CITY OF ALLEGAN
Economic Development Corporation and
Brownfield Redevelopment Authority
Allegan City Hall
231 Trowbridge Street Allegan MI 49010
Wednesday, August 7, 2019
12:00noon

I. Call to Order
II. Attendance
III. Approval of the Minutes of the Previous Meeting
IV. Public Comment
V. Old Business
   1. Economic Development Plan Update
VI. New Business
   2. Downtown Allegan Market Study Discussion
VII. Member and Staff Comments
VIII. Adjournment

The minutes of this meeting will be available at City Hall, 231 Trowbridge Street, Allegan, MI 49010
(269)673-5511
The City of Allegan is an Equal Opportunity Provider and Employer
I. Call to Order

Meeting was called to order at 12:00pm.

II. Attendance

Present: Chair Lovedia Stap, Vice Chair Craig VanMelle, Tim Perrigo, Mike Kiella, Mike Walsh, Mike Manning, Kim Munn

Absent: None

Others Present: Jordan Meagher, Community Development Coordinator, Joel Dye, City Manager, Tony McGhee, Abonmarche

III. Approval of the Previous Minutes

Mike Kiella, supported by Tim Perrigo, made a motion to approve the minutes from the previous meeting on April 3, 2019. Motion carried 7-0.

IV. Public Comment

None were heard.

IV. Discussion

1. Brownfield Grant Target Site Update

Staff updated the Economic Development Corporation on the different sites that had been submitted to the EPA for review to determine whether or not each site would be eligible for receiving grant funding for environmental assessment work. The sites included 221 Trowbridge, 209 Hubbard, 106/110 Locust, 152 Mill District, 155 Mill District, 109 Locust, 113 Locust, and 114/116 Locust.

After some discussion, it was decided that staff would look into submitting the Allegan County overflow parking lot, the old Grocery Outlet site, and a stretch of properties running along the Norther section of Water Street for EPA review as well.
2. Economic Development Plan Discussion

As previously discussed, as a Redevelopment Ready Community, the City must maintain an updated Economic Development Strategy Plan. This five year plan has expired for the City of Allegan, so an updated plan must be produced.

After some discussion, it was decided that a subcommittee would be formed consisting of staff and three EDC members to meet on a weekly basis to produce an updated draft of the plan to be presented to the entire EDC for review. Staff was directed to begin creating an outline for this process to be presented at the next EDC meeting.

3. Sale of 101 Brady Street

After speaking with the EPA on a number of occasions, staff had learned that 101 Brady Street is currently not eligible to receive EPA grant funding for environmental assessment work. When the City of Allegan re-acquired the site back in 2009 through a reconveyance agreement, a Baseline Environmental Assessment was not produced. Therefore, the City is considered liable for any possible contamination that might have taken place at the site between 2009 and now.

Staff is considering other options that would allow grant funding to be used at the site for environmental assessment work. One option would be for the City to sell the site to either the Economic Development Corporation or the Downtown Development Authority. Both boards have been incorporated as separate entities from the City, and both have the ability to purchase and own property. This transaction would allow for funds to be used for Phase II and BEA work. Staff will bring this idea before the DDA at their next meeting, and will also consider other options for covering these costs.

V. Adjournment

The meeting was adjourned at 1:13pm

Respectfully Submitted,

Jordan Meagher
Community Development Coordinator

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City of Allegan

**Economic Development Strategy Outline**

1. *Who Are We?*
   
   a. Socioeconomic Data (population, race, income, education, etc.)
   b. Labor Data (types of jobs, commute distance, etc.)
   c. Employer Data (types of industries, largest employers)
   d. Institutions (schools, hospitals, NGOs, etc.)
   e. Transportation (roads, airport)
   f. Utilities (water, wastewater, electric, natural gas)
   g. Recreation (parks, state game area, mountain bike trail, etc.)
   h. Housing (types, # of units, owner v rental)
   i. Other Quality of Life Factors (downtown, proximity to other cities, etc.)

2. *Environmental Scan*
   
   a. Based on the Who Are We Data, draw some basic conclusions as it relates to our strengths, weaknesses, opportunities and threats.

3. *What Do We Want To Be?*
   
   a. Economic Development Goals
      i. Types of Jobs (FT/PT/Etc.)
      ii. Types of Service Sectors
      iii. Large & Small Companies
      iv. Entrepreneurial
   b. Develop an Economic Development Vision Statement

4. *How Do We Get There?*
   
   a. Action Steps
02 April 2019

Kathleen Duffy, AICP
Smithgroup/JJR
201 Depot Street, Second Floor
Ann Arbor, Michigan 48104

Dear Ms. Duffy:
On behalf of Gibbs Planning Group (GPG), I am pleased to respond to your request to provide retail market research consulting services for the City of Allegan, Michigan. GPG’s expertise allows us to formulate and refine a proven and focused approach to accomplish the market research. GPG is dedicated to providing practical, actionable results, which reflect economic development realities and not just theoretical research.

GPG has a broad range of both private and public sector experience across North America. Our public-sector clients include: Alexandria, Charleston, Chicago, Fort Wayne, Grand Rapids, Holland, Houston, Kalamazoo, Monroe, Portland and Seattle. GPG’s private sector clients include EDS, Rosemary Beach, The Taubman Company and the Walt Disney Company.

Please find below my proposed scope and fees based upon our recent discussions and my understanding of the city’s objectives:

**Retail Market Analysis**
This study is intended to allow the City to gain an understanding of the types and sizes of retail businesses that are likely to be supportable in the city presently and during the next five (5) years. During this analysis, GPG will comb greater Allegan region, visiting most relevant employment centers, shopping centers, retailers and residential clusters. The assessment will include evaluation of the stores’ quality, service and merchandise to seek out potential voids or over-supply of a particular good or service.

GPG will also conduct pedestrian and drive-time studies and prepare a gravitational model to estimate the City’s primary and secondary trade areas. GPG will then research and collect third party demographic data, household income, consumer expenditure potential by retail category, education levels, percentage of various employment types, age, projected growth, etc. This study will analyze 30 retail types including apparel, books, children’s, department stores (discount and luxury), electronics, gifts, grocery, hardware, home furnishings, pharmacies, sporting goods and restaurants.

The deliverable of this study shall be a 30-35 page written and illustrated summary of the relevant population and demographic characteristics of the trade area, including the socio-economic characteristics and buying patterns of the population. This report will include a letter of qualitative opinion as to whether or not retail development is supportable in the City, sales forecasts and size estimates of the retailers most likely to be supportable for the next five (5) years. As a part of this task, GPG shall be available to participate in up to one (1) on-site meeting and two (2) conference calls with the City as mutually agreed.
Schedule
GPG proposed completing the above market study within 60 days of authorization by the City.

Professional Fees:
GPG’s proposed fee for the above consulting services is a lump sum fee of **$24,000** including all expenses.

Limits of Scope of Services:
The services described in this agreement are for qualitative retail analysis only and should not be used as the sole basis of development, financing or leasing. Actual site, building, parking, utility, environmental, grading, civil engineering and architectural plans, cost projects, real estate leasing, brokerage services and construction documents are not included within the scope of work of this proposal and are to be completed by others.

Conditions of Agreement:
- a. GPG will begin services as described by this proposal upon receipt of a signed agreement.
- b. All invoices will be paid by the City within 40 days receipt.

If you agree with the terms, fees and conditions of this proposal, please sign below or forward a City agreement for our signature.

Thank you for the opportunity to submit this proposal and we are looking forward to working with you and the City in the near future.

Sincerely,

GIBBS PLANNING GROUP, INC.

Robert J. Gibbs, AICP, ASLA
President
rgibbs@gibbsplanning.com

The above terms accepted by:

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City of Allegan Retail Market Study Proposal
Gibbs Planning Group, Inc.
02 April 2019