



Agenda

Committee of the Whole Meeting

City of Kalamazoo

Monday, September 19, 2022

5:00 PM

City Commission Chambers – 241 West South Street

A. CALL TO ORDER/ROLL CALL

B. COMMUNICATIONS

C. PUBLIC COMMENTS

D. SPECIAL AGENDA ITEMS

E. COMMITTEE OF THE WHOLE

F. WORK SESSION

1. Presentation: Economic Development & Business Development Fund
(Foundation for Excellence 5th Anniversary)

G. COMMISSIONER COMMENTS

H. ADJOURNMENT

An aerial photograph of the Kalamazoo city center. The image shows a mix of modern and older buildings, a river flowing through the city, and a park area with a playground. The text 'Economic Development' is overlaid in large white letters, and 'City of Kalamazoo' is overlaid in smaller white letters below it.

Economic Development

City of Kalamazoo

Imagine Kalamazoo 2025

Economic Vitality

Strategic Goal:

This strategic direction is to grow Kalamazoo into a vibrant, diverse, and increasingly regional destination while supporting the local economy to benefit individuals across all income levels.

Economic Vitality requires investment in mixed-use walkable urban centers, and unique neighborhood-based businesses.

Master Plan

THE CITY OF KALAMAZOO



imagine
kalamazoo
2025

Imagine Kalamazoo 2025

Strategic Goal: Economic Vitality





Understanding Business Community Needs

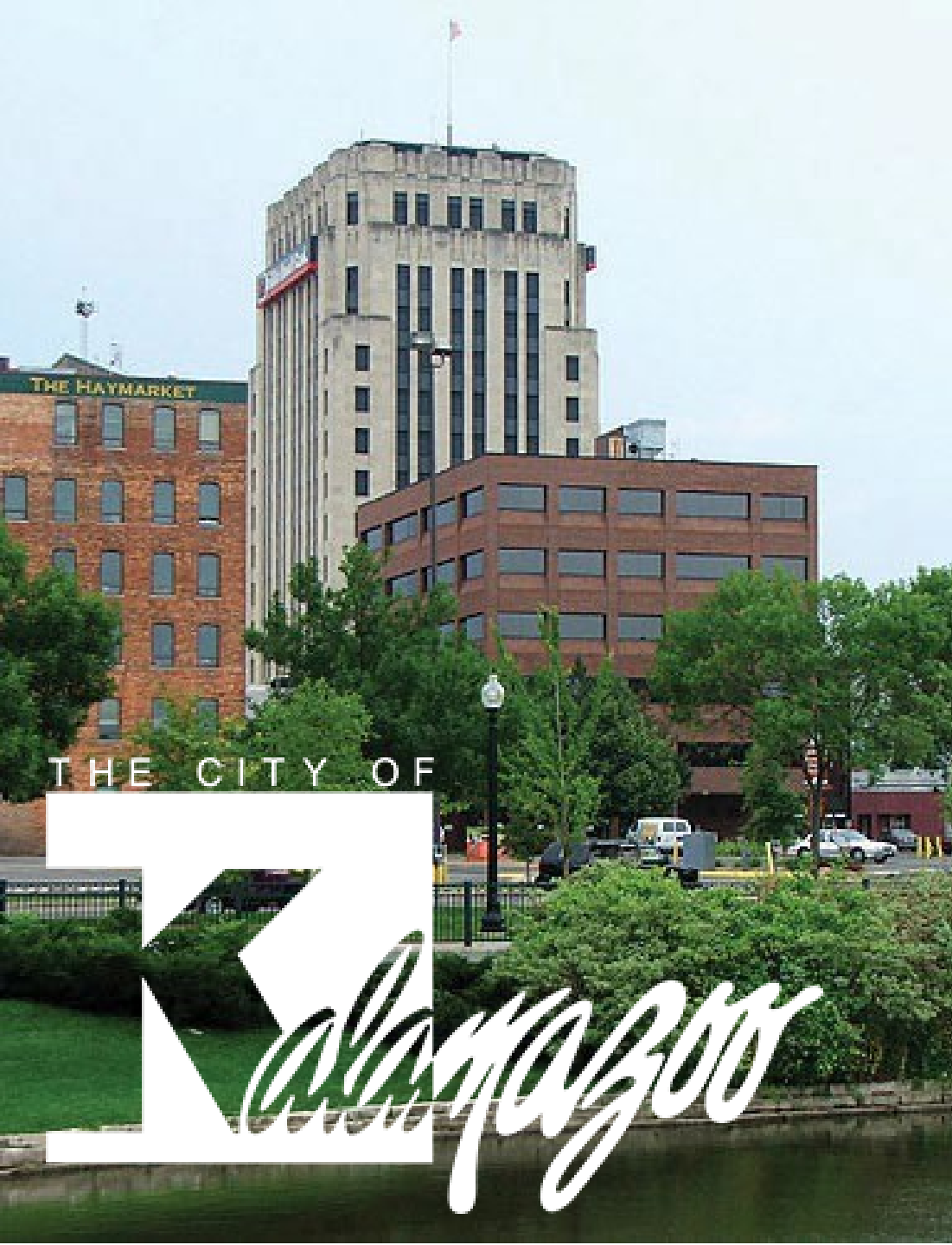
- Funding Options
- Land Development Options
- Building Space Options
- Economic Market Options
- Workforce Population
- Quality of Life for the business and the employees
- Education Support (K-12 and local Colleges) (Kalamazoo Promise)
- WMU, KVCC, and Kalamazoo College (Increase of around 30,000 each year) (Future focus)
- Medical Industry (Borgess and Bronson medical facilities) (Cancer Center)
- Kalamazoo named one of the 2022 top 100 best places to live by Livability.com
- **(The City of Kalamazoo checks the boxes for these items and being a young, vibrant, educational and arts community).**

The Greater Kalamazoo Business Resources

The coalitions website is to assist Kalamazoo County Businesses with business resource service information.

The following organizations are involved:

- Can-Do Kalamazoo
- SCORE
- LISC
- Michigan SBDC (Small Business Development Center)
- Southwest Michigan First
- Western Michigan University
- United Way of the Battle Creek and Kalamazoo Region
- Southwest Michigan PTAC (Procurement Technical Assistance Center)
- Kalamazoo Capital Consortium
- There are several other organizations not listed that are involved as well in microbusiness training and development



Development Process

- Working with Developers on City development project process
- City Project Review Assistance
- City Site Plan Review Process Assistance
- City Site and Building Research Assistance
- Economic Development Tools and Other Financial Options
- Brownfield Redevelopment Authority (BRA) Process
- Assistance
- Development of Site Request for Proposals (RFP's) or Request for Qualifications (RFQ's)
- Cannabis Community Benefits & Engagement Initiative

Paul Thuringer

Economic Development Supervisor



Business Development Fund (BDF)

- Introduction
- History
- Mission



Melody Daacon

Neighborhood Business & Special Projects Coordinator



Business Assistance Process

- Identifies and meets with business owners in the City of Kalamazoo
- Technical Assistance Focus for Business Growth and Development
 - Technical Assistance Grant
- Facades/White Box Grant Program
- Business Retention
- Business Recruiting/Marketing Initiative (2022 Implementation)
- Minority business development and identification (includes African American and Hispanic-owned businesses)
 - What is the real number of minority businesses we have in the city?
 - Minority Contractors (Kalamazoo Home Builders Association)
 - Past Minority Business Development and Contractors Information Update
 - What we are doing now
 - Providing future training & education in the areas of procurement/purchasing/contracting with the City of Kalamazoo process
- Kalamazoo Capital Consortium (Nonprofit Lenders and for-profit Lenders) (Continued expansion and growth)
- Salesforce (Data Tracking)



BDF Façade & Whitebox Programs

Façade Program:
Renovate the street-facing
portion of the business
(lighting, awning, painting, etc)

Whitebox Program:
Interior Improvements
(exhaust hood, HVAC, flooring, etc)



Before Façade Grant



After Façade Grant

BDF Technical Assistance Programs

- Develops and strengthens businesses.
- Capacity and Training Opportunities



Before Technical Assistance Grant



After Technical Assistance Grant

Investment in Trainings

- BETA
- Contractor trainings for under-represented contractors



BDF Investment Breakdown

Business Facade

2021
8 grants totalling
\$188,000

2022
On track for 17 grants
totalling \$425,000
56 businesses on wait list

Business Whitebox

2021
7 grants totalling
\$175,000

2022
On track for 17 grants
totalling \$425,000
56 businesses on wait list

Technical Assistance

2021
26 grants totalling
\$146,000

2022
66 grants totalling
\$330,000

Key Takeaways

- Early stage entrepreneurship – pairing programming with investment dollars
- Building an entrepreneurship ecosystem from the ground up
- Continuing to focus on best practices vs compliance







What's Next?

- Microbusiness Development Center
- Other

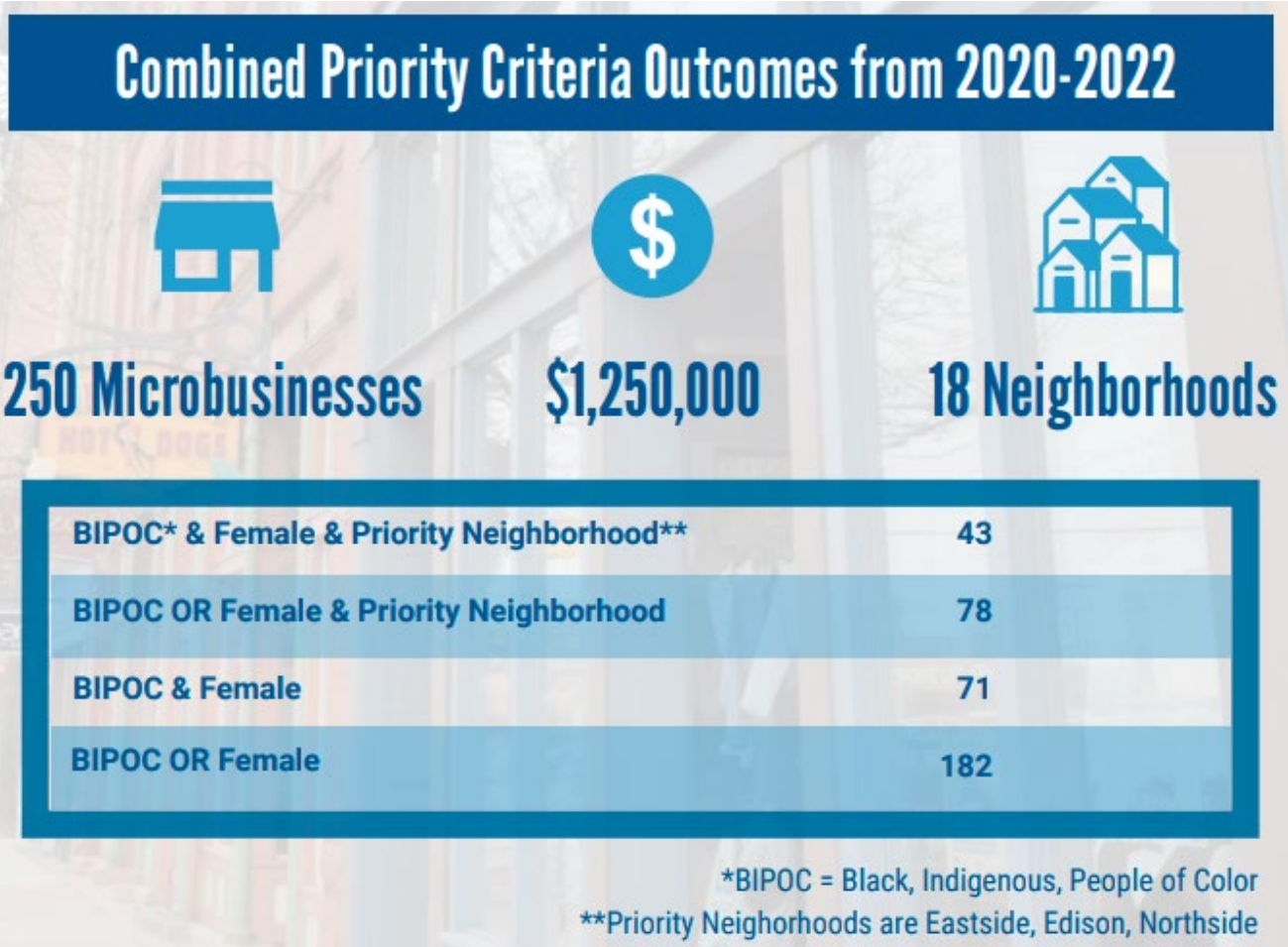


Accelerator / Incubator

- Update on incubator development (Can-Do-Kalamazoo)
- Start-up business fund for home-based businesses focusing on SPK neighborhood residents. (Home-based business development grant)
- This is a CPED Economic Development Equity Initiative (2023 Initiative)

Kalamazoo Micro Enterprise Grants

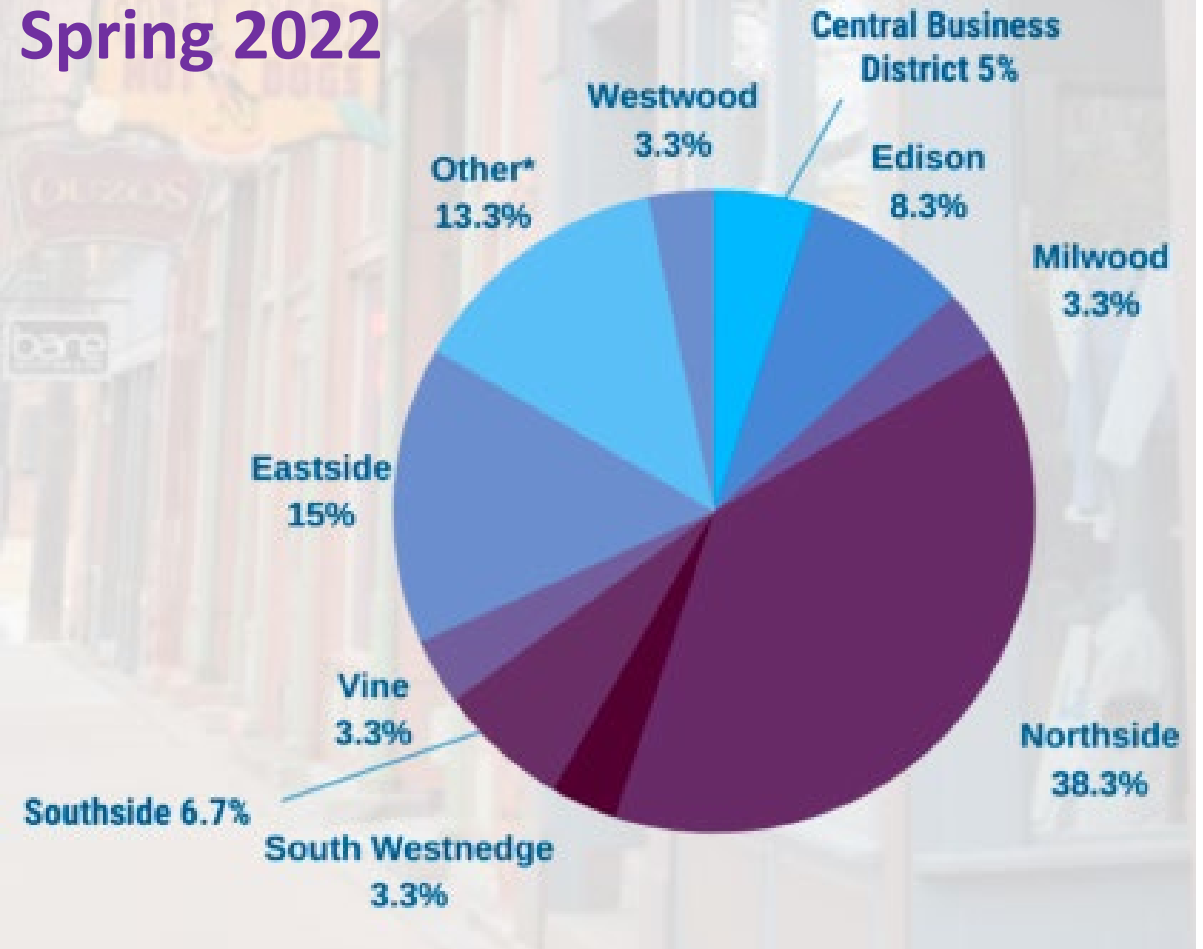
- + Provide \$5,000 grants to eligible microbusinesses within the city limits who are in financial need and/or have experienced barriers to accessing financial capital through traditional funding sources.



Kalamazoo Micro Enterprise Grants

- + Who: City of Kalamazoo Micro-enterprises
- + 250 micro-enterprises served since 2020
- + 18 neighborhoods represented since 2020 within the City of Kalamazoo

Spring 2022



Kalamazoo Micro Enterprise Grants

- + KMEG provides direct financial assistance to businesses in need, providing them with capital to purchase equipment, maintain payroll & operations, amongst other business needs.

- **20 businesses (33%)** of 2021 grantees reported the funds were used for payroll, employee retention, and/or hiring new employees.
- **17 businesses (28%)** of 2021 grantees reported the funds were used to purchase new equipment, supplies, and inventory.

"In the 21+ years I have owned my business we have used our household income for any shortages at my business. Over the last 2 years our "extra" or savings has dwindled, so having this grant has made it so I haven't needed to tap into our savings at home. My rent increased this summer at my store, so this grant helped to keep that from being an issue."



Kalamazoo Micro Enterprise Grants

- + Greater Kalamazoo Business Resource Network
- + City of Kalamazoo
- + Black Wall Street Kalamazoo
- + El Concilio/Hispanic American Council
- + Small Business Development Center



Kalamazoo Micro Enterprise Grants

- + IGK Goal: Economic Vitality & Shared Prosperity
- + Work in partnership with organizations within the Greater Kalamazoo Business Resource Network to collaborate on funding and entrepreneurial services.



Kalamazoo Micro Enterprise Grants

- + What will success look like?
 - + Efficient and equitable distribution of grant funds to eligible businesses in need.
- + How will you know if you have succeeded?
 - + BIPOC owners are >50% of awardees
 - + Women owners are >50% of awardees
 - + SPK neighborhoods are >40% of awardees

Kalamazoo Micro Enterprise Grants

Priority Criteria Outcomes from Spring 2022



60 Microbusinesses



\$300,000



17 Neighborhoods

BIPOC* & Female & Priority Neighborhood**	23
BIPOC OR Female & Priority Neighborhood	37
BIPOC & Female	44
BIPOC OR Female	59

*BIPOC = Black, Indigenous, People of Color

**Priority Neighborhoods are Eastside, Edison, Northside

Kalamazoo Micro Enterprise Grants

- + UWSCMI participates in regular meetings and annual data reporting with COK and FFE staff
- + Future Challenges and Opportunities: Measure the impact of small business programming on ALICE households (Asset-Limited, Income Constrained, Employed) in Eastside, Edison, and Northside neighborhoods.

In 2019, 53% (29,007) of households were considered ALICE or below the poverty line in the City of Kalamazoo.



Questions