

Virtual Meeting Access

Greetings!

For the safety and wellbeing of our members and employees, we would like to continue to hold meetings in accordance with the Open Meetings Act, PA 267 of 1976, as amended.

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 the upcoming virtual meeting.



MICROSOFT TEAMS

1. It is recommended to download the App -
 - a. [Apple Devices](#)
 - b. [Android Devices](#)
2. Once you have downloaded the app, [click here](#) to access the Teams meeting.

** Note: If you do not have a Microsoft account, you can join as a [guest](#).*

Please note that you may provide comments during the meeting using the “chat” feature of Microsoft Teams; however, comments posted in that fashion may not be read or addressed until after the meeting. You may also provide input or ask questions of the Board relating to any items of business that will come before them at the meeting by emailing Tim Kelly at tkelly@downtowngr.org who will forward them to the Board, or by mailing them via regular U.S. Postal service to c/o Tim Kelly, Downtown Grand Rapids Inc., 29 Pearl NW, Suite 1, Grand Rapids, MI 49503, or by calling (616) 719-4610.

Persons with disabilities may attend and participate using any of the above described methods. If you require special accommodations, please email mmcdaniel@downtowngr.org and we will be happy to accommodate you. If you have any questions or need further assistance, please email asloan@downtowngr.org.

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AGENDA

DGRI BOARD OF ADVISORS



Board Members:

Stephanie Adams • Monica App • Rick Baker • Shaun Biel • Mayor Rosalynn Bliss • Mandy Bolter • Wayman Britt • Kayem Dunn • Jorge Gonzalez • Kristian Grant • Brian Harris • Bob Herr • Birgit Klohs • Nikos Monoyios • Jon Nunn • Doug Small • Eddie Tadlock • Mark Washington • Rick Winn

November 23, 2020, 2:00p

Microsoft Teams [Virtual](#) Meeting

- | | | |
|---|-----------|--------|
| 1. Call to Order (2:00) | | Harris |
| 2. Approve Minutes from September 21, 2020 (2:01)
(enclosed) | Motion | Harris |
| 3. Economics of Place Presentation (2:05)
(enclosed) | Info Item | Kelly |
| 4. 2021 Meeting Schedule (2:25) | Motion | Harris |
| 5. DGRI Lease Extension (2:30)
(enclosed) | Motion | Kelly |
| 6. 501c3 Application (2:35)
(enclosed) | Motion | Kelly |
| 7. FY2021 Priority Updates (2:40)
(enclosed) | Info Item | Staff |
| 1. River Governance | | |
| 2. Social Zones | | |
| 3. World of Winter | | |
| 8. President & CEO Report (3:00) | Info Item | Kelly |
| 9. Old Business | | |
| 10. New Business | | |
| 11. Public Comment | | |
| 12. Adjournment | | |



DOWNTOWN
GRAND RAPIDS INC.

Board of Advisors Meeting

September 21, 2020

1. Call to Order – The meeting was called to order at 2:03 p.m. by Chair Brian Harris.

Attendance:

Members Present: Mandy Bolter, Monica App, Jorge Gonzalez, Wayman Britt, Birgit Klohs, Rick Baker, Kayem Dunn, Brian Harris, Nikos Monoyios, Stephanie Adams, Eddie Tadlock, Doug Small, Mark Washington, and Rick Winn.

Members Absent:

Mayor Rosalynn Bliss, Wayman Britt, Shaun Biel, Kristian Grant, and Bob Herr

Others Present: Tim Kelly (President & CEO), Amanda Sloan (Recording Secretary), Dick Wendt and Jessica Wood (Legal Counsel), Marion Bonneaux, Annamarie Buller, Mandy McDaniel, Kim Van Driel, Mark Miller, and Andy Guy (DGRI), Patrick Doherty, Chris Leinberger, Mark Mykelby, Kathy Blaha, Jon Nunn, and Al Jano.

2. Approve Minutes from May 20, 2020
Motion: Mr. Baker, supported by Ms. Klohs, moved to approve May 20, 2020 Meeting Minutes as presented. Motion carried unanimously.
3. Board Appointment
Motion: Mr. Winn, supported by Ms. Dunn, moved to appoint Jon Nunn, Executive Director of Grand Action 2.0, to the Downtown Grand Rapids, Inc. Board of Advisors. Motion carried unanimously.

4. Treasurer Appointment

Motion: Mr. Washington, supported by Ms. Dunn, moved to appoint Scott Saindon as Treasurer of the Downtown Grand Rapids, Inc. Board of Advisors. Motion carried unanimously.

5. Alliance Overview and Appointments

Mr. Kelly invited each of the Alliance Chairs to provide project updates to the Board. Mr. Tadlock stated Goal 1 has been participating in ongoing river governance discussions. There is currently an FRP posted for Lyon Square and participating partners will be meeting soon to determine next steps. Ms. App stated Goal 2 has been primarily focused on Heartside neighborhood strategies and establishing the Downtown Neighbor Network. Public restroom support had been a big priority, and all are excited to now have the Portland Loo at Division and Weston. Connecting and engaging with the Homeless Outreach Team about how homeless affects downtown residents has been a recent focus as the alliance determines new priorities moving forward. Mr. Monoyios stated Goal 3 Alliance continues to monitor recommendations on the Laker Line Pew Station which began service in August. Bike Plan coordination with the City continues as does Division Ave and Ottawa Ave reconstruction. Van Andel Plaza is nearly complete which will be maximizing the placemaking experience along with redesigned transit stops in the space. He stated we are considering implications of Social Zones moving into winter months, the Wayfinding project is moving forward, and transit-oriented development engagement at Logan St will inform improved safety and activation in that area. Mr. Gonzalez stated the last few years Goal 4 has focused on diversity, bringing 8 new minority owned businesses to downtown. Due to the pandemic there has been a decrease in downtown activity as we attempt to expand job opportunities and retain talent. An RFP was published for program development to provide wrap around services for businesses in need. Ms. Adams provided a long list of projects and events Goal 5 has been a part of facilitating including the Womens Way murals, The Bridge event series, Chalk it Up event, the Fish Sculpture at Canal Park, and the Sister Cities Welcome Mural. She stated we will soon see updated Holiday Lighting and new winter art installations. The Scooter and Bike Park construction is well underway, and the pop-up Dog Park received some updates as well.

Mr. Harris wondered if charters or goals will need to be modified post-COVID. Ms. App stated she is pleased with the connectivity of the group, but strategic planning needs to take place between alliances to accomplish our overall strategy. Others agreed. Many alliance goals have been accomplished and bigger picture goals should be addressed together.

Motion: Mr. Baker, supported by Ms. Dunn, moved to approve the updated Alliance Board of Appointments as presented. Motion carried unanimously.

6. FY20 and FY21 Performance Management Objectives

Mr. Kelly provided a summary of DGRI's three key performance measures for FY20 which include a set of performance indicators, key projects, and state and local advocacy agenda. He noted our tax increment capture increased 22% since 2017 with \$71 of private investment for every dollar of DGRI development investment, almost doubling from the prior year, and

allowing us to invest more in public infrastructure. He stated 6 of 11 key projects have been completed, though all were initiated and should be complete by the end of the second quarter of FY21. Nearly all advocacy objectives were completed including the (one year) DID reauthorization and the amendments to the business district legislation. This now allows for taxing residential property owners throughout downtown and will impact the next upcoming reauthorization process. Also, COVID initiatives, not anticipated as FY20 objectives, were a major focus this spring including social zones and refreshment areas.

Mr. Kelly stated in FY21 we will do an analysis of the GR Forward plan recognizing we are five years into this 10-year plan and identify any priorities that may need to pivot to accomplish these goals. Other key projects include Area South planning, Wayfinding redesign, retail market analysis, winter activation strategies, and formalizing the Refreshment Areas with more permanent signage and branding. As far as advocacy, we will continue to provide business support tools (social zones and more) and working with the City to address homelessness and quality of life issues Downtown. A homeless Point in Time count is scheduled to take place this fall. Mr. Harris stated there is a heightened concern for homelessness and it would be great to have the data to understand if this is a surge in homelessness or simply greater visibility. Mr. Kelly stated another advocacy project is a coordinated campaign to invite people back downtown. Also, a reminder that the City will be doing an updated master plan in the near future which we will want to be engaged in so that Downtown goals and priorities are reflected in that very important work. Ms. Adams suggested advocating for outdoor fire pits to further encourage winter activation. Others agreed.

Motion: Mr. Winn, supported by Mr. Small, moved to approve the FY20 and FY2 Performance Management Objectives. Motion carried unanimously.

7. River Governance Presentation

Mr. Guy provided an update on the river governance process. He stated the community has an ambitious goal for the Grand River to be a draw to the city, create a connected and equitable river corridor, and to establish Grand Rapids as the hub of a regional trail system. This project will double riverfront parks space, more than double the mileage of riverside trails, and add nearly 2 miles of whitewater rapids. We are currently establishing the organizational governance to develop, manage, and sustain assets along the corridor. Mr. Guy noted equity and inclusion have been a big part of best practices throughout the engagement process and there has been a tremendous amount of encouragement to move forward in the wake of COVID-19 with foundational affirmations in 2020 and implementation in 2021.

Ms. Kathy Blaha reviewed the key issues determined by the Organizational Leadership Committee (OLC) which included: building on GR's history of private/public partnerships, leveraging the strengths of community, inclusivity, starting quickly, thinking regionally, envision a best-in-class project, and develop sustainable funding streams. Case studies such as the Waterloo Greenway and Detroit Riverfront Conservancy provided 6 values of teams: big engagement, embedded equity plan, community partnerships with clear roles, philanthropy at

start up, policy framework to support project goals, and the evolution of roles as the team gains experience. The structure considerations for the central player (governance) development include building on Grand Rapids public/private partnership history, leveraging community based organizations, an inclusive networked team exploring equitable (inclusive) strategies that address social and economic issues, philanthropic help during start up, and reimagining Riverside to Millennium corridor on a regional scale as one asset. The recommendations now emerging from the governance process include establishing a new non-profit as a backbone organization, and establishing a Recreational Authority that promotes formal regional partnership and puts new funding tools in the toolbox . The Grand River OLC has begun drafting the purpose, mission and vision statements to support the start up of the a non-profit entity. Preliminary conversations with the City and County affirmed interest in working together to form a Recreation Authority. One next step is to determine the process for organizing the Authority. Additional recommendations flowing from the OLC will include developing an Equity Framework, which clearly defines our equity language, goals and metrics, and developing a Corridor Framework plan that establishes, for the first time, a compelling place-based vision for the corridor from Riverside to Millennium Parks. Ms. Blaha shared the timeline for these tasks, noting the draft guiding documents for the proposed new non-profit should be completed by the end of the year. Mr. Guy added a benefits analysis is also being developed and the results of the work will be presented in Q1 2020.

8. Economics of Place Presentation

Presentation postponed due to time restrictions.

9. President & CEO Report

Mr. Kelly shared that the Lyon Square RFP consultant recommendation will be presented to the DDA next month for approval. The Bridge South analysis (areas 7,8,9 on the westside) will wrap up this calendar year. BRT Line Division Ave reconstruction will finish up this month. Mel Styles and GR Noir (DEG recipients) are opening in November. The Van Andel Arena Plaza is scheduled to be complete by next week. Also, The Bridge event series kicked off last month with Open Windows (which auctioned off the plywood art decorated after the civil unrest) and features several weeks of art, music, and cultural festivals and events Downtown.

10. Old Business

None

11. New Business

None

12. Public Comment

None

13. Adjournment

The meeting adjourned at 3:31 p.m.



DOWNTOWN
GRAND RAPIDS INC.

COVID-19 Impact Report
November 2020

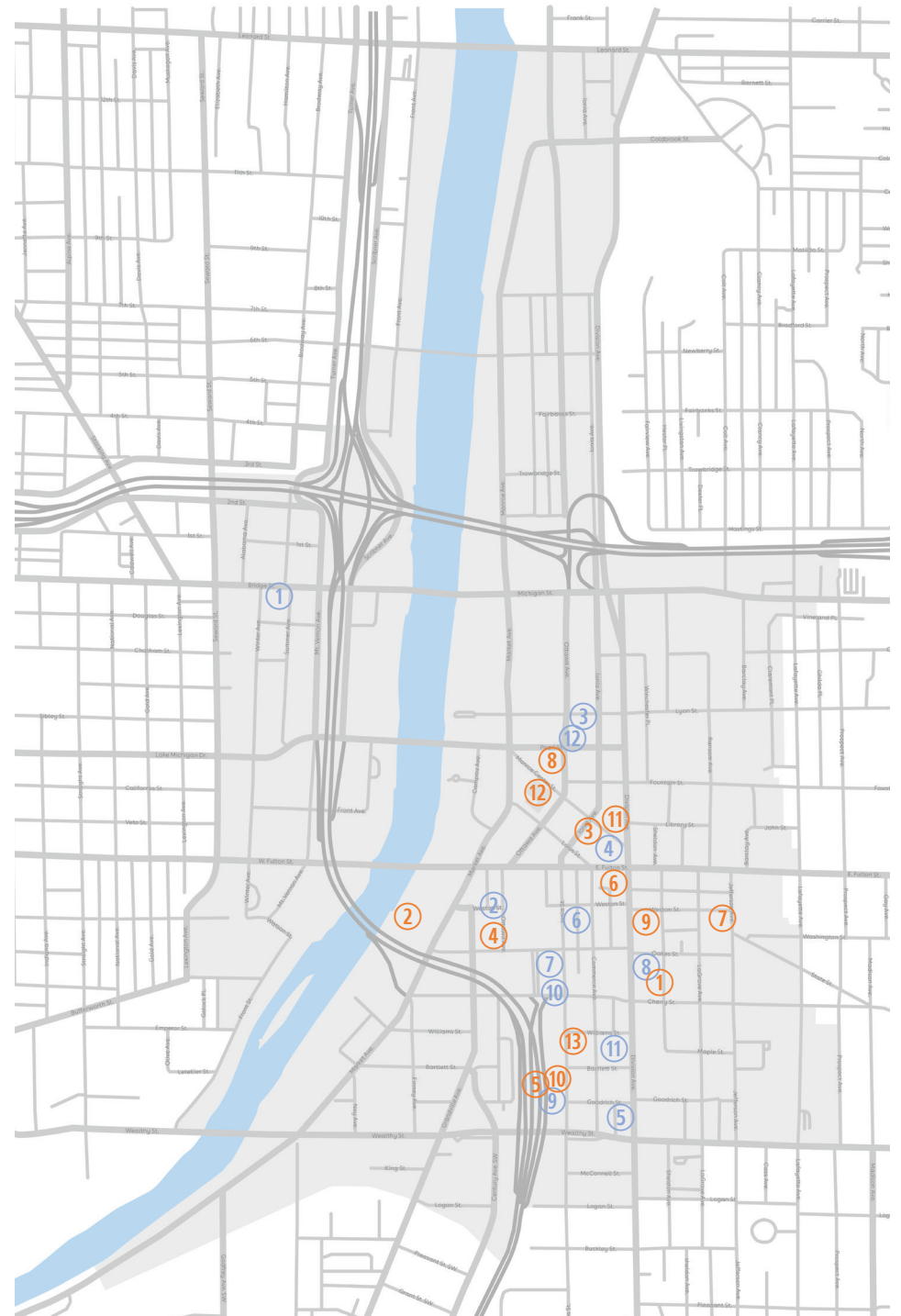
Business Openings

- ① Morning Belle (June 8)
- ② Ding Tea (June 28)
- ③ Downtown Nutrition (June 29)
- ④ Art Caribbean Fusion Cuisine (July 10)
- ⑤ The Color Forest (July 16)
- ⑥ Insomnia Cookies (July 21)
- ⑦ Pump House (July 23)
- ⑧ Balke P&D Gallery (August 7)
- ⑨ Alt City Beverage Downtown Market (August 20)
- ⑩ Portico & Knoop Canopy Hilton (September 8)
- ⑪ Mel Styles (September 19)
- ⑫ Tupelo Honey (September 19)

Business Closings

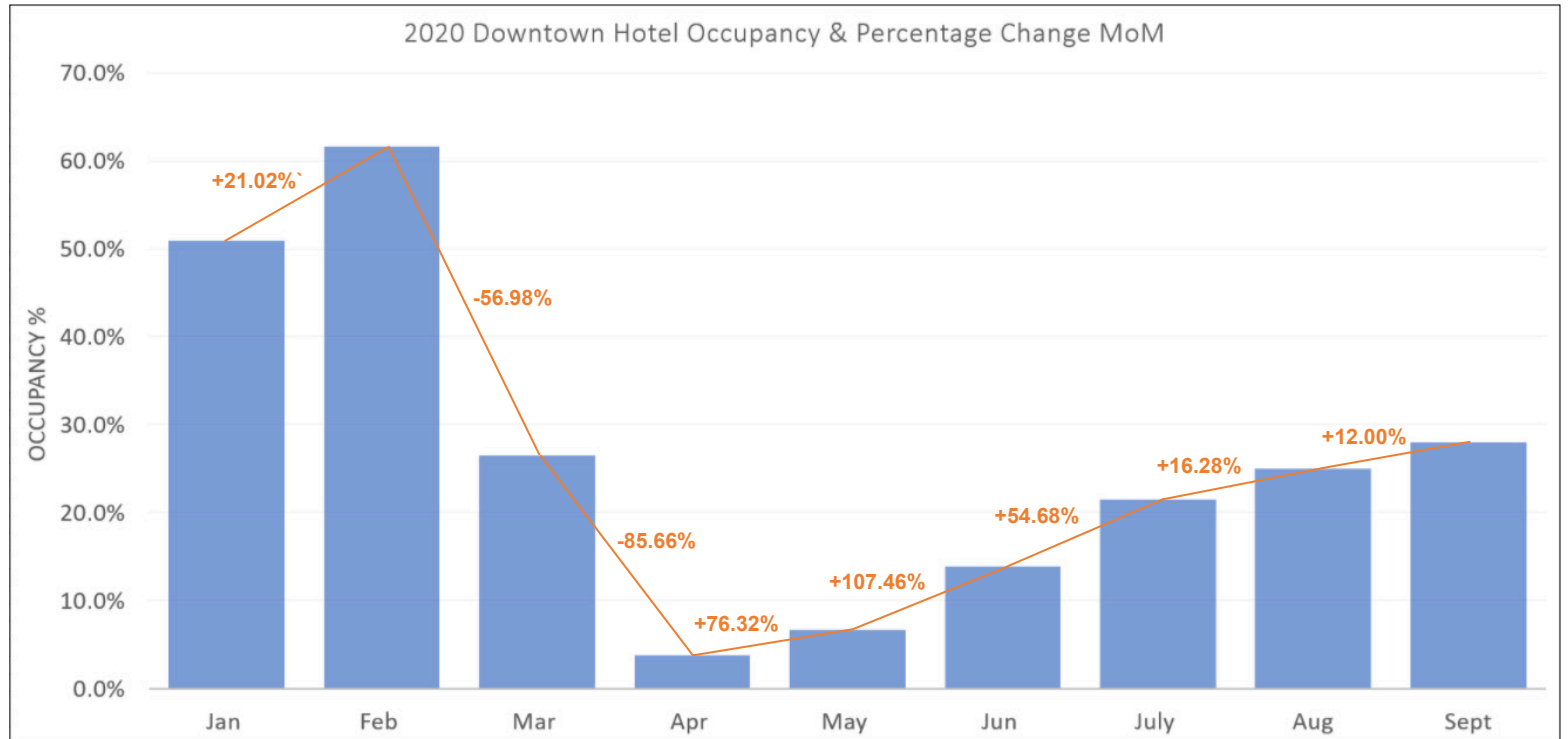
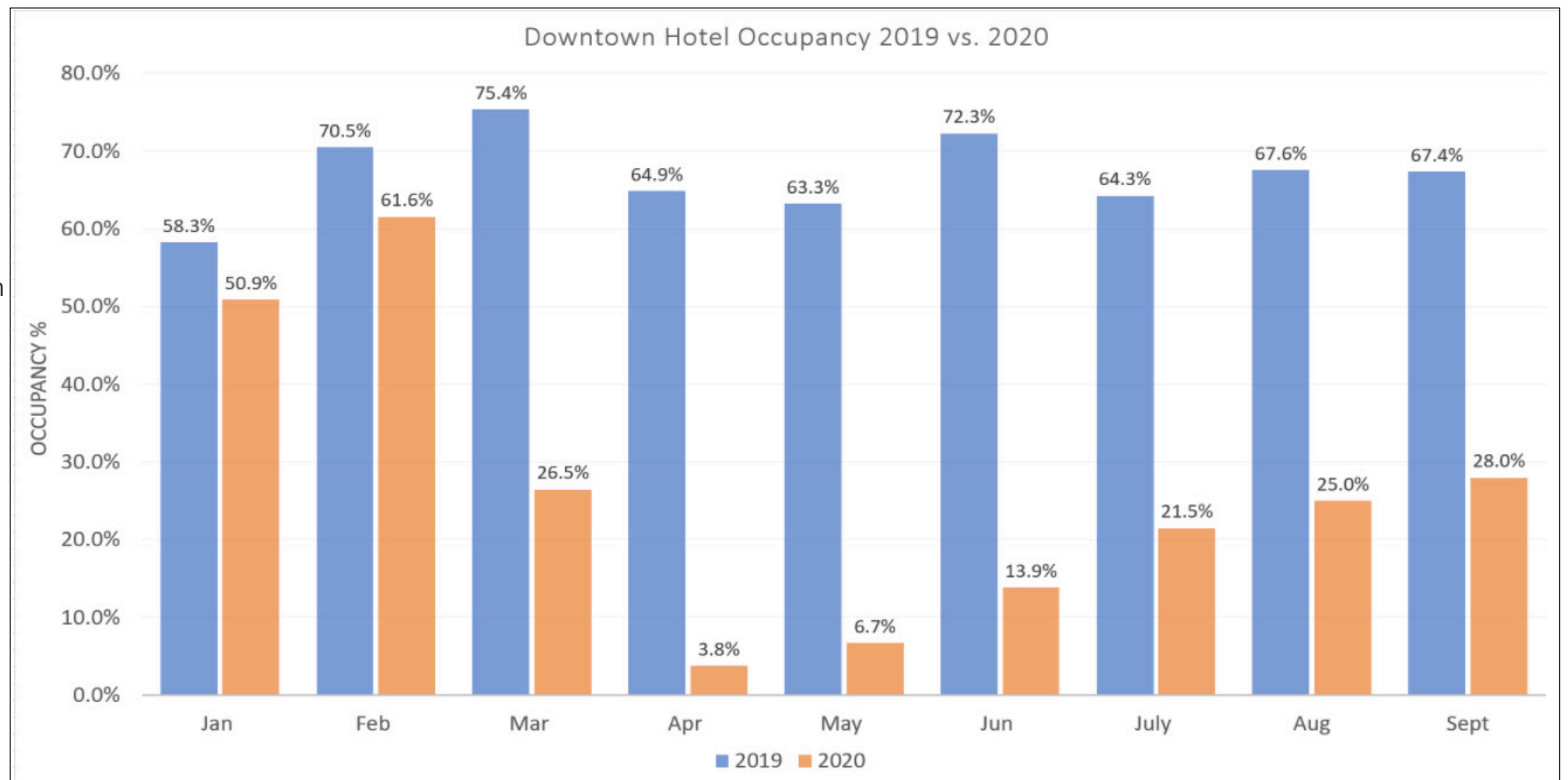
- ① Zoey Ashwood Fine Art (May)
- ② Charley's Crab (May 15)
- ③ Grand Central Market (June 1)
- ④ The Wheelhouse (June 4)
- ⑤ Madcap Downtown Market (June 8)
- ⑥ UICA (June 17)
- ⑦ Dog Story Theatre (June 27)
- ⑧ Perrigo Printing (July 1)
- ⑨ Bend Gallery (July 1)
- ⑩ Social Kitchen (July 7)
- ⑪ Gina's Boutique (August 8)
- ⑫ GRAM Store (August 20)
- ⑬ Craft Beer Cellar (September 26)

By comparison, 16 businesses opened and 7 closed in the same time period in 2019.



Downtown Hotel Occupancy

Occupancy is recovering at an average increment of 4.48% per month.



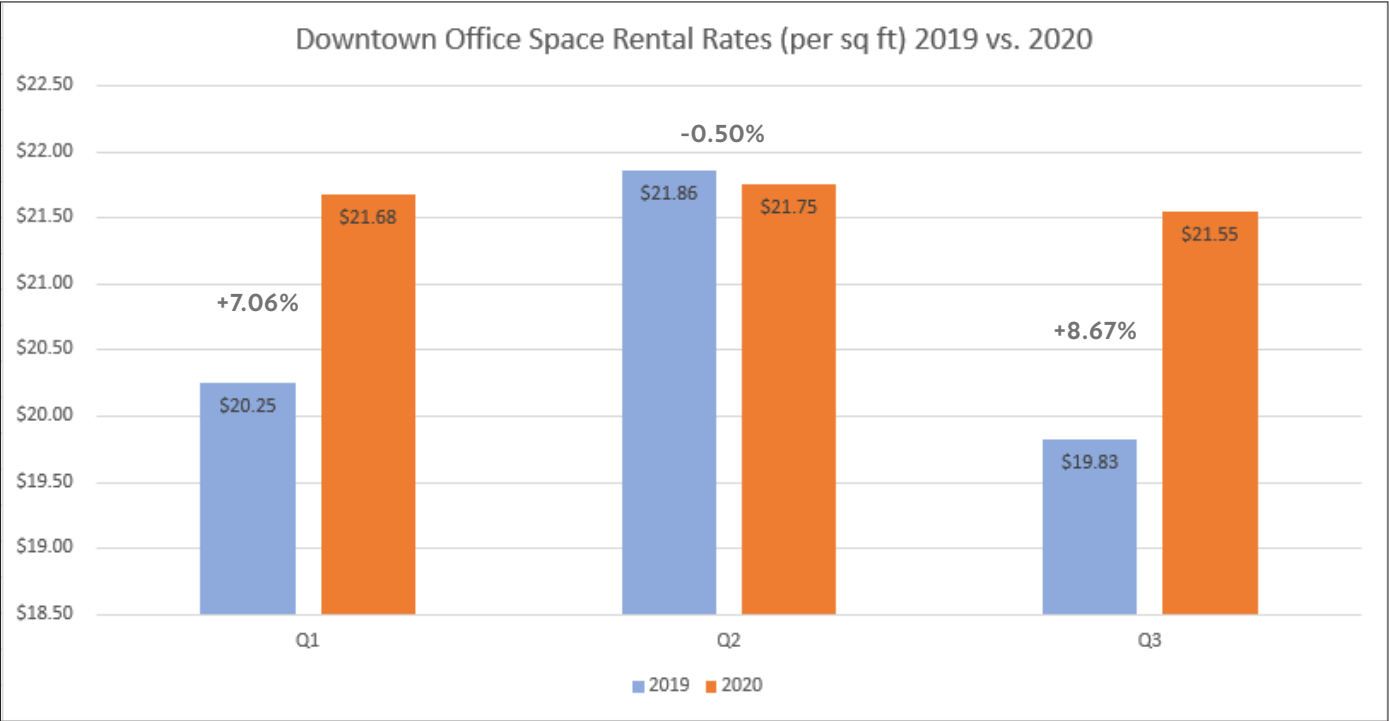
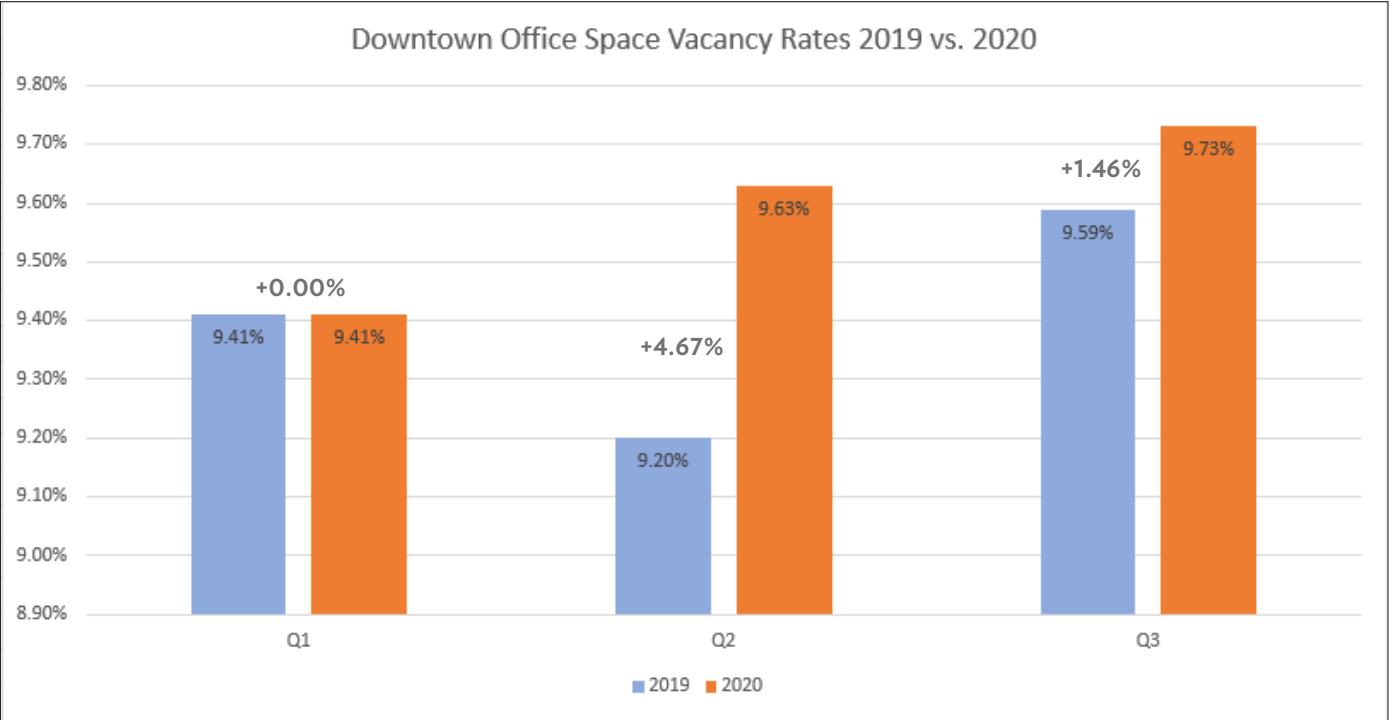
Source: Smith Travel
Research via
Experience GR

Downtown Office Space Vacancy

There was an overall 3.4% increase (32 basis points) in vacancy rates between Q1 2020 and Q3 2020. This equates to 6,405 square feet of office space.

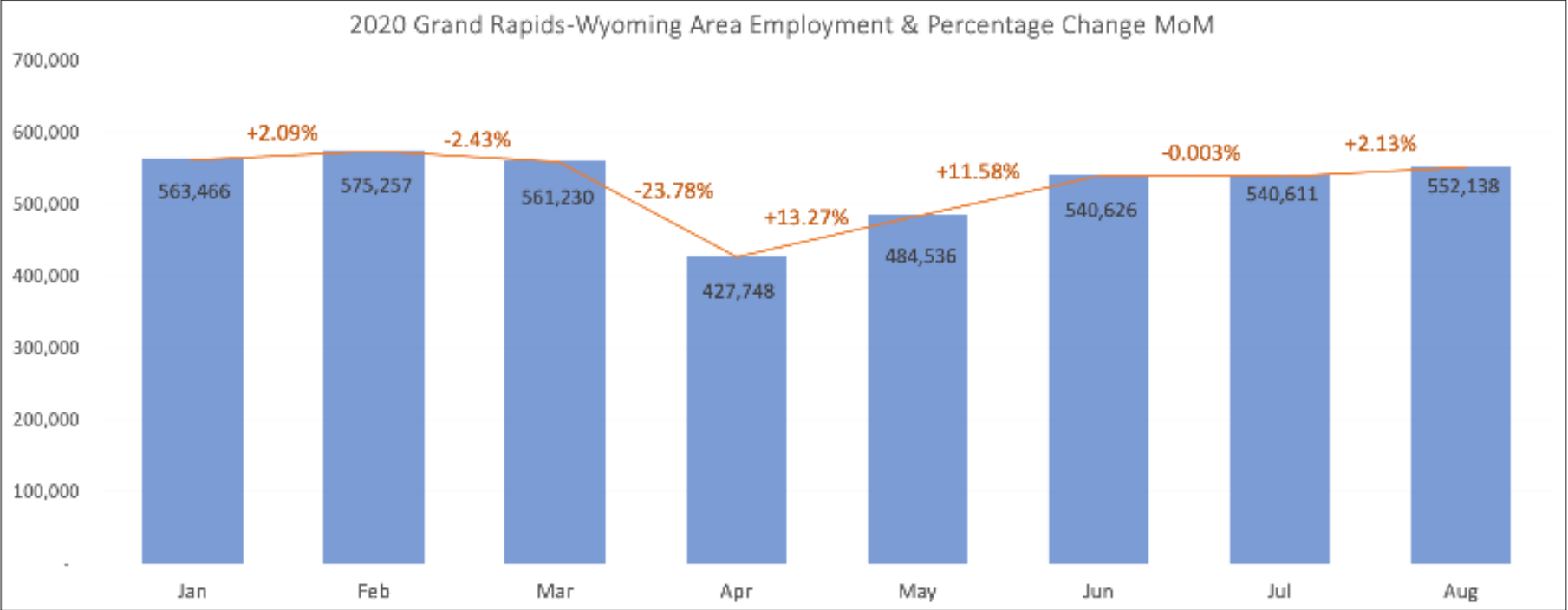
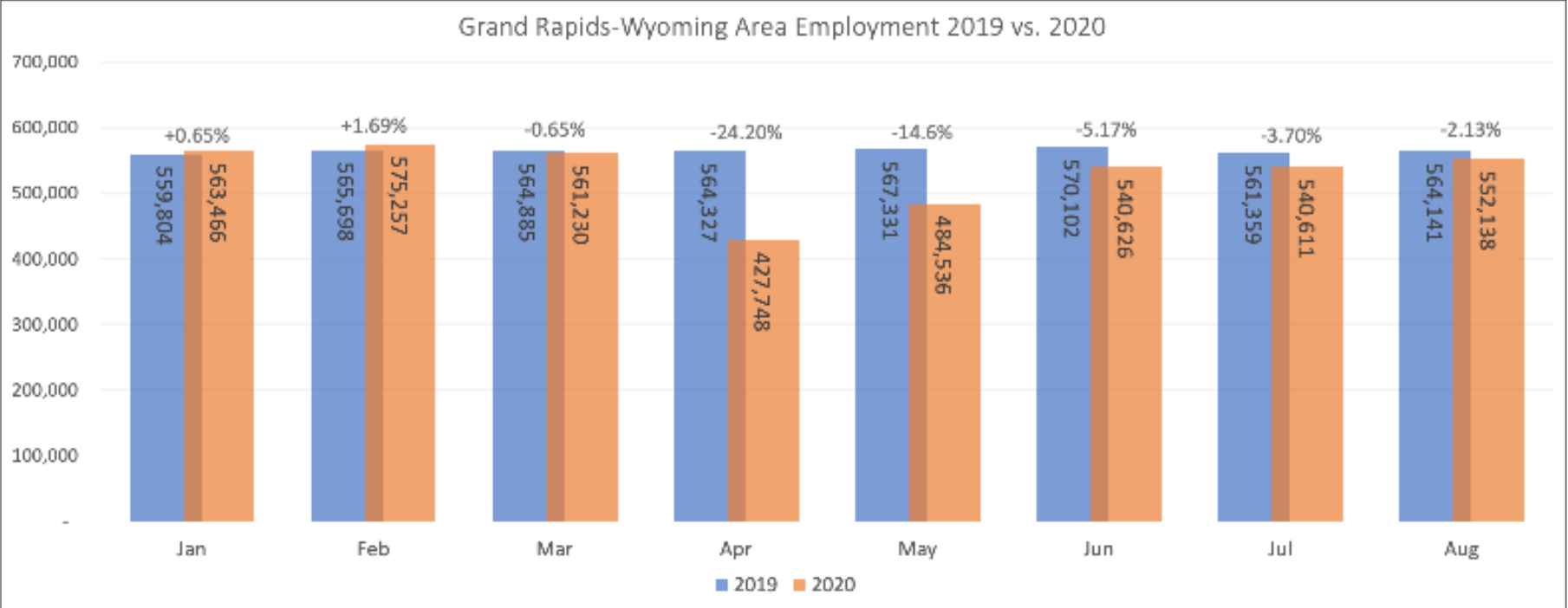
Colliers estimates 5,699,330 square feet of occupied space in Q3 2020, which is a 152,319 square foot decrease (-2.6%) since Q1 2020.

There was an overall 0.6% decrease (\$0.13) in rental rates between Q1 2020 and Q3 2020



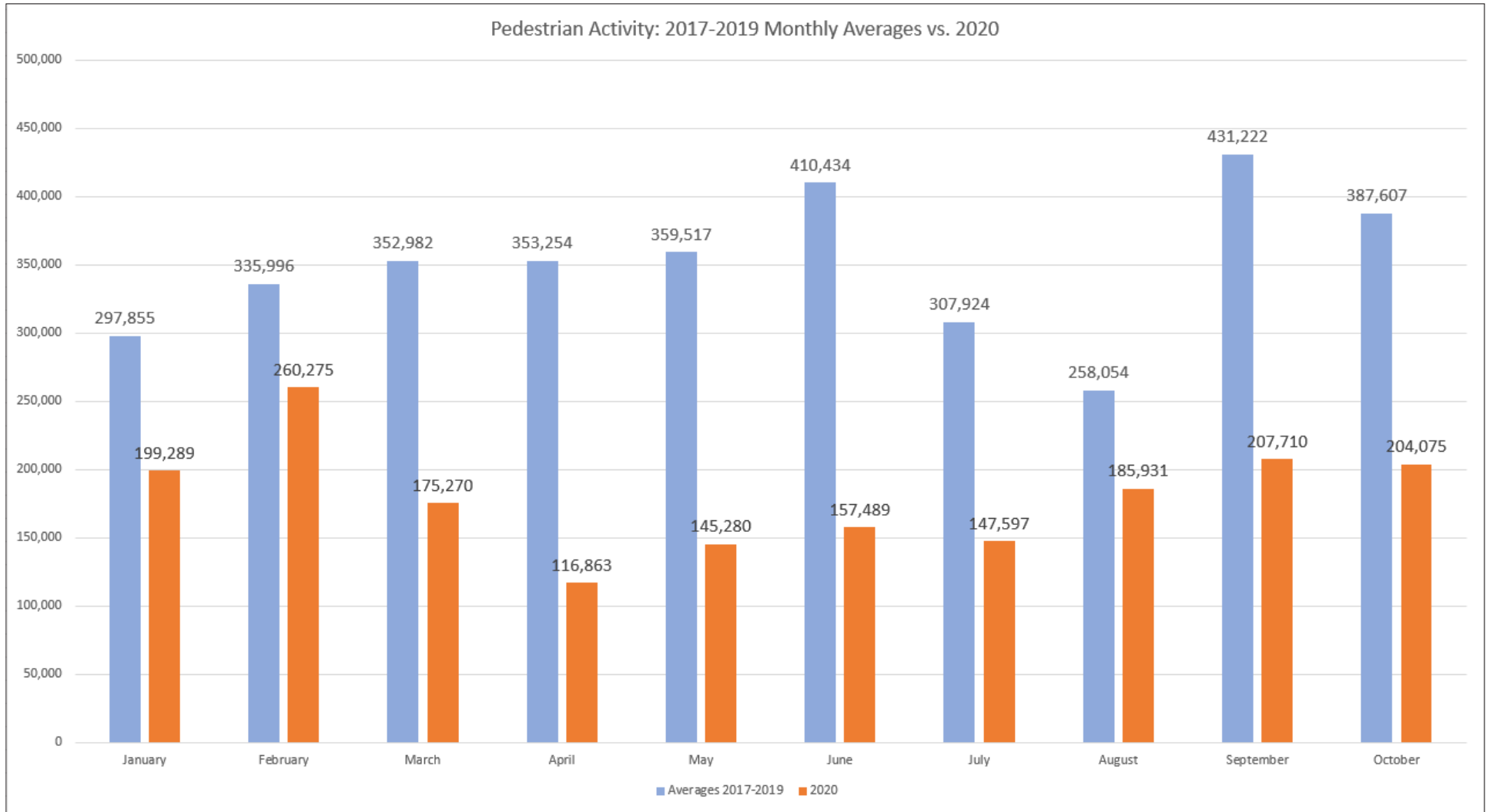
Source: Colliers International

Downtown Employment



Source: U.S. Bureau of Labor Statistics

Downtown Pedestrian Activity



2017-2019 monthly data were averaged in order to account for some errors and discrepancies, and to generate a more accurate overall picture when compared to 2020.

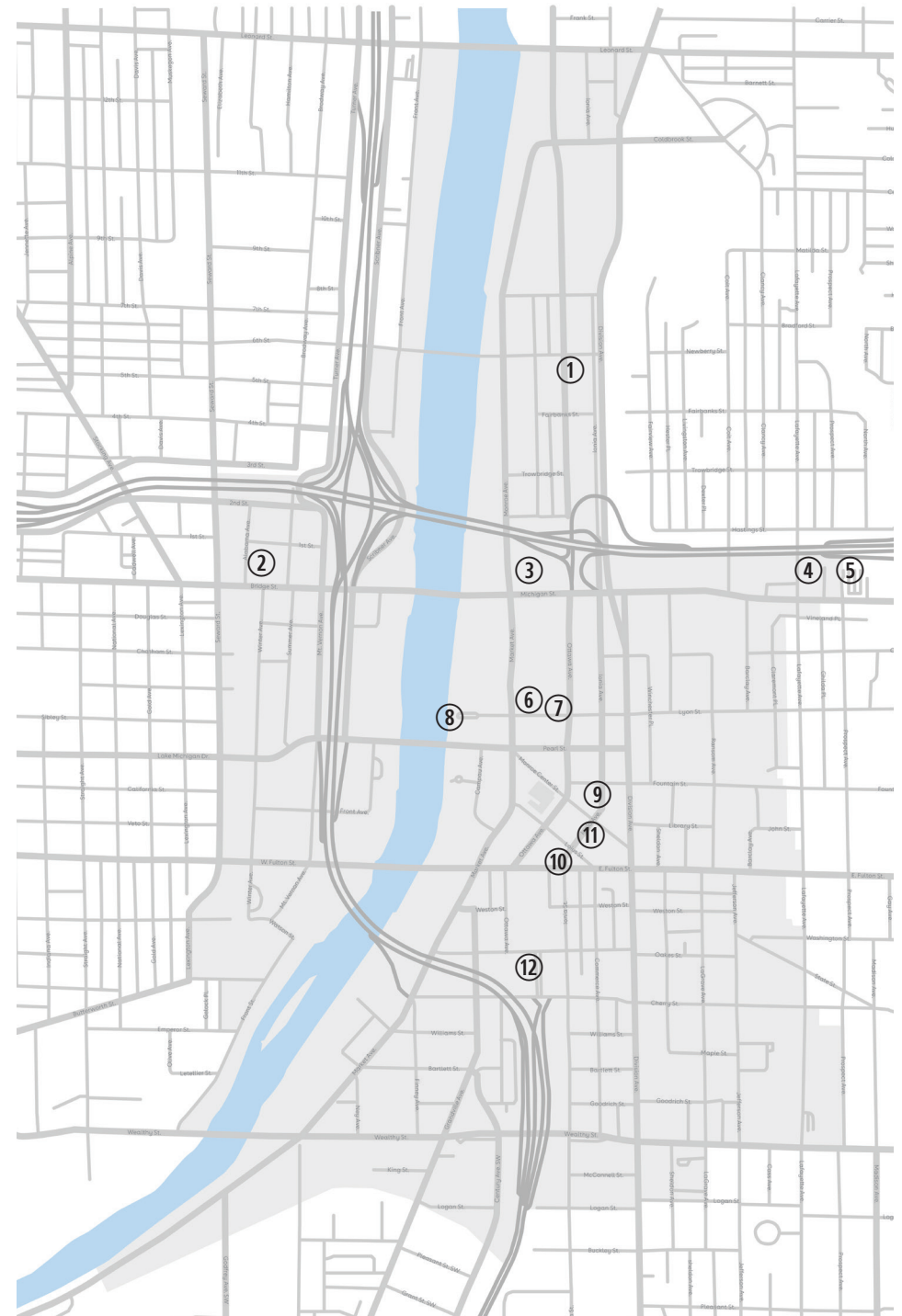
There was an average of a 47.33% decrease in pedestrian activity in 2020 when compared to previous years.

Locations included in this calculation include: Blue Bridge SW, Downtown Dog Park, Rosa Parks Circle, Ionia/Oakes SW, DeVos Place/Grand River, Ah-Nab-Awen Park, Bridge/Summer, Monroe/Trowbridge, Michigan Street (Rowe Apartments), and Division Oakes. Notably this does not include the Ottawa/Lyon pedestrian counter due to inflated numbers due to the construction.

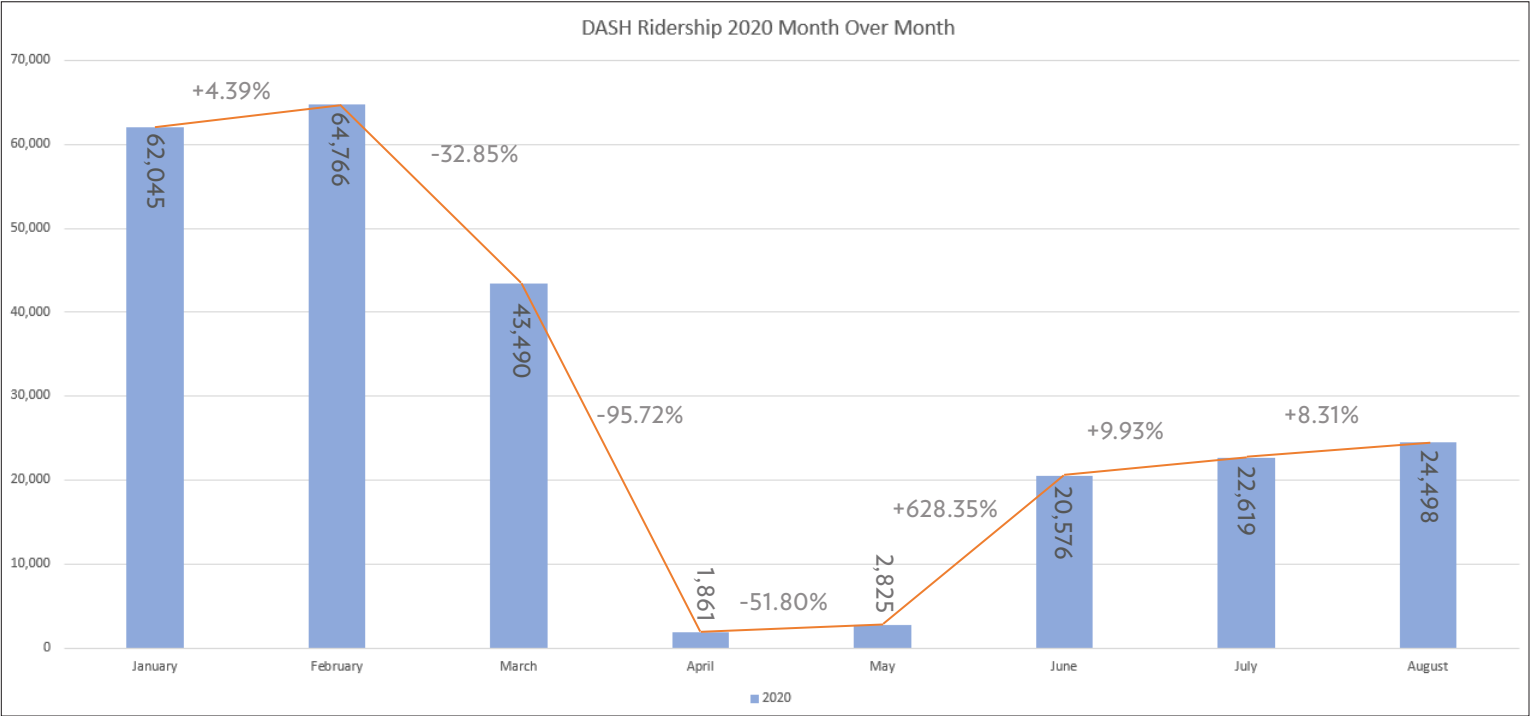
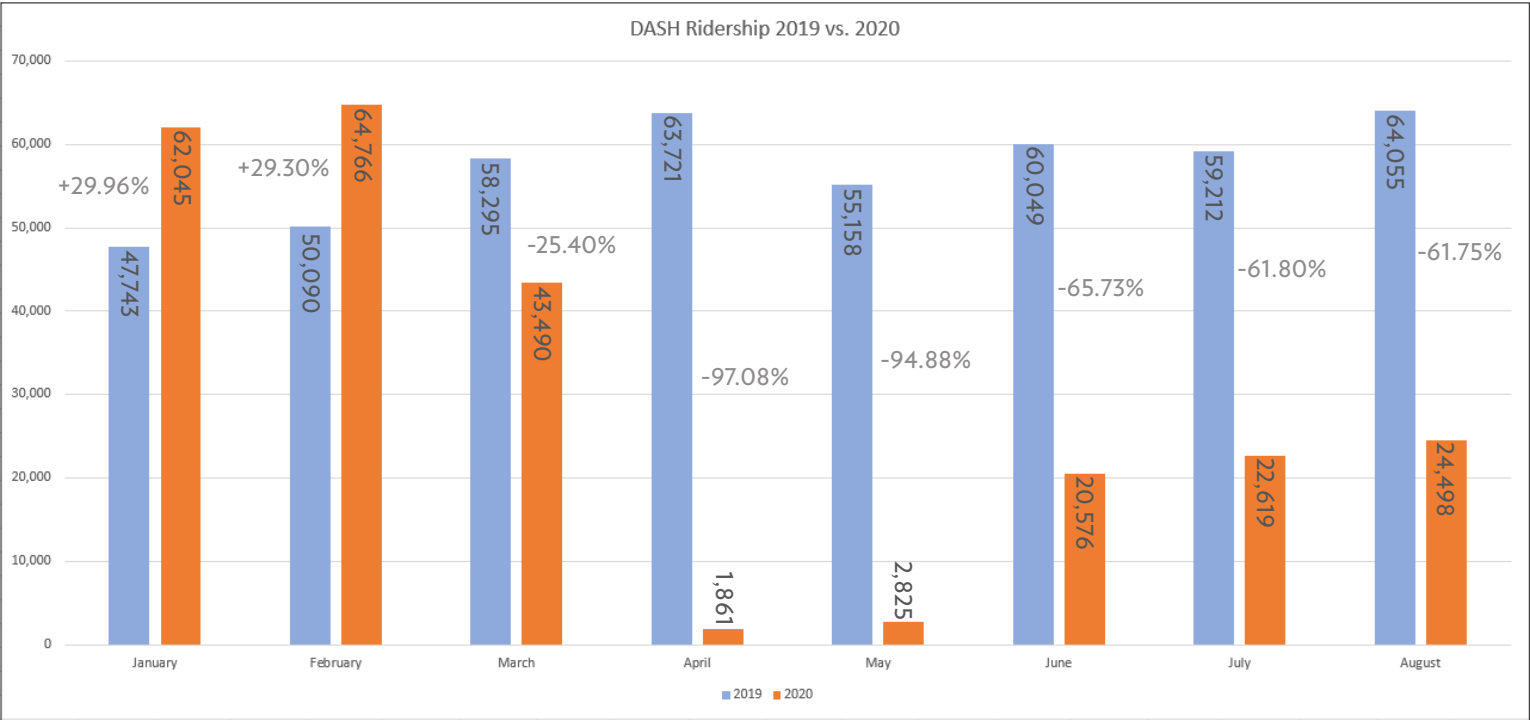
Downtown Construction and Development

- ① Integrated Architecture - 840 Ottawa Ave NW
+13,600 square feet of office space
+20 parking spaces
+52 jobs
- ② Bridge St Lofts - 449 Bridge St NW
+1,800 square feet of commercial space
+44 I/R apartments
+55 jobs
- ③ MSU Innovation Park - 400 Monroe Ave NW
+200,000 square feet of office space
+600 parking spaces
+250 jobs
- ④ GVSU - 333 Michigan St NE
+160,000 square feet of office space
+66 parking spaces
- ⑤ GVSU/Spectrum Parking - 335 Michigan St NE
+1,220 parking spaces
- ⑥ RDV Development - 200 Monroe Ave NW
+100,000 square feet of office space
+9,700 square feet of commercial retail space
- ⑦ Fifth Third Redevelopment - 111 Lyon St NW
+100,000 square feet of office space
+18,000 square feet of commercial space
- ⑧ Amway Grand Plaza Renovation - 187 Monroe Ave NW
- ⑨ The Morton Hotel - 55 Ionia Ave NW
+32 hotel units
- ⑩ The Finnley Hotel - 65 Monroe Center St NW
+5 hotel units
- ⑪ Residence Inn - 10 Ionia Ave NW
+5,555 square feet of commercial space
+147 hotel units
+175 parking spaces
+51 jobs
- ⑫ Studio Park - 122 Oakes St SW
+105,000 square feet of office space
+150 market condos

Totals	
578,600 sq ft of office space	
35,055 sq ft of commercial space	
194 residential units	
184 hotel units	
2,081 parking spaces	
408 jobs	



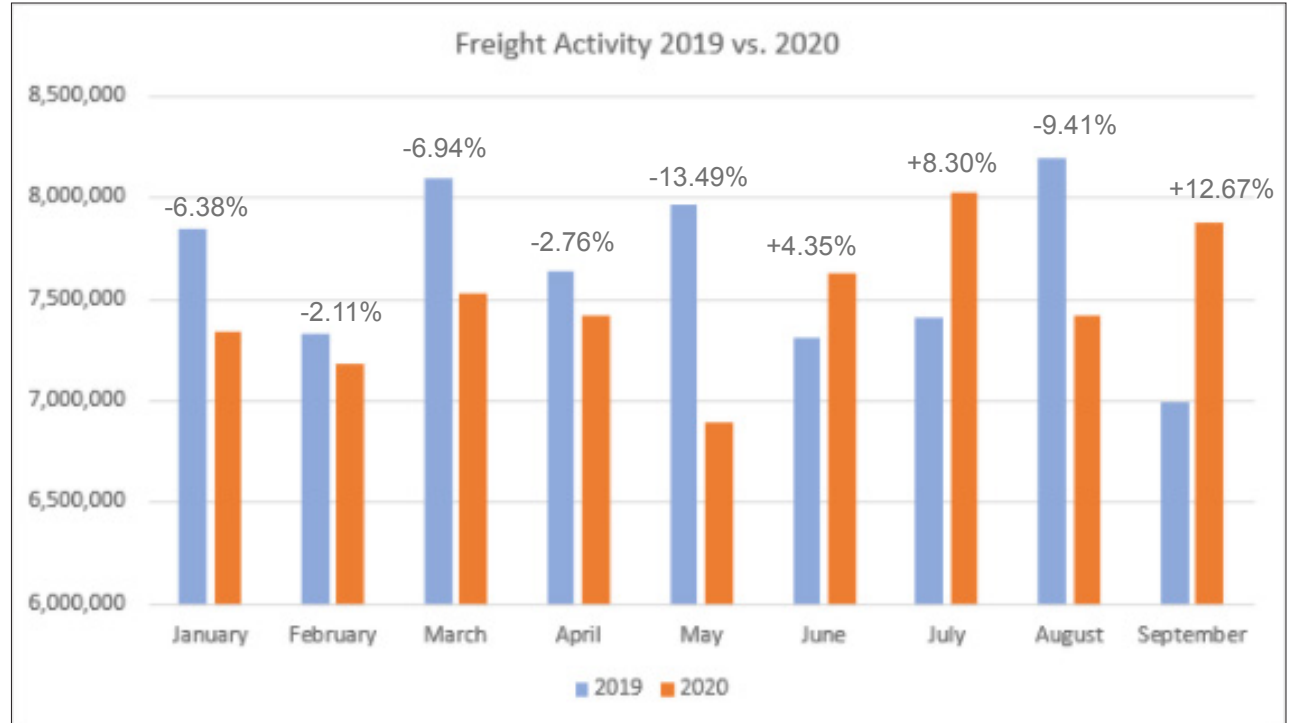
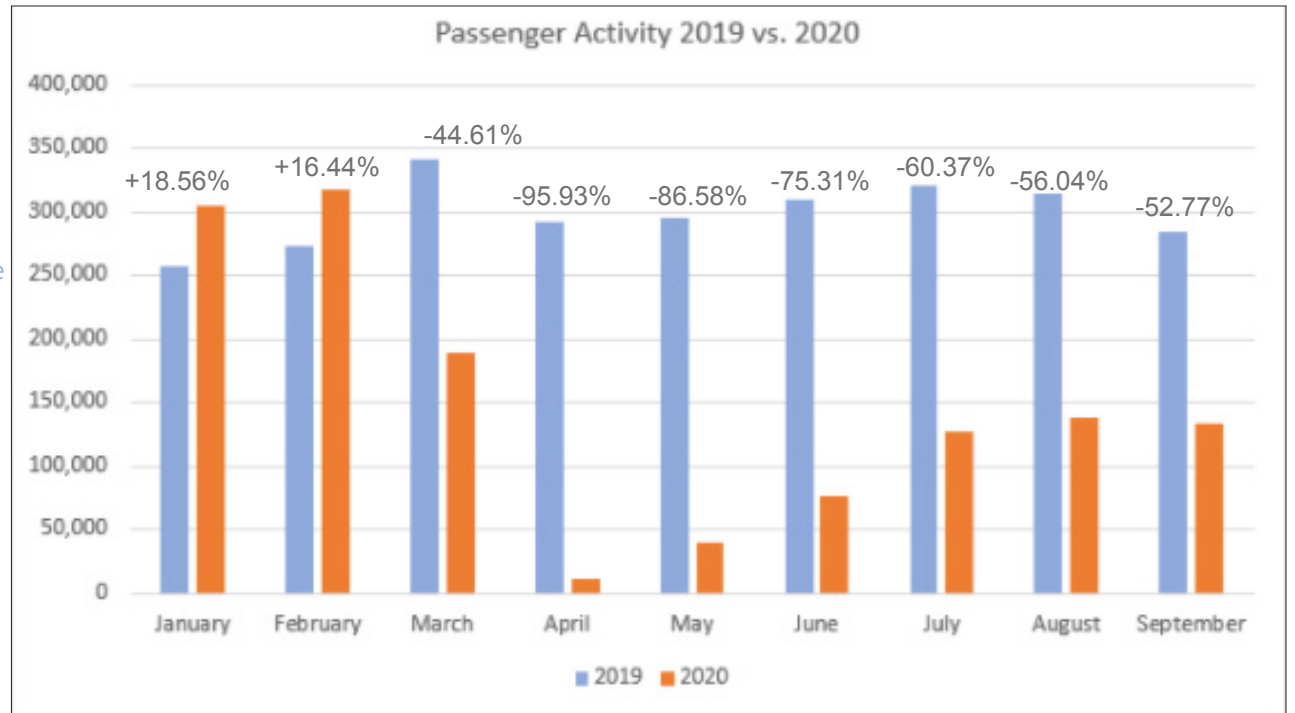
DASH Ridership



Gerald R. Ford Airport Activity

Comparing January-September 2019 to January-September 2020, there was a 50.18% decrease in overall passenger activity and a 2.12% decrease in overall freight activity.

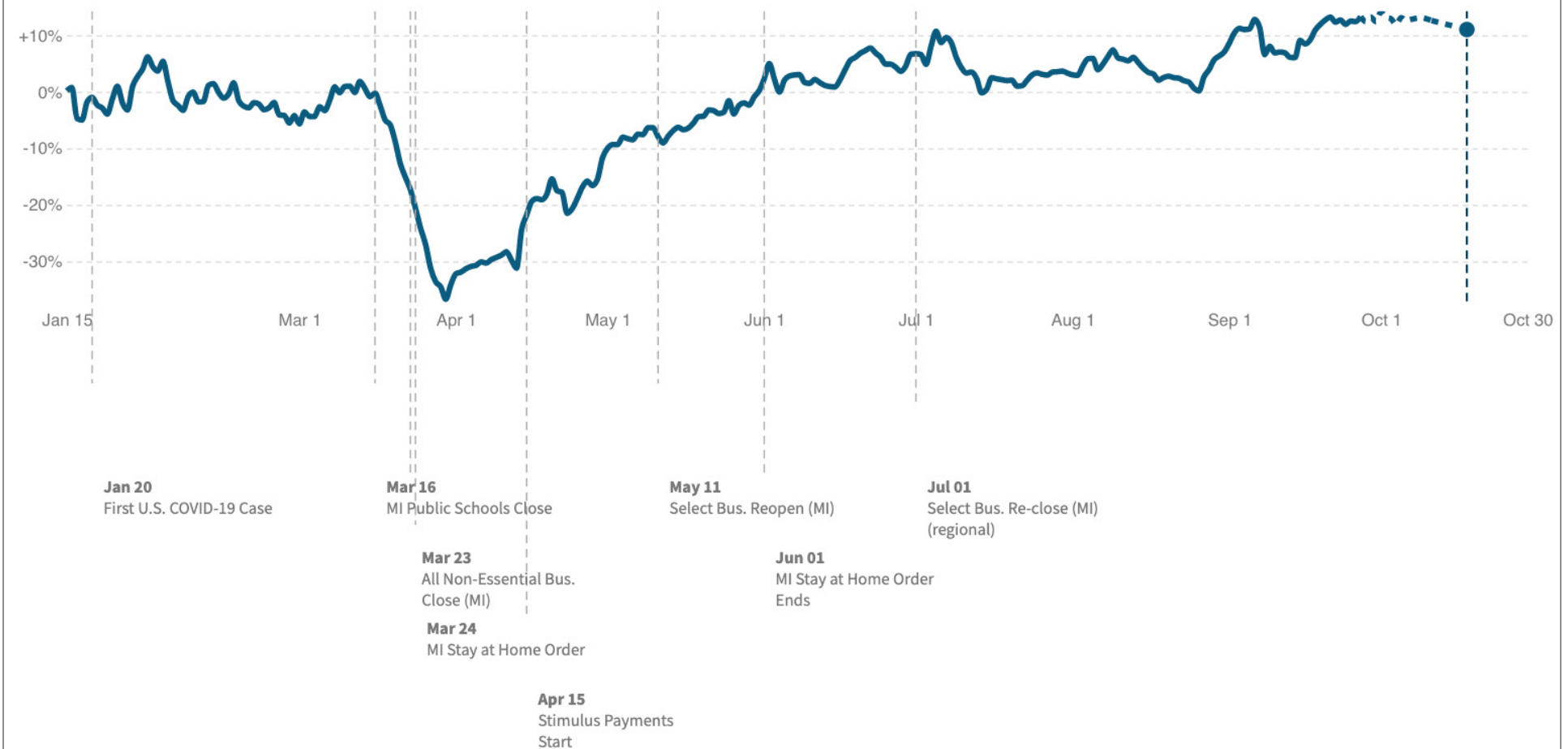
In 2020, passenger activity decreased 40.48% between February and March, and decreased 93.70% between March and April.



Michigan Consumer Spending

Percent Change in All Consumer Spending*

In **Michigan**, as of **October 18 2020**, total spending by all consumers **increased** by **11%** compared to January 2020.



*Change in average consumer credit and debit card spending, indexed to January 4-31, 2020 and seasonally adjusted. The dashed segment of the line is provisional data, which may be subject to non-negligible revisions as newer data is posted. This series is based on data from Affinity Solutions.



MEMORANDUM

DATE: November 23, 2020

TO: DGRI Board of Advisors

FROM: Tim Kelly, AICP
DGRI President & CEO

SUBJECT: Item #3 – Economics of Place Report

Among the stated goals of GR Forward (Plan) are to ensure the continued vitality of the local economy to expand job opportunities, and to achieve a critical mass of residents within Downtown. Further, the Plan goes on to establish an equity driven growth model to create a Downtown and River Corridor where all people and communities come together and thrive.

To achieve those goals, it is important to have a clear understanding of the macro forces that influence development – particularly in the real estate markets of Downtown and throughout the City of Grand Rapids (City). This information helps inform how the City can capitalize on existing momentum and manage change in a way that enables the economy and business climate to thrive for all.

To that end, in October 2019 Downtown Grand Rapids Inc. and other community partners invited Chris Leinberger to Grand Rapids to discuss how we as a community can continue to strengthen our urban core as the center of business and economic energy in West Michigan.

Mr. Leinberger is an experienced real estate developer, land use strategist and professor leading the national conversation about corporate location trends and the economics of urban walkable places. He currently serves as the Charles Bendit Distinguished Scholar and Research Professor & Chair at the Center for Real Estate and Urban Analysis at the George Washington University School of Business.

He is also a published author and in 2015 worked with the Michigan Economic Development Corporation and the Michigan State Housing Development Authority to publish *The WalkUp Wake-Up Call: Michigan Metros*, which detailed the demand in Michigan metropolitan areas for walkable urban places, including in Grand Rapids. That report helps illuminate that the concentration of workers in urban, walkable areas is increasingly understood as a key driver of community growth and competitiveness in the modern economy.

Following the discussion in October, a group of community partners – including the City of Grand Rapids, the Grand Rapids Area Chamber of Commerce and The Right Place - debriefed to determine how to build on Mr. Leinberger's previous work and conduct a more in depth analysis of local conditions with the goal of helping inform ongoing and upcoming planning initiatives. That scope of work was approved by the Downtown

Development Authority Board in December 2019 and was completed from February - September 2020. Among the tasks completed were:

- A complete inventory of the real estate in the City.
- An analysis and mapping of that real estate to identify where it is located on the form/function matrix established in the 2015 WalkUp Wake Up report (i.e. walkable urban v drivable suburban).
- An in-depth analysis of the City's real estate (including examination of vacancies, valuations, absorptions, etc) to better understand the performance across the forms and locations – including trends over the past three real estate cycles dating back to 1980.
- A breakdown of “place-based GDP” to understand the fiscal contributions of all of the City's neighborhoods to the City.
- An analysis of social equity and public health performance of all neighborhoods in the City across indicators such as percent of income spent on housing and transportation, as well as proximity to jobs.
- An identification of the gross fiscal revenues generated for the City by the various form and function types. This analysis will also consider the capital and operating costs of infrastructure and services and will illustrate the current net fiscal impact for each of the form and function types, considering revenues and costs to the City.
- Scenario forecasting that will allow for detailed understanding of economic value, net fiscal impact and social equity performance of proposed and future development throughout the City.

Mr. Leinberger and members of the Places Platform team will present a summary of the findings from that analysis as outlined in the attached Executive Summary. They will also review the recommendations for how this information can be used going forward and its implications for the work of DGRI, the City and other community partners.



Welcome to the Future of Grand Rapids:

Assessing Place-Based Economic, Social Equity, and Public Health Performance

Executive Summary
October 27, 2020



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Overview



What we looked at in Grand Rapids

- Economic Performance—Place-based Gross Regional Product, real estate valuation, net fiscal impact
- Social Equity—Household income, housing & transportation costs, displacement pressure
- Public Health—Obesity, type 2 diabetes, hypertension, coronary heart disease
- Future Scenarios—Sprawl Continues, Last Ten Continues, GR FORWARD, GR FORWARD Enhanced

What we found: Place matters

- Grand Rapids now has data to measure its performance at the “place” level
- Grand Rapids has 67 places that have vastly different performance outcomes
- By measuring place-based performance today, Grand Rapids can better manage its future

Project Methodology



Source: mlive.com

Establish GR's context & typology

- Measure walkability & morphology
- Measure real estate use
- Identify local place boundaries
- Sort places into types

Measure & evaluate across three domains

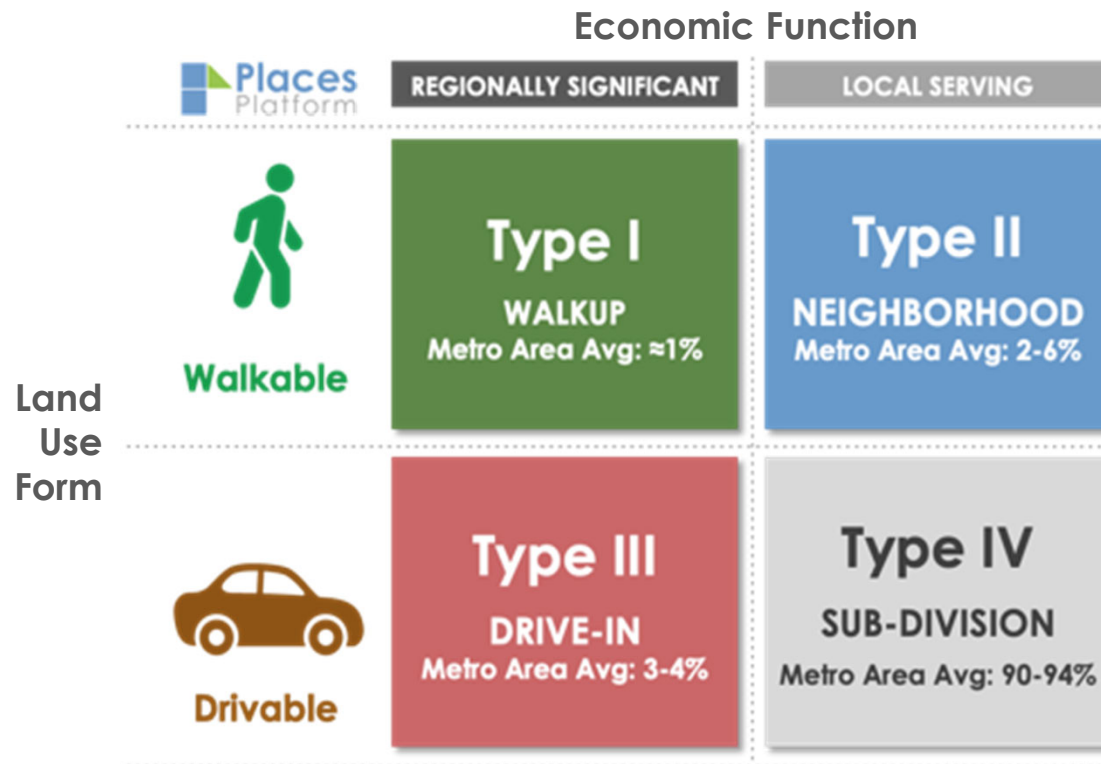
- Economic performance
- Social equity
- Public health

Generate future scenarios

- Sprawl Continues
- Last Ten Continues
- GR FORWARD
- GR FORWARD Enhanced

Project Methodology

Form/Function Matrix



Two potential economic functions and two land use forms yield a four-cell matrix that categorizes 100% of metropolitan land.

Type I WALKUP

Regionally Significant and Walkable Urban

Type II NEIGHBORHOOD

Local Serving and Walkable Urban

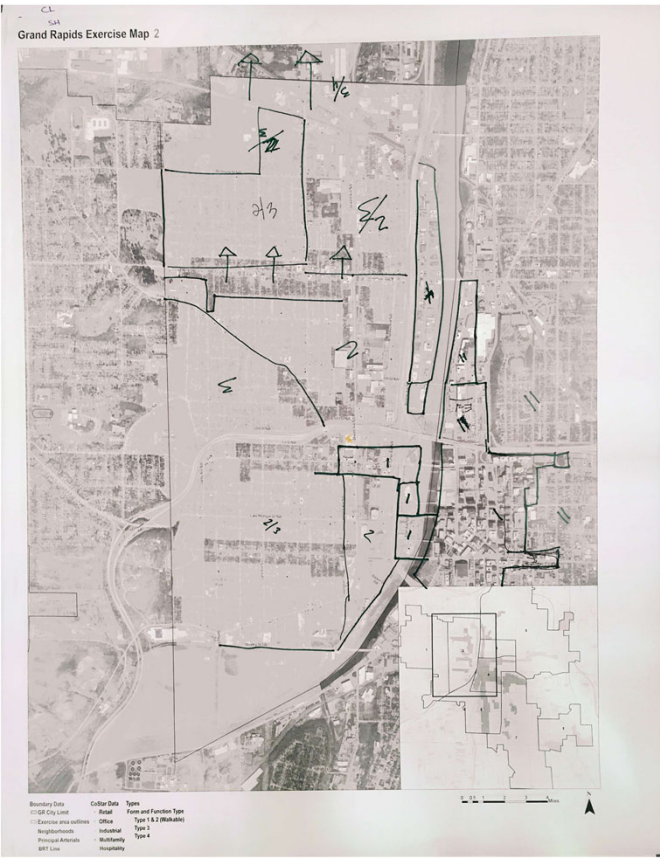
Type III DRIVE-IN

Regionally Significant and Drivable Sub-Urban

Type IV SUB-DIVISION

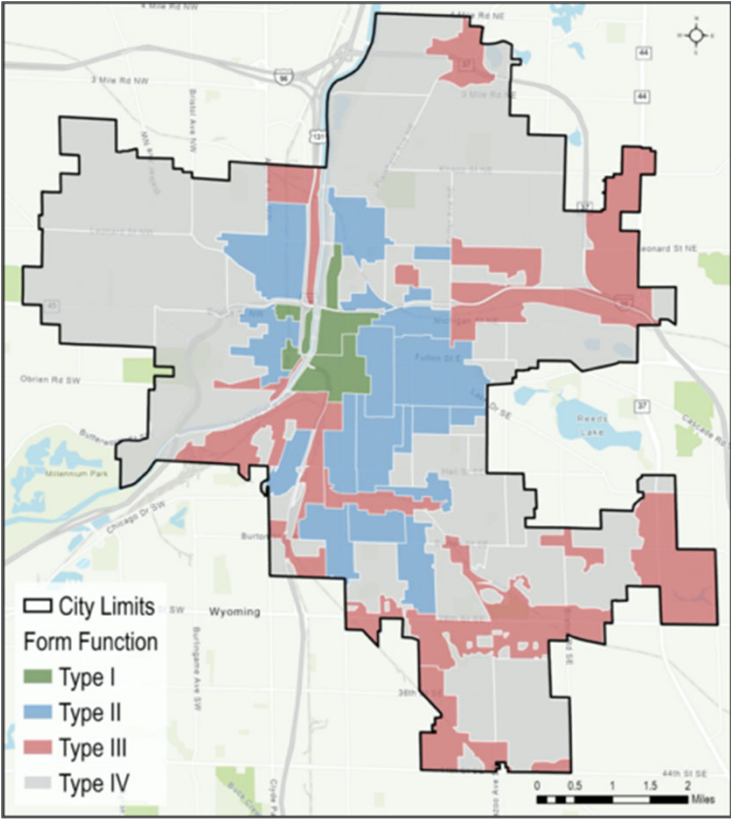
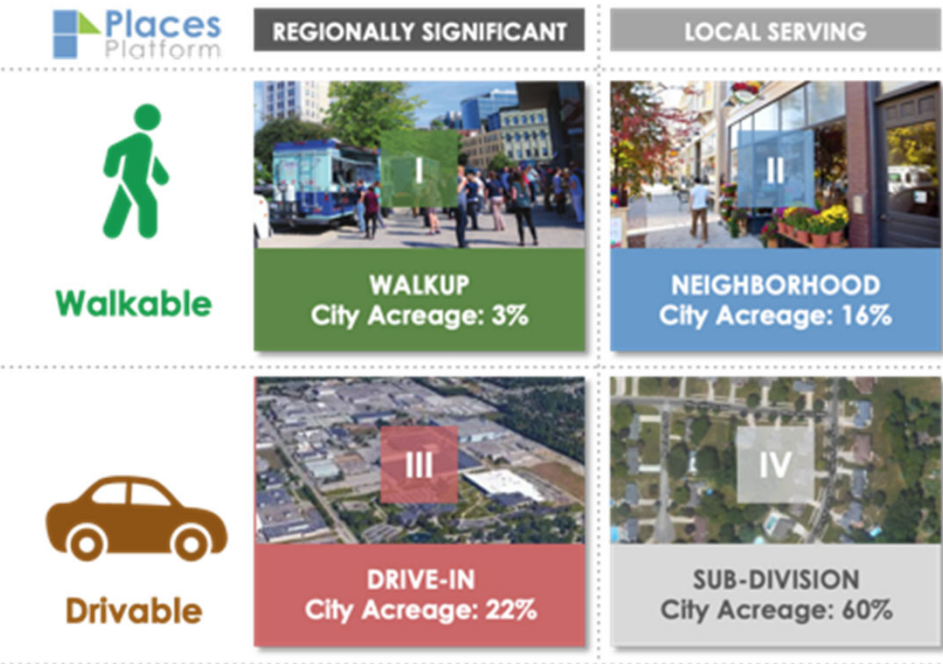
Local Serving and Drivable Sub-Urban & Rural areas

Where we left you on March 11, 2020...



Typology

The 67 places of Grand Rapids



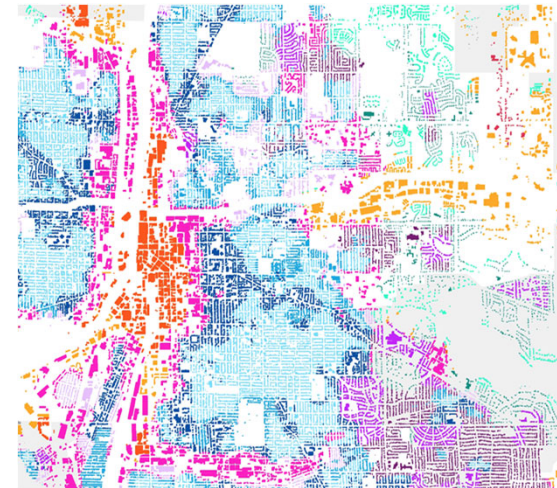
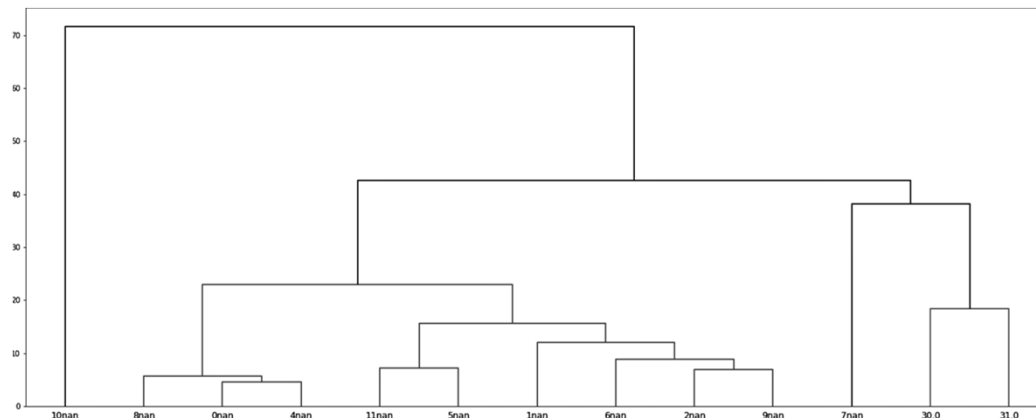
Project Methodology

Morphology

Morphological Clusters in Grand Rapids

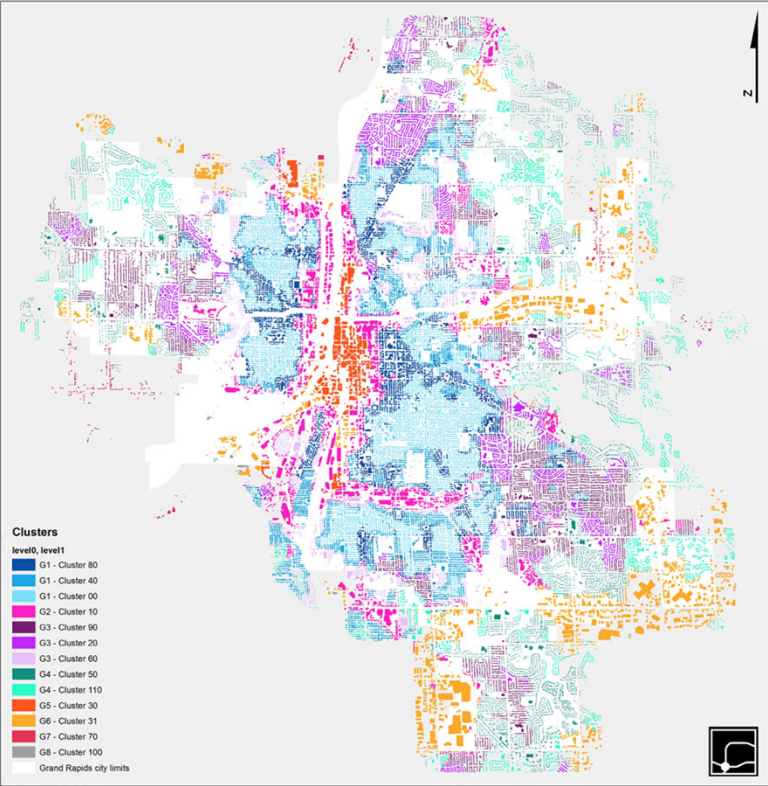
The method adopted allowed to derive 12 distinct homogeneous clusters (also referred to as morphological clusters) for the city of Grand Rapids. Clusters were obtained by using three different datasets:

- **Building footprints**, extracted from the Microsoft Building Footprint Data.
- **Road centerlines**, extracted from the City of Grand Rapids Street Network dataset (exported on 12/30/2019).
- **Plot boundaries**, extracted from the City of Grand Rapids Parcels dataset (exported on 01/13/2020).

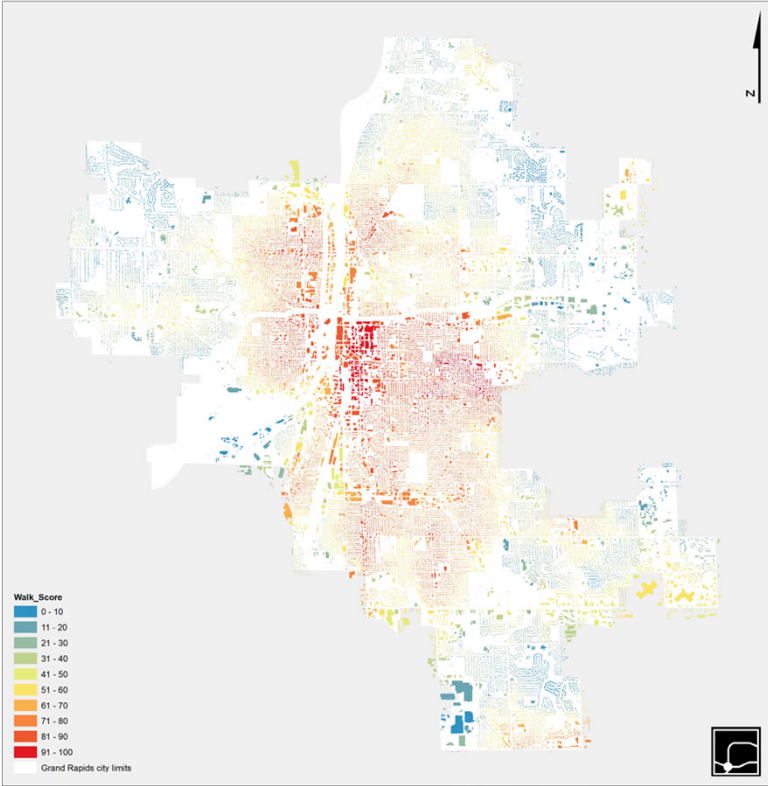


Typology

Morphology: Summary



Morphological Clusters



Walk Score

Economic Assessment

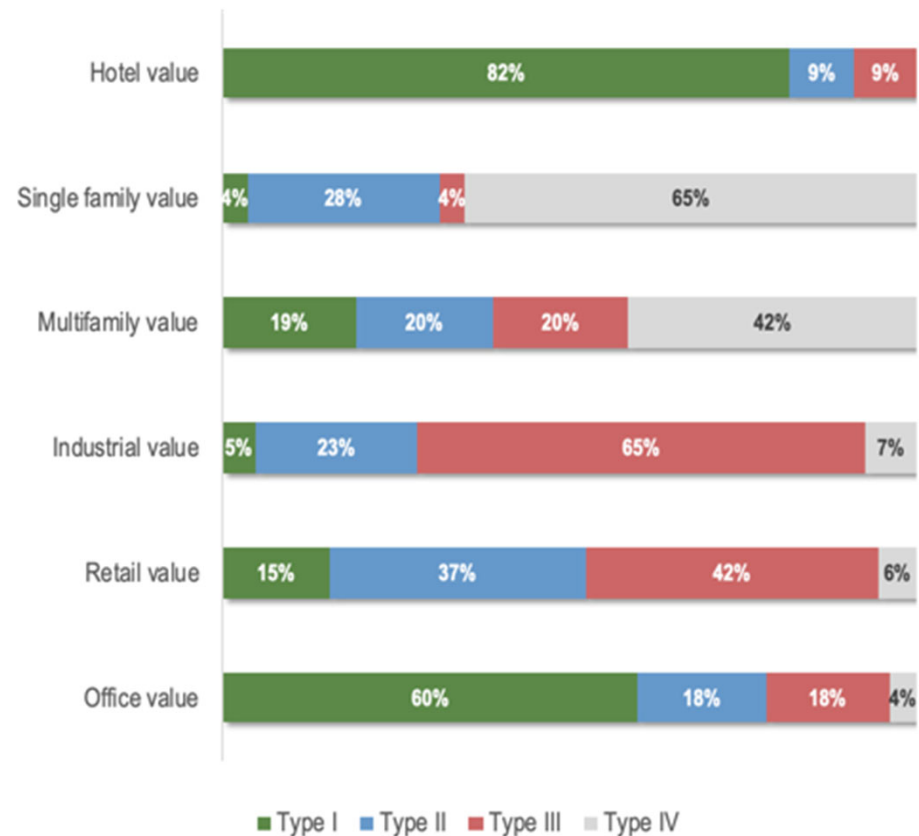
Real estate value distribution

Type I: Contains majority of hotel and office market value.

Type II: Contains most retail and single family home market value only after Type III & IV respectively.

Type III: Contains majority of industrial value and highest proportion of retail market value.

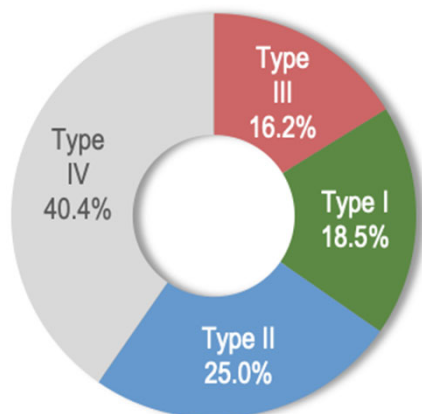
Type IV: Contains majority of single family home value which is largest proportion of real estate market value for the whole city.



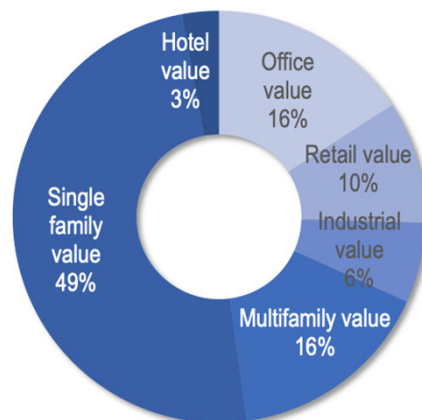
Economic Assessment

Real estate valuation & market share performance

Share of total
market value by
form/function type



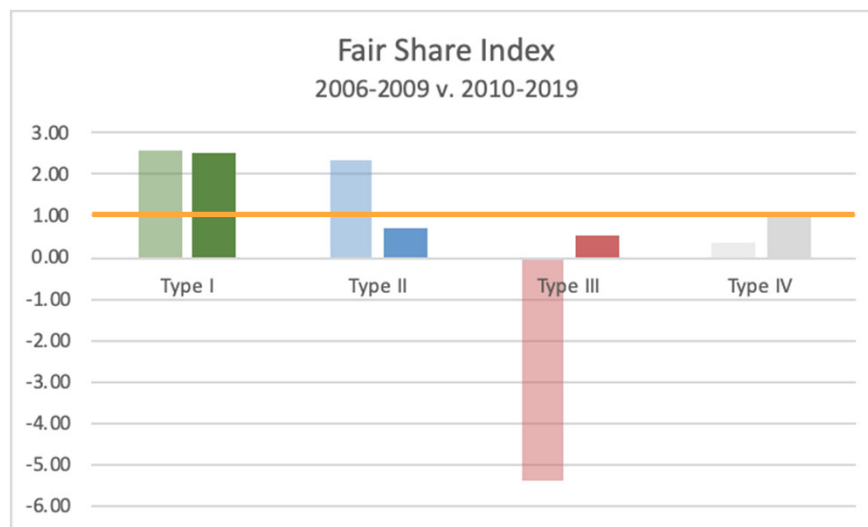
Share of total
market value by
real estate product



Market Share (MS) Gain for Types I & III:

Great Recession: Type I gained MS >2.5X faster than 2006 base while Type III lost MS

2010-2019 Recovery: Type I gained MS >2.5X faster than 2010 base while Type III would have had to double absorption to maintain 2010 MS



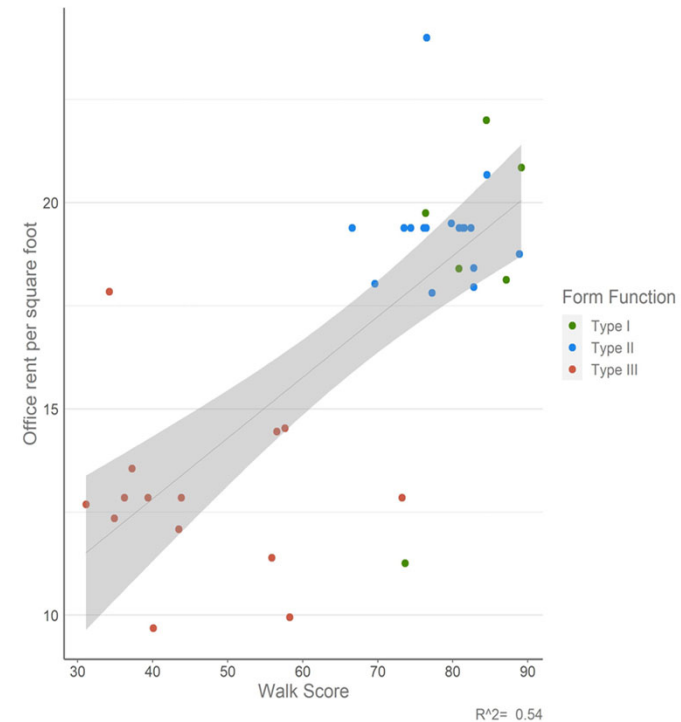
Economic Assessment

Real estate value & Walk Score

Insight: For every additional Walk Score point, Grand Rapids office rents increase by \$0.15/sf/year.

This translates to an increased valuation of \$1.88/sf for each additional WS point at an 8% cap rate.

Example: A 100,000 sf office building located in Downtown (Walk Score=89) would receive \$225,000 in additional rent annually over a building located in Monroe North (Walk Score=74).



Office rent v. Walk Score

Economic Assessment

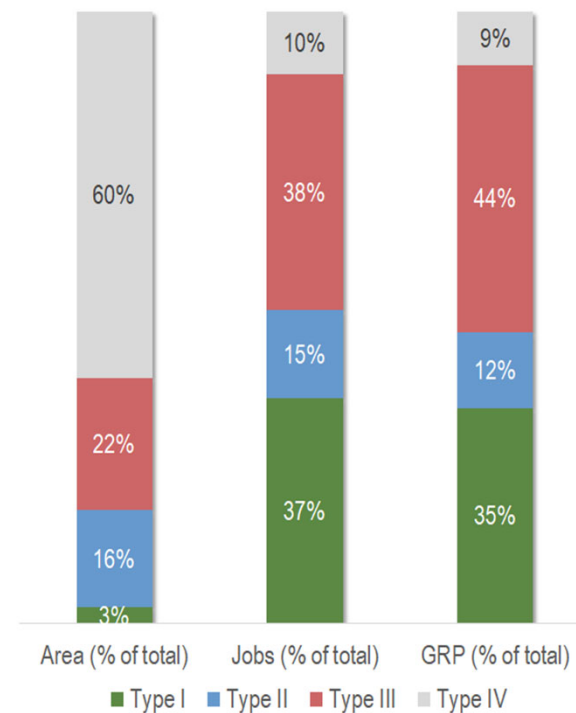
Gross Regional Product (GRP)

Insight: Type I is able to provide more jobs and GRP on a per acre basis compared to the other types.

GRP Definition: city-level GDP by land-use types.

Total GRP of Grand Rapids: **\$ 9.4 billion**

- **Type I: \$3.25 billion**
3% of land yields 35% of GRP
- **Type II: \$1.15 billion**
16% of land yields 12% of GRP
- **Type III: \$4.03 billion**
22% of land yields 44% of GRP
- **Type IV: \$0.81 billion**
60% of land yields 9% of GRP



Economic Assessment

Net Fiscal Impact



Net Fiscal Impact is the difference between the generated revenues and the infrastructure and service costs associated with different development patterns.

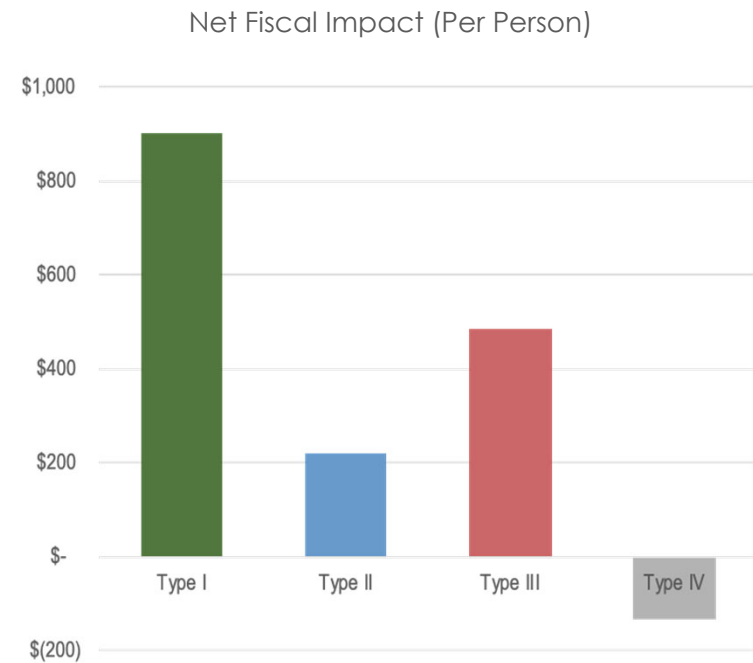
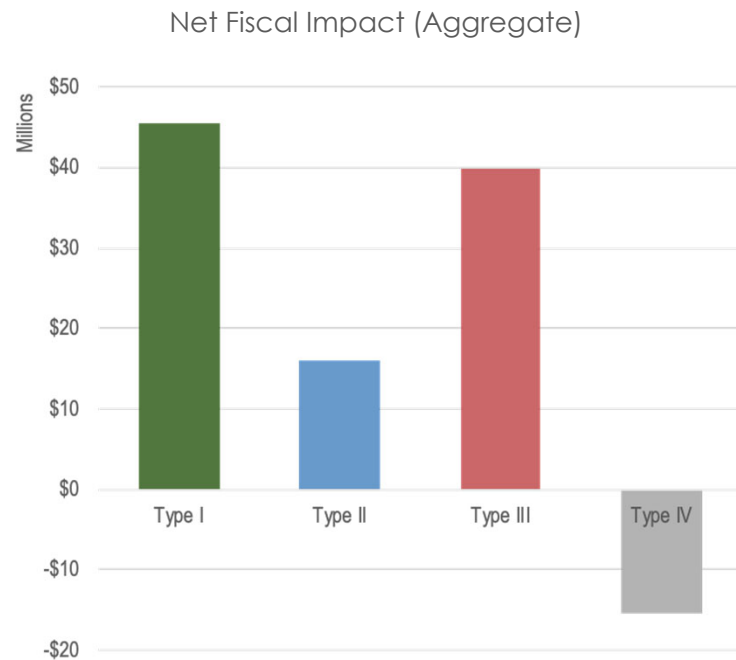
Delivering services is less efficient when development is spread out:

- First responders have more area to cover.
- More miles of road to cover for trash pickup, school buses.
- More miles of water and sewer pipes to maintain.

***Key Insight:** Costs per person decrease with increased density.*

Economic Assessment

Net Fiscal Impact overview

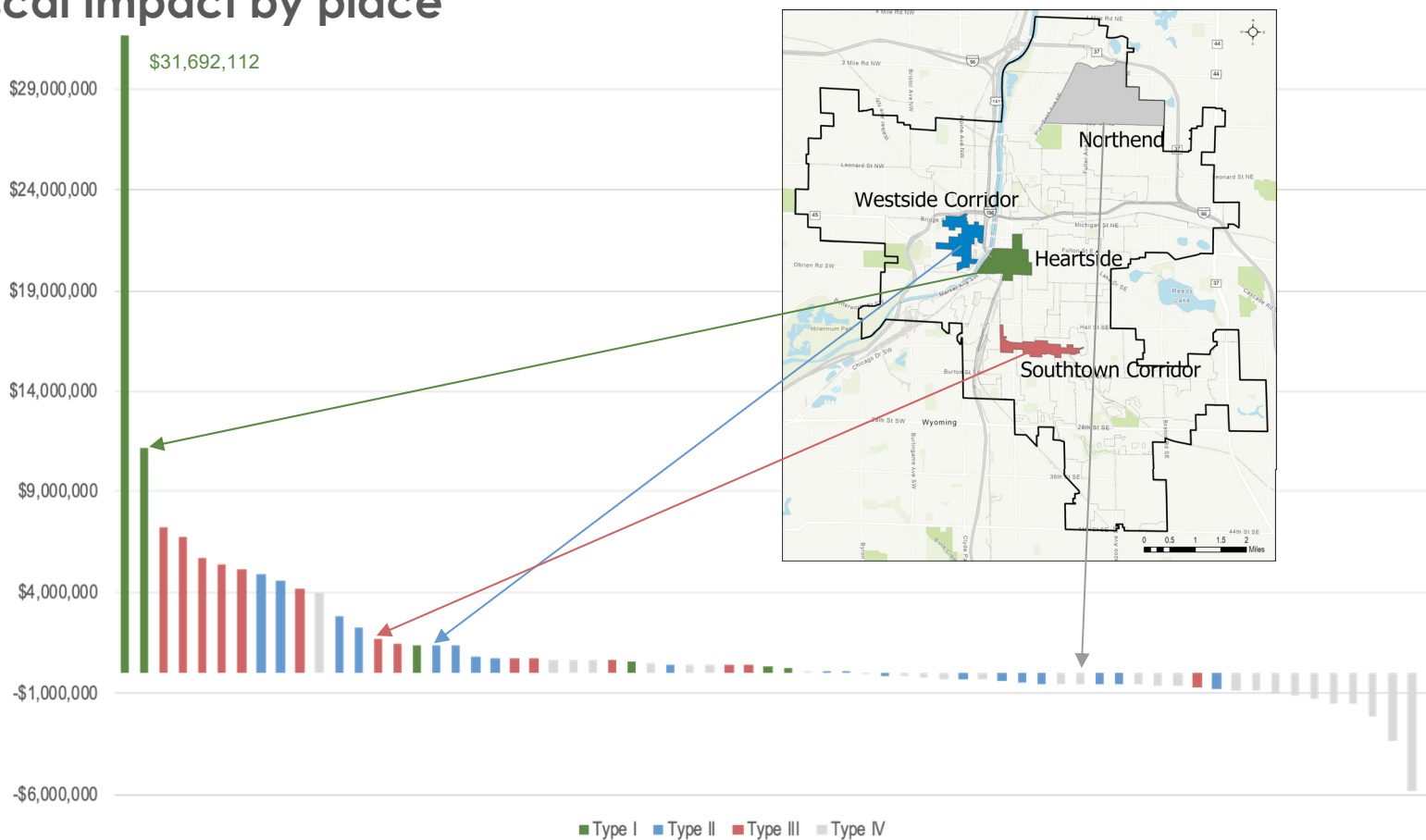


Key Insights:

- Type I outperforms all types, both in the aggregate and on a per person basis
- Types I & III demonstrate the best fiscal performance
- Type IV is subsidized by other land use types

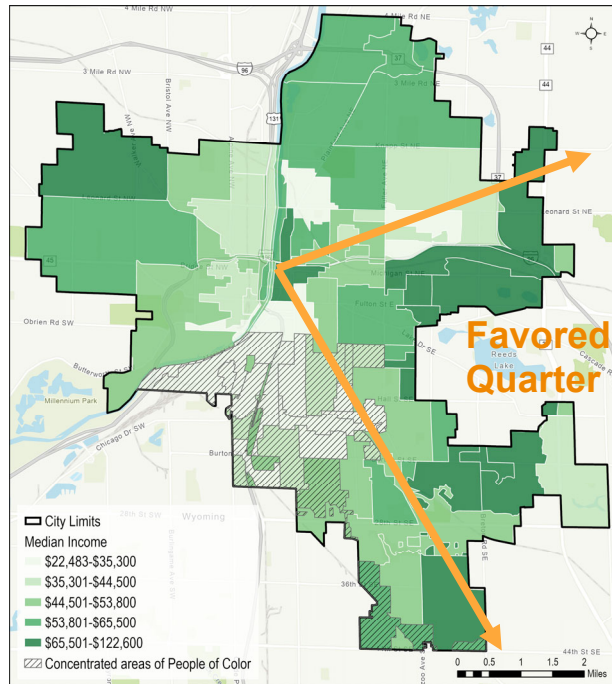
Economic Assessment

Net Fiscal Impact by place

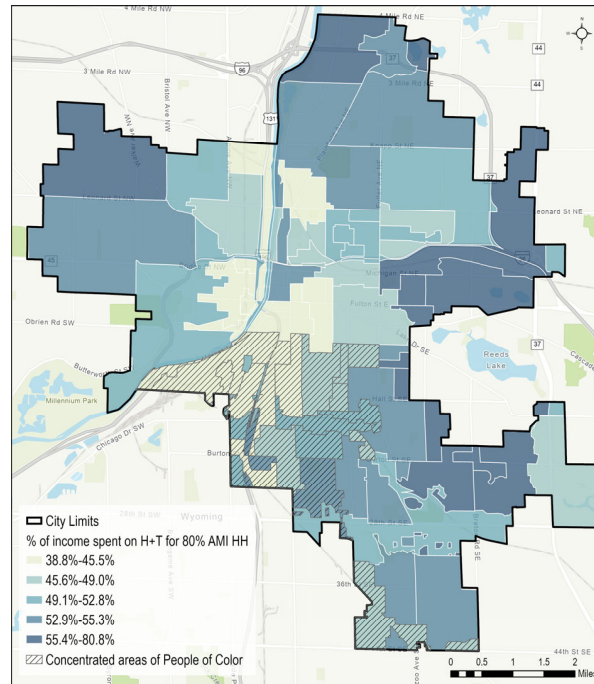


Social Equity

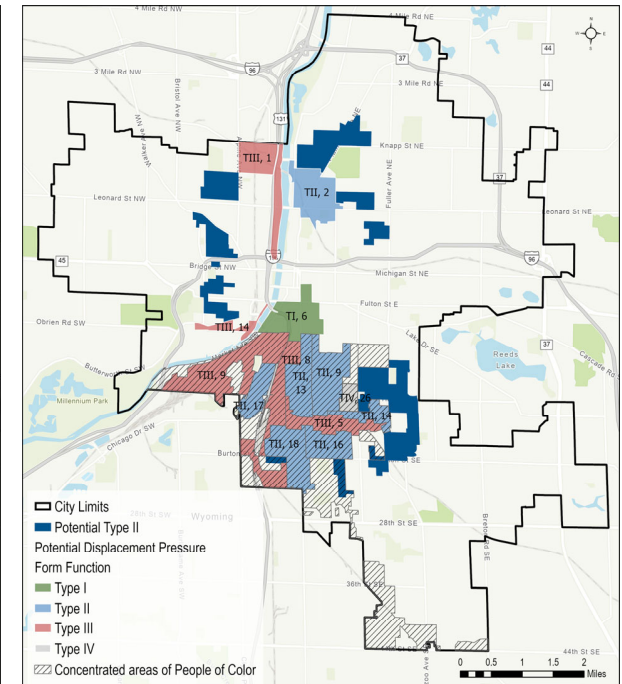
Household income, housing & transport, & displacement pressure



Median Household Income



Housing & Transportation Costs
for 80% AMI Households



Future Investment Opportunity
&
Displacement Pressure

Social Equity

Transportation costs and Walk Score



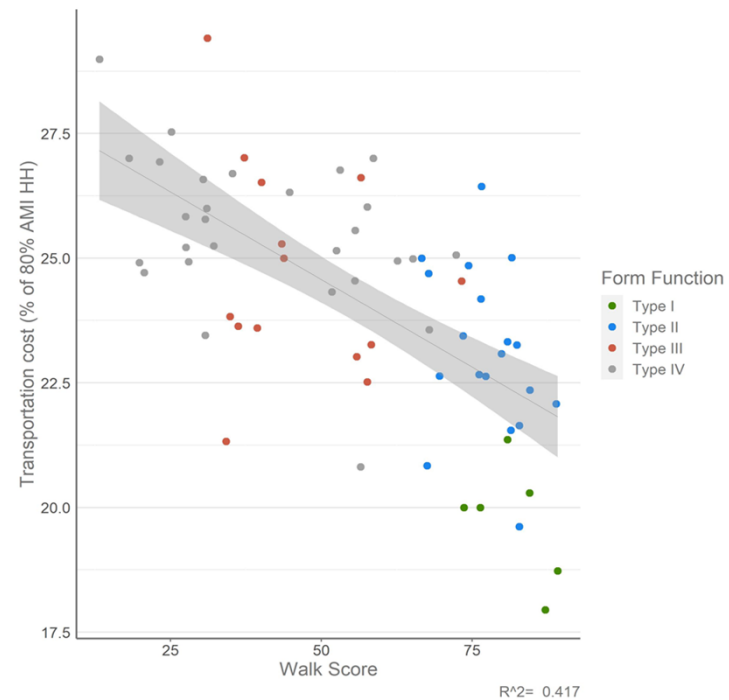
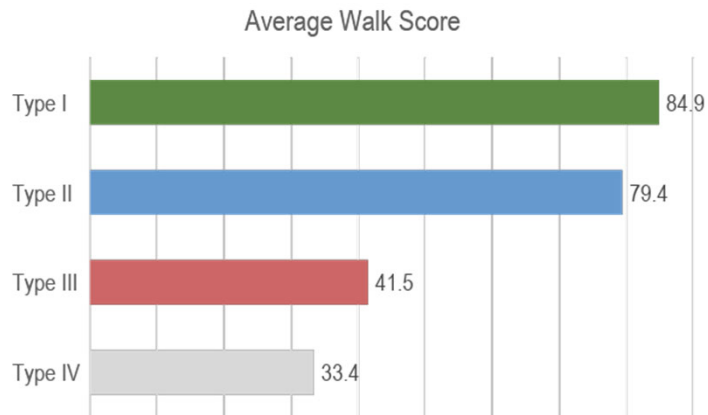
Key Insight: Increased walkability reduces the need to own multiple vehicles. Dropping one vehicle can translate into an additional \$150,000 of mortgage capacity.

\$9,200

AAA's average cost for operating, maintaining and financing a vehicle

\$55,798

80% Area Median Income for a family of four



Public Health

Insight: In general, walkable areas perform better than car-dependent areas when it comes to public health

Summary of mean population-weighted health indicators by type for adults (≥ 18 years of age).

Health Outcome	Grand Rapids	Type I	Type II	Type III	Type IV
Obesity	33.1%	32.8%	34.5%	34.8%	31.7%
Type 2 diabetes	7.6%	6.4%	6.5%	8.7%	7.8%
Hypertension	30.4%	26.9%	27.0%	32.4%	31.8%
Heart disease	5.6%	5.2%	4.5%	5.7%	6.2%

Source: National Public Health Assessment Model Outcomes, Urban Design 4 Health, 2020.

Type I tends to indicate the most positive health outcomes...lower than the City-wide population weighted averages

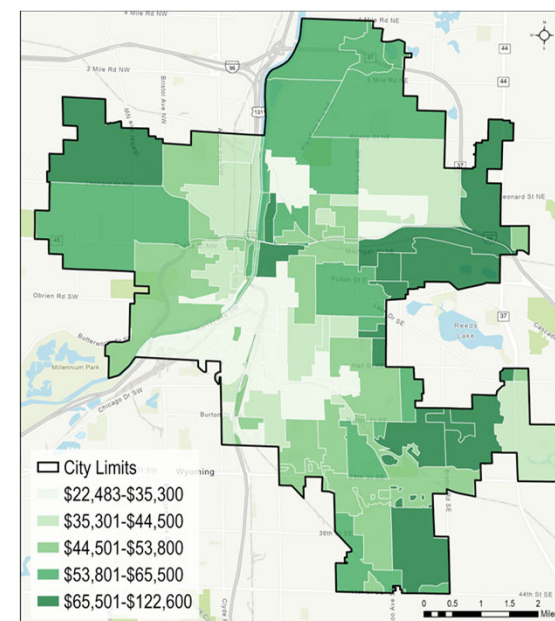
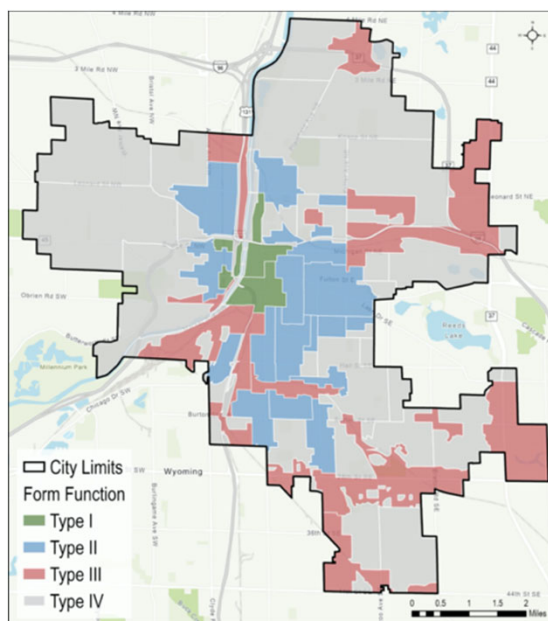
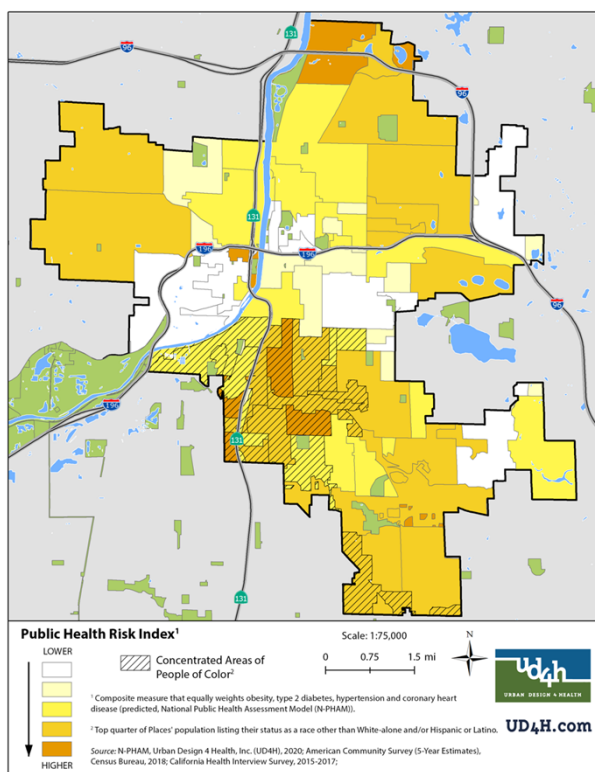
Type II areas also show similarly positive levels of health with the exception of the percentage of adults with obesity

Type III areas perform the worst overall

Type IV does worse than Types I & II, but slightly better than Type III

Public Health

Public Health Risk Index, Grand Rapids' typology, and social equity



Key Insight: Public health performance can be measured at the place level and correlated to social equity data.

Future Scenarios

20-year scenario descriptions

Sprawl Continues

Grand Rapids' 50-year trend of low-density residential and commercial development continues at historic rates.

Last Ten Continues

Grand Rapids' development trend of the last decade, with more development in Types I & II, continues at the observed rate.

GR FORWARD

Grand Rapids achieves the development goals contained in DGRI's report "GR FORWARD."

GR FORWARD Enhanced

Grand Rapids goes beyond the GR FORWARD plan and achieves more aggressive smart growth development goals, consistent with GR's Bus Rapid Transit and Transit-Oriented Development plans.

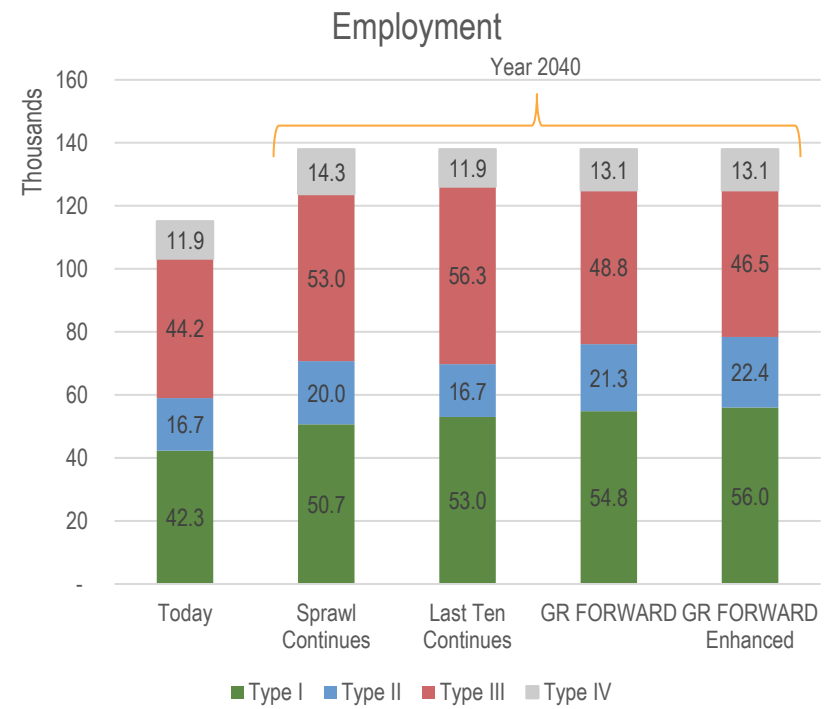
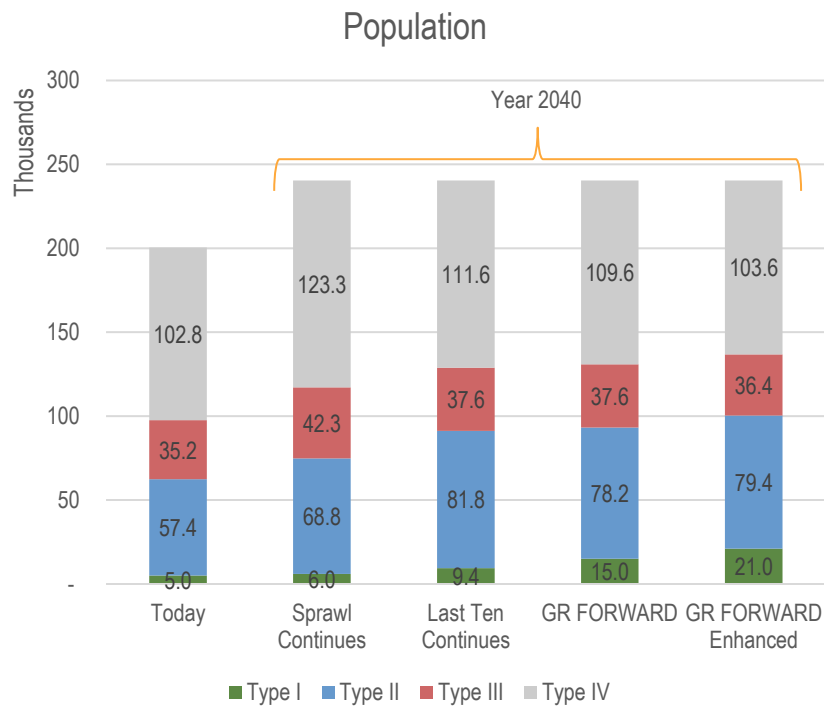


**Scenarios do not include COVID-19 related projections; however, they do assume macroeconomic variability over time due to unforeseen events.*

***Our projections are conservative. They cap population and employment growth at the levels targeted by the GR FORWARD report and do not reflect all public costs, e.g., schools and trash collection.*

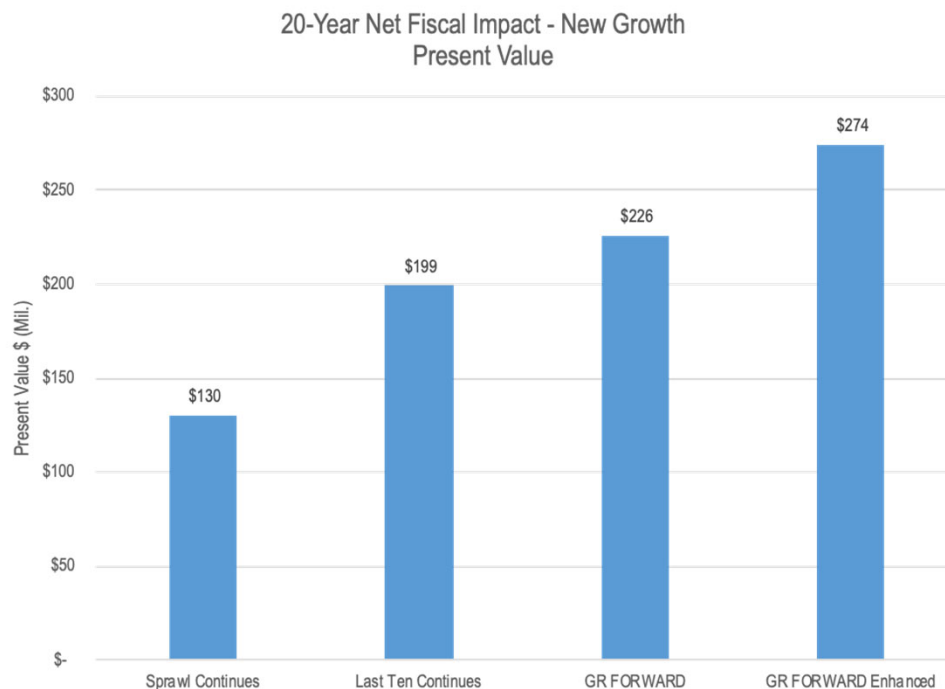
Future Scenarios

Scenarios summary



Future Scenarios

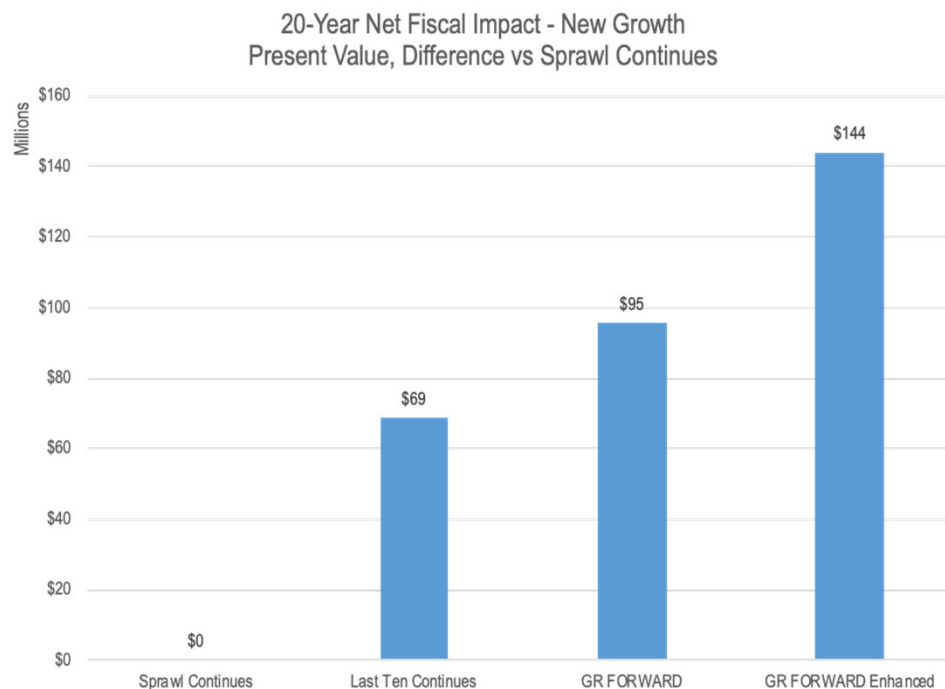
Net Fiscal Impact: new growth (present value)



- Discount rate = 1.75% (equal to AA2 Bond, national avg.)
- Over a 20-year period, GR FORWARD Enhanced has a Net Fiscal Impact of \$274 million in **present value terms**

Future Scenarios

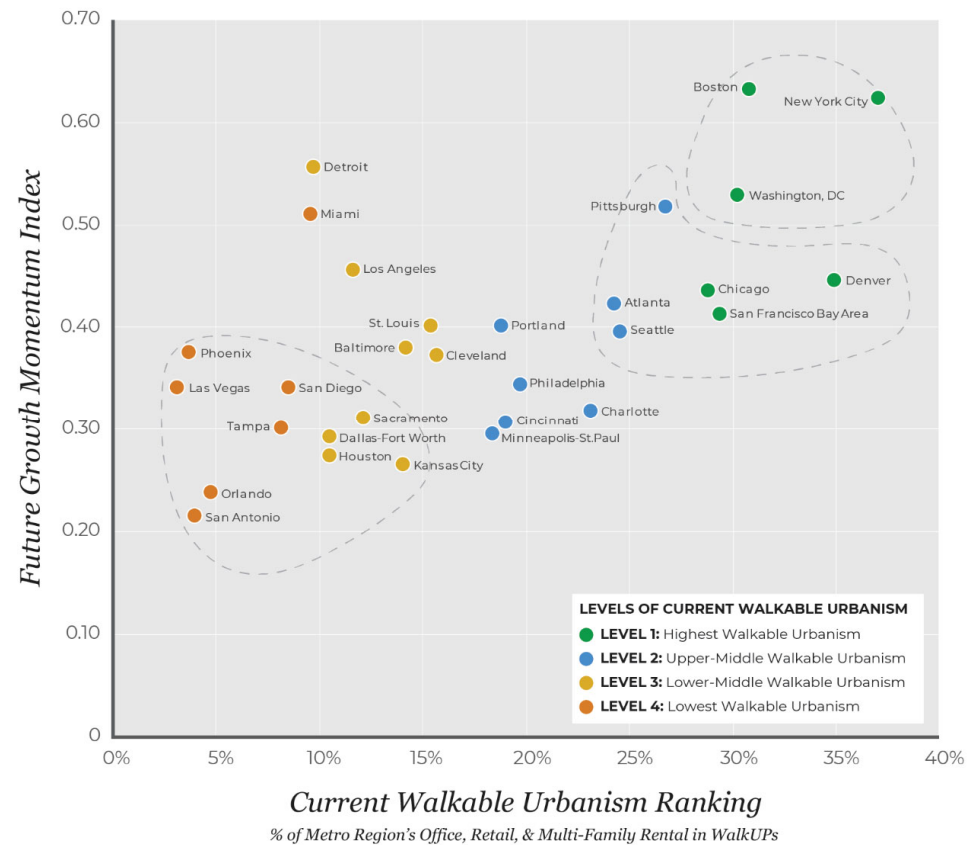
Net Fiscal Impact: new growth (difference v. sprawl)



- In Net Present Value
- Discount rate = 1.75% (equal to AA2 Bond, national avg.)
- Compared to Sprawl Continues, GR FORWARD Enhanced is equal to receiving **\$144 million** today (or \$7.2 million per year)
- For example, this could represent a 70% increase over GR's current annual capital spending (currently approximately \$10 million)

Conclusions

- Grand Rapids is still early on the trend toward walkable urbanism.
- **Type I** is the most efficient place type in Grand Rapids, is gaining substantial market share, and offers the most opportunity to increase city revenues.
- **Type II** is a tale of two types; primarily white Type IIs score highly on income and public health while Type IIs with a concentration of people of color score very poorly and are at risk of displacement.
- **Type III** is a highly productive part of Grand Rapids' economy though it will lose market share over time. In other metros we have seen a trend of Type IIIs converting into Type Is.
- **Type IV** contains many areas positioned to become Type IIs. Generally, Type IVs are being subsidized by all other place types.
- *Investments in walkability will increase value in all four types.*



Recommendations

- **City Master Plan.** Incorporate place-level analytics into the upcoming 20-year city master plan
- **Social Equity Plan.** Incorporate a place-based social equity plan into the city master plan
 - Strike a balance between bringing opportunity to LMI places and generating LMI households in high-opportunity places
 - Include funding of affordable housing programs, infrastructure investments, and mixed-income development projects
 - Example: Heartside as model of affordable housing, mixed-use development for other Type I places
- **Place Management System.** Develop a place management system to enhance economic performance and improve social equity and public health outcomes
 - Increase number of place management organizations within the City of Grand Rapids.
 - Create a public-facing interface to be used by multiple stakeholders
 - Make it dynamic with frequent updates to the data
- **Place-Based Budget Process.** Manage city and place budgets with better data
 - Align incentives, subsidies, and favorable treatment towards prioritized places (for example, how can Type IIIs be leveraged to fund the growth of Types I & II?)
 - Locate public facilities (libraries, offices, etc.) to take place into account and reinforce GR's plans

Next Steps

Pathways for continued collaboration

- **Place-Based Management Platform.** Develop a platform for place management organizations to monitor, assess, and manage economic, social equity, and public health investment performance. Platform would include dynamic decision support tools.
- **Grand Rapids Phase II.** Expand project to all of Kent County. This would include all the elements of this analysis and associated data, plus:
 - Web-based interface with periodic updates
 - What-if capability for current day and future scenarios
 - Potential civic initiatives, such as:
 - Transfer of Development Rights (countywide)
 - City of Grand Rapids Comprehensive Plan
 - Spectrum Health Center for Transformation & Innovation Scenarios
 - Grand Valley State University Optimization Scenarios
 - The Rapid Transportation Scenarios
 - Social Equity Strategy
 - City of Grand Rapids Housing Needs Assessment
 - Training and support



Project Team and Contacts



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Chris Zimmerman czimmerman@smartgrowthamerica.org
Michael Rodriguez mrodriguez@smartgrowthamerica.org
Becca Buthe bbuthe@smartgrowthamerica.org



Thank you



2021 Meeting Schedule

Wednesday, February 24th 10:30 am – 12 Noon

Wednesday, May 19th 3 pm – 4:30 pm

Wednesday, September 22nd 10:30 am – 12 Noon

Monday, December 13th 2:00 pm – 3:30 pm



DOWNTOWN
GRAND RAPIDS INC.



DOWNTOWN
GRAND RAPIDS INC.

MEMORANDUM

DATE: November 23, 2020

TO: DGRI Board of Advisors

FROM: Tim Kelly, AICP
DGRI President & CEO

SUBJECT: Item #5 - DGRI Lease Extension

In April 2013, the DDA Board approved an agreement for the lease of office space in the Federal Square Building at 29 Pearl Street NW Suite 1 for the operations of DGRI. The lease provided a 7-year term and a payment schedule to amortize the cost of improvements. As envisioned at the time of approval, that lease was subsequently assigned to DGRI in September 2013.

Following occupation of Suite 1, additional office space was leased beginning May 2017 on the second floor of the Federal Square Building in Suite 114 to accommodate additional staff and storage needs

To continue operations in the existing locations and allow additional time to consider the organizations long term needs, staff recommends approval of the attached lease extension for 2021. The proposed lease agreement is on a month-to-month term from December 31, 2020 through November 30, 2021 and provides a termination clause upon 90 days' notice. The rental rate proposed is a 2 percent increase from the current rate.

Over the next year staff will continue evaluating space needs and discussing with the Executive Committee and will report progress back to the full Board as milestones arise.

RECOMMENDATION:

Authorize the Board Chair to execute the attached agreement to continue leasing space in the Federal Square Building at 29 Pearl St NW for the operations of DGRI.

FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO LEASE AGREEMENT (this "First Amendment") is made and entered into as of the ____ day of October, 2020 by and between Federal Square Building Co. #1 LLC, (the "Landlord") and Downtown Grand Rapids Inc. (the "Tenant").

WHEREAS, Landlord and Tenant entered into that certain Lease Agreement dated July 10, 2013, whereby the Landlord leased to the Tenant certain premises (the "Premises") located at 29 Pearl Street N.W. Grand Rapids, MI (the "Building").

WHEREAS, the Landlord and Tenant have agreed to revise certain provisions of the Lease, including but not limiting to the following: (a) amend the term thereof, and (b) revise the rental rate to be paid thereunder.

NOW, THEREFORE, in consideration of the mutual entry into this First Amendment by the parties hereto, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Landlord and Tenant hereby amend the Lease in the following respect only:

Amendment to Lease. The parties hereby agree that the Lease shall be amended as follows:

- (a) Term. The term of the Lease Shall be extended on a Month to Month term from December 31 2020 through November 30 2021. The Tenant may terminate the Month to Month Lease by giving 90 days advance written notice of termination.
- (b) Rental. The parties hereby acknowledge and agree that Paragraph 3. Section (a) of Lease shall be deleted in their entirety and replaced with the following:

Base Rent Shall be as follows:

Date:	Suite	Fixed Monthly Rent
01/01/2021	1	\$7,526.19
01/01/2021	114	612.00

Amendment Only. Except as expressly modified by this Amendment, all of the terms, provisions, covenants, conditions and agreements set forth in the Lease shall continue and remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused their presence to be duly executed the day and Year first above written:

LANDLORD:
FEDERAL SQUARE BUILDING CO. #1 LLC

By: _____

Name: _____
Its: Property Manager
Date: _____

TENANT:
DOWNTOWN GRAND RAPIDS INC

By: _____

Name: _____

Title: _____

Date: _____



MEMORANDUM

DATE: November 23, 2020

TO: DGRI Board of Advisors

FROM: Tim Kelly, AICP
DGRI President & CEO

SUBJECT: Item #6 – 501(c)(3) Application

The Articles of Incorporation for Downtown Grand Rapids Inc. were endorsed by the State of Michigan's Department of Licensing and Regulatory Affairs on June 14, 2012. As indicated in the Articles, "the corporation is organized and at all times hereafter shall be operated for the benefits of the citizens of the City of Grand Rapids, Michigan and the economic development and improvement of business conditions of downtown Grand Rapids." They go on to say "The Corporation is specifically authorized to perform such acts to accomplish such charitable purposes as the board of directors of the Corporation may from time to time determine to be appropriate and which are not forbidden by Section 501(c)(3) of the Internal Revenue Code, as amended, or any successor provision or any provisions of the nonprofit corporation laws of the State of Michigan."

The Articles established DGRI as a Michigan Non-Profit Corporation as defined by Public Act 162 of 1982, as amended, but also contain several references to the IRS Section 501(c)(3) to guide the nature of the work of the organization. Despite this, DGRI is not a 501(c)(3), which has created constraints in carrying out the established mission. Namely, many grants are, by their own terms, currently unavailable to governmental entities or public body corporations. Similarly, donors are hesitant and sometime unwilling to make donations to entities that do not have 501(c)(3) status.

Two recent examples of these limitations were encountered this year. First during a grant application process from a national foundation that deemed DGRI ineligible because we did not carry a 501(c)(3) status. The second instance arose during the summer of 2020 when fundraising for The Bridge and to support businesses following the civil unrest was slowed because individuals and businesses were seeking to make donations to 501(c)(3) organizations. While in both cases partners stepped in to help facilitate receipt of funds, the delays and additional administration could have been avoided.

In light of this, and to further carry out the mission of the organization, staff is recommending DGRI initiate filing to become a federal non-profit 501 (c)(3). While it is understood the designation will carry additional filing and reporting requirements, the benefits are believed to outweigh the administrative costs, including the ability to solicit and obtain additional private funds.

It should be noted that changing the federal designation will in no way alter the mission or purpose of the organization, including our relationship with the City of Grand Rapids to manage the Downtown Development Authority, Monroe North Tax Increment Finance Authority and the Downtown Improvement District. Rather, this change would be used to complement and enhance DGRI's overall mission.

If approved, staff will work with legal counsel and the Executive Committee to finalize the application and any required updates to the organizations Articles, Bylaws and Conflict of Interest Policy consistent with our established goals. It is expected the application will be filed in Q1 2021, after which there is estimated to be a 6-month review process by the IRS.

RECOMMENDATION:

Authorize the DGRI President and CEO to work with legal counsel and the Executive Committee to finalize the application and materials to transition the organization to a 501 (c)(3).



DOWNTOWN
GRAND RAPIDS INC.

MEMORANDUM

DATE: November 23, 2020

TO: DGRI Board of Advisors

FROM: Tim Kelly, AICP
DGRI President & CEO

SUBJECT: Item #7 – FY21 Priority Project Updates

At the September 21, 2020 meeting the Board of Advisors approved the FY21 Performance Management Objectives, including the key projects and advocacy agenda. Those items are included below for reference.

For the November 23 meeting, staff will be on hand to provide updates on three of the initiatives, including:

1. River Governance
2. Social Zones and Winter Ready Grant
3. World of Winter

Additional information is included in your packet for review in advance of the meeting. Time will be provided for questions and answers for each topic during our discussion.

The key projects for FY2021 are as follows:

1. Complete review of GR Forward accomplishments and identify any necessary strategy adjustments to inform policy changes (zoning, housing goal, etc.).
2. Implement recommendations from River Governance process, including an Equity Framework, Connecting Plan and infrastructure improvement project(s).
3. Complete Economics of Place Assessment to inform development strategies and work with community partners to utilize findings to inform land use policies.
4. Complete planning initiative for Areas 7/8/9 to guide future land use decisions of those publicly owned assets.
5. Complete Phase 2 of the Inclusive Design Initiative with Disability Advocates of Kent County and Common Notice to advance strategies and policies that create a universally accessible Downtown.
6. Complete Downtown Wayfinding re-design process and initiate implementation of new system.
7. Complete Downtown retail market analysis and strategic plan.
8. Deploy winter activation strategies, including social zones and World of Winter.

9. Finalize design and initiate construction of public space improvement projects, including Ecliptic at Rosa Parks Circle and Lyon Square.
10. Formalize “Refreshment Area” hospitality/economic development tool

I. Leadership and Advocacy Agenda

Lastly, DGRI is uniquely positioned to harness the power of partnerships to achieve community goals and inspire a best-in-class approach to city building. Accomplishing specific, targeted advocacy endeavors will expand on the organization’s credibility as a can-and-will do agent for change and progress. For FY2020, ten key policy and advocacy items at the local, state, and federal level were selected that will help further the goals for Downtown and the entire community. Those recommended priorities are as follows:

Local Advocacy Objectives:

1. Advance business support policies to aid in the recovery of the COVID 19 pandemic, including continued improvements to social zones and other Downtown public spaces
2. Provide resources and participate in the development of a comprehensive plan to address homelessness and quality of life issues in Downtown.
3. Pursue land acquisition and disposition opportunities to advance community goals.
4. Develop and implement winter activation strategies, including World of Winter.
5. Create joint marketing plan with partners to attract visitors to Downtown.
6. Complete the FY22 DID reauthorization process.
7. Advance projects and initiatives that improve the status of community relations within Grand Rapids, particularly those that involve social and racial equity.
8. Establish Grand River Governance entity in collaboration with the City and County.
9. Pursue short-term strategy to re-open and maintain River walk.
10. Participate in the update to the City of Grand Rapids Master Plan.

State/Federal Level Advocacy Objectives:

1. Advance recovery legislation and seek additional resources as needed.
2. Monitor TIF legislation discussions in legislature.
3. As needed, develop collaborative strategies to effectively inform appropriate state officials about Grand Rapids’ urban policy / investment priorities.
4. Identify and monitor opportunistic funding in a future COVID-19 stimulus package specifically related to infrastructure, parks, trails/transportation, resiliency and sustainability.



Downtown GR Recovery:

Safe Outdoor Dining Project Performance Report

October 2020

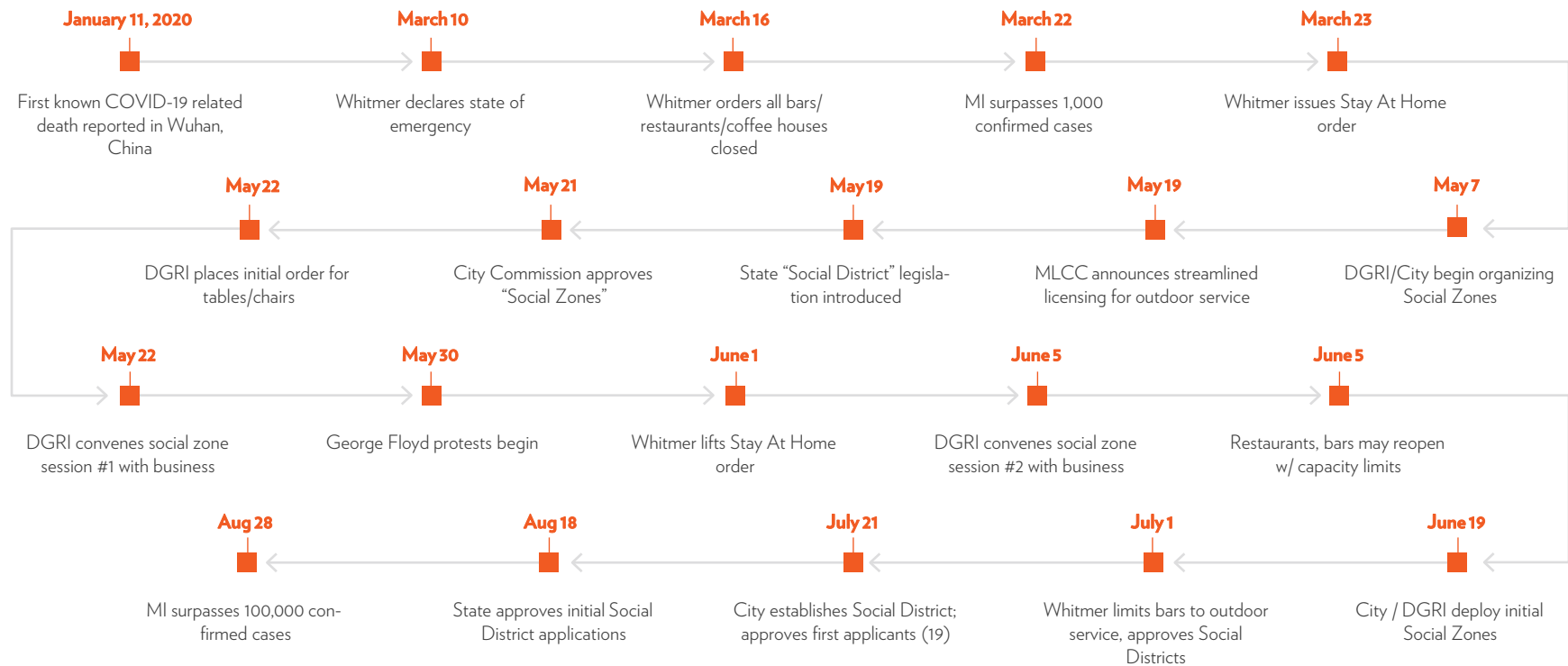


DOWNTOWN
GRAND RAPIDS INC.



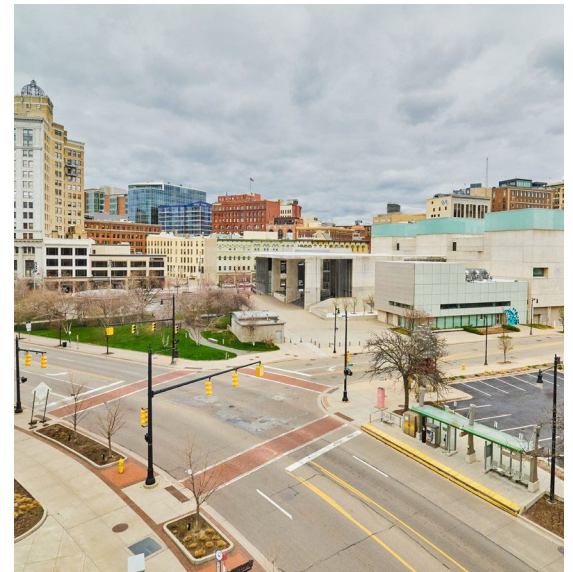
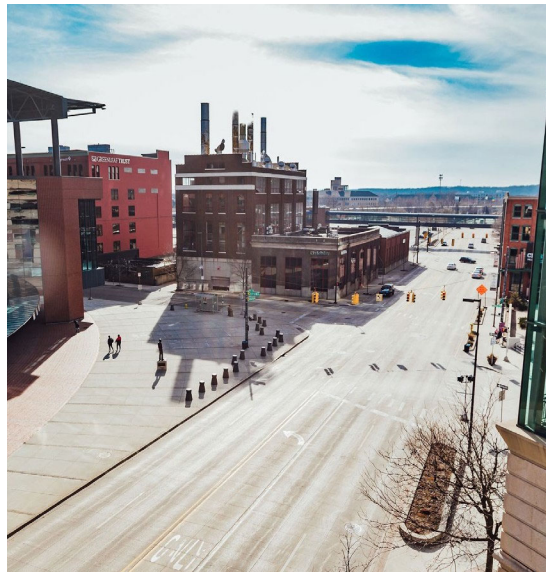
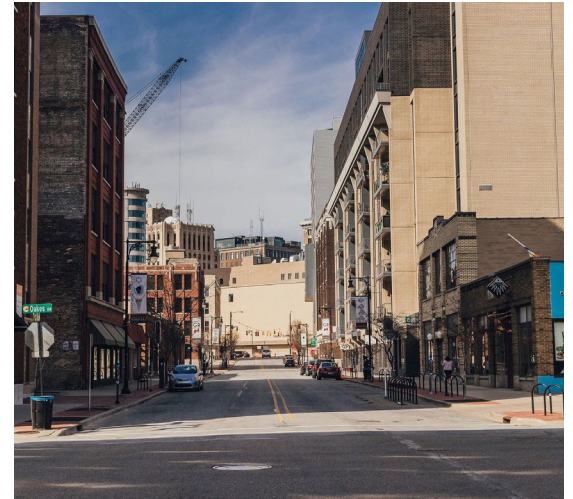
CITY OF
GRAND
RAPIDS

Pandemic & Response Timeline



A Sudden Major Drop in Activity

- 79% decrease in hotel occupancy.
- 48% decrease in foot traffic.
- Rise of remote work.
- Trips to/from Downtown GR most dramatic car travel reduction in Kent County.



Hospitality Industry Propels Downtown Economy & Vibrancy

- Food and beverage establishments comprise **36%** of all Downtown storefronts.
- Hospitality industry (restaurants, bars, hotels, etc) is **2nd** largest Downtown employer after health care.
- Biggest job losses in leisure/hospitality industries nationally.
- Restaurant industry down **2.3 million** jobs nationally.



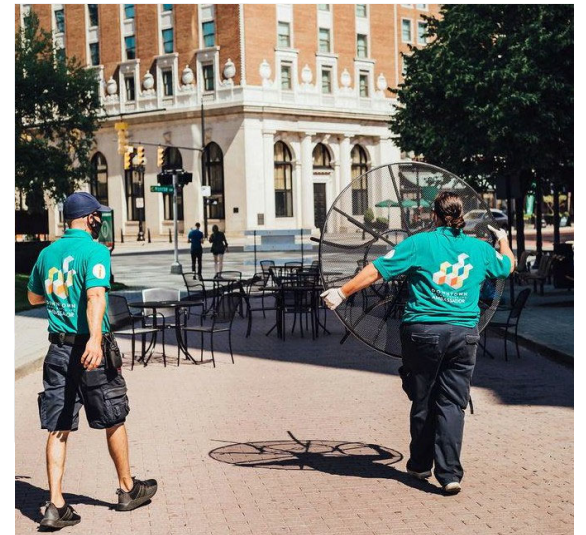
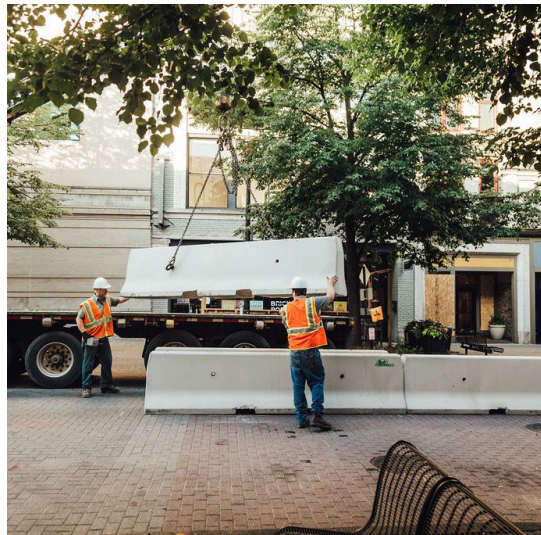
Expedited State & Local Response

- Social Zone: City policy allows businesses to expand onto streets & sidewalks.
- Social District: State policy empowers local communities to establish districts where people can openly carry drinks in designated containers.
- DDA Economic Relief Fund established.



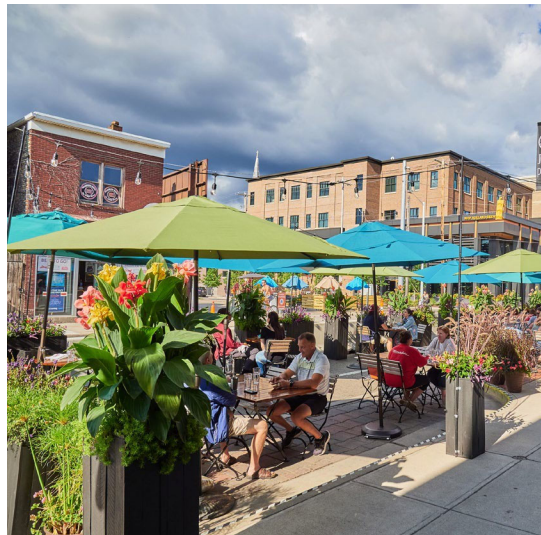
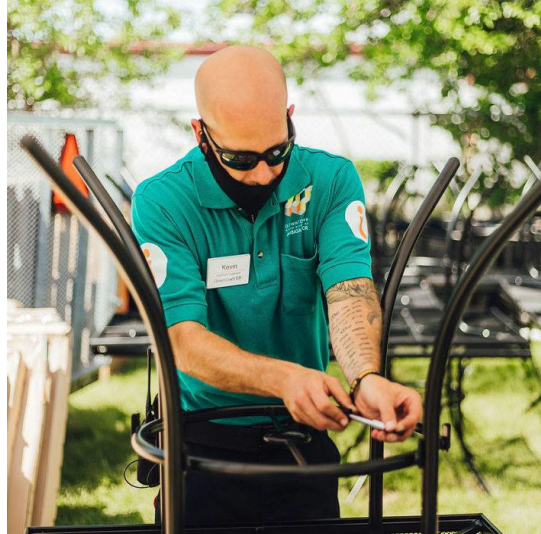
Established Significantly More Space for People

- 203 concrete barriers.
- 48,566 sq ft of expanded seating space. 1+ acre.
- 56% increase in # of businesses offering outdoor seating.

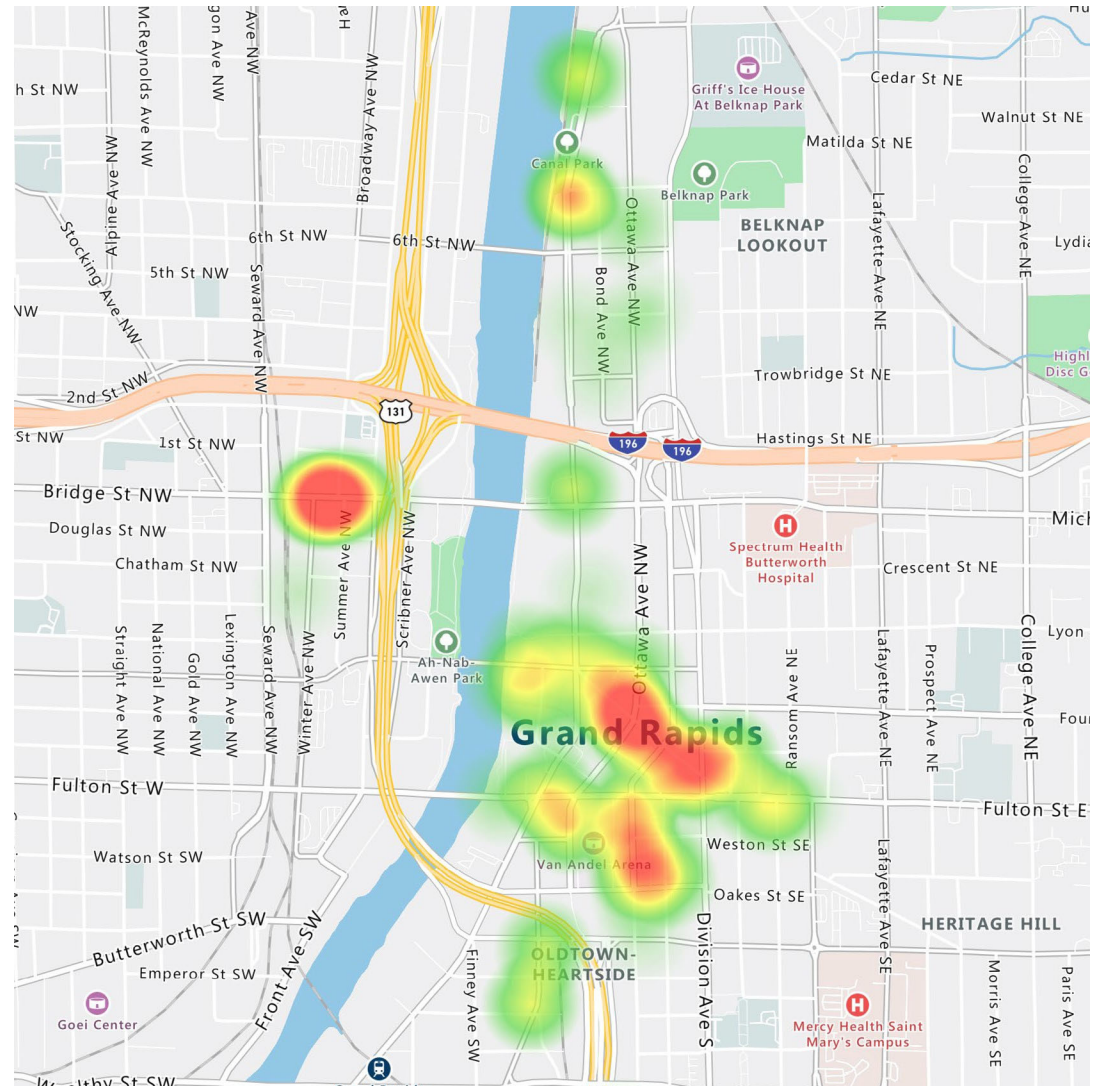


Transformed the *Spaces* into *Places*

- 244 Tables
- 817 Chairs
- 76 Umbrellas
- 22 Benches
- 111 Planters
- 1600 Plants
- 148 Hours of Pop Up Performers



Map Key

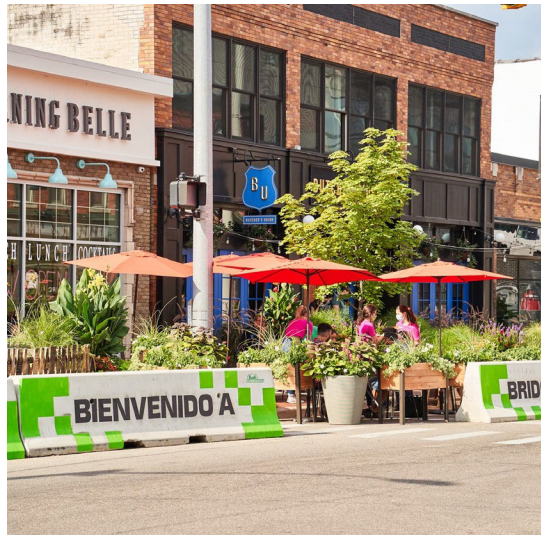


Opened for Safer, Physically Distanced Business **Bridge Street Deployment**

“The social zone activations have been
TREMENDOUSLY successful.”

“Our social zone allowed us to retain average sales,
even though we have reduced capacity inside.”

“I love Bridge Street so much!”

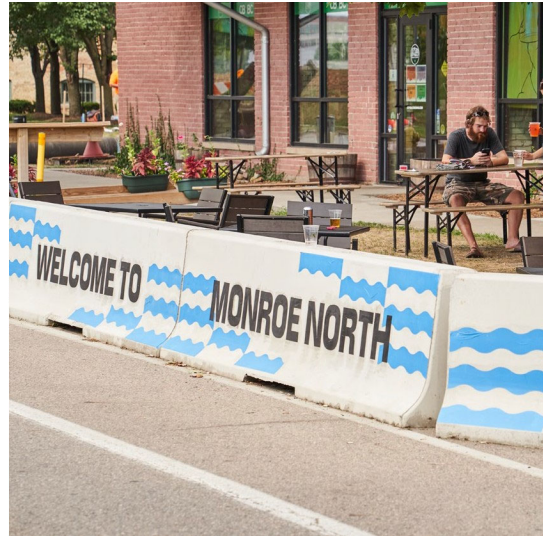


Monroe North Deployment

“The Social Zones were a welcome life-line.”

“Customers have been very vocal with their support of the concepts.”

“We’d be big fans if this was brought back next year.”

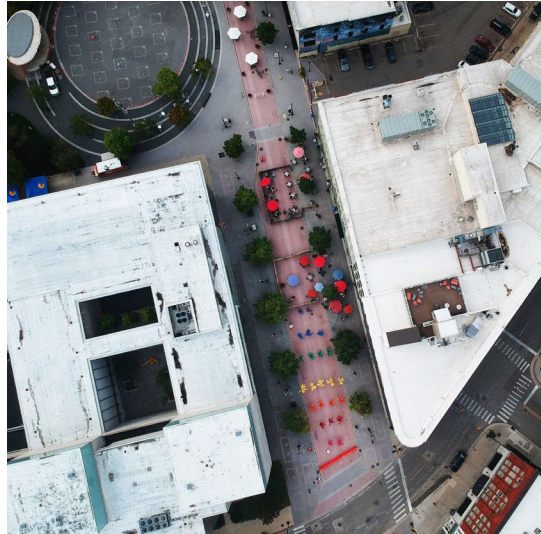


Downtown Deployment

“The new infrastructure kept us alive and allowed us to create new collaborations between businesses.”

“The only hard thing has been parking.”

“This addition of consumer space has been crucial to the survival of our business.”

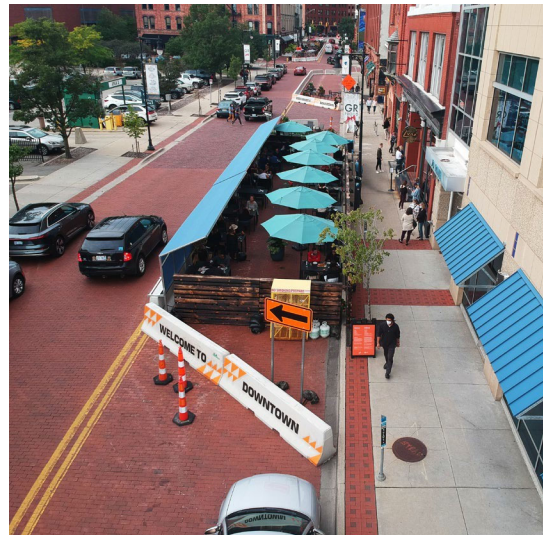


Heartside Deployment

“The social zone on Ionia Street was an excellent quick solution.”

“With the addition of outdoor seating, our restaurant was able to post about a 20% increase in sales in August 2020 over our pre-pandemic August, 2019 numbers.”

“We encourage social districts not just for the duration of the pandemic, but as an economic tool to help through the recovery and beyond.”



Refreshment Areas Out to Good Start

“The Refreshment Area is doing amazing.”

“People are loving the freedom and the safety of drinking outside.”

“An amazing addition to the drinking experience of Grand Rapids”



Winter Presents Opportunity To Pilot Year-Round Activation Measures

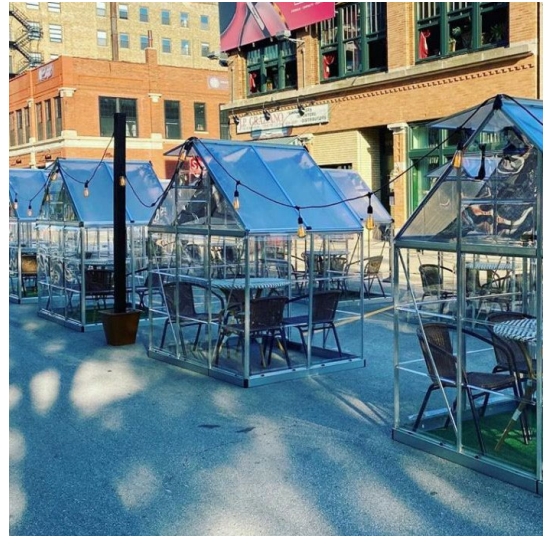
5.1 EXPAND ARTS AND CULTURAL EVENTS AND TEMPORARY PROGRAMMING TO FURTHER ACTIVATE THE PUBLIC REALM YEAR-ROUND

As part of the Downtown residents survey, participants were asked to rate a number of aspects of their community. One of two aspects tied for the top rating among them was "Availability of arts and culture destinations and programming." Without discounting the value and importance of Downtown Grand Rapids's many significant arts and cultural institutions, an important part of this is events and temporary programming. Towards that

temporary programing, such as Movies in the Park at Ah-Nab-Awen Park, ArtPrize, parklets, and many more, has ramped up interest in these types of activities and there is additional demand for more.

DESIGN AND PROGRAM PUBLIC SPACES TO ACCOMMODATE WINTER ACTIVITIES

Part of the challenge is ensuring that Downtown Grand Rapids feels as active during the winter months as it does during the rest of the year. Events are an important way of encouraging foot traffic Downtown to sustain businesses through the winter, not to mention boosting morale and fostering community when everyone has had



More Information

[Map of Outdoor Dining and Refreshment Areas in Downtown GR](#)

.....
[Social Districts, known locally as Outdoor Refreshment Areas](#)

.....
[Outdoor Social Zone Overview, City of Grand Rapids](#)



WINTER ART ACTIVATION INSTALLATIONS



WINTER TUMBLEWEEDS & GRASSES

The Department
Barbara Lash & Sierra Cole

Installation consists of five large tumbleweeds, three small tumbleweeds, four groves and 2 chain anemone's consisting of over 1,500 noodles.



HYBYCOZO'S

Hybycozo

Yelena Filipchuk & Serge Beaulieu

- Uses “geometry of nature” and “patterns through different cultures of the world” for their designs.
- Six Hybycozo's that will be rented and one custom purchased in collaboration with the GRBOI.



IMPULSE

CREOS

- The project uses the idea of repetitive units of subtle light and sound that can be played by the public to create a temporal, ever-changing event.
- 15 illuminated see-saw's