339	488,383	682,541	533,256	542,252	573,170	598,505	613,410	2,860,592	
Less: Committed & Planned Expenditures	(3,599,451)	(813,010)	(1,396,340)	(3,115,651)	(1,132,997)	(837,883)	(338,268)	(333,154)	(5,757,953)	
Ending Fund Balance - Before Reserve	\$ 2,312,476	\$ 5,114,961	\$ 4,725,789	\$ 2,143,394	\$ 1,552,648	\$ 1,287,936	\$ 1,548,172	\$ 1,828,428	\$ 1,828,428	
Reserve for Brownfield 2012A Bonds	(530,584)	(530,584)	(530,584)	(530,637)	(531,071)	(530,964)	(531,291)	(530,999)	(530,999)	Per Downtown Market Repayment Agreement
Ending Fund Balance - With Reserve	\$ 1,781,892	\$ 4,584,377	\$ 4,195,205	\$ 1,612,757	\$ 1,021,577	\$ 756,972	\$ 1,016,881	\$ 1,297,429	\$ 1,297,429	

Note 1 - Actual data as of March 31, 2015



Downtown Grand Rapids Ambassador Program Monthly Report April 2015



Outreach Highlights



Darryl C. assists a man who needs first aid

Highlights

The ambassador team continues to provide check-ins with the people staying in the various homeless camps to ensure their safety and offer them resources.

The safety ambassador team continues to work with the Housing Assessment Program through the Salvation Army to follow-up with a woman they are trying to connect with housing resources. We have helped locate her on several occasions and provided escorts and assistance for her so she can attend the necessary appointments to maintain her status on the housing waiting list

QUICK VIEW

Apr 01, 2015 -- Apr 30, 2015

173 Panhandling - Aggressive

194 Panhandling - Passive

4155 Homeless

Safety Highlights



Bill S. and Rebecca K. learning about fire safety at a Kent County CERT training



Darryl C. provides and escort to an individual to Mel Trotter Ministries

Training

Bill S., Rebecca K. and Melvin E. attended Community Emergency Response Team (C.E.R.T.) Training. This training discussed a variety of safety topics including fire safety, search and rescue, medical triage, hazardous chemical awareness, disaster response and disaster psychology.

Accomplishments

The safety ambassador team provided enhanced deployment on 4.26.2015 for Museum Free 4 All. We deployed 4 ambassadors to work the event and focus heavily on the core to cover the Public Museum, the Ford Museum, GRAM, UICA and the Children's museum. The day was busy with the ambassadors providing information and hospitality services to a variety of downtown visitors especially children.

QUICK VIEW

Apr 01, 2015 -- Apr 30, 2015

23 Request for Police

24.5 Segway Hours

27 Request for Fire/EMS

69 Observation - Fighting

74 Bicycle (miles)

95 Suspicious Package

339 Sidewalk Violation (skateboarding/Bicycling/Rollerblading)

560 Suspicious Person

990 Safety Escort

Hospitality Highlights



Katie M. provides hospitality services to a family and gives stickers to the kids

Special Recognition

Eryn, Katie, Veronica, Rebecca and Tyler all received positive feedback for providing excellent customer service.

Initiatives

The ambassador program in partnership with Friends of GR Parks, the Grand Rapids Children Museum, DGRI and Mayor Heartwell's office developed and planned a Jr. Ambassador program to engage youth in learning about various aspects of downtown including; parks, playing downtown, mobility and planning the future of Grand Rapids. The program is set to kick-off on May 16th at 10am hosted at the Children's Museum.

QUICK VIEW

Apr 01, 2015 -- Apr 30, 2015

- 10** Motorist Assistance
- 133** Umbrella Escorts
- 252** Graffiti - Removed
- 379** Business Contact
- 1641** PA - Directions
- 3893** PA - Information
- 1879** PA - Program Information
- 8017** PA - Other

Stakeholder Feedback



Debra L Lambers added a new photo to Downtown Grand Rapids Inc.'s timeline — with Veronica Aho and Kayleigh Kramer at Parsley Mediterranean Grill.

March 12 at 10:26am · 🌐

Dude loves the Ambassadors, specifically Veronica and her treats! Thanks be to you all!



Like · Comment · Share · 👍 15 💬 2



Stacy Slikkers Noonan ▸ Downtown Grand Rapids Inc.

April 21 at 1:11pm · 🌐

We were busking downtown Saturday on Monroe Center near Rosa Parks Circle and met Kevin.....a very friendly and knowledgeable Ambassador.



Thomas Hanley

Today at 11:42am · 🌐

Hey Kristopher Larson and Andy Guy what a great service is the umbrella escort. Veronica made sure I stayed dry in today's rain from @Jude's Barbershop all the way to Wondergem Consulting.

Like · Comment · Share



Feedback from the Community

"I just wanted to call and say kudos to your program. I watched one of your ambassadors escorting a visibly intoxicated individual to the homeless shelter. I think it's great I live in a community where this service exists. I don't know who pays for you but there should be more of you."

-Melissa

"I just wanted to say that Rebecca was super friendly and nice. Thank you for employing such a great lady!"

-Katie

"I was eavesdropping on two of your ambassadors while waiting for the bus at Fulton and Sheldon. I was impressed with their interaction with and general treatment of the homeless guy they were talking to. They were personable and considerate. They introduced themselves as Eryn and Kevin and I would appreciate it if you let them know they're doing a darn good job."

-Anonymous

Highlights



Veronica A. passes out treats



Rebecca K passing out stickers and giving directions



Ben D creating a maintenance request



Bill S. Removing Graffiti



Veronica A providing hospitality services



Katie M removing graffiti



Several safety ambassadors being tested for bike safety skills



Bill S. and Rebecca K. reviewing information in CERT training