Virtual Meeting Access

Hello,

As many of you know, recent restrictions and mandates have been issued to reduce the spread of COVID-19. For this reason, and for the safety and wellbeing of our members and employees, we would like to continue to move GR Forward through virtual meetings.

We have decided to use Microsoft Teams for video/phone conferencing for all upcoming board and alliance meetings. Teams has many exciting features including screen sharing, recording, live captions, file sharing, and more. Below are instructions on how to access your upcoming virtual meeting.



MICROSOFT TEAMS

- 1. It is recommended to download the App
 - a. Apple Devices
 - b. Android Devices
- 2. Click here to access the October Teams meeting.
- 3. Allow Teams access to your mic (and camera) so you can participate in the conversation.
- 4. When prompted, please type your full name.

If you have any questions or need further assistance, please email mmcdaniel@downtowngr.org. Thank you!

Best,
Mandy McDanid

Mandy McDaniel Administrative Assistant Downtown Grand Rapids Inc.

29 Pearl NW, Suite 1 Grand Rapids, MI 49503 P: 616 . 719 . 4610



Goal 4 Alliance

October 20, 2020

1. <u>Call to order:</u> Mr. Jorge Gonzalez called the meeting to order at 3:06 pm

<u>Members Present</u>: Omar Cuevas, Caleb Hollier, Jorge Gonzalez, Caylie Peet, Heather Ibrahim, Kareem Scales, Jono Klooster, Rich App, Ana Jose, Brianna Vasques de Pereira, Attah Obande, and AJ Hills.

<u>Members Absent:</u> Trevor Corlett, Danielle Williams, Eunice Lopez-Martin, Alex Caceres, Brandy McCallum, John Hendershot, Rick Muschiana, Ryan Bolhuis. Scott Stenstrom, and Tyler Peterson, Alice Jasper, Ingrid Miller, Alysha Lach-White, and Brent Case

Others Present: Kyama Kitavi, Marion Bonneaux, Annamarie Buller, Mark Miller, Andy Guy, and Mandy McDaniel (DGRI Staff)

2. Approval of Minutes

Attah Obande, supported by Rich App, motioned to approve July 21, 2020 and August 18, 2020 Meeting Minutes. None opposed. Motion approved.

3. Social District/Downtown Winterization

Mr. Kitavi stated there were several businesses that took advantage of the social zones but moving forward we are looking for ways to support these businesses during the upcoming winter months. DGRI is working on how we can subsidize the cost and create potential partnerships to help sponsor some of those costs for outdoor seating, heating pods, etc. Today, we would like to hear from members on what you may be hearing from businesses and any concerns moving forward.

Mr. Cuevas stated funds from the Kent County Recovery Grant are still available and may be used for winterization costs. There are several businesses that have yet to apply. The qualifications have changed, allowing organizations with 50 employees or less may

apply. Once a business completes an application and submits all required documents, the average turnaround for funding is 2 weeks.

Mr. Scales asked for clarification on the funding opportunities. Mr. App stated there are two different opportunities, one being through Kent County Recovery Grant and the DDA recently approved \$200,000 funding towards business winterization costs.

4. Digital Commerce Support Program

Mr. Kitavi presented a video from Plain Sight, a networking tool that would serve as a way for businesses to stay active and communicate with consumers. The Love Local website is still in the test phase. The Plain Sight app has already been launched in Detroit. If we were to launch here in Grand Rapids, then there would have to be enough businesses interested in a buy-in to make it worthwhile. The first 3 months are free, then there is a \$99 fee per month. Mr. Kitavi asked members for feedback on this app and potential ways to attract consumers to downtown businesses, specifically during the upcoming winter months.

Ms. Peet stated it is hard to get a business to buy into something even local, so it is uncertain how successful something like this would be. Mr. Cuevas stated there may be some value but would rather encourage businesses to connect with a local chamber.

5. Window Wonderland

Mr. Kitavi stated another opportunity to attract people downtown is window activation. Ms. Buller stated in 2013-2015, DGRI and Kendall College partnered together for an event called Window Wonderland. Local businesses competed against one another for the best window display for a prize. If we were to create a similar event, we could offer a marketing package to the winning business. There could be an opportunity to do this affordably during or after the holidays. Mr. Kitavi stated this would also be a push for businesses to promote themselves during the holiday months or new year. World of Winter is expanding this year with the first art installation occurring in December. Members agreed they liked the idea and stated there is no reason to wait. With the COVID, there is no guarantee what the new year will bring. The sooner the better in preparation of the shopping season.

6. ESO Updates

None.

- 7. <u>Public Comment</u> None.
- 8. Next Meeting November 17, 2020 at 3 pm
- 9. Mr. Kitavi adjourned the meeting at 4:02 pm

Minutes taken by:
Mandy McDaniel
Administrative Assistant
Downtown Grand Rapids Inc.

RETAIL BUSINESS ATTRACTION, IN DOWNTOWN GRAND RAPIDS,MI PROPOSAL FROM THE COLOR FOREST

Approach

The Color Forest is a brand of vibrant handmade jewelry and accessories to inspire confidence and joy in your everyday life. We aim to encourage and inspire women to express themselves through their own unique personal style. We also offer workshops in which participants can enjoy connecting with other women and learn the basic techniques to create their own jewelry pieces. Elizabeth Usadel (owner/designer/maker) would add diversity to the Grand Rapids business community as a female business owner. An artist studio/storefront/workshop space is a novel venue in our community and adds another component to an arts-rich area of the city that houses The Avenue of the Arts.

Polymer clay jewelry is gaining popularity in the U.S. (it has previously been very popular in Australia.) Elizabeth's unique color palette sets her brand apart from others, and her teaching experience makes her the perfect person to share this fun creative hobby with others. According to Facebook ads the audience interested in DIY projects within a 10 mile radius is 91,000. Similar businesses models that offer workshops/classes include paint your own pottery studios, wine and canvas venues/events, and other DIY classes. Lions & Rabbits located on Plainfield Ave has been very successful offering several types of classes, and this demonstrates a market for this type of business.

The addition of a physical location is an extension of The Color Forest's online operation. A storefront/studio increases awareness of the business from foot traffic. Customers will be able to shop in-person, allowing them to feel the products, try them on and make selections with more confidence than from an image on a screen. Shopping in a colorful space becomes a special experience in itself; it becomes an act of self-care. Others can enjoy learning to make polymer clay jewelry and accessories in a fun workshop setting. Participants would benefit from the access to professionals tools and materials as well as receiving hands-on instruction in a small group setting. The space could also be reserved for small gatherings (bridal showers, birthday parties, etc) with workshops to be included as part of the festivities. Another possibility would be a weekly or monthly coworking night, where makers could pay a fee to use the space and tools instead of needing to purchase their own.

Decor Inspiration





The Color Forest products:



Relevant Experience + Team

Elizabeth has been in business as The Color Forest since January 2019 selling her work both online and at local artisan markets. She has successfully managed the finances, tracked inventory, processed and shipped online orders, met deadlines for pop-up market applications, She has research through books, podcasts and webinars about marketing and scaling a small business. She has also connected with other polymer clay markers and workshops teachers around the world. She's been learning as much as she can about the art and science of polymer clay in addition to all the skills that are needed to run a small business.

In January 2020 she completed a marketing course through GROW and is working with their business development officer Marvin Martin. Through the AIGA (the professional association for the design industry) she was paired with her mentor Peter Medlock, who is the creative director of Wolverine Worldwide. He has extensive expertise in brand building in addition to photography/cinematography and is working alongside her on branding, photographing the products, advertising, tracking analytics and general strategy. The new website for The Color Forest is set to go live in May.

Elizabeth has thirteen years of experience as an elementary art teacher and has designed and taught classes for children and adults at the Grand Rapids Art Museum. She has taught a handful of in-person jewelry workshops and also has recently taught them virtually during social distancing.

Elizabeth will also have a design/marketing student intern from Cornerstone University for the fall 2020 semester.

The property 341 S. Division is owned by Dwelling Place and Elizabeth has been approved by them to lease the space.

Schedule

May 2020	Purchase furniture, launch new website and branding, marketing campaign
June 1st	Sign Lease
June 2020	Move into Space + Begin using space for producing work, photography and administrative tasks
July 2020	Soft Opening/ open for business as social distancing allows (possibly accept Local orders online and utilize curbside pick-up)
August 2020	Online marketing campaign regarding new physical location
Sept 2020	Construction on S. Division is completed
Sept 2020	Grand Opening Party + Begin offering monthly workshops

Project Costs

Move in fees include furniture, paint, and signage for the space is expected to be \$2,000 or less. (The space is 450 sq. feet)

Workshop tables w/4 chairs \$169 x 3	\$507
Jewelry display tables/racks, etc.	\$900
Delivery from IKEA	\$49
Paint + vinyl signage	\$500
Total	\$1,956

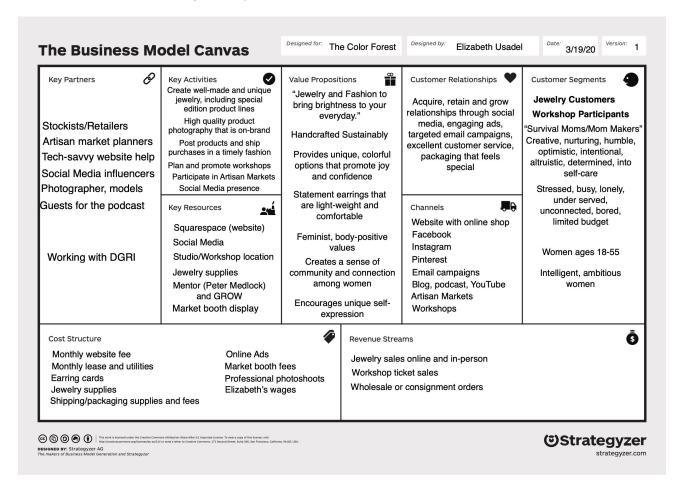
- This grant would reduce the monthly lease from \$450 to \$225 for the initial 18 months. The Color Forest will also be responsible for utilities, which we anticipate to be approximately \$75 per month.
- Income from the workshops will offset the cost of the lease.
 (\$36 x 12 participants for a 1 hour workshop = \$432, which results in \$396 profit due to approx \$3 cost per person for consumable supplies)
- In addition to pursuing this grant Elizabeth is funding the business from her personal income.

Elizabeth sold \$5,000 of product in 2019 (her first year in business) while still employed full-time as a teacher. With support from GROW, her mentor Peter and the work they are doing, and with a new physical location, sales projections are \$14,000 for the next twelve months. She hopes to make this a full-time employment opportunity for herself and eventually a small team to work alongside her. She is committed to reinvesting revenue into the business and her own personal income until the business becomes consistently profitable. In the past few months they have seen consistent growth in social media engagement and website traffic with each strategy implementation. They anticipate continued exponential growth.

A lot is unknown about this time for small businesses and COVID-19. However, if small workshops (twelve or fewer participants) are not permitted, this space still functions as a studio/office for producing and photographing the jewelry as well as packing and shipping online orders and other administrative tasks. Regarding photography in particular, this provides a space for photoshoots instead of needing to rent a studio. In addition, local customers could make purchases online and pick them up curbside until social distancing measures are relaxed.

A physical presence downtown helps grow awareness and interest in the business for future inperson shopping and workshops.

Elizabeth plans for the retail space to be open for limited hours for shopping initially (primarily evenings and weekends with extended availability during the summer) and for scheduled workshops. She is exploring additional funding which would allow her to work full-time for The Color Forest, and/or hiring employees to work in the shop.

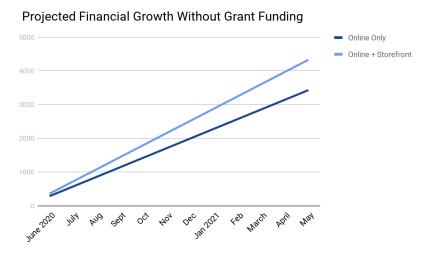


The addition of a physical location has minimal cost, while increasing jewelry sales, expanding sales for workshops and saving cost for photoshoots.

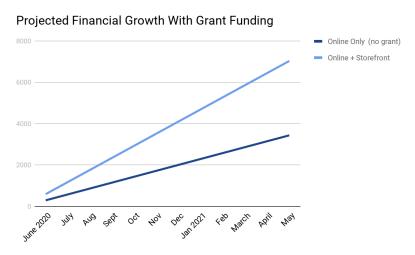
New costs incurred = rent (\$450), utilities (\$75) = \$525/month

New revenue generated= increased jewelry sales (\$168), workshop sales (\$432) = \$600/month

Minimum sales goal with new storefront and online: sell 25 pairs of earrings a month and at least one workshop with 12 participants to reach a gross monthly income of \$1,000 with more sales expected around the holiday season.



The graph above shows the small but steady advantage of expanding to a storefront in addition to an online presence. It accounts for sale revenue as well at approximately \$130/month spent on the taxes, insurance, website, supplies, etc.



The graph above shows the huge benefit to expanding to include a storefront and supported by this grant. Growth is approximately double with this grant after 12 months compared to online only operation. (And amounts to \$2,700 more than without the grant over 12 months.) That money can be invested in additional marketing to attract new customers.



Description of Approach

Basic Bee is a brick and mortar apparel store that caters to the early 20s to early 40s demographic of women in Grand Rapids. Our focus is to provide edgy, street style fashions and accessories, while positioning ourselves as the top retail store servicing this market.

The storefront is located at 325 Division Avenue South, Grand Rapids, MI. Basic Bee has centralized itself directly in position to the social activities of our target market. We believe that this is critical to our initial success and long-term growth. Basic Bee can also be found online at www.basicbeeboutique.com and features a Facebook business page along with an Instagram account.

Basic Bee held its Grand Opening November 14, 2020, prior to this we had an online presence for two months while the brick and mortar location was setting up.

Basic Bee's mission is to offer quality, affordable, and fashionable edgy styles to the women of Grand Rapids. The downtown location is essential to our initial and ongoing success that we locate ourselves in the heartbeat of the community. We also strive to create an atmosphere of acceptance and community, as well as a retail environment where individuals can identify and bond with one another.

Basic Bee has a number of advantages that will allow us to build our brand identity and a loyal customer base while standing apart from our competitors. Many boutiques in the Grand Rapids area carry similar styles to one another causing a saturation in the market. We offer complimentary

clothing to what is currently in the market while introducing new fashions that speak to an underserved audience.

We carry brands that are not represented in the area such as: Motel Rocks, Nana Judy, Cross Colours, and more. We also feature women and black owned artisans which will rotate quarterly giving more exposure for their brands.

In addition, our pricing strategy will allow for customers of varying incomes to shop and experience our brand. We have a retail pricing cap of approximately \$150 putting us in a moderate price range and allowing for neighboring residents to afford our goods.

Sourcing

We shop for our merchandise as outlined below:

- With manufacturers who have a regional representative and showroom located at the Merchandise Mart, we will place our weekly and monthly reorders with them and review new products. For all other brands we will work directly with the manufacturer and utilize product catalogs and line sheets.
- The Merchandise Mart is a regional retail and wholesale destination hosting approximately 20,000 people per day. Wholesale showrooms only occupy 50% of the space with the other half being retail shopping, dining, and much more.
- The Merchandise Mart offers to all registered buyers, special events, fashion shows, product displays and demonstrations, educational programs, seminars, new buyer's kits and registrations, special buying programs during the StyleMax market.
- With FAIRE, an online marketplace featuring artisans and brands that specialize in small batch orders. FAIRE highlights new artisans and allows businesses to have a direct rapport with makers.

Goals

- 1. To create a shopping environment that caters to the apparel needs of the modern woman.
- 2. To receive a 50% profit margin within the first year.
- 3. To have a customer base of 1,000 (local and online) by the end of the first operating year.
- 4. To achieve a net profit of \$75,000 by year two and \$100,000 by year three.

5. To be an active and vocal member of the community supporting initiatives assisting women and minorities.

Market Needs

There are several important needs in contemporary fashion world that are being either underserved or not met at all. Basic Bee plans to meet and service those needs.

- · Basic Bee provides fashionable street style to its customers which complement the contemporary pieces they may already own.
- · Basic Bee will also add an alternative to high priced premium denim but offering a lower price point without sacrificing quality.
- Due to the high rate of employee turnover at major retailers, customer service and personal detail has been lost. Focus and attention to customer's personal preferences and customer retention will be given high priority.

Market Trends

Within the last few years an edgier/street style look has resurged in the fashion industry. Basic Bee intends to use its place in the community to heighten the awareness of the street style culture in Grand Rapids, MI.

Market Growth

According to reports from Headlight Data and Forbes, Grand Rapids is one of the fastest growing economies in the nation. It was rated as the second-best city in the US for small businesses by LendingTree. According to the same data 82% of Grand Rapids' small businesses reported profitability and an average revenue of \$293,495 in the last year.

Relevant Experience

For the past 8 years I have held positions as a retail store manager with a variety of companies, both large chains and locally owned businesses. During this time, I have gained experience in all aspects of running a business from inventory management and bookkeeping, to customer service and recruiting. Each of my positions have taught me something that has led me to the point of being fully prepared to be in business for myself. With this venture I will offer a range of products and a brand of service that is missing from the Grand Rapids area. (please see attached resume)

Along with Carmen Foster of Covet Leisure, we hosted the first bi-annual Fulton Street Boutique Market. This outdoor market brought over 20 business from across West Michigan to a central location offering end of season sales to Grand Rapids customers. This event was highly needed due to COVID-19 restricting boutique hours earlier in the year. This event, held September 3, 2020, allowed Basic Bee to debut to the city and raise interest in the brand and store opening.

Team

The main team at Basic Bee will consist of the owner Renise Warners running the day to day operations of the store including but not limited to customer service, sales, inventory management and marketing.

Basic Bee has already secured the MI Springboard grant for legal assistance through Varnum LLP and will have accounting assistance through Flickema CPAs.

We also worked with Grand Rapids Opportunities for Women (GROW) to secure resources and funds to insure a successful venture with proper guidance. Basic Bee has quarterly check-ins with Marvin Martin of GROW to review financials and schedule any further assistance needed via workshops or classes.

Schedule

The lease for 325 Division Avenue was signed on August 31, 2020 and officially began on September 1, 2020. The lease is for 26 months, with option to renew at the end of the term. (Lease attached)

We are proud to be a tenant of Dwelling Place on this business venture joining other retailers like Second Dance Consignment and Mel Styles. This corridor of Division Avenue has a beautiful history of being a gathering place for those visiting the Grand Rapids area and we hope that the addition of Basic Bee will contribute to the growth and development of the area.

Project Costs

The space at 325 Division Avenue South is a historical space which still has many of its original flooring, walls, and lighting. We purchased displays, fitting rooms, and cash desks that will be removable and not adhere to any surfaces as to maintain its integrity. Opening Project costs were funded with owner's investment and GROW small business loan. Costs included but are not limited to:

Lease deposit: \$2,400

Opening inventory: \$25,000

Store Fixtures: \$5,477

Design /Building Services: \$4,153

Seeing as we are open, for the purposes of this proposal, I am only requesting funds to reduce rent payments for 18 months. The rent for 325 Division Avenue South is \$1200/month, the 18 months requested would be for \$10,800.



















WHY PACK ELEPHANT

Corporate gifts.

A golden opportunity to create impact in underrepresented communities.

\$125B*

U.S. ANNUAL SPEND ON CORPORATE GIFTS

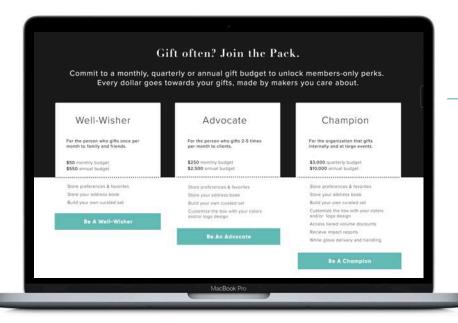
\$47B*
VALUES-BASED
SPEND

\$5B*GIFTS OVER

\$25

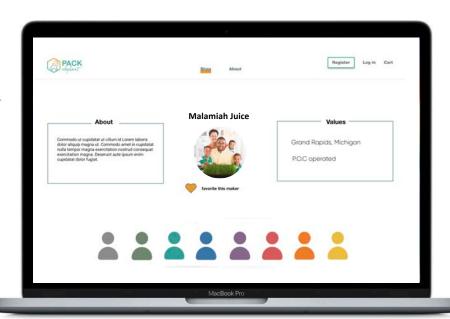
U.S. MAKERS WITHOUT SUSTAINABLE SALES

OUR SOLUTION I CURATED, VALUES-DRIVEN GIFTING









MAKERS

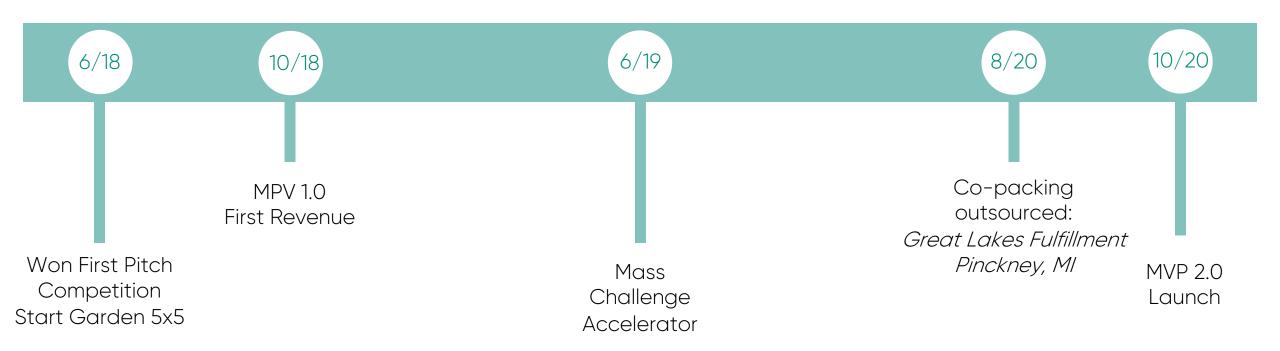
RECIPIENTS

TRACTION | PROGRESS TO DATE

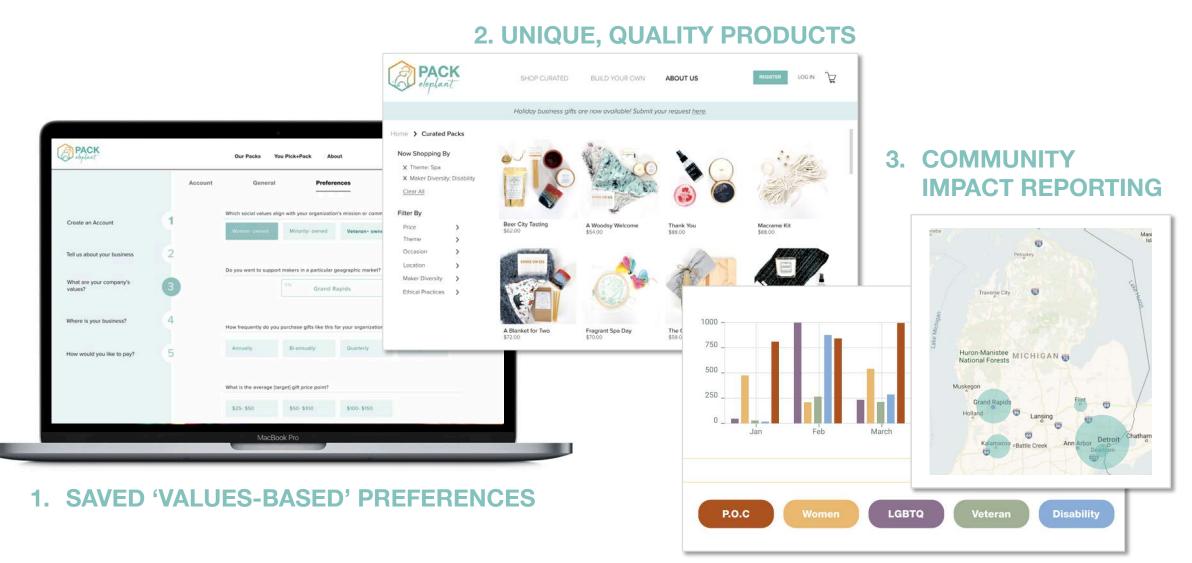
\$102.5K rev last 12 months / \$192.5K 2020 projection

43 corporate customers served in MI, TX, & MO / 35 more in the pipeline

117 makers onboarded; 80 in the pipeline



THE TECH | CUSTOMIZEABLE & MEASURABLE



THE TEAM I PACKELEPHANT.COM CORE BUSINESS



WINSOME KIRTON

FOUNDER & CEO

- MBA, NYU Stern
- BA, Upenn
- 8 Yrs Advertising & Digital Marketing Strategy
- 1 Yr EIR, MSU Innovation
- Start-up Experience



REYNALDO KIRTON

CSO / CFO

- MBA Prospect, Wharton
- BA, Harvard
- 3 Yrs Strategy Consulting
- 2 Yrs Private Equity & Venture Capital



KIRA MATICA DESIGN LEAD



NKECHE ALEXANDER
TECHNOLOGY LEAD



KENDALL WEBER
OPERATIONS LEAD



NEW HIRE SALES LEAD

THE MARKETPLACE AT STUDIO PARK POWERED BY PACK ELEPHANT

HIGHLIGHT MAKERS | THE BEST OF WEST MICHIGAN

















High quality products, spanning every gifting category

Wearable Accessories

Games & Ent.

Kids & Baby

Beauty & Grooming

Health & Wellness

Kitchen & Barware

Craft & Hobby

Holiday & Cards

Office & Travel

Food & Drink

Home & Garden

Outdoor Recreation

Maker story told with each product purchase include a QR code that drives to Pack Elephant ecommerce channel

STAY ON MISSION I VALUES DRIVEN GIFTS MADE IN GR

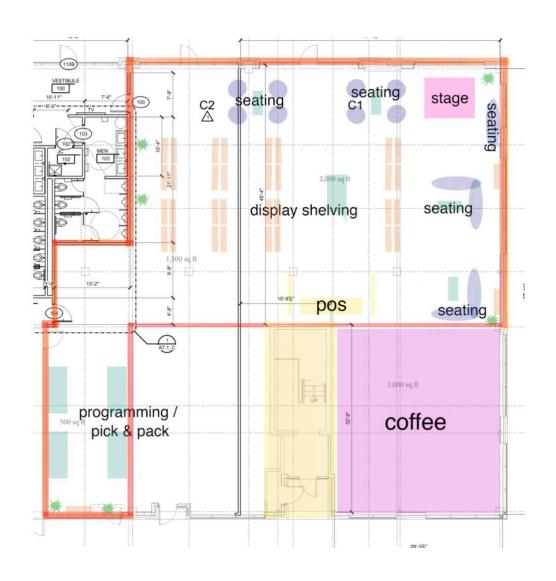
Data supporting the mission must be prominently displayed, and integrated into all communication







MARKETPLACE LAYOUT | PURPOSEFUL ALLOCATION



Assumptions:

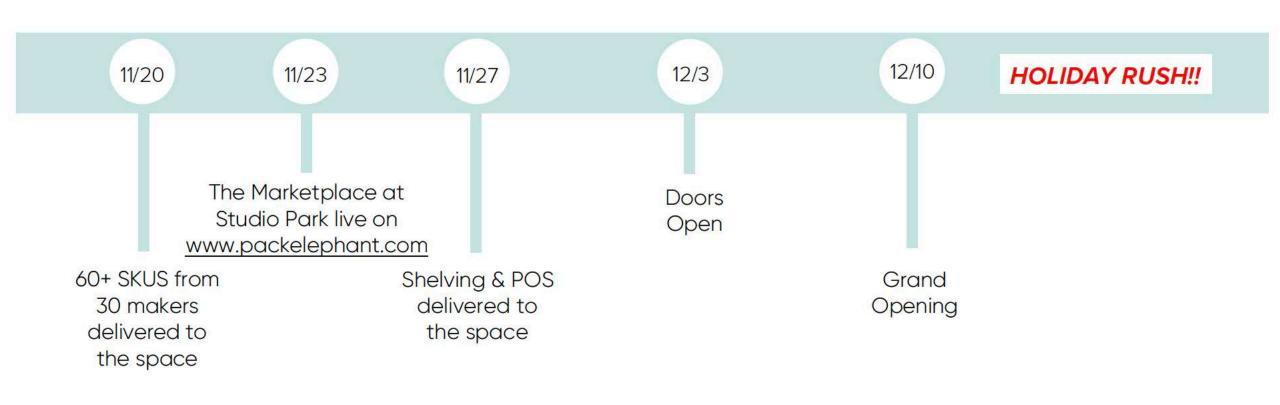
- Approx. 3,000 sq. ft. at Studio Park
- Single POS (point of sale) is centrally located so that staff have line of sight throughout the floor
- Bathrooms are not blocked by shelving or by furniture
- Seating areas encourage makers and customers to stay a while with "bookstore" model floor plan
- Café opens into retail space
- Windows are used primarily for displays including some windows on lonia
- Multi-use / programming space has a collapsible wall

Considerations:

 Space on walls needs to be reserved for artwork displays in partnership with a local gallery

MARKETPLACE TIMELINE I ROLLING LAUNCH

Pack Elephant has secured 30 makers for launch



THE LOOK | WARM, ELEGANT, PACK ELEPHANT



THE TEAM I THE MARKETPLACE AT STUDIO PARK



WINSOME KIRTON

FOUNDER & CEO

- MBA, NYU Stern
- BA, University of Pennsylvania
- 8 Yrs Advertising & Digital Marketing Strategy
- 1 Yr Procurement, Diversity Sourcing
- Start-up Experience



CLAIRE HINTONCOMMUNITY RETAIL
ASSOCIATE



ALLISON RUDI

DIRECTOR, COMMUNITY DEVELOPMENT

- MPPA, Northwestern
- BA, Vanderbilt
- Leadership Grand Rapids Graduate
- 7 Yrs Social & Public Research
- 12 Yrs Event Planning Experience



MARYANNE LOUGHRAN COMMUNITY RETAIL ASSOCIATE

THE ASK I SEEKING COMMUNITY FUNDING

The Marketplace at Studio Park, powered by Pack Elephant

	Start-Up & Holiday	Long Term Sustainability	Total
Build-Out & CapEx	\$9,107.87	\$23,562.54	\$32,670.41
Build Out & CapEx: Furniture	\$10,816.60 *	\$40,000.00 **	\$50,816.60
Marketing & Promotion	\$11,392.00	\$3,000.00	\$14,392.00
Operational Support	\$4,880.00	\$64,400.00	\$69,280.00
Total Budget	\$36,196.47	\$130,962.54	\$167,159.01

^{*}Already purchased by Pack Elephant

^{**} In-kind request to Interphase

THANK YOU.

WINSOME KIRTON

Founder & CEO winsome@packelephant.com 616.202.6521



APPENDIX

FURNITURE I LOOKING FOR SPONSORSHIPS!

Furniture Line Item	Status	Qty
Shelving Units	Purchased	32
POS Reception Desk (Alternate)	Purchased	1
"Board Room" Length Tables	In Kind Proposal	4
Chairs	In Kind Proposal	24
Side Tables & Coffee Tables	In Kind Proposal	4
Couches	In Kind Proposal	8
Floor Lamps	In Kind Proposal	12
Rugs	In Kind Proposal	6

THE MAKERS | THE BEST OF GRAND RAPIDS

















- Each maker will have their **story prominently displayed** with their products, and their maker story card will be included with every item sale
 - Every month, Pack Elephant will rotate maker stories displayed in retail storefront windows for added exposure
- Each maker will have a consignment contract with Pack Elephant
 - Pack Elephant manages POS; makers do not need to physically be present in order to sell their goods
 - Pack Elephant auto-pays makers based on customer sales
- Each maker will have a **product SKU maximum** (5) that can be displayed in the store at a given time, each to not exceed a **maximum value** (\$40)
- Each maker must keep a stock of at least 25 units in each SKU in the store at any given time
- Each maker must commit to **a minimum 3-month term**; if products do not sell-through, makers will be given options.
- Target: 25 makers in month 1 and up to 75 makers in month 12

THE PRODUCTS | HIGH QUALITY GOODS (THAT CAN FIT IN A BOX)

All products must be approved by Pack Elephant before being accepted onto the floor

Wearable AccessoriesFood & DrinkHoliday & CardsKitchen & BarwareBeauty & GroomingGames & Ent.Home & GardenOffice & TravelCraft & HobbyHealth & WellnessKids & BabyOutdoor Recreation

Applications can be submitted on www.packelephant.com and will be reviewed on a rolling basis.