

**CITY OF KENTWOOD
ECONOMIC DEVELOPMENT CORPORATION**

MONDAY, FEBRUARY 20, 2023

8:00 AM

IN-PERSON MEETING

First Floor Conference Room, Kentwood City Hall

AGENDA

1. Roll Call
2. Approval of Minutes, January 9, 2023
3. New Community Transformation Fund presentation—Birgit Klohs; Ollie Howie
4. Use of EDC Revolving Loan Fund—Tyson, Coughlin, Blubaugh, Keith Morgan
5. Liquor License update-Main Event Entertainment
6. Adjourn

Please contact Lisa Golder at 554-0709 or golderl@kentwood.us if you cannot attend

KENTWOOD ECONOMIC DEVELOPMENT CORPORATION
MINUTES
January 9, 2023

Members Present: Gaffin, Green, Clements, DeBruyn, Deluccia, Swoboda
Members Absent: Coughlin, Blubaugh, Tyson, with notification
Others Present: Lisa Golder, Economic Development Planner, Shay Gallagher, Kentwood
Deputy Administrator; Bhama Cairns, Deputy Finance Director

1. Roll Call

Introductions were made; Shay Gallagher was introduced as the new Deputy Administrator.

2. Approval of Minutes:

Motion by Clements with support from Green, to approve the minutes of November 14, 2022.

--Motion Carried--

Motion by DeBruyn, with support from Clements, to amend the agenda to add the Financial Report.

--Motion Carried--

3. Financial Report

Cairns reviewed the EDC Financial report as of November, 2022. There was a discussion regarding interest income and city restrictions on investment. C-2 Machining has paid its loan and may apply for another for its building addition that is under construction currently.

A motion was made by DeBruyn with support from Clements, to approve the financial report.

--Motion Carried--

4. Use of EDC Revolving Loan Fund

The EDC discussed the use of the RLF monies. Lisa has added the information provided by Tyson and Morgan on the program that would provide training to small businesses with \$15,000-\$100,000 in sales. A forgivable loan would be provided.

Tyson and Morgan were not available to discuss the contents of the emails sent to the EDC regarding this.

Morgan recommended that the EDC consider having the Wyoming Kentwood Chamber submit a proposal to lead the efforts to execute the training:

- collaboration of involved parties (EDC, committee members, city staff, Sabo Pr, etc.)

- recruit needed business and subject matter experts from within the chamber's pool of professionals
- contact target audience
- coordinate training logistics with City staff/departments
- provide the needed business access point for business participants after the training is complete
- deliver updates on progress

Jessica Ann suggested a survey asking some questions about the business attending and what their goals and challenges are. Then we can address targeted needs. Business owners will then receive personalized creative tools and practical tips to help assist in getting on the right path to a fruitful plan for success.

She provided suggestions for the business survey. She said the training should be held at City Hall to bring businesses and city resources together.

Tyson said that having the training at the city campus will bring more credibility to the program and its goals of bring Kentwood and its business owners together where resources flow. She suggested flexibility to work with business owners' schedules. She also provided justification for the need for business marketing that could be used in the promotional materials.

Discussion ensued regarding the program. There was clarification as to when a business would receive the loan, and whether giving someone the money was the best way to entice them to get the training. Deluccia suggested that the EDC consider paying for a Chamber of Commerce membership \for a business that completes the program. Then the businessperson can continue to reap the benefits offered by the Chamber. After additional discussion,

A motion was made by Swoboda with support from Clements to approve up to \$20,000 of EDC funds to the proposed training program as described in the proposal. Details of the proscribed use of funds will be discussed in February.

--Motion Carried--

5. Strategic Plan

Lisa said that the EDC is required to review its Strategic Plan annually, as per the guidelines for Redevelopment Ready Communities. The EDC reviewed the document, noting that there were some action items that have been completed, and some that have yet to be commenced. After additional discussion,

A motion was made by DeBruyn, with support from Clements, to re-affirm approval of the Kentwood EDC Strategic Plan for 2023.

--Motion Carried--

6. Other business

Discussion ensued about the retailers at the mall, future proposed development, the Patterson Farm, and the success of various grocery stores in the area.

7. The next meeting of the Kentwood EDC is scheduled for February 20, 2023. as the third Tuesday in January is a national holiday.

Meeting adjourned.

Action Items for February:

Meet with Tyson, Morgan, Coughlin, Blubaugh re program, discuss parameters of program

Check with City Attorney re use of funds

Meet with Sabo PR regarding program advertising and timing

Start list of eligible businesses



Proposal to go with EDC Fund Training:

Wyoming Kentwood Chamber of Commerce

By: Keith Morgan, MBA

President & CEO

The Wyoming Kentwood Chamber (WKC) provides opportunities to inform, connect, educate, and advocate for local businesses within our communities and surrounding areas. We are happy to coordinate the Cohort logistics involved with gathering business leader training on behalf of and in conjunction with Kentwood's EDC.

Although the Cohort training will be relatively short, the businesses will go on long past completion. To help increase the opportunity for success and continued support I suggest Kentwood EDC provide a Wyoming Kentwood Chamber membership to each participating business for two years. This could be a step down program to ease and offset the initial starting costs. Participants would be exposed, included on special email lists that target audiences to appropriate programming.

The first year would be the full membership scholarship. Memberships are based on the business size. A breakdown is provided for business employee size from 1 – 50, which will likely comprise the participating target group. The second-year renewal would be a 50/50 split with Kentwood EDC providing 50% of the membership fee and the business providing the other 50%.

| Number of Employees | For Profit |
|---------------------|------------|
| 1-5 | \$210 |
| 6-10 | \$240 |
| 11-20 | \$310 |
| 21-50 | \$395 |

Providing each business a chamber membership will provide participants with access to over 100 chambers events that provide increased access to information, regular opportunities to network and connect with other local businesses and business leaders. Access continued education, and access to chamber resources for advocacy are additional benefits. Chamber membership will have access to multiple activities and events provided to chamber members at no cost, while also saving on other events by accessing discounted pricing available only to members.

Kentwood EDC Revolving Fund Business Training Cohort

DELIVERABLES:

WKC is offering to provide administrative support to as the lead consultant in executing on the following deliverables:

- WKC coordinate with Kentwood EDC, marketing department, park and recreation for facilities and dates for classes, recruit subject matter experts & local business leaders/educators needed to help present course material
- Serve as the program facilitator for this cohort
 - Coordinate correspondence and communications.
 - Set up room.
 - Coordinate and support course educators and business leaders.
 - Create and distribute agenda, times, dates, etc.
 - Provide snacks/refreshments for participants on the day of training.
 - Provide printed materials and supplies for training.
 - Coordinate available business services to participants for group introductions.
- Work in conjunction with City of Kentwood marketing team, EDC, and Lisa Golder to recruit local businesses.
- Use connections the WKC has to attract and place participants.
- Coordinate classes covering leading business development topics would be held for three consecutive weeks. Example of potential classes:
 - 1) Business culture, growing business wisely.
 - 2) How to develop employee/ business culture, how to set long term goals and business credit.
 - 3) Marketing your business and customer service
 - 4) Financial resources available
- Business coaching hours could also be offered for each business provided by WKC President & CEO, Keith Morgan, MBA
 - 3 x 1 hour individual coaching sessions per participant over the period of 3 months after classes provided. (Valued at \$675 per participant for 3 hours). Scheduling of sessions will be scheduled prior to cohort completion.
 - Coaching would be sufficient to address questions and areas of need, make connections with subject matter experts if needed, and provide a platform to follow up for up to 3 months after the program. This will assist participants in implementing the concepts and action points after they learn new items from the curriculum delivered through the course.
 - Keith has consulted, coached & mentored dozens of local small businesses from 1 employee organizations to 100+ employee organizations. His experience possessing a master's in business administration from Indian Wesleyan University, experience as a corporate sales director for a Top 100 corporation and being a 10 year owner/operator of a service business with over a million in

sales prior to him selling the business positioned Keith to help local businesses expand operations/sales outside of local markets extending across the nation. He also serves as a voluntary business coach & mentor local business services for Spring GR to SCORE since 2019.

- WKC to provide a preparatory course to participants to assist participants to be prepared to deliver a 10-minute update to the EDC on how the program has benefitted them.
 - This is a 1 hour course offered by WKC and organized by Director of Chamber Relations
- WKC will coordinate with local business leaders to provide the described training.
- WKC will coordinate local business service resources that are available to participants both locally and regionally. WKC will foster new connections and encourage future engagement while ensuring participants are able to build their individual list of resources and contacts.

DESCRIPTION OF TRAINING:

What is PR and Why Every Business Needs It To Win

Everything you do is Public Relations. Make it count. Twenty-year veteran, Jessica Ann Tyson of award-winning PR Firm, JA PR Group will give you real insight and information to help you navigate in your specific business space, successfully. Business owners will receive personalized creative tools and practical tips to help assist in getting on the right path to a fruitful plan.

Effective Marketing Techniques 101

Reach YOUR Customers: If you, your family and friends are the only ones who knows about your business; you are missing the point of having 'a business'. One guarantee: without marketing, your business will fail. We will educate you on real modern, effective and productive marketing techniques that any business can implement in less than 24 hours.

*This presentation is not intended to sell you PR or marketing services.

Building Business Financial Knowledge 101

What you need to know about accounting, banking, and proper bookkeeping practices that are vital to you and your business's success. Learn and connect with local business leaders from the Wyoming Kentwood Chamber who specialize in keeping your money safe and growing. The Wyoming Kentwood Chamber will bring professionals from the financial industry to teach and answer your questions.

Business owners will get to hear and connect with successful entrepreneurs, business leaders, industry experts (bankers, CPAs) who understanding real world needs, who

have answers to your financial questions, and who have access to tools and resources that can help you.

Sales and Customer Service: 101

Want to take your business idea and make money? The Wyoming Kentwood Chamber will teach local business owners tactics and strategies to increase sales. Skills and techniques for customer retention will be provided to business owners. Practical approaches and best practices will be provided.

Tools, real life examples, and breakout sessions will be led by business leaders from the Wyoming Kentwood Chamber. The chamber and its business leaders will provide guidance to your business resulting in more sales and higher customer retention. Skills and techniques will cover both new, growing, and established businesses alike.

PROPOSAL PRICING:

WKC can provide the above solution as the lead consultant/coordinator for the EDC for a fee of:

| | |
|--|--------------|
| Administration/Coordinating/Staffing of Cohort Flat Fee: | \$3,500.00 |
| Chamber Member 1 st Year Scholarships (included - dues and app. fee): | \$2,350.00* |
| Chamber Member 2 nd Year Scholarship (50% provided by business): | \$1,050.00* |
| 1-on-1 Coaching with WKC CEO (50% discounted partnership rate): | \$3,375.00** |

Approved program as proposed: \$10,275.00

*Number based on estimated number of 10 participating businesses. Pricing would be adjusted accordingly up or down.

**Should the cohort have additional participants an additional rate could be applied of \$300 additional for each participant over 10)

This proposal is good for a period of up to 60 days from the date of the proposal.

Any additions or omissions must be listed prior to final agreement. We at the WKC are here to work on providing a solution that best fits the needs of your organization. All questions and clarifications should be communicated to Keith Morgan, President & CEO of the Wyoming Kentwood Chamber of Commerce.

Approval Signature & Date: _____

Printed Name & Title: _____

Date: _____

Authorized WKC Signature & Date: _____

Keith Morgan, President & CEO
Wyoming Kentwood Chamber

Use of Kentwood Revolving Loan Fund

Proposal: Expand use of the Kentwood Revolving Loan Fund (RLF) monies to include marketing of the existing RLF program and a proposed forgivable microloan/training program.

Revolving Loan Fund Program:

Update the city's Economic Development brochure (Your Future Here) to include a one-page handout to generate interest in the RLF. The one-page document could be taken to lenders that may know of applicants in the Kentwood area. The EDC should target companies with \$250,000-\$500,000 in annual sales and the EDC members could split up the list and make calls to eligible businesses regarding the program.

Microloan Program:

The City Attorney opinion is that the EDC should not give out grants; but forgivable loans are possible.

Small loans can make a difference for the success of a small business

The city needs to get the word out about the RLF loan program as well as any microloan program. The EDC can get the word out regarding the RLF program through the press and goodwill generated from the microloan program.

Proposed Microloan Program:

- Offer sum of money (forgivable loan) to a small business in exchange for attending 3 training classes on various aspects of operating a business.
- Eligible businesses must be located in the City of Kentwood and must meet certain criteria for annual sales (\$15,000-\$100,000/year).
- Three to four classes would be held on three consecutive weeks. Example of potential classes:
 - 1) Business culture, growing business wisely
 - 2) How to develop employee/ business culture, how to set long term goals and business credit.
 - 3) Marketing your business and customer service
 - 4) Financial resources available

Business coaching hours could also be offered.

The EDC would measure the success of the program by having the recipient businesses offer a 10-minute update to the EDC on how the program has benefitted them.

Chamber members or other business leaders could provide the described training on a voluntary basis, or reimbursement could be offered by the EDC.

The proposed training is similar to the training the EDC has offered in the past, although the program targets businesses in earlier growth stages.

Another byproduct of the small business microloan/training is advertising for the larger RLF Program. Graduates may find they are in a better position at a future time to take advantage of the \$100,000 loans offered through the Revolving Loan Fund.

Spring event is the target date.

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