



AGENDA DDA BOARD OF DIRECTORS MEETING Meeting

8:30 AM - Tuesday, May 17, 2022

Back Office Studio - 13 N Washington Ypsilanti, MI 48197

	Page
1. CALL TO ORDER	
2. ROLL CALL	
YLONDIA PORTIS (C) P A	
MICHELLE BIRAWER P A	
JEN EASTRIDGE P A	
BRYAN FOLEY P A	
3. AGENDA APPROVAL	
4. APPROVAL OF MINUTES	
4.1. 4-19-22 Ad Hoc Minutes	7 - 8
5. PUBLIC COMMENT (3 MINUTES EACH)	
6. NEW BUSINESS	
6.1. Reimagining Economic Opportunity in Washtenaw County Reimagining Economic Opportunity in Washtenaw County - 2021 (1)	9

Key Takeaways from Washtenaw County Report

- Build awareness of programs, funding, and support that is available to entrepreneurs. Part of burning barriers to access is increasing visibility, especially to those who may not be in our direct line of sight.
- Continue building the pipeline. Expand access and offerings to more entrepreneurs and companies at various stages of development.
- Empower, don't execute. To truly be a hub of entrepreneurship, the County must remain focused on empowering the ecosystem as a whole. Identify gaps, pilot programs, then spin them off to capable, passionate people or organizations that want to run with them. The more you keep in-house, the less room we have for new, strategic ideas.
- Don't underestimate black women. Or young people. Or immigrants. Or veterans. To grow the economy, we have to include and reflect all of Washtenaw County. To that end, inclusion and diversity aren't just benchmarks or talking points, they're guiding principles built in to the core of the organization. Not only does this intentionality provide a vital point of view, but it also enables you to better co-create solutions and programs with the populations we seek to serve.

- Let no one be alone. Entrepreneurship is a lonely game. It takes a village to lift entrepreneurs up, launch their dreams, and keep their concepts alive as they pivot and grow. Together, in spirit and in effort, move toward a shared vision of a more vibrant Washtenaw County with them.
- Keep entrepreneurs at the center. Enlist the talents and perspectives of entrepreneurs. Develop learning communities, create programs that serve actual needs, not perceived ones. Share successes and, more importantly, failures. Focus on accountability to the community is essential and what will attract the attention of funders. Focus on generating positive outcomes, instead of assuming results have been achieved.
- Build community power through entrepreneurship. Many communities are disproportionately invested into nonprofit efforts. Many millions of charitable dollars go to support vulnerable populations and programs that support those suffering from the symptoms of poverty. Well-planned, targeted and strategic investments in entrepreneurs of color will grow the local economy and expand economic participation by building individual, family and community wealth, and creating independence and agency for our neighbors.
- Be a resource for employees, too. One huge, positive outcome of a vibrant entrepreneurial ecosystem is the creation of new, well-paying jobs. An additional goal is improving the way we communicate these available opportunities, and even the types of jobs one can expect, when working with startups.
- Increase understanding of the barriers Black, Indigenous, Latinx, Asian, Asian Pacific Islander and Other People of Color entrepreneurs and visionaries face to building flourishing, vibrant enterprises in Washtenaw County;
- Strengthen network connectedness among existing Black, Indigenous, Latinx, Asian, Asian Pacific Islander and Other People of Color entrepreneurs to build a community of learning and support as they co-create solutions, together;
- Increase understanding of what the County and its partners can do to retain, support and grow Black, Indigenous, Latinx, Asian, Asian Pacific Islander and Other People of Color entrepreneurs and businesses;
- Identify specific programs or services needed, who is trusted to deliver them, and/or is something new that might be needed to support Black, Indigenous, Latinx, Asian, Asian Pacific Islander and Other People of Color entrepreneurs and visionaries in Washtenaw County;
- Gather insights and information that informs the goals the County should take in a 1, 3, 5-year time frame (recognizing that there may be very specific needs in response to COVID-19 and that this work is intended to catalyze longer term efforts)

Smith cautioned that Community Development Investment Funds (CDFI), though intended to offer alternative financing options, are often run by bankers who make the decisions - "and that creates a problem because then they are no different than banks who are often risk averse". She notes that procurement

managers who have long-existing relationships with businesses often contribute to the same people getting resources. Other considerations/advice from Smith include:

- Look to investments and grants, not only loans
- Bootstrapping doesn't work and impedes scaling
- Seek capital and contracts that provide enough to maintain and grown W2 employees
- More black/Black, Indigenous, Latinx, Asian, Asian Pacific Islander and Other People of Color entrepreneurs and leaders are needed in design process and community
- More venture capitalists and BIPOC organized groups are needed to catalyze Black, Indigenous, Latinx, Asian, Asian Pacific Islander and Other People of Color entrepreneurs' growth.
- Lack of awareness of local programs, grants and financing opportunities;
- Weak relationships to technical assistance providers;
- Low/no representation of Black, Indigenous, Latinx, Asian, Asian Pacific Islander and Other People of Color as technical assistance providers;
- Language barriers for non-English speaking entrepreneurs;
- Concerns over debt impact of loans on businesses and families;
- Negative views of certain areas of the community leading to less desire to access businesses in those areas;
- Difficulty identifying commercial real estate due to high rents;
- A sense that there is a focus on investment in some types of businesses and not others.

The Steering Committee members identified additional barriers that may have impacted them personally, or their employees and aspiring entrepreneurs:

- Affordable housing and accessible public transportation throughout the community. Both were noted as key challenges for new entrepreneurs who need these stabilities before starting their businesses;
- Affordable quality childcare -quality childcare is a prerequisite for those who commit to starting or growing a business. The lack of affordable, quality childcare compounds the challenges women and caregivers face to starting and growing businesses.

RECOMMENDATIONS

These recommendations flow from our Steering Committees' vision, the insights from national research, and the practical lessons we learned from other regions, as well as best practices in anti-racism and a good old dose of common sense. If 2020 taught us nothing else, it's that the status quo cannot persist.

Washtenaw County has the potential to live into the bold vision our entrepreneurs cast if we are both courageous and action oriented. This work will not be easy, but it is necessary and essential to ensuring that every citizen has the ability to live and grow their dreams, and to thrive.

These recommendations are designed to shape the County's Economic Opportunity Framework as major shifts happening in economic development focus on inclusivity as a primary driver of sustainable and holistic development.

One of the most repeated comments we heard was simply to start. What follows are the recommendations from the Consultant, informed by the project Vision to develop a 3-year strategy that includes measurable outcomes such as:

1. Build Power through Network Access & Accountability

- Continue the relationship with the Steering Committee. Invest in a long-term and ongoing participatory and inclusive process with them as you develop the Strategic Framework;
- Invest in Entrepreneurial Learning Communities. Consider partnering with the Association of Businesses of Color or other providers led by or explicitly serving Black, Indigenous, Latinx, Asian, Asian Pacific Islander and Other People of Color;
- Identify accountability partners to OCED and the County that can aid in ensuring the work is carried forward and has measurable outcomes; communicate plan progress openly with the community including challenges, opportunities, and results as the plan evolves and is implemented. This should include continuous feedback and adaptation of the plan and approach;
- Identify and map current Black, Indigenous, Latinx, Asian, Asian Pacific Islander and Other People of Color businesses to understand the current landscape;
- Leverage map to inform a growth strategy that is tied community needs, types/stages of businesses and geographic gaps;
- Visually map the current entrepreneurial ecosystem, including business service providers, to surface gaps and opportunities for culturally relevant, trusted guidance and connections that nurture Black, Indigenous, Latinx, Asian, Asian Pacific Islander and Other People of Color entrepreneurs;
- Reject the tenets of Capitalism by encouraging the growth of values-based businesses and unique ownership models, approaches such as those modeled by Bottle & Backpacks, Zingerman's, Cultivate, Go Ice Cream, Black Stone Bookstore & Cultural Center and Back Office Studios.

2. Invest Capital and Identify Funding Sources in Black, Indigenous, Latinx, Asian, Asian Pacific Islander and Other People of Color Entrepreneurs

- Publicly commit to growing the number of Black, Indigenous, Latinx, Asian, Asian Pacific Islander and Other People of Color entrepreneurs with an explicit 2025 goal;
- Increase access to capital through federal and local funding sources and partnerships;
- Identify and establish a meaningful Fund that brings significant resources to invest in Black, Indigenous, Latinx, Asian, Asian Pacific Islander and Other People of Color entrepreneurs, small businesses and the broader entrepreneurial ecosystem in Washtenaw County;
- For short term gains (quick 'wins'), focus on existing enterprises with a longer-term strategy to grow new and earlier stage entrepreneurs;
- OCED and the County should review its own vendor and partner pool to ensure that it is equitably investing with Black, Indigenous, Latinx, Asian, Asian Pacific Islander and Other People of Color providers;
- Proactively aid in preparing Black, Indigenous, Latinx, Asian, Asian Pacific Islander and Other People of Color entrepreneurs and businesses for traditional investment, including leveraging relationships with local banks.

3. Strengthen Access to Technical Assistance and Business Resources

- Identify and invest in technical assistance providers who have an express commitment to equity and anti-racism, and experience working with diverse communities, preferably providers of color;
- Glean insights from other organizations who have successfully supported entrepreneurs of color elsewhere in the state and country to shape County strategy for partnering with providers;
- Ensure that technical assistance is accessible in languages other than English;
- Encourage and fund technical assistance opportunities and programs that are proximate to underserved neighborhoods and communities in Washtenaw County.

4. Provide Wrap-around Services to Less-Resourced Entrepreneurs

- Fund and encourage business supports that include wrap-around services to less- resourced entrepreneurs such as financial literacy, personal finance, leadership training, coaching, etc.
- Recognize and identify resources that support the whole person, not just their business. Entrepreneurs are not immune to challenges of food and/or housing insecurity, mental/physical health challenges, disabilities, or family challenges.

[Spark Data for Equity Committee](#)

6.2. Approved Recommendations to DDA Board

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[Ad Hoc Committee for Equitable Investment Memo](#)

- 7. PROPOSED BUSINESS
- 8. AUDIENCE PARTICIPATION
- 9. ADJOURNMENT



MINUTES
AD HOC COMMITTEE FOR EQUITABLE INVESTMENT MEETING
8:30 AM - Tuesday, April 19, 2022
Back Office Studio -13 N. Washington / Virtual Hybrid

1. CALL TO ORDER (8:45am)

2. ROLL CALL

JEN EASTRIDGE	A
YLONDIA PORTIS (C)	P
BRYAN FOLEY	P
MICHELLE BIRAWER	P

3. AGENDA APPROVAL

Michelle Birawer motioned to approve the agenda. Bryan Foley supported the motion. Motion Carried - unanimous.

4. Approval of the minutes:

Bryan Foley motioned to approve the March 15, 2022 minutes and Michelle Birawer supported the motion. Motion passed- unanimous.

5. PUBLIC COMMENT (3 MINUTES EACH) -none

6. NEW BUSINESS

6.1. Recommendations to DDA Board

Staff reviewed the work of the committee over the last six months and shared recommendations based on meetings.

- Equity Needs Assessment
- Collecting voluntary demographic information on grant applications
- Requirement DEI Statements on grant applications
- Rules that limit how often a recipient can be awarded a grant
- Supporting business incubators
- Identifying businesses in the district without a traditional storefront to target for DDA resources
- The types of grants we offer are aimed at property rather than working capital Reimbursement grants are prohibitive to many small businesses – revolving loan fund could be used to eliminate those barriers Grant workshops with SBDC Communication – those who are in the “know” have a competitive advantage over others not aware of grant opportunities.
- More education and outreach is clearly needed and the methods by which we communicate to reach a broader audience needs to improve.

Ylondia Portis made a point for the minutes to show that the committee discussed programming that targets non-storefront businesses. The committee looked at how to support these businesses outside of the district, but found that they cannot legally fund businesses outside the district lines.

Discussion ensued of more opportunity for retail businesses. This would highlight programs that do not only focus on building facade grants, such as working Capital Grants.

Staff asked to look at why have working capital grants been avoided by the DDA in the past. The reason is likely because businesses may fail and the money goes with them.

Ylondia Portis agreed that parameters need to be set and a rubric will need to be built. Is it a greater good of the community? It could be tied to performance. Example- "with this investment we will get lunch hours, where before we had none"

The committee also discussed safeguarding investments with staggered loans.

The committee clarified that *supporting business incubators* meant *supporting businesses inside the incubator*.

The committee discussed zoning. They asked if staff can find the percentage of commercial type in the district to help target some gaps. Staff will see if it is possible with the new metric tracking program.

The committee spoke about building vacancies and its role to support laws that help us speak to the issue of non motivated sellers.

The committee discussed Equity Committee oversight on business.

Staff said it is possible, but three rounds of approval is a lot of meetings and steps. A quarterly look back and review may be more viable.

Ylondia Ports suggested committee oversight for Grants. Staff asked if it would make more sense for the ad hoc committee to review applications before or after the grants committee recommends them to the board.

Ylondia Portis recommended that we put a pin in the oversight conversation. It can be worked out at a future meeting if the committee is expended.

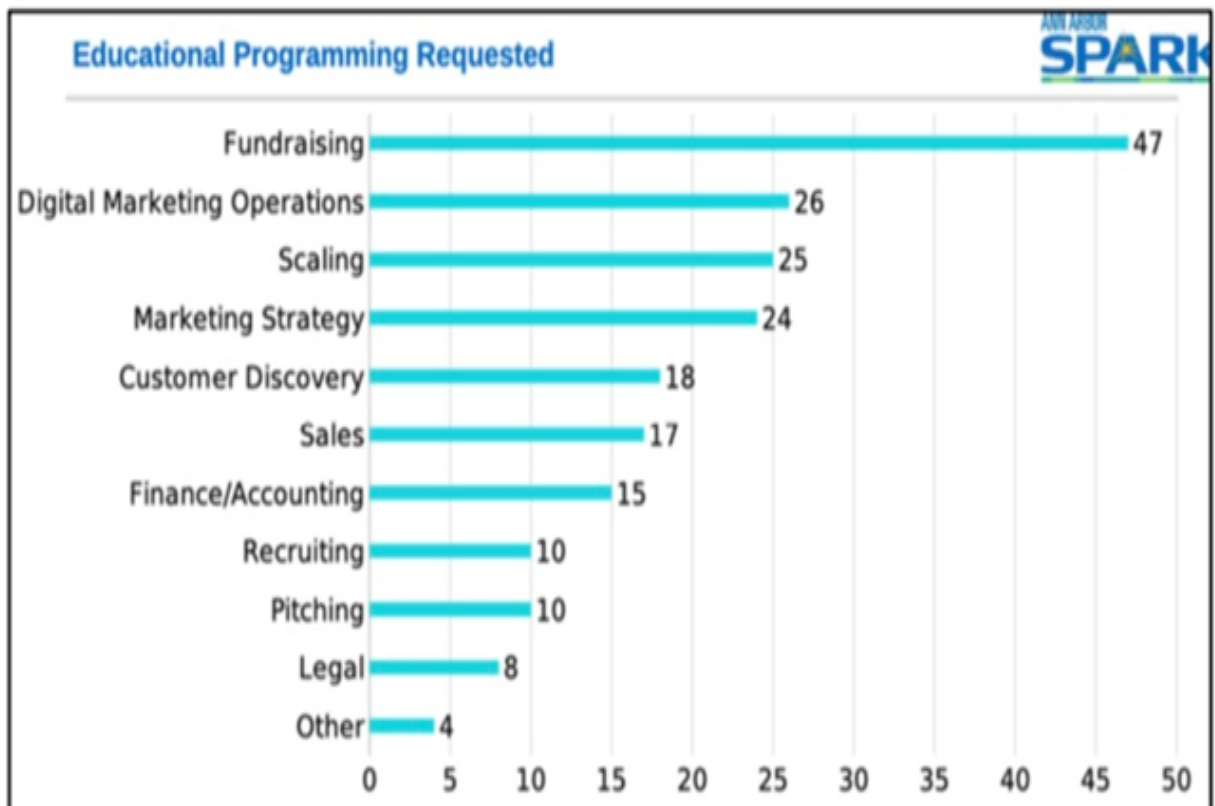
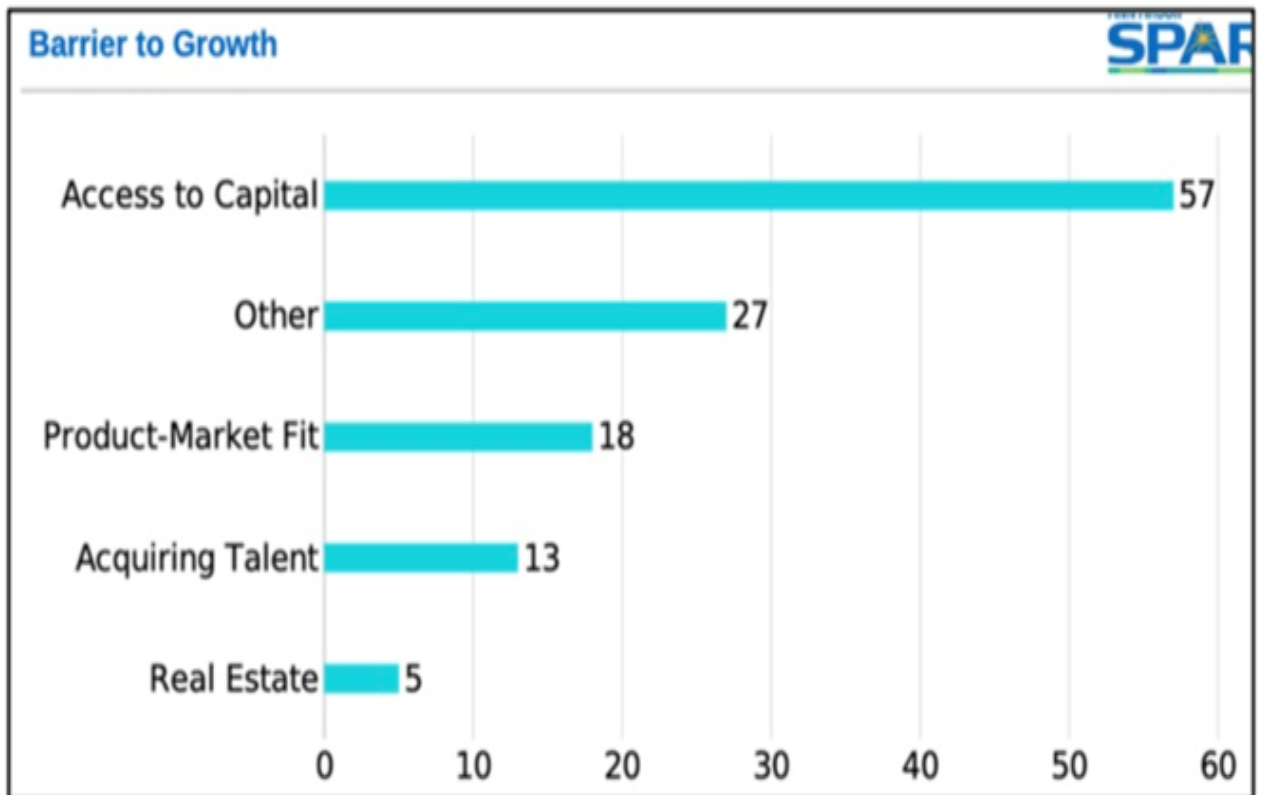
7. PROPOSED BUSINESS - none.

8. AUDIENCE PARTICIPATION -none.

9. ADJOURNMENT

Motion to adjourn at 9:32am by Michelle Birawer, and supported by Bryan Foley. Motion passed-unanimous.

These barriers that the Committee surfaced mirror recent data gathered by Ann Arbor SPARK⁹:





To: Ypsilanti Downtown Development Authority Board
From: Christopher Jacobs, Executive Director
Date: April 19, 2022
Subject: Ad Hoc Committee for Equitable Investment

Background:

In September 2021, The DDA Board created an Ad Hoc Committee for the purpose of investigating if resources have been equitably invested within the district and if the current district boundaries could be amended to allow us to include other commercial areas in the city. The first of six meetings of the Ad Hoc Committee for Equitable Investment took place on November 16, 2021. Ylondia Portis was elected Chair of the committee, we adopted a meeting schedule, and discussed topics of potential interest for the committee to explore. At the time we discussed questions such as:

- Where is money spent within the districts?
- Where is money not spent within the districts?
- What parcels may we include in an expanded district?
- What are the financial implications of expanding the TIF districts?
- What rules or procedures are needed to encourage businesses to seek public funding for projects?
- What rules or procedures are needed to prevent the same businesses from capitalizing on DDA resources at the expense of others?

In December 2021, the committee started to answer some questions pertaining to these questions. Joe Meyers gave a presentation on TIF districts, and we reviewed the MEDC factsheet that explains TIF district requirements, particularly the contiguous parcel requirement. We discussed how TIF revenue works as a function of time and how new districts do not typically capture revenue for many years. We discussed the financial implications of expanding a TIF district on the current district which includes the risk of the library opting out of capture for a significant portion of revenue. The committee also reviewed what a TIF/Development plan is and how the districts spend their money annually.

We discussed at the January meeting potential areas for DDA District Expansion including E Michigan Ave and Harriet St. The committee also considered the last three years of place-based investments such as building façade and rehab grants, landscaping, holiday and café lights, and special event sponsorships to identify which areas in the district may not receive proportional benefit and why. At this meeting we discussed the logistical challenges of expanding the district which includes a potential loss in revenue in the current TIF districts, the difficulty of capturing revenue in a newly created TIF district, and the contiguous

commercial parcel requirements of the state in a TIF district. The committee discussed how collecting the demographic information of grant recipients would help us in the context of evaluating equitable investment.

On February 15 we continued the conversation about potentially collecting demographic information in our grant application by looking specifically at the building façade and rehabilitation application as well as the special event sponsorship application. The committee also review the 2021/2022 fiscal year budget to consider what resources might be available to support initiatives that encourage equitable investment.

March 15 we had the opportunity to speak with Alize Asberry Payne and Crystal Cambell from the County Racial Equity Office. The committee was asked to consider an equity needs assessment as part of its initial work before adopting recommendations without a complete picture of where the DDA is currently. We also discussed the Niles DDA Revolving Loan Fund as a model to potentially replicate in Ypsilanti in order to help undercapitalized businesses compete for limited grant resources that are paid as a reimbursement.

The summary recommendations are provided for your review. Please consider this an opportunity to amend the recommendations as you see fit for the Board to consider.

Equity Needs Assessment

Collecting voluntary demographic information on grant applications

Requirement DEI Statements on grant applications

Rules that limit how often a recipient can be awarded a grant

Supporting business incubators

Identifying businesses in the district without a traditional storefront to target for DDA resources

The types of grants we offer are aimed at property rather than working capital

Reimbursement grants are prohibitive to many small businesses – revolving loan fund could be used to eliminate those barriers

Grant workshops with SBDC

Communication – those who are in the “know” have a competitive advantage over others not aware of grant opportunities. More education and outreach is clearly needed and the methods by which we communicate to reach a broader audience needs to improve.