

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 • Jono Klooster • Kareem Scales • Kristian Grant • Mark Breon • Omar Cuevas • Scott Stenstrom • Tim Mroz

February 18, 2020

3:00p – 4:00p

29 Pearl Street, NW Suite #1

1. Call to Order
2. Approval of January 21, 2020 Meeting Minutes*
3. Introductions
4. Retail Grant Discussion
5. Other Business
6. Public Comment
7. Next Meeting – March 17, 2020
8. Adjournment

***Denotes Action Item**



Goal 4 Alliance

January 21, 2020

1. Call to order: Jorge Gonzales called the meeting to order at 3:05 pm

Members Present: Ana Jose, Attah Obande, Caylie Peet, Jorge Gonzales, Jono Klooster, Omar Cuevas, Scott Stenstrom, Tim Mroz

Members Absent: Mark Breon, Brianna Vasquez de Periera, Ace Marasigan, Alex Caceres, Kristian Grant, Jason McClearen, Kareem Scales, Farida Islam, Brandy McCallum

Others Present: Eunice Lopez-Martin (Choice One Bank), Christa Ferguson (WOODTV8), Alvin Hills IV (City of Grand Rapids), Tyler Petersen (Opportunity Fund), Heather Ibrahim (Dwelling Place), Caleb Hollier (Gill Industries), Troy Butler (Thacker Sleight), Alysha Lach White (Little Space Studios), Haley Stichman (Dwelling Place), Gina Van Timmeren (Gina's Boutique), Jill (Apothecary on Main), Marion Bonneaux (DGRI)

2. Approval of Minutes

Mr. Stenstrom, supported by Mr. Cuevas, motioned to approve November 19, 2019 and December 17, 2019 Meeting Minutes. None opposed. Motion approved.

3. Introductions

4. 2020 Priorities Discussion

- a. Mr. Kitavi explained that we have been going through a process of getting new people on the table but that we still need to officially appoint them. This will thus be an informal conversation today. DGRI touches many places and works with so many different partners so its role is a little bit interesting, and that its work depends a lot on partnerships and relationships with other partners in the city. Things cannot move forward without alignment across these partners. We also understand that DGRI's work has ripples beyond its footprint of Downtown. Financial partners are important on this Goal 4 board as are business owners downtown. The table should talk about how to achieve some of the goals, including about the Small Business Expo, funding in

the retail grant, business seminars. The Small Business Expo's goals were to set a baseline for figuring out the landscape for resources in the city, including partners but also other organizations that have resources for businesses. The Expo included vendor booths and then two separate panels available to attendees. It would be good to consider being timely around the Start Garden 100 Ideas and other occurring and relevant events. Mr. Obande asked what the primary objective of the Expo was, to which Mr. Kitavi replied that it was an entry point for new or old business owners to find resources, but also for providers to find out who was there and explore new demographics and industries. It was a platform for resources providers and entrepreneurs to find each other and to create new things. Mr. Cuevas stated we need to find out what ESOs are doing so that we are not duplicating anything. He asked if this was the best model, and that perhaps the DDA could have a resource guide so that if someone opens a business could be given to them. The Expo also helps the board find out how and to whom to market. Ms. Jose stated that there was a section that was missing with maybe bringing a national speaker or having breakout sessions since we are curating such a large event, like that people know what they're going to walk away with. Mr. Obande agreed that breakout sessions would be a good idea especially due to the space being loud and added that a post-event survey to see what kind of financial outcomes there were, for example how many entrepreneurs reached out to those resource providers. Mr. Hills stated most people valued the business to business aspect but that there wasn't a way to capture how much was sold per vendor. Additionally, there lacked a media presence so next year they should be included as resource providers to teach and coach about media accessibility for small businesses. The Expo planners should also focus on outreach during planning. Ms. Jose stated that whoever participates needs to be educated for what they need to do to capture customers and to make sure they're prepared with goals, for example, 5 leads and what follow up they're going to do with those people. That information can eventually be shared with expo staff so that it becomes qualitative data. Mr. Kitavi said that making sure more people and community members came out to the event itself was overlooked. Mr. Petersen added that inaugural events always have kinks but that the Expo was successful. He added that part of the next steps process should include marketing pamphlets. Ms. Lach asked Mr. Kitavi what he felt he needed from the people at the table, to which Mr. Kitavi replied that if anyone at the table wished to be part of the process they should. There is more time for planning this time around as it is early enough in the process to put together a planning committee. Ms. Lopez-Martin stated she wished more women were speaking at the panel discussions. Ms. Jose added to also make sure the Hispanic community is more involved. Mr. Gonzalez commended and thanks Mr. Hills and Mr. Kitavi for putting it together in such short time and Mr. Kitavi said he would send out email asking for those who wish to be

involved and asked the table if there were any other small business events going on around that time next year. Mr. Cuevas replied that Small Business Week occurs in May and that it could be used as an opportunity to scale the Small Business Expo through marketing and outreach. Ms. Peet added to make sure that there are marketing firms present because marketing is often the first thing that is cut in budgets but it's important for businesses to be educated about it. Mr. Petersen suggested that there be time at the Expo for all the ESOs to get together. Ms. Lach White stated that entrepreneurs are often looking for ways to improve their tech access and therein use this to create a marketing campaign that makes sense for them. Therefore, having tech represented within the resource providers should be included in planning for this coming Expo. Regarding the planning committee, there should be booths and groups on the ground and going to communities to make sure they are represented but also attending. Additionally, there should be more business to consumer emphasis.

- b. Mr. Kitavi shifted the conversation to other goals, which had to do with supporting businesses that are already active and that the retail grant program is part of the conversation as well as the new position at the Chamber. Mr. Cuevas added that the position is focusing on the businesses that are already here Downtown and asked what the current needs of the business community downtown are and if these issues are overlooked. Then, it will analyze what the current mix is and what the opportunities are in order to move into the attraction element of the position. The study that will be conducted will help identify that sort of stuff and this body will be able to help those sorts of things. And, there will be opportunities to market the retail DGRI grant. This position will also be a resource navigator. This initiative is specific to the retail industry and also it encompasses the whole city landscape. Alysha Lach White asked if there existed a more direct way to receive that feedback from businesses, and that one way to achieve this would be to look at how other areas of the city are using BIDs and what the common requests are for those BIDs. With DGRI things are moving in different directions than they would with a BID. Mr. Cuevas stated that it would be worthwhile to figure out how to build our Goal 4's priorities and added that perhaps 6 was too many. Since there are relatively limited resources perhaps it would be important to simply do the things that are done very well, and that not everything needed to be solved in one year. Additionally, milestones and measurables should be instituted so that we can qualify the year ahead. This ought to include a notion of who owns the things that are happening. Goal 4 should develop a core focus and from this create some traction. Mr. Mroz noted that a lot of these goals are from the retail side and that the other half of the story should be looked at as well. The ESOs have power. Ms. Timmeren commented that retailers don't feel like they have a voice and that there

doesn't seem to be any cohesion with the "important people" while things are trying to get done and that not everyone enacting these things are on the same page. She gave Bravo LT's (40 Monroe Center St NW) variance as an example of a lapse in the narrative about the retail focus in Downtown. Ms. Lach White added that people on committees about economic development ought to be in the room when decisions are being made around the City. To better understand the issue, why this is happening in the first place and who it is benefiting should be figured out. Mr. Cuevas suggested that Rich App be added to this board.

- c. Mr. Cuevas asked for a follow up about the retail grant for The Meat Up Gastropub and Mr. Kitavi explained that while the other three businesses are moving forward The Meat Up has become more complicated and did not get presented to the DDA. Mr. Klooster asked whether this program would be funded again this year and Mr. Kitavi stated that he would like to but that Goal 4 should talk more intentionally about how to be more effective with this grant, and that a budget conversation was forthcoming. Mr. Klooster added that the group needed to figure out how to see businesses with the grant be successful in the long term and that they ought to be supported even after the grant is completed. Mr. Cuevas agreed, adding that besides a check, wrap around services should be part of the sustainability conversations for these businesses. Ms. Timmeren added that this program should include some sort of mentorship program and that the stigma that one cannot stay in businesses downtown should be fought.

5. Other Business

- a. Mr. Gonzalez commented that new alliance members should read GR Forward and Mr. Kitavi suggested that new member orientation would be a good refresher for everyone.

6. Public Comment

None

7. Next Meeting – February 18, 2020

8. Jorge Gonzalez adjourned the meeting at 4 pm

Minutes taken by:
Marion Bonneaux
Data and Information Specialist
Downtown Grand Rapids Inc.



DOWNTOWN
GRAND RAPIDS INC.

REQUEST FOR PROPOSAL

RETAIL BUSINESS ATTRACTION, IN DOWNTOWN GRAND RAPIDS, MI

Deadline:

Downtown Grand Rapids Inc. will receive proposals on a rolling basis

Deliver To:

Downtown Grand Rapids Inc.

Attention: Kyama Kitavi, Economic Development Manager

29 Pearl Street NW

Suite 1

Grand Rapids, MI 49503

or

kkitavi@downtowngr.org

Retail Business Attraction, Incubation and Development Program

Request for Proposals

Funds available to attract underserved and unavailable retail options in Downtown Grand Rapids.

Background

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

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

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

Funds Available

Downtown Grand Rapids Inc. (DGRI) administers the Grand Rapids Downtown Development Authority (DDA) and, in October 2016, updated the DDA's financing plan to prioritize statutorily-sanctioned efforts that work to attract underserved and/or unavailable retail options in Downtown. In the FY2020 budget, the DDA adopted a budget that directed funding to support marketing initiatives and/or a retail business incubation program that further the community's goals discussed above. Any expenditure of these funds must occur in accordance with sections 201(1)(r) and 201(2) the DDA's enabling statute PA 57 of 2018. Thus, the amount awarded will be determined by the eligible uses in the above statutes. Please find a copy of these requirements attached.

Potential Uses of Funds

This process is open to new businesses looking to open a retail location in Downtown Grand Rapids. The purpose of this RFP is to identify new businesses and new business owners that diversify Downtown's retail market. It is strongly recommended that proposals view this funding opportunity as a component of a comprehensive approach to supporting small business development and demonstrate steps taken to ensure the viability of their business downtown. Proposals that outline complementary business development support services outside of the requested funds will be viewed favorably. This can include but is not limited to technical assistance as well as financial support.

Funds available to support successful proposals are made available from local increment tax capture by the Downtown Development Authority. As such, funds are subject to geographic limitations, use restrictions and payment availability as established by PA 57 of 2018, as amended, and other policies established by the Grand Rapids Downtown Development Authority Board.

In the event of a potential lease between a qualifying business and a property owner within the eligible geography, funds may be used to help reduce rent payments by up to 50% for a period up to 18 months. Any program funds used for this scenario would be paid to the property owner according to a schedule

that would be included within the leasehold agreement. In this instance, a property owner and the qualifying business owner are envisioned to be co-applicants to the program.

It should be noted that receipt of this grant does not preclude one from applying for one of DGRI's other grant programs such as the Downtown Enhancement Grant or the Activate This Place Grant. Please note however, that other programs have their own criteria, eligible uses and approval process.

Proposal Requirements

Proposals submitted shall be limited to 6 pages (front and back allowed). The proposal should include the following information:

Description of Approach – A summary of your venture, strategy, partnership(s) and/or any distinguishing points of the proposed action intended to achieve the community goals. Highlight the uniqueness or gap being filled by your business being and its expected impact.

Relevant Experience – A description of your previous experience and qualifications on similar or related types of venture or initiatives proposed to achieve the community goal. This can include education, years in business and utilization of other Entrepreneurial Support Organization.

Team – Description of the individual(s), businesses, organization(s) and/or other partners involved. Key personnel will be an important factor considered by the review committee. In particular, indicate other technical assistance resources being utilized.

Schedule – Overview of timeline and important project milestones to ensure measurable movement toward the community goal. Indicate if there are additional actions needed to open. ie: permitting, financing...etc.

Project Costs – An outline of proposed costs, professional fees, or other expenses required to complete the proposed approach. A clear budget outline that indicates the sources and uses of funds including this requested grant.

Evaluation Factors

DGRI and the *GR Forward* Goal 4 Alliance will evaluate proposals based on several key factors including:

- The use of funds is consistent with MI PA 57 state-statute, which empowers the Downtown Development Authority to fund retail recruitment and incubation efforts in the Downtown district.
- Alignment with the aforementioned community goals defined in *GR Forward*.
- Creativity and completeness of proposed solution/approach.
- Relevant past performance/experience.
- Speed of implementation.
- Potential for success/sustainability.
- Clear articulation of expected outcomes.

Timeline

Downtown Grand Rapids Inc. invites applications on a rolling basis and will review requests with the support the *GR Forward* Goal 4 Citizen Alliance on a quarterly basis.

A digital copy of the proposal can be emailed to kkitavi@downtowngr.org. Hard copy proposals, while not required, can be mailed to the address below.

Downtown Grand Rapids Inc.
Attn: Kyama Kitavi
29 Pearl Street NW, Suite #1
Grand Rapids, MI 49503

(C) In 1993, the authority or municipality on behalf of the authority received approval for a grant from both of the following:

(I) The department of natural resources for site reclamation of the real property.

(II) The department of consumer and industry services for development of the real property.

(v) An ongoing management or professional services contract with the governing body of a county which was entered into before March 1, 1994 and which was preceded by a series of limited term management or professional services contracts with the governing body of the county, the last of which was entered into before August 19, 1993.

(vi) A loan from a municipality to an authority if the loan was approved by the legislative body of the municipality on April 18, 1994.

(vii) Funds expended to match a grant received by a municipality on behalf of an authority for sidewalk improvements from the Michigan department of transportation if the legislative body of the municipality approved the grant application on April 5, 1993 and the grant was received by the municipality in June 1993.

(viii) For taxes captured in 1994, an obligation described in this subparagraph issued or incurred to finance a project. An obligation is considered issued or incurred to finance a project described in this subparagraph only if all of the following are met:

(A) The obligation requires raising capital for the project or paying for the project, whether or not a borrowing is involved.

(B) The obligation was part of a development plan and the tax increment financing plan was approved by a municipality on May 6, 1991.

(C) The obligation is in the form of a written memorandum of understanding between a municipality and a public utility dated October 27, 1994.

(D) The authority or municipality captured school taxes during 1994.

(ix) An obligation incurred after July 31, 2012 by an authority, municipality, or other governmental unit to pay for costs associated with a catalyst development project.

(x) "Public facility" means a street, plaza, pedestrian mall, and any improvements to a street, plaza, or pedestrian mall including street furniture and beautification, park, parking facility, recreational facility, right-of-way, structure, waterway, bridge, lake, pond, canal, utility line or pipe, building, and access routes to any of the foregoing, designed and dedicated to use by the public generally, or used by a public agency. Public facility includes an improvement to a facility used by the public or a public facility as those terms are defined in section 1 of 1966 PA 1, MCL 125.1351, which improvement is made to comply with the barrier free design requirements of the state construction code promulgated under the Stille-DeRossett-Hale single state construction code act, 1972 PA 230, MCL 125.1501 to 125.1531. Public facility also includes the acquisition, construction, improvement, and operation of a building owned or leased by the authority to be used as a retail business incubator.

(y) "Qualified refunding obligation" means an obligation issued or incurred by an authority or by a municipality on behalf of an authority to refund an obligation if 1 or more of the following apply:

(i) The obligation is issued to refund a qualified refunding obligation issued in November 1997 and any subsequent refundings of that obligation issued before January 1, 2010 or the obligation is issued to refund a qualified refunding obligation issued on May 15, 1997 and any subsequent refundings of that obligation issued before January 1, 2010 in an authority in which 1 parcel or group of parcels under common ownership represents 50% or more of the taxable value captured within the tax increment finance district and that will ultimately provide for at least a 40% reduction in the taxable value of the property as part of a negotiated settlement as a result of an appeal filed with the state tax tribunal. Qualified refunding obligations issued under this subparagraph are not subject to the requirements of section 611 of the revised municipal finance act, 2001 PA 34, MCL 141.2611, if issued before January 1, 2010. The duration of the development program described in the tax increment financing plan relating to the qualified refunding obligations issued under this subparagraph is hereby extended to 1 year after the final date of maturity of the qualified refunding obligations.

(ii) The refunding obligation meets both of the following:

(A) The net present value of the principal and interest to be paid on the refunding obligation, including the cost of issuance, will be less than the net present value of the principal and interest to be paid on the obligation being refunded, as calculated using a method approved by the department of treasury.

(B) The net present value of the sum of the tax increment revenues described in subdivision (cc)(ii) and the distributions under section 213b to repay the refunding obligation will not be greater than the net present value of the sum of the tax increment revenues described in subdivision (cc)(ii) and the distributions under section 213b to repay the obligation being refunded, as calculated using a method approved by the department of treasury.

designate a qualified person as acting director to perform the duties of the office. Before entering upon the duties of his or her office, the acting director shall take and subscribe to the oath, and furnish bond, as required of the director. The director shall furnish the board with information or reports governing the operation of the authority as the board requires.

(2) The board may employ and fix the compensation of a treasurer, who shall keep the financial records of the authority and who, together with the director, shall approve all vouchers for the expenditure of funds of the authority. The treasurer shall perform such other duties as may be delegated to him or her by the board and shall furnish bond in an amount as prescribed by the board.

(3) The board may employ and fix the compensation of a secretary, who shall maintain custody of the official seal and of records, books, documents, or other papers not required to be maintained by the treasurer. The secretary shall attend meetings of the board and keep a record of its proceedings, and shall perform such other duties delegated by the board.

(4) The board may retain legal counsel to advise the board in the proper performance of its duties. The legal counsel shall represent the authority in actions brought by or against the authority.

(5) The board may employ other personnel deemed necessary by the board.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4206 Participation of employees in municipal retirement and insurance programs.

Sec. 206. The employees of an authority shall be eligible to participate in municipal retirement and insurance programs of the municipality as if they were civil service employees except that the employees of an authority are not civil service employees.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4207 Powers of board; creation, operation, or funding of retail business incubator.

Sec. 207. (1) The board may:

(a) Prepare an analysis of economic changes taking place in the downtown district.

(b) Study and analyze the impact of metropolitan growth upon the downtown district.

(c) Plan and propose the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a public facility, an existing building, or a multiple-family dwelling unit which may be necessary or appropriate to the execution of a plan which, in the opinion of the board, aids in the economic growth of the downtown district.

(d) Plan, propose, and implement an improvement to a public facility within the development area to comply with the barrier free design requirements of the state construction code promulgated under the Stille-DeRossett-Hale single state construction code act, 1972 PA 230, MCL 125.1501 to 125.1531.

(e) Develop long-range plans, in cooperation with the agency which is chiefly responsible for planning in the municipality, designed to halt the deterioration of property values in the downtown district and to promote the economic growth of the downtown district, and take such steps as may be necessary to persuade property owners to implement the plans to the fullest extent possible.

(f) Implement any plan of development in the downtown district necessary to achieve the purposes of this part, in accordance with the powers of the authority as granted by this part.

(g) Make and enter into contracts necessary or incidental to the exercise of its powers and the performance of its duties.

(h) Acquire by purchase or otherwise, on terms and conditions and in a manner the authority considers proper or own, convey, or otherwise dispose of, or lease as lessor or lessee, land and other property, real or personal, or rights or interests in property, which the authority determines is reasonably necessary to achieve the purposes of this part, and to grant or acquire licenses, easements, and options with respect to that property.

(i) Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, and operate any building, including multiple-family dwellings, and any necessary or desirable appurtenances to that property, within the downtown district for the use, in whole or in part, of any public or private person or corporation, or a combination of them.

(j) Fix, charge, and collect fees, rents, and charges for the use of any building or property under its control or any part thereof, or facility therein, and pledge the fees, rents, and charges for the payment of revenue bonds issued by the authority.

(k) Lease any building or property under its control, or any part of a building or property.

(l) Accept grants and donations of property, labor, or other things of value from a public or private source.

(m) Acquire and construct public facilities.

(n) Create, operate, and fund marketing initiatives that benefit only retail and general marketing of the downtown district.

- (o) Contract for broadband service and wireless technology service in the downtown district.
- (p) Operate and perform all duties and exercise all responsibilities described in this section in a qualified township if the qualified township has entered into an agreement with the municipality under section 203(7).
- (q) Create, operate, and fund a loan program to fund improvements for existing buildings located in a downtown district to make them marketable for sale or lease. The board may make loans with interest at a market rate or may make loans with interest at a below market rate, as determined by the board.
- (r) Create, operate, and fund retail business incubators in the downtown district.
- (2) If it is the express determination of the board to create, operate, or fund a retail business incubator in the downtown district, the board shall give preference to tenants who will provide goods or services that are not available or that are underserved in the downtown area. If the board creates, operates, or funds retail business incubators in the downtown district, the board and each tenant who leases space in a retail business incubator shall enter into a written contract that includes, but is not limited to, all of the following:
 - (a) The lease or rental rate that may be below the fair market rate as determined by the board.
 - (b) The requirement that a tenant may lease space in the retail business incubator for a period not to exceed 18 months.
 - (c) The terms of a joint operating plan with 1 or more other businesses located in the downtown district.
 - (d) A copy of the business plan of the tenant that contains measurable goals and objectives.
 - (e) The requirement that the tenant participate in basic management classes, business seminars, or other business education programs offered by the authority, the local chamber of commerce, local community colleges, or institutions of higher education, as determined by the board.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4208 Board serving as planning commission; agenda.

Sec. 208. If a board created under this part serves as the planning commission under the Michigan planning enabling act, 2008 PA 33, MCL 125.3801 to 125.3885, the board shall include planning commission business in its agenda.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4209 Authority as instrumentality of political subdivision.

Sec. 209. The authority shall be deemed an instrumentality of a political subdivision for purposes of 1972 PA 227, MCL 213.321 to 213.332.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4210 Taking, transfer, and use of private property.

Sec. 210. A municipality may take private property under 1911 PA 149, MCL 213.21 to 213.25, for the purpose of transfer to the authority, and may transfer the property to the authority for use in an approved development, on terms and conditions it deems appropriate, and the taking, transfer, and use shall be considered necessary for public purposes and for the benefit of the public.

History: 2018, Act 57, Eff. Jan. 1, 2019.

125.4211 Financing activities of authority; disposition of money received by authority; municipal obligations.

- Sec. 211. (1) The activities of the authority shall be financed from 1 or more of the following sources:
- (a) Donations to the authority for the performance of its functions.
 - (b) Proceeds of a tax imposed pursuant to section 212.
 - (c) Money borrowed and to be repaid as authorized by sections 213 and 213a.
 - (d) Revenues from any property, building, or facility owned, leased, licensed, or operated by the authority or under its control, subject to the limitations imposed upon the authority by trusts or other agreements.
 - (e) Proceeds of a tax increment financing plan, established under sections 214 to 216.
 - (f) Proceeds from a special assessment district created as provided by law.
 - (g) Money obtained from other sources approved by the governing body of the municipality or otherwise authorized by law for use by the authority or the municipality to finance a development program.
 - (h) Money obtained pursuant to section 213b.
 - (i) Revenue transferred pursuant to section 11a of chapter 2 of the city income tax act, 1964 PA 284, MCL 141.611a.
 - (j) Revenue transferred pursuant to section 11b of chapter 2 of the city income tax act, 1964 PA 284, MCL 141.611b.
- (2) Money received by the authority and not covered under subsection (1) shall immediately be deposited