REQUEST FOR PROPOSAL

RETAIL BUSINESS ATTRACTION, INCUBATION & DEVELOPMENT IN DOWNTOWN GRAND RAPIDS, MI

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

Deliver To:
Downtown Grand Rapids Inc.
Attention: Tim Kelly, President/CEO
29 Pearl Street NW
Suite 1
Grand Rapids, MI 49503
or
tkelly@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 June 2017, 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. Up to $60,000 could be awarded to successful applicants. Any expenditure of these funds must occur in accordance with sections 7(1)(r) and 7(2) the DDA’s enabling statute PA 197 of 1975. Please find a copy of these requirements attached.

Potential Uses of Funds
This process is open to good ideas that will make change happen. The purpose of this RFP is to identify creative strategies and partnerships that effectively and measurably advance on the community’s goal of strengthening and diversifying 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 the intent accordingly. Proposals that outline complementary business development support services outside of the requested funds will be viewed favorably.

Potential ideas for the use of DDA funds could include but are not limited to:
- Providing technical assistance to specific Downtown business prospects to support business planning and concept testing;
- Successfully recruiting prospective businesses to fill vacant storefronts; and/or
- Providing financial assistance to a Downtown property owner(s) to bridge a specific funding gap for a qualifying business.

Please see Exhibit A: Examples of Eligible Uses for more information regarding eligible and prohibited uses.
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 197 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.

Exhibit A: Examples of Eligible Uses
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 197 of 1975, as amended, and other policies established by the Grand Rapids Downtown Development Authority Board.

Below are examples of situational uses that are eligible, as well as uses that are prohibited. This list is intended to be illustrative, though not exhaustive. If needed, DGRI staff is available to help potential applicants determine the eligibility of proposed uses that are not outlined below. Given the complexity of ways in which tax increment funds can be used coupled with the many opportunities and challenges associated with leasehold negotiations and building improvements, potential applicants are strongly encouraged to involve DGRI staff in the comprehensive review of proposed deal structure.

Examples of some potential uses of grant funds:

- **Contributions towards permanent building improvements**: Whereby an existing property owner within the eligible geography desires to make permanent improvements to a commercial building to support the leasehold deal. Commonly supported building improvements include ADA access improvements, commercial facades, etc. In this instance, the property owner likely would be the program applicant and proof of the intent to locate the qualifying business in the building would be required.

- **Contributions to lease payments**: 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 partially reduce rent payments 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.

**Contracting for deal-making / recruitment services** Where there exists an economic development service organization (ESO) or other similar entity with strong relationships to potential qualifying businesses, funds could be used to deploy a marketing initiative that raises awareness and understanding of Downtown’s economic development tools in a way that supports business recruitment and/or expansion. In this scenario, DGRI’s *GR Forward* Goal 4 Alliance supported by DGRI staff, would establish specific outcome expectations from the proposed economic development activity and funds would be paid upon successful goal accomplishment.
Examples of some prohibited uses of grant funds:

- **Direct payments qualifying businesses** Funding cannot be used to support any business operating needs, capital, salaries, inventory, goods, equipment, furniture, fixtures, marketing expenses, or other day-to-day resources required for business operations.

- **Program Marketing** Funds are not available to support general marketing, promotions, advocacy, public relations, or any other such effort related to the program goals or ambitions.

**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.
- **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.
- **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.
- **Schedule** – Overview of timeline and important project milestones to ensure measurable movement toward the community goal.
- **Project Costs** – An outline of proposed costs, professional fees, or other expenses required to complete the proposed approach.

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

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