

AGENDA



GR Forward GOAL 4 ALLIANCE

Members:

Ace Marasigan • Alex Caceres • Ana Jose • Attah Obande • Brandy McCallum • Brianna Vasquez de Pereira • Caylie Peet • Farida Islam • Jason McClearen • Jorge Gonzalez • Kara Wood • Kareem Scales • Kristian Grant • Mark Breon • Omar Cuevas • Scott Stenstrom • Tim Mroz

June 18, 2019

3:00p – 4:00p

29 Pearl Street, NW Suite #1

1. Call to Order
2. Approval of May 21, 2019 Meeting Minutes*
3. Retail Grant Proposals
 - Speckl Goods
 - Occasions Baskets & Gifts, LLC
 - The French 75 Café
4. Purchasing/Contracting Policy Discussion
5. Small Business Expo
6. Other Business
7. Public Comment
8. Next Meeting – July 16, 2019
9. Adjournment

***Denotes Action Item**



Goal 4 Alliance

May 21, 2019

1. Call to order: Jorge Gonzales called the meeting to order at 3:06 pm
2. Members Present: Jorge Gonzalez, Omar Cuevas, Ana Jose, Tim Mroz, Scott Stenstrom, Kara Wood, and Kareem Scales

Members Absent: Attah Obande, Alex Caceres, Farida Islam, Ace Marasigan, Brandy McCallum, Jason McClearen, Brianna Vasquez de Pereira, and Kristian Grant

Others Present: Raul Alvarez and Mary Delaluz-Martinez (Tamales Mary), Brian Mosby (Mosby's Popcorn), AJ Hill, Caylie Peet, Kyama Kitavi and Amanda Sloan (DGRI Staff)

3. Approval of Minutes
Mr. Cuevas, supported by Mr. Mroz motioned to approve April 16, 2019 Meeting Minutes as presented. None opposed. Motion approved.
4. Tamales Mary Update
Kyama Kitavi invited Raul Alvarez to provide a review of the support Tamales Mary received from the DDA. Funds were provided in 2018 to lease a food cart from Move Systems in an effort to expand the business into downtown. Mr. Alvarez stated this fast track project was successful as a cost effective way to reach an expanded customer base. Tamales Mary grew in excess of 30% the summer of 2018, and not just in food truck sales, but benefited by increased store traffic and catering contracts. They hired 6 additional permanent employees and learned a great deal in marketing the business. Mr. Alvarez stated their mobile unit from Move Systems will be ready by next week and they are excited to be in year two of this project. Ms. Delaluz-Martinez thanked the group for their support. Mr. Cuevas asked Ms. Delaluz-Martinez the biggest lesson she learned from this experience. With this increased demand for Tamales Mary, a challenge has been trying to manage the quick growth. Ms. Jose asked how much catering she has attributed to the food cart. Ms. Delaluz-Martinez stated very much; this has even led to a catering partnership. The next challenge will be learning how to further scale the business.

5. Retail RFP Process & Evaluation Review

Mr. Kitavi stated he would like to discuss the two proposals provided last week (WMCAT and Mosby's Popcorn), as examples of requests we will be seeing, in order to assess the evaluation process. He recommended the process be to: email alliance members new proposals with the agenda packet one week prior to an alliance meeting, collect feedback from members, and collate responses to be prepared to discuss at the meeting. He asked the group if this process would be useful and if the evaluation forms provided need editing. Ms. Wood stated there should be a distinction in the Project Cost section of the Application that indicates the grant request and the total cost of the project, if different. Also, under Relevant Experience, we should request applicants list any other program grants or support they have sought from other organizations. Mr. Gonzales agreed. Ms. Wood then stated, as part of Evaluation form under Potential for Success, we should distinguish investments that will support downtown initiatives. We would also like to know the hours of operation for any retail incubator applications. Mr. Gonzales stated we should request data tracking for future reports similar to what Tamales Mary provided. It would be great to know the level of growth gained by operating downtown, even if that growth takes place outside of downtown. Mr. Kitavi asked if it is more beneficial to receive a narrative report as opposed to a written outline. Mr. Stenstrom believes a narrative is a great way to display what the end game looks like. Mr. Cuevas stated capturing the other programs and support that Tamales Mary obtained during this process (by working with other ESOs) should be part of the story as well. Mr. Scales stated the Evaluation Form with grading scale looks great though the Clear Articulation of Expected Outcomes does not have a corresponding question on the application; it might be helpful to have that broken down with time frames. Ms. Wood agreed and added it could also call for how the applicants expected outcome relate to the GR Forward plan.

Mr. Kitavi stated some proposals have time specific requests. Ms. Wood stated if the request of the proposal is well defined and it follows the process recommended, we should be able to make the decision in an appropriate amount of time without requesting further steps. Mr. Kitavi asked how you would apply this evaluation in a broader request such as WMCATs. Would we alter the questions on the evaluation? Ms. Wood asked if there was a previous retail multi-tenant incubator program. Mr. Kitavi stated he would confirm with Mr. Kelly or Mr. Guy.

Mr. Cuevas stated his concern with WMCATs proposal is sustainability and asked if we were looking for something with more longevity. 17 weeks is very short term for such an expensive project. Ms. Wood stated it doesn't sound like they have an incubator program infrastructure, just an open space, and businesses coming in will need technical support. Ms. Jose stated businesses starting up will take years to build a market and achieve success. Ms. Wood agreed and stated this will take much more marketing in that specific location.

Mr. Kitavi asked Mr. Cuevas if he envisioned established ESOs submitting proposals and, if so, what might they look like? Mr. Cuevas stated we should look at the numbers, determine an appropriate allocation of marketing dollars, define other resources or subsidies in play, and evaluate the type of partnership with the developer. In this case, what is the run width to start identifying potential vendors and creating strategy to help these businesses leverage this space? Ms. Wood agreed and stated the items WMCAT is tracking are unrelated to business success; taking stats on foot traffic doesn't equate to business support. Mr. Mroz stated the lack of consistency is already an issue downtown. Does this model further propagate retail leaving as soon as it gets going? Ms. Jose stated most importantly we need to consider the mentoring piece. It is tough to be downtown and without structured mentoring support we are setting up these businesses to fail. Mr. Cuevas stated in conclusion, each of these incubator proposals should include a plan for what type of mentoring they will provide in the incubator space to support these businesses. Mr. Stenstrom stated perhaps WMCAT missed the window on this one, with apparent group consensus, but the decision to support this incubation space should be a separate decision from that of providing direction on how to support and manage the artists or businesses brought in. Mr. Kitavi stated he will connect with WMCAT with our feedback and suggested revisions to their proposal.

6. Mosby's Popcorn Proposal

Brian Mosby stated in 2015 he opened a family operated gourmet popcorn service in Kentwood offering 150+ flavors of popcorn. The location on 60th and Kalamazoo Ave is not ideal and Mr. Mosby would like to be in the City of Grand Rapids. Mosby's Popcorn has participated in Laugh Fest, Artprize, Movies of Monroe, and other downtown events as a pop up vendor; however, they do not have a physical truck or cart. Mr. Mosby stated this restriction causes them to lose time and waste product by not having the right flavors/product on hand during vendor events and the commute out to Kentwood for restocking is inefficient. He believes a food truck would provide additional branded exposure and the smells from making fresh product on site would draw in impulse buyers. Mr. Mosby stated they also have plans to partner with grocery stores around town but would love to have a downtown storefront. Ms. Wood stated Mr. Mosby has been working with Start Garden and GRABB (another Entrepreneurial Services Organizations) for several years and would be happy to see his company grow with the addition of a food cart. Mr. Cuevas asked why the proposed request is only 50% of the amount needed. Mr. Mosby stated he derived his proposal from Tamales Mary's proposal last year in asking for support for their Move Systems truck. Unfortunately, the Move Systems 12x6 size cart doesn't allow for a display of popcorn or space for the machine to pop fresh product so ideally we would buy and enhance our own vehicle. There is a question, however, on if DDA funds can be utilized in that manner. Mr. Scales asked for clarification. Mr. Kitavi stated the DDA cannot fund the purchase of a food cart but could fund the lease of a food truck/cart or the enhancement of a permanent structure. Mr. Gonzales stated Mr. Mosby has been looking for downtown retail space for some time but a suitable location has not yet been found. Mr. Mosby was asked if

his other two businesses still exist and he informed the group that, yes, all 3 are still going. He stated his motivation to grow Mosby's Popcorn is to add additional opportunities (give more hours) to his employees. Eventually he would like to expand this business into a franchise, but he does recognize the need for a polished business model first in order to expand with sustainability. Mr. Cuevas recommended Mr. Kitavi work with Mr. Mosby directly to determine eligible funding opportunities.

Mr. Cuevas, supported by Ms. Wood, motioned to approve funding for Mosby's Popcorn not to exceed \$60,000. None opposed. Motion passed.

7. Purchasing Contracting Committee

Mr. Kitavi provided an update on DGRI's commitment to developing an equitable and diverse purchasing/contracting hiring process. He stated he has met with Mr. Villarreal from the GR Chamber and Mr. Cisneros from the Hispanic Chamber on their best practices. Realizing we have certain limitations, the goal is to get projects in front of as many vendors as possible during the DDA hiring process.

8. Business Resource Expo- Sept 29th

Mr. Kitavi stated the date and location have been reserved for the Small Business Expo to take place on September 29th 2019. Stay tuned for more details and opportunities for participation.

9. Next Meeting- June 18th 2019

10. Public Comment:

None

11. Adjournment:

Jorge Gonzalez adjourned the meeting at 4:11 pm

Minutes taken by:
Amanda Sloan
Administrative Assistant
Downtown Grand Rapids Inc.



RETAIL BUSINESS ATTRACTION, INCUBATION & DEVELOPMENT APPLICATION

BUSINESS NAME: Speckl Goods

OWNER NAMES: Erika Townsley, Matthew Provoast

BUSINESS LOCATION: 234 Market

**Bringing a Speckl of fun to
Downtown Grand Rapids, Michigan.**

APPLICATION OUTLINE

- 3. About Us
- 4. Description of Approach
- 6. Relevant Experience
- 8. Team
- 10. Schedule
- 12. Project Costs
- 14. Retail Renderings
- 17. Build-out Quote
- 18. Lease Negotiations

60K
GRANT

40K
INVESTMENT

2
YEARS

Summary.

Erika Townsley and Matthew Provoast are seeking funding to open a storefront for their brand, Speckl Goods. Through owning and operating Light Gallery + Studio for the past three years, Townsley and Provoast are ready to take the knowledge they've acquired and apply it to their own brand with a brick and mortar space in Downtown Grand Rapids. This funding will help launch this project of a unique space downtown featuring their own product, as well as support local designers and artists. We're seeking this funding because over the last three years, we have put all of our profits back into our business, and are at a point where we need financial support for this next stage of development with Speckl Goods.



What is Speckl Goods.

For our products such as plant pots, coasters, and other home goods, we specialize in a terrazzo surface design, which is traditionally used with cement and an aggregate such as stone. In our modern twist on terrazzo, we come up with our own custom blend of colors with our material, break them into small aggregate pieces, and incorporate them into the base of our product material. This creates a unique and organic pattern design when the top layers are carefully polished away. The products we create are crafted using a newly developed acrylic polymer concrete that is lightweight and durable. These products are handmade by us in small batch form. No two products are exactly the same, which holds true to their handmade nature. Our process includes a well thought out design and the ability to multiply many different shapes and products. Each product is sealed using our own custom blend of natural wax and mineral oil.

Why retail design is crucial.

Creating a retail brand starts at the front door and unravels with every detail of the build out. With Speckl Goods, we wanted that experience to feel playful with unexpected moments that unraveled as you navigated the store. The product is enhanced by an environment that focuses on experience as much as retail. Speckl Goods will become a destination shop for visitors near and far and adds something unexpected to the Grand Rapids shop scene.

Ahead of trends.

Terrazzo became popular in the Art Deco era during the 1920-1940's. More recently, it has been commonly used in flooring. We've spotted a growing recent trend with artists in the UK who are using terrazzo design to make unique functional objects. Concrete home goods have become very popular in the last few years, and we believe that we are exploring a process that is an extension of that trend, while being ahead of it, helping to bring these ideas to the U.S. We've started to notice some terrazzo products at places like CB2 and West Elm, but feel that there is a need for products that are not mass produced, and instead made right here in Grand Rapids.



DESCRIPTION OF APPROACH

Summary of venture.

Our goal with Speckl Goods retail storefront is to curate a space that stands out among the crowd of so many small shops that already exist like the one we currently have. We aim to curate a space that is bold and unexpected, while adding a little diversity to what local shops in Grand Rapids currently have to offer. At the end of 2018, we set out to get back in our studio and make products that we wished were available in Grand Rapids. This includes funky planters, candles, and other home good items. These items will be for sale at our new location, with the addition of plants, a curated selection of artwork, and complementary products to our brand.

At 234 Market, our storefront will be much smaller than our current retail location. We truly believe that this will allow us to downsize what we need to, and tackle the most rewarding parts of our business with more focus and energy. The property has opened the door to many possibilities that we don't currently have, such as access to the community space to teach classes to the public as well as 234 Market residents, an invitation to curate the model apartment in the building, and show artwork in the lobby of the building. Outside of that, we will be right across the street of the highly anticipated Downtown Dog Park, and anticipate working with the city to do some sort of public activation of that space.

Strategy.

We will transform our new storefront to be as unique and different as the goods we make. Our focus is on our brand, and how we can build retail around it. This includes private label with local artists that can create custom goods for us. This gives us some control over design and function, while providing these artists a more profitable option in purchasing wholesale, giving them a lump sum of money rather than a small check after items sell. This level of exclusivity will draw customers to us, knowing that we would be the only store where they can find these unique products. As we continue to work closely with our business advisor, Rachel Zipsie, this is the best option for us to reach our financial goals with plenty of room to grow.

We plan to involve artists and makers to collaborate on private label products that will compliment our staple products of Speckl Goods. Private label would give us more control in supporting the aesthetic of our storefront and makes those goods exclusive to us. Private label and wholesale orders are the best way to support a local maker, rather than consignment. We've reserved \$4,000 of our own personal funds to kick-start those collaborations just in time for the holiday season. An example of a planned private label collaboration would be with a local candle maker, who would be willing to make an exclusive set of scents for our storefront, and pouring the candles in our own Speckl Goods. We also have plans to work with local artists to make custom wall artwork, stickers, jewelry, and other goods we see profitable enough to invest our own money too. We want to create a space utilizing our resources and connections through Kendall College of Art and Design and share this grant with them, local artists Fernando Ramirez (designer), and Aaron Rihacek (furniture design).



While working with our lead designer Fernando Ramirez, we plan on creating a space that nods to a Post Modern vibe, with a touch of Futurism. This includes the use of interesting shapes in our fixtures that are a little more playful than the mid century modern approach that has become more popular within the past few years. The use of funky and bright colors, a minimal aesthetic, and custom retail displays will provide something different that you can't locate in Grand Rapids. Through working with our future landlords, they've given us the green light on adding to their blank canvas space. The shop's aesthetic will compliment our own Speckl Goods that make the customer confident in adding unique and colorful pieces to their own home. We want everyone who walks through our door to feel inspired by our space, and encouraged to explore.

Community goals.

We realize that this grant funding opportunity will be a great relief as we set out to open our new storefront with Speckl Goods, so we have been planning on ways to spread our love of art by activating public spaces around Grand Rapids. This may include facilitating artists to paint murals around Downtown, activating the Downtown Dog Park in a unique way with temporary sculptures, as well as facilitating art classes with the residents at 234 Market, and other downtown resident buildings. Grand Rapids' population is growing, and there are so many new faces that we'd love to introduce how embedded Grand Rapids is with the arts. Most residents at 234 Market, for example, are new to the city and may be unfamiliar with the downtown area and looking for ways to support our local economy.



RELEVANT EXPERIENCE

Owning Light Gallery + Studio.

Since opening Light Gallery + Studio in 2016, we have prided ourselves on supporting local artists and makers in an approachable space. Throughout the last three years, we have worked with nearly 100 artists and makers in our gallery to display their artwork and handmade goods. After our first year, we added an educational element to our business by offering a wide variety of art classes taught by many talented instructors in the Grand Rapids area, and teaching our own classes as well. These classes teach intermediate style forms of art at a beginner level, giving our students the knowledge and tools to start creating on their own, while leaving with their finished product at the end of each session.

Currently Light Gallery + Studio is involved with rotating monthly shows for local artists in part of First Fridays along the Avenue of the Arts. We offer a wide variety of handmade goods and local artwork in our gift shop. Our workshop area doubles as a place for creatives to rent for meetings, as well as book private classes for events such as team building outings. We have hosted AIGA, Custer, Design Week, Kendall College of Art and Design, and the local Tuesdays Together group, to name a few. We also specialize in selling funky houseplants, curating at outside venues, art installation in residential spaces, and host a podcast called Light Conversations that highlights local artists and makers.

What's working.

We aim to be the most transparent with our artists, providing easy to follow inventory collection documents for each artist in our shop, and consistently payout our artists NET 15. This business has allowed us to establish relationships with countless artists and community leaders, as well as create a unique and vibrant space for emerging artists. We were able to build up our fellow artists, specifically working in Grand Rapids. Supporting our local community has been the greatest pleasure, and giving artists a place to show their work without charging outrageous fees, or taking a large percentage, is something we are proud of. Selling artwork on consignment was the most approachable option for us as we ventured out on building our own business. It's low risk on both ends, and provides flexibility for ourselves and the artists.

What's not working.

Though our experience has been mostly positive, we do struggle with how time consuming a space like this can be, with little financial reward. It's hard to stand out among so many local gift shops in Grand Rapids, and even more difficult to make sales of original artwork. With the amount of art galleries and local shops, it's hard not to have duplications of products with other stores. We wanted our artists to be able to sell their work anywhere and everywhere that they could, as part of our mission, but eventually it affected our business negatively.



Though it has brought us much joy dedicating our space to many different artists and makers, we are ready to move on and start up a new store that revolves around us as makers. We have worked so hard to build a space for creatives to sell their work, and for customers to purchase artwork at an affordable rate, but there just wasn't enough support to keep us going. What did work, though, was the introduction of Speckl Goods earlier this year, as well as the house plants that we incorporated into our space. Because of this knowledge, we have chosen to move forward with our new brand into a storefront utilizing what worked for us at Light Gallery + Studio.

Qualifications.

When we opened Light Gallery + Studio, all of our knowledge in running a retail store came from trial and error, as well as the business classes Matthew had taken to supplement his art education while in school. Without any sort of natural foot traffic, we were forced to problem solve every step of the way at our current location. This experience forced us to shift and change until we found out what works, and it has been working quite well. We worked closely with Ramirez to plan well thought out foot traffic through the gallery, making sure it was accessible to all.

We both have graduated from Kendall College of Art and Design in 2016 with a BFA in Photography. Erika works as a photographer for DGRI, documenting happenings downtown, as well as a food photographer for Essence Restaurant Group and other local restaurants. Matthew has taken business classes out of college to further his knowledge on building a business and a majority of the work that goes behind the scenes. Erika has hands on management experience for Licari's Sicilian Pizza Kitchen for four years, giving her the knowledge on accounting skills, scheduling, and keeping records of sales. Matthew has worked as a wedding and portrait photographer for ten years, as well as doing work with Dwelling Place to provide them with images for social media and documenting their growth. This combined experience, with the addition of three years running our own business, has made business run very smoothly.

Though our new storefront will be another huge shift, we are confident that it will be a positive change, and a step in the right direction to grow our new business. The last three years has been experimental, and we are very lucky to have had such an approachable opportunity with being able to live where we work, as well as not taking out any sort of loans to keep us afloat. We have established a client base that comes and visits our current storefront, even though we are not located in a major shopping district. We both have learned so much in the last three years, and have built up our experience working with clients to curate their homes/businesses, have curated business events with plants, artwork, and furniture, and learned how to operate and maintain a successful business while keeping both our clients and artists satisfied.

Having a retail shop that is a live/work space is extremely important to us. Our business currently is located at a live/work space in Heartside and we find that it has a really positive impact on what our potential is while owning our own business. We're able to keep our hand on the pulse of what's happening downtown, and have direct access to our storefront at all times. We're also no strangers to late nights working on our business, and believe that living in the residential space above our business is the best option for us.



TEAM

We have partnered with some key people to make our dreams of opening up a storefront for Speckl Goods a reality. We have been lucky to establish relationships with so many talented people, and feel that this project is a collaboration between people from all different backgrounds, that fill the gaps in the process of opening up our own retail location.

Fernando Ramirez.

As the lead on building out our new storefront, he works closely with his team to plan out a unique space that transforms a blank space into something special. Ramirez has experience working with brands such as Urbaneer, Steelcase, and Izzy+. Because of his excitement to support the brand, as well as being a close colleague, we're able to use his services at a cost of up to 60% less than he would normally charge.

Aaron Rihacek.

Our contact through Ganas (A local company that will be building out our fixtures), Rihacek is experienced in furniture and architectural design. Ganas has done custom build-outs for Siren Hotel, Ford Modeling Agency, Camp Stores, and residential areas - making this perfect for our unique space. Because of a close personal relationship in place between Matthew and Aaron, we're able to hire out Ganas for up to 60% less than the company would normally quote for a project of this size.

Local Artists.

Hiring local artists to work on private label products to fill our store with items that support our brand is very beneficial to the local arts economy. In addition to the colleagues we've had since going to KCAD, we've had nearly 100 artists and makers come through our doors while we ran Light Gallery + Studio.

Holly Bechiri.

Bechiri is an arts journalist who formerly ran culturedGR, an arts and culture publication, in Grand Rapids. Since the publication closed, we have worked with Bechiri in carrying her artwork in the gallery, and started a podcast project with her help. We currently produce a local arts podcast, Light Conversations, with many of the artists that we have shown over the years. We've partnered with her to interview local artists and community members. Our podcast is produced by Kory Kearney of Kearney Creative, and posted on our website, Spotify, and iTunes.



Rhonda Provoast.

Provoast has consulted with us on implementing education to our current business, as well as assisting on grant writing for multiple projects. Rhonda is a semi-retired public school administrator who has been involved in seeking grant opportunities for teachers, students, and classrooms for over 35 years. Her experience as a master teacher, consultant, director, and central office administrator in the education field has been a valuable asset to our business ventures.

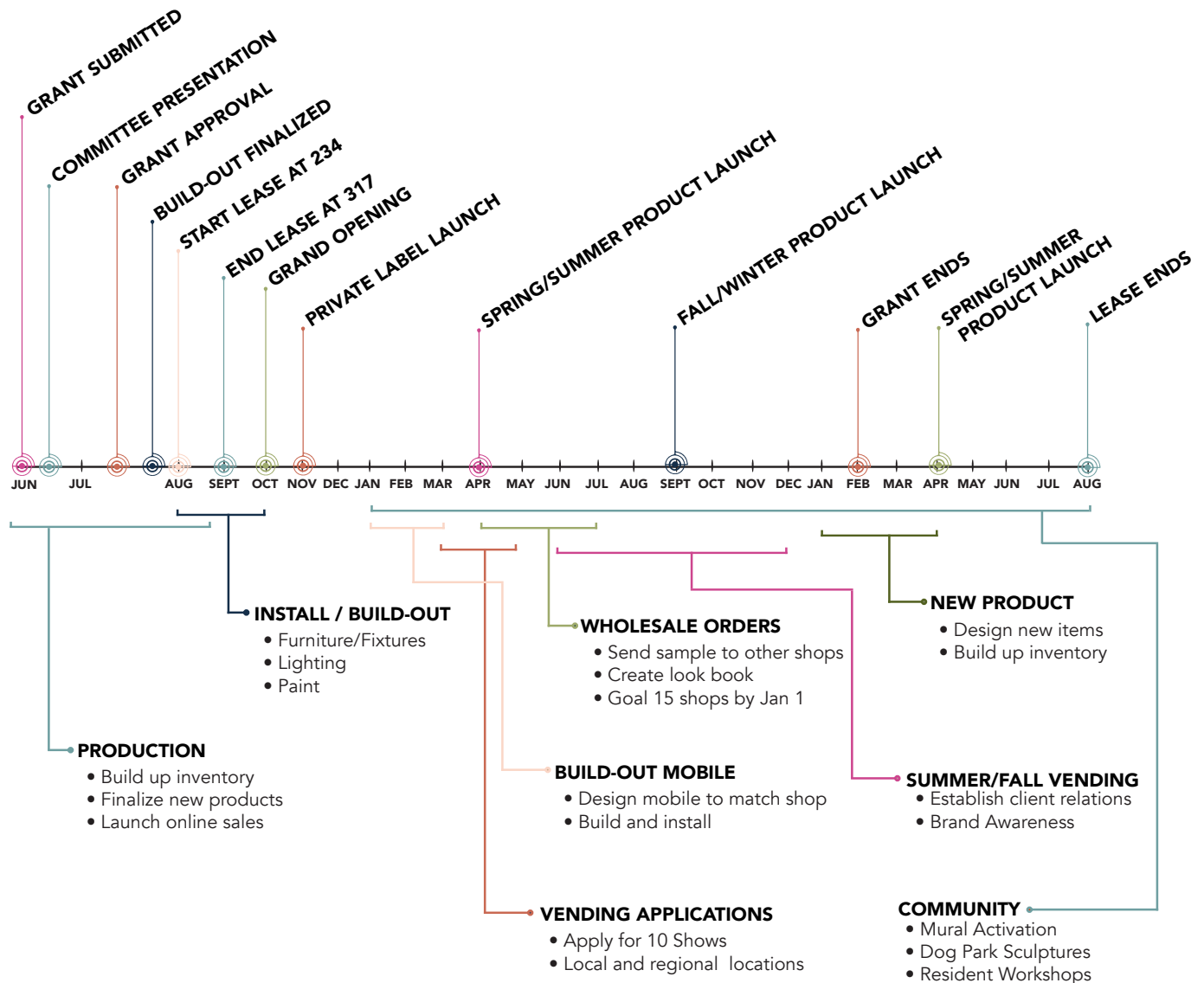
Rachel Zipsie.

Zipsie is a business and sales strategist who has been consulting us for over 2 years. With over 25 years experience in retail operations and sales strategy for large and small business she has a proven success with designing, driving and and developing strategies which deliver immediate and long term succeeds. Her experience with retailers spans from developing various revenue streams to retail sales training and merchandising. Her current role is Vice President of Retail Operations and Sales at FTD Floral.



SCHEDULE

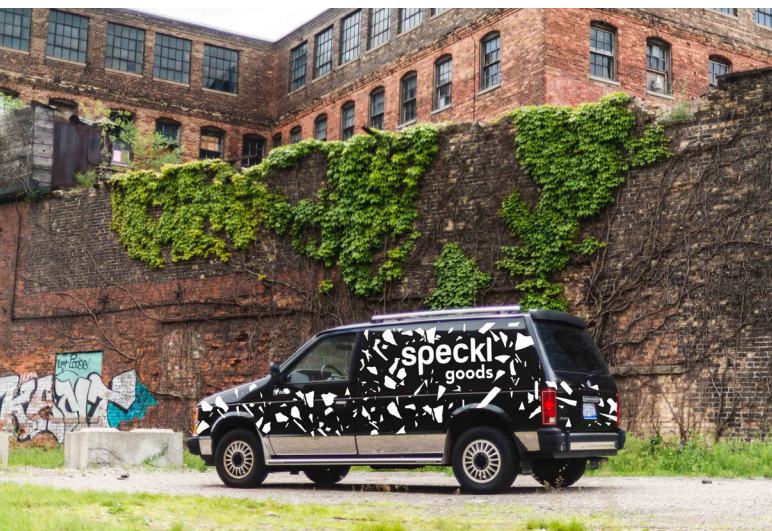
Our plan is to move in to 234 Market by August 1, 2019, and will want to start installation as soon as we're moved in. It is important to us to establish ourselves in our new space right away, and be ready to go before the holiday season.



Outlined above is our plan of action from the moment we're able to move into our new storefront. These steps seem most appropriate for our short term goal of being fully stocked in our store and ready for holiday shoppers. This plan includes our process through this grant funding, build-out of the space, private label plans, and more.

The first steps are happening now, with the hopeful approval of this grant through your committee as we are providing these explicit details for your review. Simultaneously, we're amping up production of Speckl Goods, so that we have a stock of products ready for the shelves once build-out is completed and we're ready to open. Once we're approved for this funding, we will begin the process of building out our retail space at 234 Market, as well as beginning the process of private label products with local makers. This includes fresh coats of paint, furniture and fixtures, and lighting to better showcase our products. September marks the end of our current lease at 317 Division, so everything must be moved in at this point.

We will aim to open in October with Speckl Goods, private label products, plants, and artwork. At this time, all build-out will be finalized. Once the holiday season is wrapped up in January, we plan on applying for local markets and shows throughout 2020. We will also be implementing our strategy of building out our mobile utility van to transport our goods to those markets, including fixtures that match our store's design to take with us on the road. Also, beginning in January, will develop plans to activate public spaces including the possibility of murals, empty lot activation, Downtown Dog Park sculptures, and more. We plan to be ready to send out wholesale orders of Speckl Goods in April 2020, and begin vending at shows and markets in the region throughout the summer, fall, and winter. This will not only allow us to sell our products off site, but also continue to build relationships with people who may not already recognize our brand. In February of 2021, our grant funding for rent coverage will end, and we will be able to sustain our business venture successfully on our own until our lease ends in August 2021, and beyond.



PROJECT COSTS

With receiving this funding, we will be able to jump start our brand in its very own storefront, adding to the vibrancy of Downtown Grand Rapids. Outlined below are our goals for this grant, as well as our own personal investment to make our business grow and experience success.

Personal investment

40% \$40,000
Personal Investment and assets.

LEASE

15.5% \$15,000
Remaining 6 months at \$2,500/mo

OTHER

11.5% \$12,000
Utilities, Parking

MOBILE BUILD-OUT

1.5% \$1,500
Vending display for van

MARKETING/ADVER

2% \$2,000

CONTRACTOR

2% \$2,000

ELECTRICIAN

3.5% \$3,500

PRIVATE LABEL

4% \$4,000

Grant Funds

60% \$60,000
Seeking funding for the following.

LEASE

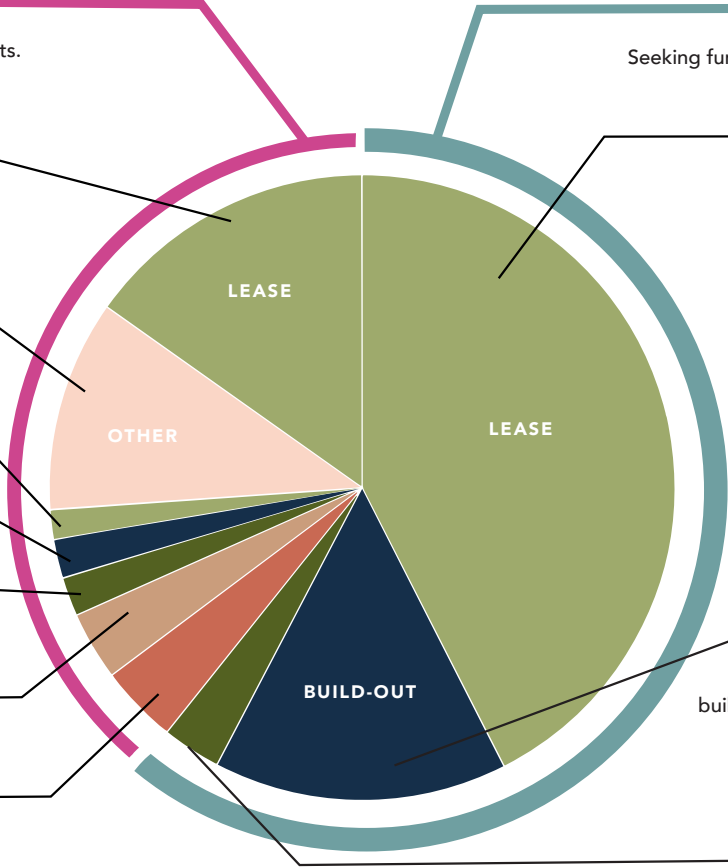
42% \$42,000
12 months rent at \$2,250/mo \$27,000
6 months rent at \$2,500/mo \$15,000

BUILD-OUT

15% \$15,000
Custom designed retail build out including display, fixtures, and lighting.

DESIGNER

3% \$3,000
Product designer, Interior designer, and project manager.



Grant lease.

2 Year Negotiated Lease, (Market Rate at \$2,750/mo)

Rent for 12 months at \$2,250/mo - \$27,000

Rent for 6 months at \$2,500/mo - \$15,000

(We're responsible for the remaining 6 months at \$2,500/mo.)

Grant Rent Total (18 months) - \$42,000

Grant retail build-out.

Point of sales desk, display cases, retail design,

painting, and lighting (\$38,000 value) - \$15,000

Designer/Project Manager Salary: (\$9,000 value) - \$3,000

Grant projection. \$60,000

Negotiated Rent for 18 months at 234 Market - \$42,000

Total build-out of the space - \$15,000

Lead designer/Project Manager Salary - \$3,000

Personal investment projection. \$40,000

Parking and utilities for 18 months - estimated \$450/month

The 6 months remaining on our lease after grant funding,
including rent, parking, and utilities - \$2,950/month

Mobile Build Out - \$1,500

Marketing/Advertising - \$2,000

Contractor - \$2,000

Electrician - \$3,500

Private Label - \$4,000

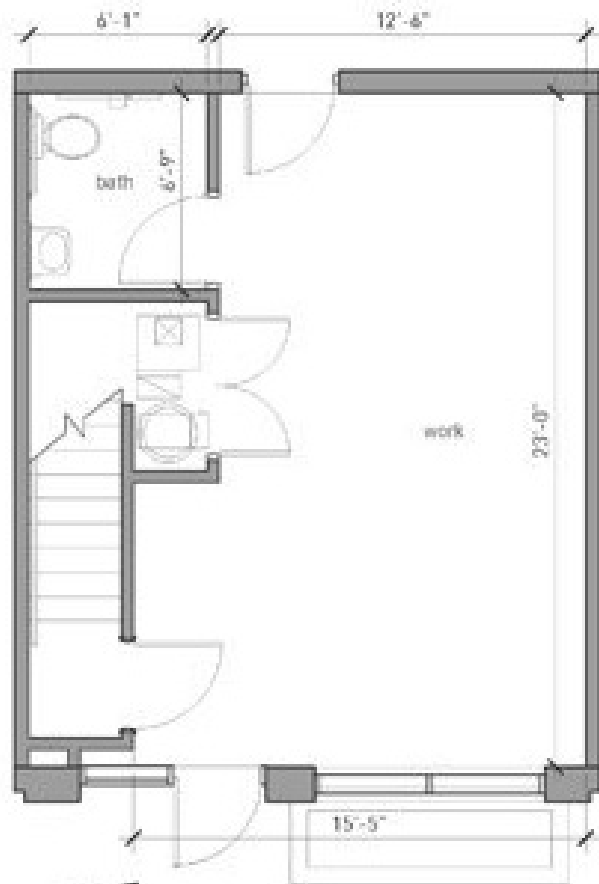


RETAIL RENDERINGS

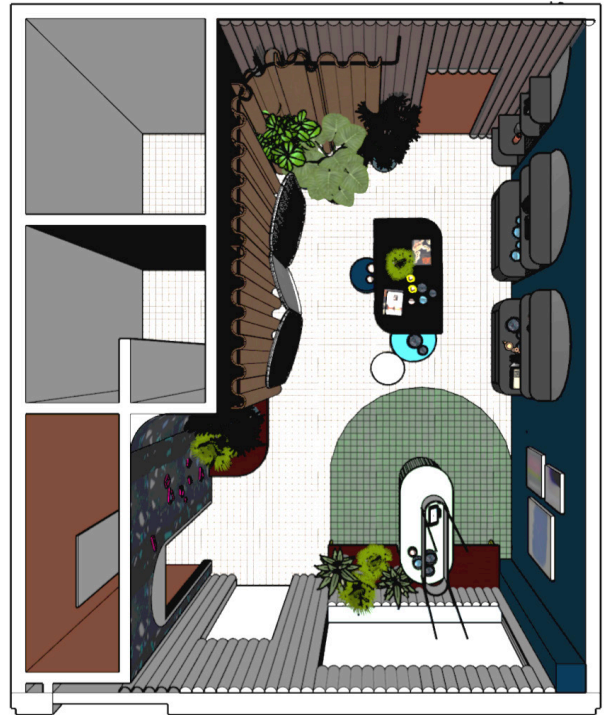
These renderings, produced by Fernando Ramirez, are a visual representation of what our new storefront will look like. This well thought out and carefully crafted design takes into consideration things like displays for our stock of product, flow of foot traffic, lighting, and overall atmosphere of the space.







234
MARKET



BUILD-OUT QUOTE

This summarizes the cost of a complete build-out of the space, provided by Ganas. Included is the break down of labor and material costs.

PENDING



LEASE NEGOTIATIONS

Our lease was thoughtfully negotiated by ourselves and Maple Grove in order to make the rent more approachable while adding to the environment they envision in their retail spaces. During this process, we have established a great relationship with our future property management team. Further details on our lease are available upon request.

234 Market Ave Apartments			
Move-In Cost Sheet			
_____, we are excited that you have decided to make			
Resident Name		_____	
234 Market Live/Work		your new home.	
Address		_____	
Grand Rapids, MI 49503		_____	
City, State, Zip		_____	
Scheduled Move In Date:	8/1/2019	Days In Month:	31
Scheduled Lease Term:	8/1/2019	Ending:	7/31/2021
The following is a breakdown of your Monthly rental charges, Deposits, and Move In Fees.			
MONTHLY CHARGES Rent: \$ 2,250.00 Parking: \$ 250.00 Storage: \$ - Storage: \$ - Pets: \$ - Total: \$ 2,500.00		DEPOSITS Security \$ 2,250.00 Pet \$ - Remotes \$ - Additional \$ - Additional \$ - Total: \$ 2,250.00	
NON-REFUNDABLE FEES Cleaning Fee \$ 125.00 Application fee \$ 24.00 Pet Deposit \$ - \$ - \$ - Total: \$ 149.00			
SUMMARY OF MOVE IN TOTAL:			
First month's rent	8/1/19 to 8/31/19	31	\$ 2,250.00
2nd Month's rent & fees if Move in after 20th of the month			\$ -
Total Refundable Deposits Due:			\$ 2,250.00
Total Non Refundable Fees Due:			\$ 149.00
Subtotal of Move In Charges:			\$ 4,649.00
Other: Pro-rated Parking:			\$ 250.00
Other: Pro-rated Storage:			\$ -
Other: Pro-rated Storage:			\$ -
Other: Pro-rated Pets:			\$ -
Less Paid On	CK #		\$ -
Less Paid On	CK #		\$ -
TOTAL DUE AT MOVE IN, IN THE FORM OF A			
CASHIER'S CHECK ONLY:			\$ 4,899.00
Notes or Changes Made:			
1st Month: \$ 2,500.00			
2nd Month: \$ 2,500.00			
Cont. through Lease: \$ 2,500.00			
Specials			
1st Year 8/1/19-7/31/20 - \$2,250			
2nd Year 8/1/20-7/31/21 - \$2,500			
The following Utilities are to be paid by the			
*Consumer's Energy	(800) 477-5050	Resident	Electricity
*DTE	(800) 477-4747	Confirmation #	###
*Meter #		Confirmation #	N/A
Please Initial Each Line			
NA	Holding Deposit is refundable within 48 hours. Application Fee is Non-Refundable.		
	Proof of Utility Account Numbers due at move in.		
	Original signatures of all responsible parties are required on lease agreement prior to move in.		
I have read and agree to the above information.			
Applicant Signature	Date	Agent	Date
Applicant Signature	Date		
Applicant Signature	Date		



DEFINITION ANNEX TO APARTMENT LEASE

1. **Landlord:** 234 Market Ave Apartments
2. **Landlord's Representative:**
Maple Grove Property Management, LLC, is the company which manages the Community for Landlord. Landlord's Representative is Landlord's agent.
3. **Landlord's Representative's Address:**
Maple Grove Property Management LLC
1575 Watertower Place
East Lansing MI, 48823
4. **Landlord's Representative's Email Address:** Maple Grove@maple Grovepm.com
5. **Resident(s)**

1. _____	2. _____
3. _____	4. _____
6. **Resident's Address: The address of the Apartment Home:** 234 Market Ave
7. **Additional Live-In Residents:**

1. _____	2. _____
3. _____	4. _____
5. _____	6. _____
8. **Community:** 234 Market Ave Apartments
9. **Apartment Home:** Unit _____ of the Community.
10. **Lease and Possession Start Date:** 8/1/19 at 8:00 a.m.
11. **Lease and Possession End Date:** 7/31/21 at 11:59 p.m.
12. **Deposit:** \$ 2,250.00
13. **Deposit Bank:** Chemical Bank
14. **Deposit Bank's Address:** 51 Ionia Ave SW Grand Rapids, MI 49503
15. **Antenna Deposit:** \$300.00
16. **Apartment Rent:**

	\$ <u>1st yr \$2,250, 2nd yr \$2,500</u>	per month
a. Carport Rent:	\$ <u>N/A</u>	per month
b. Garage Rent:	\$ <u>250.00</u>	per month
c. Storage Rent:	\$ <u>0.00</u>	per month
d. Pet Rent:	\$ <u>0.00</u>	per month
e. Appliance:	\$ <u>N/A</u>	per month
Total Rent:	\$ <u>1st yr \$2,500, 2nd yr \$2,750</u>	per month ("RENT")
17. **Month-to-Month Rent:** The greater of the following:
 1. The greater of Fair Market Rent plus \$100.00, or Rent plus \$100.00; or
 2. The greater of Fair Market Rent multiplied by a factor of 1.10, or Rent multiplied by a factor of 1.10.

The "Fair Market Rent" equals the rent Landlord charges for an apartment home comparable to the Apartment Home on the date that the month-to-month tenancy commences.
18. **Late Charge Date:** The 5th day of the month.

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19. Late Charge: \$ 50.00

20. Daily Late Fee: \$

21. NSF Charge: \$25.00

22. Utilities To Be Provided By Tenant:

1. Electric	2. Cable
3. Internet	4.
5.	6.

23. Nonrefundable Fees:

1. \$12.00 per person Application Fee	2. \$125 Cleaning Fee
3.	4.
5.	6.

24. Lock-Out Fee:

Subject to the Lock-Out Addendum, if any, the Landlord's Representative will be available to assist with a lock-out during business days during normal business hours. During non-business hours, the Resident shall contact a locksmith, and shall be solely responsible to all fees incurred to the locksmith.

A. The suggested locksmith can be reached at: Due to security system call after hours emergency maintenance for all lockouts. \$118 fee

25. Key, FOB, Access Card, Remote Control Replacement Charge: \$ 50.00

Prior to obtaining keys to the premises, applicant is required to present valid and acceptable government issued identification to Maplegrove Property Management LLC (Maplegrove). Maplegrove and/or Landlord reserve the right to immediately terminate any lease, if a lease has been executed, if the applicant fails or refuses to present valid and acceptable government issued identification. For purposes of this paragraph, valid and acceptable government issued identification is any identification issued by the United States Government or any State or Territory of the United States.

ADDITIONAL DEFINED TERMS:

1. **Definition Annex:** This Definition Annex to Apartment Lease
2. **Additional Live-In Resident:** A person who is under 18 years of age, or has a legal guardian, at the time of the Lease Start Date or when the applicable Renewal Term begins, as identified in Resident's rental application or as subsequently changed with the prior written consent of Landlord.
3. **Lease Term:** The term commencing on the Lease Start Date and ending on the Lease End Date. The Lease Term also includes any Renewal Term, or other extension of the Lease.
4. **Common Areas:** All parking lots, driveways, walkways, passageways, landscaped areas, laundry rooms, recreational areas and other areas and facilities available for common use by residents.
5. **Community Rules:** Any and all written Community policies, rules or procedures, all of which shall be considered part of this Lease, including without limitation, the Community Policies and Procedures attached as an addendum to this Lease.
6. **Landlord's Related Parties:** Collectively, Landlord, Landlord's Representative and the respective officers, directors, members, managers, partners, shareholders, employees, affiliates, agents and representatives of Landlord and Landlord's Representative.
7. **Resident Parties:** Resident, Additional Live-In Resident and their guests and invitees.
8. **Rent Concession:** Any rent or similar concession, whether by free rent, partially abated rent, reimbursed expenses, waived fees or otherwise.

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9. **Losses:** Any claim, action, lien, liability, fine, damages, injury (whether to person or property or resulting in death), cost or expense, including reasonable attorneys' fees (including in-house counsel and appeal).
10. **Claim:** Any claim for relief, including any alleged damages, whether accrued, contingent, inchoate or otherwise, suspected or unsuspected, raised affirmatively or by way of defense or offset.
11. **Enforcement Costs:** Landlord's costs of enforcing the terms of this Lease and of collection, including collection agency costs, litigation costs, and reasonable attorneys' fees (including in-house counsel and appeal), whether or not a lawsuit is brought.
12. **Non-Rent Defaults:** Defaults under this Lease, other than the failure to pay rent or other amounts due under this Lease that are considered "Rent" by applicable law or under this Lease.
13. **Rent Damages:** Rent due and owing, the Late Charge, the Daily Late Fee and Enforcement Costs.
14. **Rent Default Termination Damages:** The total sum of 2 months' Rent, the cash value of any Rent Concession and the Enforcement Costs.

Attachments:

- | | |
|--|---|
| <input type="checkbox"/> Appliance Addendum | <input type="checkbox"/> Change in Resident Addendum |
| <input checked="" type="checkbox"/> Community Policies | <input checked="" type="checkbox"/> Concession Addendum |
| <input checked="" type="checkbox"/> Condition Form | <input checked="" type="checkbox"/> Good Neighbor Commitment |
| <input checked="" type="checkbox"/> Guaranty of Lease | <input type="checkbox"/> Lead Based Paint Addendum |
| <input type="checkbox"/> Local Law Addendum | <input checked="" type="checkbox"/> Lock-Out Addendum |
| <input checked="" type="checkbox"/> Parking Space Addendum | <input checked="" type="checkbox"/> Pet Addendum |
| <input type="checkbox"/> Service Animal Addendum | <input checked="" type="checkbox"/> Authorization to Contact |
| <input type="checkbox"/> Renewal Addendum | <input checked="" type="checkbox"/> Renter's Insurance Addendum |
| <input checked="" type="checkbox"/> Smoke Free Addendum | <input type="checkbox"/> Storage Addendum |
| <input checked="" type="checkbox"/> Bed Bug Addendum | <input type="checkbox"/> _____ |

LANDLORD: By: _____ Name: Jennifer Miles Authorized Representative

RESIDENT(S):

THIS IS A BINDING LEGAL DOCUMENT WHICH SHOULD BE REVIEWED PRIOR TO SIGNING IT. CAREFULLY READ THIS ENTIRE LEASE, WHICH CONSISTS OF THE DEFINITION ANNEX, APARTMENT LEASE, EXHIBITS, ADDENDA, AND ATTACHMENTS (ALL OF WHICH ARE COLLECTIVELY CALLED THE "LEASE" OR THE "APARTMENT LEASE").

RESIDENT PROMPTLY SHALL INFORM LANDLORD'S REPRESENTATIVE AT THE MANAGEMENT OFFICE IF RESIDENT HAS ANY PROBLEMS WITH THE APARTMENT HOME OR COMMUNITY. IF RESIDENT IS NOT SATISFIED WITH THE RESPONSE FROM THE MANAGEMENT TEAM, RESIDENT MAY CONTACT MAPLEGROVE PROPERTY MANAGEMENT, LLC AT 517-333-9622. MAPLEGROVE PROPERTY MANAGEMENT, LLC SHALL RESPOND TO RESIDENT'S COMPLAINT.

Signature Page to Follow

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RETAIL BUSINESS ATTRACTION, INCUBATION & DEVELOPMENT APPLICATION

Business Name: Occasions Baskets & Gifts, LLC

Owner Name: LaFrancine Hope

Business Location: 315 Division Ave S. Grand Rapids, MI 49502 (Tentative Lease with Dwelling Place)

1. Description of Approach (A summary of your venture, strategy, partnerships and/or distinguishing points of the proposed action to achieve community goals):

As the creator and owner of Occasion Baskets & Gifts, I discovered early on that I had a talent that I was completely unaware of, the ability to create something, unique, useful and thoughtful in the form of a gift basket. Over the years, I have patiently nurtured this gift and the vision for Occasion Baskets & Gifts. I have watched the business concept grow and develop over time from an incidental hobby, to a seasonal DBA home-based business to now a Limited Liability Corporation.

I am a minority woman owned business fueled with both passion and dedication for this business idea. I am currently seeking minority business certification in addition to working with Miller Johnson on name and logo protection. Commencing June 15, 2019, I will be attending the National Gift Basket Convention in Canton Ohio and attending Gift Basket School/training while there. Upon completion, I will have officially earned a certificate in what is known as BASKology or Certified Gift Basket Designer.

It is my belief that I am well able to bring this fresh idea and concept to the Grand Rapids area with both premade baskets made with quality products and brand names customers recognize and love, in addition to offering custom designed products for a personal gift giving solutions.

My strategy is to work with a diverse team of dedicated professionals, all of whom are equally vested in helping new entrepreneurs such as myself succeed in their business endeavors.

With this assistance from the team and the valuable resources that they provide, they collectively will help me to transition from a home-business to a retail location anticipated at 315 Division Ave S. where the leaseholder is the Dwelling Place.

This team includes Rende Progress Capital, for start-up funding, business consultants and legal advisers, just to name a few.

This location falls within the DDA boundaries and will afford Occasions the opportunity to be more accessible than from my home location. Additionally, strategic marketing efforts can be employed to assist in reaching a greater market in the downtown local.

Naturally, I am excited at the prospect of a grand opening, the opportunity to further expand and build upon my brand and its awareness while offering new and exciting products. There would be more opportunities to network as I greet people in person. For me, this is a dream come true and a greatly anticipated step forward in a new direction. I welcome any support you may be able to provide in assisting me with my business venture by way of leasehold upgrades or improvements, needed shelving and rental subsidy.

Thank you in advance for this great opportunity to share the passion of my vision with you. I look forward to working with you in the near future.

LaFrancine Hope,
Gift Basket Designer

2. Relevant Experience (A description of your previous experience and qualifications on similar or related types of ventures or initiatives proposed to achieve the community goals):

I possess retail management in both clothing and other related fields. Last worked as a Store Manager of Check N Go in Wyoming and maintained the store at bonus level each year employed with them from July 2000 to June 2003. Currently acting Financial Secretary of Rhema Empowerment Center Church for past 10 years and currently Employed as a caseworker at the State of Michigan for 16 years which all speak to my strong work ethic.

I am a 2016 Spring GR graduate and continue my business education through webinar courses offered via the SBDC and Score of Grand Rapids, in addition to undergoing continuous business consulting. The Rick and Maria DeVos Foundation have been my largest and ongoing corporate client for the past 3 years. It has also been my honor and pleasure of working with former Secretary of State Terry Lynn Land on some basket projects for the Wine, Women and Chocolate event held each year, a benefit fundraiser in conjunction with the Women's Resource Center.

3. Team (A description of the individual, business, organization and or partners involved. Key personnel will be an important factor considered by the review committee):

1. John Hendershot, Business Development Director of Rende Progress Capital for Start-Up funding and operating capital
2. Alex Caceres, United Bank, new and ongoing business banking relationship needs
3. Heather Ibrahim, Dwelling Place, Commercial Leaseholder
4. Arlene Campbell, Spring GR, ongoing business consultation
5. R. Jamaal Ewing, SBDC, ongoing business consultation
6. Steve, Dimensions Graphics for signage

7. Brittney Harden, Miller Johnson Law Firm, name and log protection, misc. legal
8. Hoggy and Verdale Betts Jr. My personal contractors and fix-it guys
9. Pastor Ketih B. Stevenson, Rhema Empowerment Center Church, spiritual support

4. Schedule (An overview of timeline and important project milestones to ensure measurable movement toward the community goal):

All is contingent upon funding approval; however, the targeted goal is to be open and functioning by September 2, 2019.

- New Marketing materials and website design will go into effect immediately upon loan approval using the current domain name occasionsbaskets.com
- Leasehold upgrades and stocking space within 30 days of loan approval
- Grand opening within 60 days of loan approval or by September 15, 2019

5. Project Costs (An outline of proposed costs, professional fees, or other expenses required to complete the proposed approach):

See Excel Spreadsheet attached or to follow. Thank you.

Submittals and questions can be directed to Kyama Kitavi, Economic Development Manager at Downtown Grand Rapids Inc. at kkitavi@downtowngr.org



RETAIL BUSINESS ATTRACTION, INCUBATION & DEVELOPMENT APPLICATION

Business Name: The French 75 Café

Owner Name: MOHAND Cherif Hidjeb

Business Location: 205 S Division Ave Grand rapids, Mi 49503

1. Description of Approach (A summary of your venture, strategy, partnerships and/or distinguishing points of the proposed action to achieve community goals):

We frequent a handful of Downtown cafés and We picked up a pattern or would say a problem on each of them; Every customer is on their laptops working or on their phones scrolling through Facebook pages. It appeared as if everyone is occupied doing something and forgetting about the social experience the café is there to offer. I thought to myself; How can I create a place that will provide that sort of connection between the downtown residents and between the young professionals working in the metro area?

I tapped into my past references and the first thing that came to mind was a FRENCH CAFE.

A French cafe is a social place, a neighborhood hangout spot where neighbors break bread, enjoy a cup of coffee/tea, socialize, know your neighbor, know your coworker, discuss opportunities or simply talk about this wonderful life.

This place signifies community, friendship and the opportunity to meet a new business partner, a new friend, a new employee or a new employer while enjoying a delicious savory or sweet crepe/waffle with a cup of coffee/tea or simply ice cream at a very affordable price. A place that welcomes everyone.

Our mission at the French cafe is to be recognized as a leading distinctive brand of fresh, homemade and authentic French crepes and waffle makers, offered to customers at the most reasonable and affordable price. For a healthier, refreshing, filling and totally satisfying meal.

We will aim to please our customers by providing outstanding service in a very friendly and welcoming atmosphere. We will also be providing a Nutritional value for health-conscious consumers. Homemade, prepared in front of the customer under the right food and health policies to ensure freshness. Everything is exposed, there's nothing we are hiding, an open kitchen where a customer can

see how their food is handled and who is preparing it and a Community value with the opportunity to meet your neighbors, new friend, new employee/employer.

The French 75 will be a contribution to make Division St a better Street. Its uniqueness will open the doors to attract other businesses to fill the vacant store fronts.

The construction of the café will start and finish in the same time frame as the wealthy- Cherry St Downtown Development authority project. We envision its grand opening to take place on the Division St inauguration day.

We strongly believe this French cafe will bring back the social connection in the downtown communities. We envision to grow this concept and put a French cafe on every small or large Downtown in West Michigan.

2. Relevant Experience (A description of your previous experience and qualifications on similar or related types of ventures or initiatives proposed to achieve the community goals):

I managed a very successful crepe shop in Paris, France 2009-2012 named au petit Grec, Where I was taught the savoir-faire and the know-how of this business. After I moved to the US I worked at a couple restaurants in west Michigan for over 4 years before I ventured into the real estate investment business and started my own firm in 2017 with the name Dream Catchers Properties which significantly enhanced my management and leadership skills.

I joined the score of Grand Rapids since the idea of the French café has emerged and was assigned two counselors Rick Walker and Dexter.

Rick is a retired successful business owner and Dexter is an owner operator of 19 restaurants in west Michigan and Illinois.

I worked with Rick very closely on developing ideas, plans and approaches, and with Dexter on the operation side of the business and helping me create standard operating procedures and policies for the establishment.

I attended the SERV safe management training program and was successful in passing the national exam required to obtain the food license with a 95% score. The certificate is valid for the next 5 years.

I'm attending a 15 days crepe training in France from May 30th to June 15th on food authenticity, recipes and the creation of unique menu items.

3. Team (A description of the individual, business, organization and or partners involved. Key personnel will be an important factor considered by the review committee):

Owner:

Cherif Hidjeb is a north African native from Algeria, after graduating college with an accounting degree, He was immigrated to the US in 2012 seeking a brighter future. He is fluent in four languages: French, Arabic, Berber and English.

Cherif has travelled all around the world exploring different cultures, languages and food. His passion for culinary has emerged since his childhood, growing up in a family full of talented chefs pushed his desire to be a part of the food business and to share his passion with the Grand Rapids communities.

Mr. Hidjeb founded a successful real estate investment company “Dream Catchers Properties” in 2017 and is venturing into starting the French 75 café with his funding partner and brother Azeddine Hidjeb, they are both investing their own funds into this project and asking the downtown development authority for support to complete the project.

Employees:

The French 75 will be employing staff from different backgrounds and will be prohibiting discrimination against and harassment of any employee or any applicant for employment because of race, color, nationality or ethnic origin, age , religion, disability, sex, sexual orientation, gender identity and expression, veteran status or any of the characteristic protected under applicable federal or state law. All personnel who are responsible for hiring and promoting employees and for hiring and promoting employees and for the development and implementation of university programs or activities are charged to support this effort and to respond promptly and appropriately to any concerns that are brought to our attention.

4. Schedule (An overview of timeline and important project milestones to ensure measurable movement toward the community goal):

January 10th – March 10th:

- Location picked.
- First, second and third Equipment layout drafts by atlas restaurant supplies.
- Lease terms negotiation with Brookstone properties.
- Equipment schedule plan by atlas restaurant supplies.

March 10th -May 10th:

- Lease signed with Brookstone.
- SERV safe management training program and exam completed.
- SOP's, worksheet plan reviews, first draft menu, health department application completed.
- MEP and architect drawings submitted to the city and building permits issued.

May 10th – July 10th:

- Contractor project bids.
- Board meeting with DDA regarding the grant.
- Food license issuance.
- Health department site inspections.

July 10th – September 10th:

- Grant approved and funds issued by the DDA
- Mechanical, Plumbing and Electrical to be completed by contractor in a 4 weeks' time period.
- Order, receive and install equipment. (2weeks)
- Hiring staff and train them on food safety and establishment standard operating procedures and policies.
- Paint, decorations, furniture, design and finishes of the café.
- Pre-opening for friends, family and the downtown authorities.

September 13th: The grand opening.

5. Project Costs (An outline of proposed costs, professional fees, or other expenses required to complete the proposed approach):

- MEP Drawings: \$5,000.
- Equipment layout plans: \$1,000.
- Building Permits: \$1,200
- Mechanical buildout: \$21,000.
- Plumbing buildout: \$19,750.
- Electrical: \$23,575.
- Equipment: \$67,350.
- Furniture/design: \$38,500
- Yearly employee Payroll: \$144,000
- Yearly rent: \$14,200\$
- Insurance, utilities, maintenance per first year: \$36,000.
- Education, licenses, trainings: \$6,500.
- Health department application fee: \$400.