

KENTWOOD ECONOMIC DEVELOPMENT CORPORATION
MINUTES
July 18, 2023

Members Present: Gaffin, Blubaugh, Clements, Coughlin, DeBruyn, Green, Swoboda and Tyson

Members Absent: Deluccia, with notification.

Others Present: Lisa Golder, Economic Development Planner, Keith Morgan, Wyoming/Kentwood Chamber of Commerce; Jill Valachovic, JVentures LLC; Linda Carol, Linda Carol's Kitchen; Jennifer Franson, iCI Nation; Wylea Griggs, Quantum; Carmen Johnson, Marvelous Lifestyles Outreach Corporation

1. Roll Call
2. Approval of Minutes:

Motion by DeBruyn with support from Clements to approve the minutes of May 15, 2023.

--Motion Carried--

3. Small Business Training Program

Keith Morgan provided an overview of the business Training Program conducted by the Chamber of Commerce. The businesses are working within their coaching sessions now and will be able to take advantage of the programs offered through the Wyoming Kentwood Chamber. Four of the attendees of the program were present and introduced themselves and their businesses to the EDC members. Gaffin provided an overview of the functions and projects of the EDC. There was discussion regarding the Business Training Program and benefits received. The EDC will discuss in the future whether the training is offered again depending on demand and other programming available. The training appears to have been a worthwhile endeavor.

Keith Morgan also discussed the businesses visitation program he is developing and its benefits.

4. Quota License request—Main Event

Jill Valachovic of JVentures LLC was available to address the request. She gave an overview of the proposed 50,000 square foot Main Event use and the \$20,000,000 investment. The business will employ 200 people, both part-time and full time.

The company worked with local counsel to identify a liquor license to purchase from a third party seller on the open market. Forty-three escrowed licenses have been identified. Twenty-six out of the 43 licenses have a transfer pending and not available for purchase. Of the remaining 17, only one was available, but the price was \$100,000. Offers on four additional licenses were made but no response has been received. The company is therefore asking the city to reconsider offering the city's available quota license to Main Event.

There was discussion that the economy has been hard on retail and on malls in particular. Clements stated that we need to ensure that Woodland Mall continues to thrive. So far, Woodland Mall has been doing well. It will be important to have entertainment as well as retail uses at the mall to retain a healthy mix of businesses, including entertainment, retail and restaurants. Jill stated that Main Event is not a competitor to other restaurants at the mall; many people go to Main Event for bowling and games. It is a very family-oriented business.

There was discussion on the length of time a license can be in escrow; some states allow up to 10 years. Michigan allows 5 years.

It was noted that the EDC makes a recommendation regarding the liquor license to the City Commission; Coughlin and Tyson serve both boards. Coughlin indicated that his vote as a City Commissioner would be weighted toward the recommendation of the EDC.

Tyson said that from her perspective, Main Event will have the liquor license one way or another, as they do have the ability to purchase. She favors offering the quota licenses to a use that is in need of the assistance. She used the example of the license issued to King Pot, who is putting all everything into the business and the business is doing well. While she is very appreciative of Main Event locating in Kentwood, and thinks they will do extremely well, she indicated that the EDC guidelines favor more locally owned businesses.

Blubaugh agreed with Tyson. She said that since the Main Event is publicly held, the profits will be realized by shareholders that do not live in the area.

The number of licenses available was discussed. The city had four new quota licenses after the 2020 Census. One was offered to Phoenix Theatres and the other to King Pot. Two quota licenses remain, and this will be all the city is allowed until the next census in 2030.

There was discussion regarding other ways to offer a liquor license. Valachovic said that she does not know if the owner of the license for purchase will raise the price again.

After additional discussion,

A motion was made by Clements with support from Green to recommend to the City Commission approval of the request for a quota liquor license for Main Event Entertainment.

--Motion Carried--

6-2, Tyson and Blubaugh dissenting

5. Brownfield Funds for housing development activities

There has been an amendment to the Brownfield Redevelopment Act that allows housing construction to be eligible costs under a brownfield plan.

The next meeting of the Kentwood EDC is scheduled for August 21, 2023.

Meeting adjourned.

Action Items for July:

Provide additional information on revisions to Brownfield Redevelopment Act

Consideration of a new EDC strategic plan

Additional information on the outcomes of the Business Training Program