

Agenda

Economic Development Corporation

Board of Directors

City of Kalamazoo



Thursday, June 20, 2024

7:45 AM

CPED Main Conference Room - 245 N. Rose Street, Suite 100

A. CALL TO ORDER/ROLL CALL

B. ADOPTION OF FORMAL AGENDA

C. APPROVAL OF MINUTES

1. Approval of the minutes from the meetings of the Economic Development Corporation held at the regular Board meeting on May 16, 2024. **(Action: Motion to Approve) - Voice Vote**

D. PUBLIC COMMENTS

E. DIRECTOR COMMENTS

F. CONSENT AGENDA

(Action: Motion to approve item 1) - Voice Vote

1. Approval of a recommendation to the City Clerk to Approve the 2-year approval of the Adult Use Class A Grower (1), Adult Use Processor (1), Adult Use Retailer (1) Permits to Yuma Way MI, LLC dba Urban Gardens.

G. NEW BUSINESS

H. UNFINISHED BUSINESS

I. COMMUNICATIONS AND ANNOUNCEMENTS

J. STAFF REPORTS AND UPDATES

1. Economic Development Strategy Update Presentation - Camoin Associates

(virtual)

K. ADJOURNMENT

**CITY OF KALAMAZOO
ECONOMIC DEVELOPMENT CORPORATION BOARD MEETING
Thursday, May 16, 2024
Community Planning and Economic Development
245 N. Rose Street, Kalamazoo, MI 49007**

MEMBERS PRESENT: Kevan Hess; Jason Novotny; Sharon Ferraro; Nathan Bolton; Lucas Middleton; Rachel Bair

MEMBERS ABSENT: Michael Gurnee; Kyle Gulau; Andrew Schipper; Torean Greeley; Alonzo Wilson

CITY STAFF PRESENT: Jamie McCarthy (Sustainable Development Coordinator); PJ Thuringer (Economic Development Supervisor); Jessica Wood (Attorney, Dickinson Wright); David Stegink (Consultant, Fishbeck); Jared Chambers (Business Specialist); Jerrid Burdue (Neighborhood Business & Special Projects Coordinator); Heidi Gartley (Brownfield Project Assistant)

Meeting was called to order at 7:51 AM by Chair Hess.

MOTION TO EXCUSE ABSENT MEMBERS: Director Ferraro moved to excuse absent members; seconded by Director Middleton. Motion approved by voice vote unanimously.

APPROVAL OF AGENDA: Director Bolton moved approval of the agenda as amended; seconded by Director Bair. Motion approved by voice vote unanimously.

APPROVAL OF MINUTES: Director Bolton moved approval of the minutes from the meeting of April 18, 2024; seconded by Director Middleton. Motion approved by voice vote unanimously.

PUBLIC COMMENTS

None.

DIRECTORS' COMMENTS

None.

NEW BUSINESS

1. Approval of a recommendation to the City Clerk to Approve the 2-year renewal of the Medical Provisioning & Adult Use Retail Permits for AEY Capital, LLC dba Gage Cannabis Company.

Mr. Chambers presented information on the business, as found in the agenda packet. Staff recommends a two-year renewal.

Peter Grace, representative of Gage Cannabis Company, said he is happy to be there and continue to support the City of Kalamazoo. He is happy to answer any questions. There were no questions from directors.

Director Novotny moved approval of recommendation to the City Clerk to Approve the 2-year renewal of the Medical Provisioning & Adult Use Retail Permits for AEY Capital, LLC dba Gage Cannabis Company; seconded by Director Ferraro.
A roll call vote was taken, and the motion passed unanimously.

UNFINISHED BUSINESS

None.

COMMUNICATIONS AND ANNOUNCEMENTS

None.

STAFF REPORTS AND UPDATES

1. Economic Development Strategy Update Presentation – Camoin Associates (virtual)

Alex Tranmer and Dan Gunderson, representatives of Camoin Associates, joined the meeting virtually. Ms. Tranmer summarized Camoin Associates' work-to-date, including one-on-one digital interviews, City staff interviews, and a public Open House. They also compiled the data report included in the agenda packet. She shared the upcoming meeting dates. The next meeting will be another digital meeting with the EDC in mid-June to present a strategy and get feedback from the board. In July, they will present draft versions to the Committee of the Whole, also hoping to get feedback. The goal is to have a final draft version ready by the end of July to present to the Committee of the Whole to hopefully be adopted.

Ms. Tranmer shared the three stations of the Open House were business vitality, quality of life, and vision and leadership. She explained each of these key topics and stated that while the Open House was a very particular example of feedback, it does echo what they have been hearing across other platforms.

Mr. Gunderson revisited the economic development chart with all of the different factors of economic prosperity, as he had introduced to the board in the Board Retreat meeting in February. As a region, he said Kalamazoo is strong in some areas and not as articulated in other areas. In most of Camoin Associates' work across the nation, he said they do a lot to encourage the Economic Development community to be more integrated with the Community Development efforts and focus more on the quality of life and the neighborhoods. He said it is almost the reverse situation for Kalamazoo. The community-based economic development is front and center. They are impressed by that, but it does get more confusing for the business community and from an economic development perspective. It becomes not as clear who is leading the different economic development areas, as displayed in his chart.

- He stated the first three components – *Business Retention and Expansion, New Business Attraction, and Targeted Industries and Clusters* – are the purview of Southwest Michigan First. While Southwest Michigan First has an interest in all businesses, the predominant efforts tend to be with the middle to larger tier businesses rather than small businesses.
- *Entrepreneurship and Innovation* is strong, but ultimately scattered in who is leading it and where it is happening. Where is the second stage growth? Who is helping these businesses ramp up and stay alive?
- Kalamazoo has a lot of momentum with *Workforce Development*. This goes all the way to K-12, and they believe there are some fantastic initiatives happening there.
- In regards to *Downtown, Infrastructure, and Sites*, he said these efforts are being attended to, but somewhat without a strong integrated strategy itself. He said there are hundreds of sites and a lot of opportunity in Kalamazoo.

- For *Housing*, Mr. Gunderson said they see optimism and new development happening in the city. He said there are strong efforts happening at the development level and neighborhood level. However, as a whole, it is not clear to the outsider where the leadership is for this. He questioned whether this is a problem.

Mr. Gunderson introduced the following Strategy Themes, which they see from their perspective:

- **Vision Setting:** Where is this happening and what is the direction moving forward? Hopefully that is the outcome of this strategy – to help set a vision.
- **Maintain and Grow Access to Business Resources:** The resources are there, but people still do not know which door to walk through to access them.
- **Managing the Implications of Investment and Growth:** Kalamazoo is on the verge of really taking off in terms of investment, due to all the different investments that are on the books right now. We are at a crossroads here and how do we leverage that? For all in the room today, what is your role? Are you a leader, are you assisting, are you following? What is the role of the City in trying to make the most of what is about to occur?
- **Leveraging Philanthropic Resources:** Because of its strong philanthropic base, Kalamazoo is an outlier of communities across the nation, and this is a good thing. They see challenges in understanding who is the leader. There's some feeling of if an issue is present, it will get taken care of because we have the money. At the same time, there are deep social issues. If you are a city resident living in the downtown area, you will hear a lot of concerns about human and social issues – why these things cannot be addressed and who is doing something about that. Camoin is curious about how to direct more of those resources to address the homelessness and social issues that remain and are having a negative impact on the community, as well as the perception of the community amongst business leaders, visitors, and some residents.
- **Making Strategic Choices in Land Development:** For the downtown area and the rest of the city.
- **Leadership and City-Focus:** Whose job is it to champion economic opportunities for the City of Kalamazoo? Currently, there is a team mindset taking place. Camoin believes this position goes against human nature and economic reality. With multiple jurisdictions, you need to have champions for the individual jurisdiction, particularly Kalamazoo, which is almost the base or core. Mr. Gunderson thinks someone needs to be standing up and when an opportunity is present, saying this opportunity ought to be considered for Kalamazoo. Or saying these are the needs of Kalamazoo and being very clear about it when it comes to economic development. Then mobilize others to move in the direction to follow the strategy that they will have very soon.

Mr. Gunderson paused the presentation to ask the Directors for their reactions and thoughts.

Director Hess asked how we can educate our population to be more workforce ready and fill in the jobs that we are lacking in? Mr. Gunderson said there are many good efforts here. He said we just need to double down and keep going on those efforts, and make sure the private sector is engaged with it every step of the way. Ms. Tranmer mentioned the new workforce center is something to look forward to in the future, but in the meantime, we want to continue ongoing efforts. She thinks at the community development level and in the neighborhoods, how do we take that knowledge on the ground and the work in the communities and take what we learned from individuals and the schools, using their experiences to break down barriers to workforce opportunities. Ms. Tranmer shared there is workforce development efforts going on, but questioned where is the City focus in some of this?

Director Hess said he sees they started it with the Cannabis industry, creating workforce-ready employees and potential entrepreneurs. He asked in other municipalities, do they find it falls mostly on the employer or that efforts from the City make a big difference?

Mr. Gunderson said it is joint. When employers are more engaged with the schools and providing internships and thinking about the future of the next workforce, all kinds of doors can open. He said clearly Kalamazoo has a better chance than most places they work with in making that connection. Where the public can play a big role is in identifying the gaps and funding the gaps. Some of the idea of work-ready means dealing with the soft skills as well as the hard skills. He knows that's a difficult area, but it is just to make sure the graduates are ready for the world of work today, which involves a lot of creativity, flexibility, critical thinking, problem solving. He said the role of the nonprofit organizations and the City's support of these organizations that provide these services will be absolutely critical. It's not in their scope to delve into policy, but they can address it in the strategy as an area of critical importance.

Director Bair asked what direction they are thinking for the vision and who needs to step up. Mr. Gunderson said that is the million dollar question, and they do not have an answer yet. Director Bair asked what options they are considering. Mr. Gunderson said they are beginning to flesh out a model of "if we did this, then that," and as they start to develop that model, they look at things like where is the trust, where are the skills, and what is the dynamic in the community and all these other players. Specifically, what is going to work in this community? Kalamazoo is unique. What they do not want to do is drop a strategy that is dead on arrival, for any number of reasons. At the same time, he doesn't know that they want to create a whole new effort or initiative on top of everything else. He added, though, that last week when they were driving around and talking to people, it is interesting that when it comes to the big development-oriented type of projects, that it's often times the private sector driving it. He stated there's no development authority, per say, that can really take on these big projects. The question becomes, is there a technical gap here or is that okay?

Director Bolton asked what thought is being put into how the county as a whole or how the nearby City of Portage affects this strategy. Mr. Gunderson said it is a factor here, as you can't have a city stand apart from the county or the region. However, their intuition is telling them there needs to be a stronger City voice here. He asked if that registered true for those in the room today. Directors had no direct comment on this.

Director Novotny said this might be more of a personal view rather than collective statement, but he believes if the City is not a strong partner in trying to address some of the societal and mental health issues, we shouldn't rely on philanthropy to solve those problems, which in his opinion arose as some of the foundational structure of what you build economic development off of. He said the fourth bullet point struck a chord with him because he would like to see something that references partnerships or the city's responsibility in all of that. He thinks the city has a lot of responsibility and there is a lot of work to do on those issues which deeply impact economic development. Mr. Gunderson said it is a very valid statement. He believes the public sector voice can help guide the philanthropic decisions. The public voice – the government – looks out for the public welfare of all residents. Philanthropy is more challenged in doing that. He said government has generations to be concerned about, and they have to look at all the other pieces of the strategy and what is needed. Camoin is moving in the direction of thinking that the philanthropic community may have an opportunity here to do more to address the human and social issues that are beginning to impact the perception of the city as a good place to live and work.

Mr. Burdue asked if there were any other slides they wanted to share and mentioned there were ten minutes remaining for the presentation.

Ms. Tranmer said they wanted to get a general sense of whether or not these strategy themes fit with the direction that this group, based on conversations and data, believes the strategy needs to go. At this point, is there a topic that has not come up that they need to be aware of or do they need to dig deeper into the topics that they have?

Mr. Gunderson said they were providing some reality checks today and trying to bring out some tough issues. He said the strategy itself will be opportunistic and optimistic. It will focus on the potential and positioned to be a mobilizing instrument to achieve even greater prosperity.

Director Bair shared she is excited for what they present next month. One point of focus she would like to see attention given to is the physical layout of the investment that is needed. She thinks a lot of challenges in the City have to do with how spread out things are – how spread out opportunity is and how spread out investments are. This makes it difficult to plan mobility around those things. How do we get people to work when the businesses are all over the place and we can't have an efficient transit system? She would love to see some thought around the physical space in the strategy.

Attorney Wood asked about Mr. Gunderson's comment that there was no development authority to take the lead. She named the Downtown Development Authority, the Corridor Improvement Authority, and the Economic Development Corporation. She was curious what sort of development authority he was referring to. Mr. Gunderson said they will now begin to look at the existing authorities and their bylaws when they develop the strategy. They will see if there are gaps.

Ms. Tranmer will send the slides to Mr. Burdue to be distributed to the Directors. She said they will be back in a month to talk through more of the strategy. Ms. Tranmer and Mr. Gunderson logged off.

ADJOURNMENT: Meeting was adjourned at 8:41 AM by Chair Hess.

Signature

Printed Name/Chair

Heidi Gartley/Recording Clerk

INTER-OFFICE MEMO

To: The Economic Development Corporation Board of Directors

From: Paul Thuringer, Economic Development Supervisor
Jared Chambers, Business Specialist

Date: April 19, 2024

Re: Adult Use Class A Grower (1), Adult Use Processor (1), Adult Use Retailer (1) Permit Renewal for Yuma Way MI LLC dba Urban Gardens.

The City Clerk's Office has requested that the Economic Development Corporation (EDC) Board of Directors evaluate the *Marihuana Facility Permit Renewal Application* submitted by: Yuma Way MI LLC dba Urban Gardens for its facility at 617 Portage Street and that the EDC Board provide a recommendation regarding the renewal of this permit. The City Operating Permit, issued on July 1, 2023, is scheduled to expire on June 30, 2024, and must be renewed before its expiration for the facility to continue operating. The applicant has submitted the required renewal application and the annual permit fee. Below is the ordinance language that describes the specific role and responsibilities of the EDC in this process:

§ 20B-12

C. In determining whether to grant a renewal of a permit, the members of the City's Economic Development Corporation board will evaluate the permit holder's compliance with the statements it provided with its initial application and submission with its request for renewal of the following information:

1. The Staffing plan for the business which describes the actual number of employees, including the number and type of jobs that the facility has created, and the amount and type of compensation (including benefits) paid for such jobs;
 - 1 General Manager earning \$45,500/year.
 - 1 Inventory Specialist earning \$45,500/year.
 - 4 Shift Leads earning \$37,500/year.
 - 2 Customer Service Associates earning \$32,500/year.
 - 1 HR Representative earning \$41,600/year.
 - Benefits include: Employee discounts, cash advances, sick leave, and management training.
2. An explanation, with supporting factual data, of the economic benefits to the City and the job creation for local residents achieved by the business, results of efforts for community outreach, and worker training programs.
 - They spend around \$3,800 annually on local small businesses such as; BC Pizza, Chicago Munchies, Hopcat Kalamazoo, Rose Pest Solutions, Bestway disposal, J & J Locksmith, and Douglas and Son Inc.
 - \$500 in donations were made to the Chabad of Kalamazoo, the Kalamazoo Police Department, the Boys and Girls Club of Greater Kalamazoo, and the Salvation Army food pantry.

3. An explanation, with supporting factual data, of the efforts and success achieved by the social equity plan of the business to promote and encourage participation in the marihuana industry by local residents that have been disproportionately impacted by marihuana prohibition and enforcement, and the positive impact of the social equity plan on local residents.
 - They spend about \$124,000 annually with local cannabis vendors such as; Rare Michigan Genetics & Sweet Cut.
4. A statement that the business is not in default to the City for any property tax, special assessment, utility charges, fines, fees, or other financial obligation owed to the City;
 - They are in good standing with the City.
5. A statement that the hiring and public accommodation practices of the facility conform to the City's Nondiscrimination Ordinance provisions and documentation of the total number of employees broken out by managerial and operational employees, number of women, and number of minority employees and number of employees disproportionately impacted by marihuana prohibition and enforcement.
 - The facility conforms to the City's Nondiscrimination Ordinance provisions.
 - They have 5 employees in management, 3 women & 3 minorities.
 - They have 4 employees in operations, 1 women & 2 minorities.
6. A statement, with supporting documentation, providing answers to the following questions:
 - a. How many City residents do you currently employ?
 - 6 employees.
 - b. How many current employees reside in Census Tracts 1 (Eastside); 9, 10 (Edison), and/or 2.02,3 (Northside)?
 - 1 employee from the Eastside neighborhood.
 - c. What is your plan to employ residents of the identified census tracts?
 - They specifically advertise on Indeed that they are looking for local residents, and they have commissioned a job advertisement in the Edison neighborhood association newspaper.
 - d. How many of your employees have prior marihuana convictions (excepting a conviction for delivery or distribution to a minor)?
 - Unknown
 - e. What is your plan for employees with a prior marihuana conviction to move up within your business and/or the marihuana industry?
 - They have a path to success program for all employees. This allows for promotions after 60 days of employment once a skillset is obtained.
7. Proof that the marihuana business has received recognition and maintains the status as a Silver Level Social Equity All-Star or better with the Michigan Cannabis Regulatory Agency.
 - They are Gold Level.

Please see the attached Marihuana Renewal Application Checklist, completed by City staff to verify that all ordinance requirements have been met. The City Clerk has verified that the applicant has no outstanding financial obligations to the City, there have been no complaints to the City Manager regarding compliance with the City's anti-discrimination ordinance, and the facility has passed its City Fire & Zoning inspections. The applicant has met all the requirements for renewal.

RECOMMENDATION

Staff recommends that the EDC Board recommend to the City Clerk's Office a 2-year approval of the Adult Use Class A Grower (1), Adult Use Processor (1), Adult Use Retailer (1) Permits to Yuma Way MI, LLC dba Urban Gardens.

ATTACHMENTS

Renewal Application, (Staffing Plan), (Community Benefits Statement), and (Social Equity Plan) from the applicant.

Adult Use: Retailer, Processor and Grower Class A Marihuana Renewal Application Checklist for:				
Yuma Way MI LLC DBA Urban Gardens				
617 Portage St				
Contact: Jessica Reuven				
jessica.reuven@yumaway.com				
	Date Received	Received By	Comments	
Renewal Application Received	4/11/2024	Scott Borling		
Inspection Type:	Inspection Date	Completed by:	Satisfactory?	Notes
Zoning Inspection	5/2/2024	Pete Eldridge	Yes	
Fire Inspection	5/2/2024	Scott Brooks	Yes	
	Date	Name	Comments	
Business Community Benefits Check-In	5/7/2024	Jared Chambers		
	Invite Sent	EDC Meeting Date		
Invite to EDC Meeting	6/10/2024	6/20/2024		
	Full-Time	Part-Time	Comments	
Jobs Created	5	3		
	Yes/No	Comments:	Verified by:	
Any Past Due Financial Obligations with City? (i.e. taxes owed, fees, fines, etc)	No		John Megdan	
Silver Level Social Equity All-Star or better status with the Michigan Cannabis Regulatory Agency	Gold		Jared Chambers	
Attachments	Staffing Plan	City Economic Benefits Plan	Social Equity Plan	Handbook
	Yes	Yes	Yes	N/A
All Items Complete: YES				

MARIHUANA BUSINESS PERMIT RENEWAL APPLICATION

Pursuant to Chapter 20B of the Kalamazoo City Code

City of Kalamazoo
Office of the City Clerk
241 West South Street
Kalamazoo, MI 49007

(Please Print)

BUSINESS INFORMATION (The entity that is licensed by the state and that holds a City MMF permit)

Official Business Name Yuma Way MI LLC dba Urban Gardens

Business Address 617 Portage St

City Kalamazoo **State** MI **Zip Code** 49007 **Business Phone** 269-888-7088

Business E-mail urbangardens@yumaway.com **Business Website** yumaway.com

TYPE OF PERMIT BEING RENEWED

Medical

Grower:

☐ Class A (500 plants)

☐ Class B (1,000 plants)

☐ Class C (1,500 plants) No. of Class C Permits _____

☐ Processor

☐ Safety Compliance

☐ Provisioning Center

☐ Secure Transporter

Adult Use

Grower:

☒ Class A (100 plants)

☐ Class B (500 plants)

☐ Class C (2,000 plants) No. of Class C Permits _____

☐ Excess Grower

☒ Processor

☐ Safety Compliance

☐ Microbusiness

☒ Retailer

☐ Secure Transporter

☐ Designated Consumption Lounge

FACILITY INFORMATION

Property Address 617 Portage St

Real Property Parcel Number _____

Advertised Facility Name Urban Gardens

Manager - Full Name Mark Rogers

CONTACT INFORMATION [the primary point(s) of contact for this application]

Name Jessica Reuven

Address 1385 S Colorado Blvd, Suite A712

City Denver

State CO

Zip Code 80222

Phone 720-275-8956

E-mail jessica.reuven@yumaway.com

Name Kirill Merkulov

Address 1385 S Colorado Blvd, Suite A712

City Denver

State CO

Zip Code 80222

Phone 303-521-0533

E-mail Kirill.merkulov@yumaway.com

ATTACHMENTS

Please attach the following as separate documents to this application:

1. The attached Staffing Plan worksheet and any additional pages that provide a description of the actual number of employees, including the number and type of jobs that the licensed facility has created, and the amount and type of compensation (including benefits) paid for such jobs; and
2. An explanation, with supporting factual data, of the economic benefits to the City and the job creation for local residents achieved by the facility; the results of community outreach efforts; and worker training programs.
3. A social equity plan that: (a) promotes and encourages participation in the marihuana industry by local residents who have been disproportionately impacted by marihuana prohibition and enforcement; and (b) positively impacts local residents.
4. Documentation that indicates your business qualifies as a Silver Social Equity All-Star or better with the Michigan Cannabis Regulatory Agency. **A marihuana business must meet this qualification to be eligible for permit renewal with the City of Kalamazoo.**

The City's Economic Development Corporation will use the information provided in these documents to evaluate the permit holder's compliance with the statements it provided with its initial application (specifically the representations made in Attachment G – Staffing Plan and Attachment H – Community Benefits Statement).

Please complete the following certifications:

- ☐ The permitted facility is not in default to the City for any property tax, special assessment, utility charges, fines, fees or other financial obligation owed to the City.
- ☐ The hiring and public accommodation practices of the permitted facility conforms to the City's anti-discrimination ordinance provisions.
- ☒ I consent to an inspection of the permitted premises as required by ordinance to ensure the premises and its systems are in compliance with the requirements of Chapter 20B of the Kalamazoo City Code.
- ☒ I understand that renewal of a City Operating Permit is contingent on the renewal of the State Operating License for this facility.

I hereby certify under the penalty of perjury that the statements made in this application, including all attachments thereto, are true. I further certify that I am an officer, director, or managerial employee of the applicant or a person who holds a direct or indirect ownership interest in the applicant.

Applicant Signature: _____ Date: 03/28/2024

Name (printed): Kirill Merkulov Position: Manager

STAFFING PLAN

Summary

Please indicate the number of employees who work at the licensed facility:

Full-time employees (32+ hours per week) 5 Part-time employees (< 32 hours per week) 3

Position Types and Compensation

Please provide a description of the types of jobs the licensed facility has created, along with the amount of compensation and benefits paid for such jobs:

Position Title: General Manager Annual Average Compensation \$ \$45,500

How many people are employed in this position at the licensed facility? 1

Are health insurance benefits available for employees in this position? Yes ☐ No ☒

If yes, please indicate the employer contribution to health insurance costs: All ☐ Partial ☐ None ☒

Position Title: Inventory Specialist Annual Average Compensation \$ \$45,500

How many people are employed in this position at the licensed facility? 1

Are health insurance benefits available for employees in this position? Yes ☐ No ☒

If yes, please indicate the employer contribution to health insurance costs: All ☐ Partial ☐ None ☒

Position Title: Shift Lead Annual Average Compensation \$ \$37,500

How many people are employed in this position at the licensed facility? 4

Are health insurance benefits available for employees in this position? Yes ☒ No ☒

If yes, please indicate the employer contribution to health insurance costs: All ☐ Partial ☐ None ☐

Position Title: Customer Service Associates Annual Average Compensation \$ 32,500

How many people are employed in this position at the licensed facility? 2

Are health insurance benefits available for employees in this position? Yes ☐ No ☐

If yes, please indicate the employer contribution to health insurance costs: All ☐ Partial ☐ None ☐

Position Title: HR Representative Annual Average Compensation \$ \$41,600

How many people are employed in this position at the licensed facility? 1

Are health insurance benefits available for employees in this position? Yes ☐ No ☐

If yes, please indicate the employer contribution to health insurance costs: All ☐ Partial ☐ None ☐

Please provide information on any benefits other than health insurance that are offered to all employees: employee discounts, cash advances, sick leave, management training.

Attach additional pages as necessary.

ECONOMIC BENEFITS

Please fill out the information below relating to Economic Benefits to the City and the job creation for local residents achieved by the business, results of efforts for community Outreach and worker training programs

ECONOMIC BENEFITS		
Economic Benefit	Description	Amount
Philanthropic contributions	Donations to several local organizations	\$500 this year
Real Estate Improvement	We completed rehabed our building	\$425,000
Job Creation	We have created 8 jobs at this dispensary	9 Jobs
Support of local businesses	We utilize local vendors whenever possible	\$128,000+ annually

JOB CREATION FOR LOCAL RESIDENTS		
Initiative/Description	Date(s)	Outcomes
Job posting on indeed	ongoing	Hired and promoted employees
Job posting in store	ongoing	Hired and promoted employees
Job posting in Edison newspaper	ongoing	Hired and promoted employees

COMMUNITY OUTREACH		
Initiative/Description	Date(s)	Outcomes
Last Prisoner Project	Ongoing	Customers and employees provided with resources on expungement
Pride Festival	June 2024	Creating positive neighborhood relationships and celebrating residents
Collaboration with Edison and Eastside neighborhood associations	Ongoing	Provided information on job postings, and participate with philanthropic dollars
Neighborhood Cleanup	Ongoing	Created a more beautiful neighborhood by ensuring that staff participate in trash pick-up daily.

WORKER TRAINING PROGRAMS		
Initiative/Description	Date(s)	Outcomes
Daily Meetings with training on anything requested	365	Great degree of compliance and communication with corporate
Point of Sale and Report Training	Ongoing	3 new individuals promoted to shift lead from current staff
Marketing training	Ongoing	Individual promoted to lead in graphic design and social media
Inventory training	Ongoing	3 new individuals promoted to shift lead

SOCIAL EQUITY

Please fill out the information below relating to Social Equity with an explanation, with supporting factual data, of the efforts and success achieved by the social equity plan of the business to promote and encourage participation in the marihuana industry by local residents that have been disproportionately impacted by marihuana prohibition and enforcement, and the positive impact of the social equity plan on local residents;

SOCIAL EQUITY PLAN INITIATIVE		
Initiative/Description	Date(s)	Outcomes
Job postings targeting those w/cannabis convictions	Ongoing	Job hiring continuous
Support of local non-cannabis equity supporting businesses	Ongoing	\$3,800
Support for local equity cannabis supporting businesses	Ongoing	\$124,000
Job posting targeting Eastside and Edison residents	Ongoing	Hired and promoted employees

EMPLOYEE DEMOGRAPHIC INFORMATION

Total Number of Employees:		9
Employees in Managerial Positions	Total Employees	5
	Number of Women	3
	Number of Minorities	3
Employees in Operational Positions:	Total Employees	9
	Number of Women	4
	Number of Minorities	5

How many City Residents do you currently employ?	Total Employees	6
How many residents do you currently employ from these Census Tracts?	Census Tract 1 (Eastside Neighborhood)	1
	Census Tracts 9 and/or 10 (Edison Neighborhood)	
	Census Tracts 2.02, and/or 3 (Northside Neighborhood)	

1. What is your plan to employ residents of the identified Census Tracts?

Our company has a strict policy of non discrimination and provide job opportunities to talented individuals of all walks of life. Most members of our team eventually become shift leads or are otherwise promoted while with us., We will continue to strive to provide economic opportunity to all Kalamazoo residents, particularly those from those census tracts.

Attach additional pages as necessary.

2. How many of your employees have prior marihuana convictions or expungements (excepting a conviction for delivery or distribution to a minor)?

Number of employees with marihuana convictions Unknown

3. What is your plan for employees with a prior marihuana conviction to move up within your business and/or the marihuana industry?

We continue to encourage those with cannabis convictions to apply for job postings and we have a path to success program for rapid promotions within 60 days of hire which all employees are eligible for. We allow for promotions anytime after 60 days once a skill set has been obtained and will work with individuals for as long as necessary to advance their skill set. We believe all employees are capable of managing either processes or people.

Attach additional pages as necessary.

4. Please attach proof that the marihuana business has received recognition and maintains the status as a Silver Level Social Equity All-Star or better with the Michigan Cannabis Regulatory Agency.

ECONOMIC DEVELOPMENT STRATEGY

Strategy Framework

City of Kalamazoo, MI



Dan Gundersen
Senior Vice President

Alexandra Tranmer
Director of Strategic Planning

June 20, 2024



Strategy Themes

Emerging
Priorities

- **Vision setting** - How do all the pieces of economic development and community development fit together?
- **Maintain and grow access to business resources** - What channels are used to match businesses with appropriate resources?
- **Managing the implications of investment and growth** - Is the city a: leader, participant, or follower in the anticipated investments and growth?
- **Targeting philanthropic resources for highest impact**- How do we better leverage philanthropic assets to address human and social needs that have a negative impact on the community?
- **Making strategic choices in land development: How can redevelopment areas be catalyzed** into meaningful economic opportunities for the city?
- **Leadership and city-focus** - Whose full-time job is it to champion economic opportunities for the City of Kalamazoo?



Economic Development Strategy

Vision

“The City of Kalamazoo is a...

A thriving, prosperous city that sets the national standard for inclusive economic growth, community wealth-building, and an unparalleled quality of life - attracting and retaining top talent, catalyzing innovation, and offering abundant, affordable housing and job opportunities for all residents in revitalized, active neighborhoods."



Economic Development Strategy

Structure

Strategic Doing

Strategic Goals

Big ideas, concepts that are important to shape the strategy

Strategic Objectives

What we'll do to achieve our goals

Tasks / Initiatives

Tasks designed to achieve our goals (*upcoming*)

Strategic Goals



Business Environment,
Target Markets,
Entrepreneurship

Preparing for Growth

Strengthening
Neighborhoods

Improving Downtown
Experience

Key
Questions

Why is the City of Kalamazoo a competitive place to do business?

What entity is the champion for growing and attracting small to medium-sized businesses that fit the city’s profile?

How is Kalamazoo proactively planning for future growth to meet its intended goals?

What must happen for local minority businesses to be able to benefit from and be located near the event center?

How do the city’s partners coordinate to maximize economic potential and community support in SPK neighborhoods?

How is the future of downtown evolving to meet the community’s needs and attract visitors?

Strategic
Vision
Alignment

- Shared prosperity
- Connected city
- Economic vitality

- Shared prosperity
- Connected city
- Economic vitality
- Complete neighborhoods

- Shared prosperity
- Connected city
- Economic vitality
- Safe community
- Strength through diversity
- Economic vitality
- Complete neighborhoods

- Shared prosperity
- Connected city
- Economic vitality
- Safe community
- Inviting Public Spaces

Strategic Objectives (initial list)

Business Environment, Target Markets, Entrepreneurship

- Market and attract small to medium biz in pharma, professional and technology, and arts and culture (aligns with SPK Framework and Upjohn Work)
- Enact peer-based lending with support and mentorship (build off NIE)
- Relaunch business resources with distinct application processes and expectations
- Market Kalamazoo's high-end industrial flex space and downtown opportunities
- Engage the city's businesses in helping to advance community priorities
- Grow opportunities for program- related investments (PRIs) for foundations and businesses
- Provide technical assistance to businesses receiving capital
- Evaluate the success of Social Equity Cannabis Chamber
- Continue to evaluate and distinguish the role of each entrepreneurial support organization and promote strengths of each group.

Preparing for Growth

- Infuse a determination to be a destination city
- Proactively purchase properties to gain site control in strategic locations
- Avoid displacement in growth – commercial cooperatives, community investment trusts, community land trusts, workforce development
- Plan for safe, accessible transportation alignment with new development

Strategic Objectives (initial list)

Strengthening Neighborhoods

- Continue to invest in physical infrastructure that connects downtowns to neighborhoods (sidewalks, bike lanes, wayfinding)
- Improve the working relationship between neighborhood associations and the City
- Focus business attraction and growth on microbusinesses and hyperlocal serving businesses
- Direct a diverse range of housing opportunities to appropriate corridors
- Continue to expand opportunities for childcare through existing efforts like MI Tri-Share in SPK neighborhoods and throughout the city.

Improving Downtown Experience

- Market retail and entertainment opportunities
- Actively assemble land for development and talk with property owners about vision
- Address perceived public safety concerns
- Expand retail opportunities where there is existing success to establish density
- Provide new housing with mixed-use development amenities
- Attract additional food retail and restaurants options downtown
- Establish a variety of daytime family-friendly attractions
- Encourage expansion of cultural venues and nightlife entertainment

Strategic Doing

Active Leadership

Resource
Deployment

Measuring Progress
and Metrics

Current
Condition

Many committed, well-intentioned stakeholders are working to improve the economic conditions of Kalamazoo residents, often operating diligently but independently of each other. Awareness of what opportunities exist and where they are located is not consistent across departments or partners.

The city has a strong not-for-profit sector supported by corporate giving and well-established philanthropies. This sector has benefited the City’s economic development priorities, which help support economic development resources provided to the Foundation for Excellence.

Although there are documented metrics in planning documents, they have not been tracked over time, resulting in the inability to point to success or the need to adapt policy.

Hurdles to Clear

- Better manage access to existing resources and capital, rethink shifting roles and responsibilities

- Not-for-profit activity contributes to a false, comfortable feeling that the city/region is doing all it can do, and by extension, this produces a sense of complacency.
- Mixed feelings on the current “not-for-profit doing” environment and whether it has failed to produce the maximum, coordinated impact

- Setting up trackable metrics with relevant policies
- Staff and resource capacity to measure over time

Accomplishing the Strategy

Successful EDOs

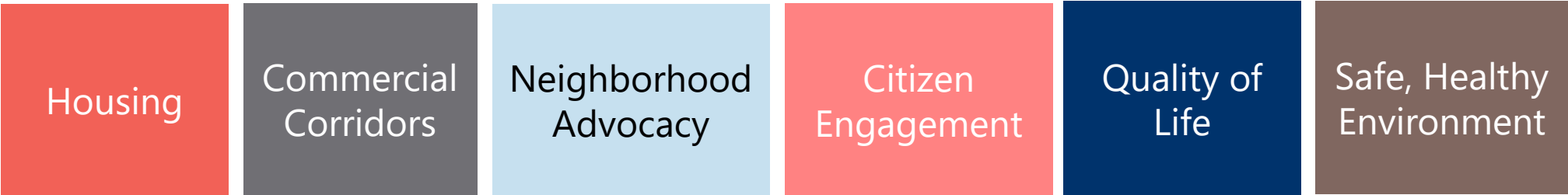
Characteristics:

- Trust to deliver on services
- Flexible, nimble institution
- Enhances partnerships and collaboration and can make referrals to the right partners
- Avoids duplication with other entities
- Meets most pressing business and community needs
- Eliminates brand/role confusion
- Efficiently uses and leverages resources
- Flexibility to adapt programs and services
- Engage the business community frequently

Staffed and Governed by:

- Professional economic developers who engage businesses through an independent or quasi-public board of directors
- Knowledge of real estate, financing, deal-making, relationship-building, business resources, leadership and collaboration
- Champions for improving business climate

Community Development Functions



Scale: Poor-Moderate-Good

City’s perceived ability to deliver/ contribute

Moderate	Moderate	Good	Good	Good	Good
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Camoin's assessment of the overall ecosystem’s ability to deliver services within the City

Moderate	Moderate	Good	Good	Moderate	Good
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Economic Development Functions

Business Retention & Expansion	New Business Attraction	Targeted Industries & Clusters	E-SHIP & Innovation	Workforce Development	Downtown, Infrastructure & Sites
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Scale: Poor-Moderate-Good

City's perceived ability to deliver/ contribute	Poor	Poor	Poor	Poor	Poor	Moderate
Camoin's assessment of the overall ecosystem's ability to deliver services within the City	Moderate	Moderate	Moderate	Moderate	Moderate	Moderate

Strategic Doing

	Public Private Partnership / Authority	SWMF	City	Other Non-Profit
Pros	• Fills a distinct gap in the community for a leader in ED • Ability to negotiate with businesses and intermediaries to close deals • Ability to leverage philanthropic resources • Ability to easily collaborate and joint venture with non-gov stakeholders • Can purchase goods and services in a timely manner	• Systems in place to engage businesses, market, attract • Trust and support of large employers	• Close to the policies and programs that can support business development through land use regulations and neighborhood support	• Strong community interest and motivation to coordinate ongoing efforts
Cons	• Adding another entity to the already crowded field • A new entity would need to build up trust in the community	• Attention is spread across the region, not just on the city • Would need to build more trust and goodwill within the city	• Does not have a strong reputation for leading market-based ED • Limited expertise specifically in economic development • Volunteer only EDC • Confidentiality concerns • Lacking private sector perspective • The need for transparency slows down the process	• Unclear of economic development expertise within each non-profit • There doesn't seem to be a natural leaders in the space, although there is shared interest



Economic Development Strategy

Tracking Progress

- Identify new, intentional set of metrics to monitor the strategy progress
- Share the process of collecting metrics with partners where appropriate
- Report out on metrics on an annual basis and adapt policy/programs based on findings
- Use metrics to inform City leadership, the public and businesses