AGENDA
CHARTER TOWNSHIP OF MERIDIAN
Downtown Development Authority
Special Meeting
October 4, 2021 7:30AM
Municipal Building
5151 Marsh Road, Okemos

1. CALL MEETING TO ORDER

2. ROLL CALL

3. MISSION: The Meridian Township DDA mission is to beautify and revitalize downtown Okemos as a very desirable place to shop, live, and do business. It is a commitment to promoting and improved quality of life by creating a friendly, walkable community embracing the natural aesthetics of the river and parks.

4. APPROVAL OF AGENDA

5. APPROVAL OF MINUTES – SPECIAL MEETING FOR AUGUST 25, 2021

6. FINANCIAL REPORT

    A. Monthly Financials

7. AUTHORIZATION OF PAYMENTS

    A. Consumers Energy Bill September 2021

8. OLD BUSINESS

    A. Village of Okemos Public Private Partnership Financials

    B. DDA TIF Application Review

9. NEW BUSINESS

    A. DDA Incentives for Retention, Attraction and Expansion discussion

10. PUBLIC REMARKS

11. NEXT MEETING DATE

    A. November 1, 2021, 7:30am – Town Hall Room, 5151 Marsh Road, Okemos

12. ADJOURNMENT

Charter Township of Meridian
Downtown Development Authority (DDA)-Special Meeting
Municipal Building, 5151 Marsh Rd., Okemos, MI 48864
Wednesday, August 25, 2021 – Minutes

Members
Present: Susan Fulk, Renee Korrey, Bill Cawood, Will Randle, Jim Raynak, Scott Weaver, Jim Spanos, Peter
                   Campbell, Supervisor Ron Styka and Tom Stanko
Members
Absent:
Staff
Present: Neighborhoods & Economic Development Director Amber Clark, Township Manager Frank L.
                   Walsh, Community Planning & Development Director Tim Schmitt and Executive Assistant Michelle
                   Prinz

Others
Present: Eric Heltzer, Advanced Redevelopment Solutions, Township Trustee Dan Opsommer, Township
                   Treasurer Phil Deschaine

1. CALL MEETING TO ORDER

   Chair Korrey called the meeting to order at 7:34am and read the mission statement.

2. APPROVAL OF THE AGENDA

   Chair Korrey recommended to modify the agenda to include public remarks at the beginning of the agenda.

   **MOTION BY MEMBER FULK TO APPROVE THE AMENDED AGENDA. SUPPORTED BY MEMBER
   CAWOOD. MOTION APPROVED 10-0.**

3. PUBLIC REMARKS

   Member Spanos spoke and left the meeting.

4. APPROVAL OF MEETING MINUTES OF AUGUST 2, 2021

   **MOTION BY MEMBER FULK TO APPROVE THE MINUTES. SUPPORTED BY MEMBER STANKO. MOTION
   APPROVED 9-0.**

5. OLD BUSINESS

   A.   Village of Okemos Public Private Partnership Financials

Director Clark shared the estimated total investment of the Downtown Okemos project is $67 million generating about $8.5 million in property tax revenue for the DDA to use in redevelopment. Tru North Development is requesting $4.8 million of that revenue to be paid back to them within 11 years. In addition, Tru North will request about $3.5 million from the Brownfield Redevelopment Authority (BRA). The total request of the Tru North Development team will be $8.3 million in public assistance. There are remaining development projects that could be expensed by the DDA TIF in support of redevelopment. The burial of the Consumers Energy transmission line, ground utility updates for sewer and water, other off site construction costs that total about $5 million. The total amount Meridian Township residents would contribute to the funding is $4.8 million dollars. This equates to 15% of public assistance toward the project.

Eric Heltzer reviewed the project financials. The commercial portion of the project is creating the gap in funding. 3% of the gap is the request to the Township. A suggestion was made to sit down and discuss filling the gap with a private-public partnership and help from grants through the State of Michigan.

Pat Smith spoke about the project and the need for a private-public partnership to make the project work.

Manager Walsh explained that he does not believe that the Township taxpayers would be in favor of supporting apartment buildings versus the original village project.

B.   Letter to Board-Village of Okemos Development

The DDA wrote a letter of support to the Township Board for the revised Downtown Okemos project.

6.   PUBLIC REMARKS

Member Randle mentioned he hoped that something will be built in Downtown Okemos and believes doing nothing is not an option. Also, he resigned from the DDA stating he is moving to Florida in two weeks for another position. However, he will continue to stay involved with the Downtown Okemos project from a distance.

7.   NEXT MEETING DATE

a.   September 13, 2021, 7:30am

8.   ADJOURNMENT

The meeting was adjourned at 9:05am without objection.

Meridian Twp DDA
Preliminary Financial Statements
Period Ending 8/31/2021 - UNAUDITED

BALANCE SHEET

	Year to Date
ASSETS	
Cash	$58,345.00
Due from General Fund	$0.00
Taxes Receivable	$0.00
Accounts Receivable	$0.00
Prepaid Expense	$0.00
TOTAL ASSETS	$58,345.00
LIABILITIES	
Accrued Interest Payable	$0.00
Due to General Fund	$0.00
Unearned Revenue	$0.00
Deferred Inflows of Revenue	$0.00
LT Note Payable	$124,500.00
TOTAL LIABILITIES	$124,500.00
FUND BALANCE	
Fund Balance 12/31/20	($83,407.36)
2021 YTD Net Income	$17,252.36
TOTAL FUND BALANCE	($66,155.00)
TOTAL LIABILITIES & FUND BALANCE	$58,345.00

INCOME STATEMENT

REVENUES	June	July	Year to Date
Tax Capture	$0.00	$0.00	$16,972.41
PPT Reimbursement	$0.00	$0.00	$0.00
Grants	$0.00	$0.00	$0.00
DDA Downtown Events/Donations	$0.00	$0.00	$0.00
Other	$0.00	$0.00	$0.00
TOTAL REVENUE	$0.00	$0.00	$16,972.41
EXPENDITURES			
Operating Costs	$97.10	$0.00	$654.05
Professional Consultant/Contractual Services	$0.00	$0.00	$0.00
Community Projects	$0.00	$0.00	$0.00
Communications	$0.00	$0.00	$0.00
Conferences	$0.00	$0.00	$0.00
Special Events - Celebrate Expenses	$0.00	$0.00	$0.00
Tax Appeal Refunds	$0.00	$0.00	$0.00
Interest on Loan	$0.00	$0.00	($934.00)
TOTAL EXPENDITURES	$97.10	$0.00	($279.95)
2021 Net Income	($97.10)	$0.00	$17,252.36

INDEPENDENT
BANK

230 W Main St
Ionia, MI 48846

>002715 3701217 0001 093443 10Z

0520856
MSP 713

MERIDIAN CHARTER TOWNSHIP
DOWNTOWN DEVELOPMENT AUTHORITY
ACCOUNTS PAYABLE
5151 MARSH RD
OKEMOS MI 48864-1104

Managing Your Accounts

Okemos

800.355.0641

IndependentBank.com

Welcome to your new Independent Bank account statement! We hope you enjoy this more user-friendly and enhanced view of your accounts and transactions.

Summary of Accounts

Account Type	Account Number	Ending Balance
Business Freedom Checking	XXXXXXX5474	$58,345.00

Business Freedom Checking-XXXXXXX5474

Account Summary

Date	Description	Amount
08/01/2021	Beginning Balance	$58,345.00
	0 Credit(s) This Period	$0.00
	0 Debit(s) This Period	$0.00
08/31/2021	Ending Balance	$58,345.00

Daily Balances

Date	Amount
08/01/2021	$58,345.00

09/13/2021 02:16 PM
User: FAULKNER
DB: Meridian

REVENUE AND EXPENDITURE REPORT FOR MERIDIAN TWP

Page: 1/1

PERIOD ENDING 08/31/2021

GL NUMBER	DESCRIPTION	2021 AMENDED BUDGET	YTD BALANCE 08/31/2021	ACTIVITY FOR MONTH 08/31/2021	AVAILABLE BALANCE	% BDGT USED
Fund 900 - DOWNTOWN DEVELOPMENT AUTHORITY						
Revenues						
Dept 000.000						
900-000.000-402.000	CURRENT PROPERTY TAXES	6,500.00	16,972.41	0.00	(10,472.41)	261.11
Total Dept 000.000		6,500.00	16,972.41	0.00	(10,472.41)	261.11
TOTAL REVENUES		6,500.00	16,972.41	0.00	(10,472.41)	261.11
Expenditures						
Dept 000.000						
900-000.000-728.000	OPERATING SUPPLIES	3,000.00	654.05	0.00	2,345.95	21.80
900-000.000-995.000	DEBT SERVICE-INTEREST	3,735.00	(934.00)	0.00	4,669.00	(25.01)
Total Dept 000.000		6,735.00	(279.95)	0.00	7,014.95	(4.16)
TOTAL EXPENDITURES		6,735.00	(279.95)	0.00	7,014.95	(4.16)
Fund 900 - DOWNTOWN DEVELOPMENT AUTHORITY:						
TOTAL REVENUES		6,500.00	16,972.41	0.00	(10,472.41)	261.11
TOTAL EXPENDITURES		6,735.00	(279.95)	0.00	7,014.95	4.16
NET OF REVENUES & EXPENDITURES		(235.00)	17,252.36	0.00	(17,487.36)	7,341.43

09/13/2021 02:18 PM   BALANCE SHEET FOR MERIDIAN TWP   Page: 1/1
User: FAULKNER   Period Ending 08/31/2021
DB: Meridian

Fund 900 DOWNTOWN DEVELOPMENT AUTHORITY

GL Number	Description	Balance
	*** Assets ***	
	RECEIVABLES-CUSTOMERS	0.00
	RECEIVABLES-TAXES	0.00
	Cash and Cash Equivalents	58,345.00
	Due From Other Funds	0.00
	Investments	0.00
	OTHER ASSETS	0.00
	Total Assets	**58,345.00**
	*** Liabilities ***	
	Accounts Payable	0.00
	ACCRUED AND OTHER LIABILITIES	0.00
	Deferred Revenue	0.00
	Due to Other Funds	0.00
	Long Term Liabilities	124,500.00
	Unclassified	0.00
	UNEARNED REVENUE	0.00
	Total Liabilities	**124,500.00**
	*** Fund Balance ***	
	UNASSIGNED FUND BALANCE	(83,407.36)
	Total Fund Balance	**(83,407.36)**
	Beginning Fund Balance	**(83,407.36)**
	Net of Revenues VS Expenditures	**17,252.36**
	Ending Fund Balance	**(66,155.00)**
	Total Liabilities And Fund Balance	**58,345.00**

Consumers Energy

Count on Us®

Account: **1000 5603 2681**

Amount Due:	**$189.34**
Please pay by:	**September 07, 2021**

C/O DOWNTOWN DEV AUTH
MERIDIAN CHARTER TOWNSHIP
5151 MARSH RD
OKEMOS MI 48864-1104

▶ Reminder - previous amount due
**08/06/21. Please pay your previous
amount to avoid credit action. Thank
you.**

▶ **Service Address:**
2167 Hamilton Rd
Okemos MI 48864-1643

August Energy Bill

Service dates: July 15, 2021 - August 12, 2021 (29 days)

Total Electric Use (kWh - kilowatt-hour)

Legend: 2019, 2020, 2021 — Months Sep–Aug with ◀ACTUAL marker
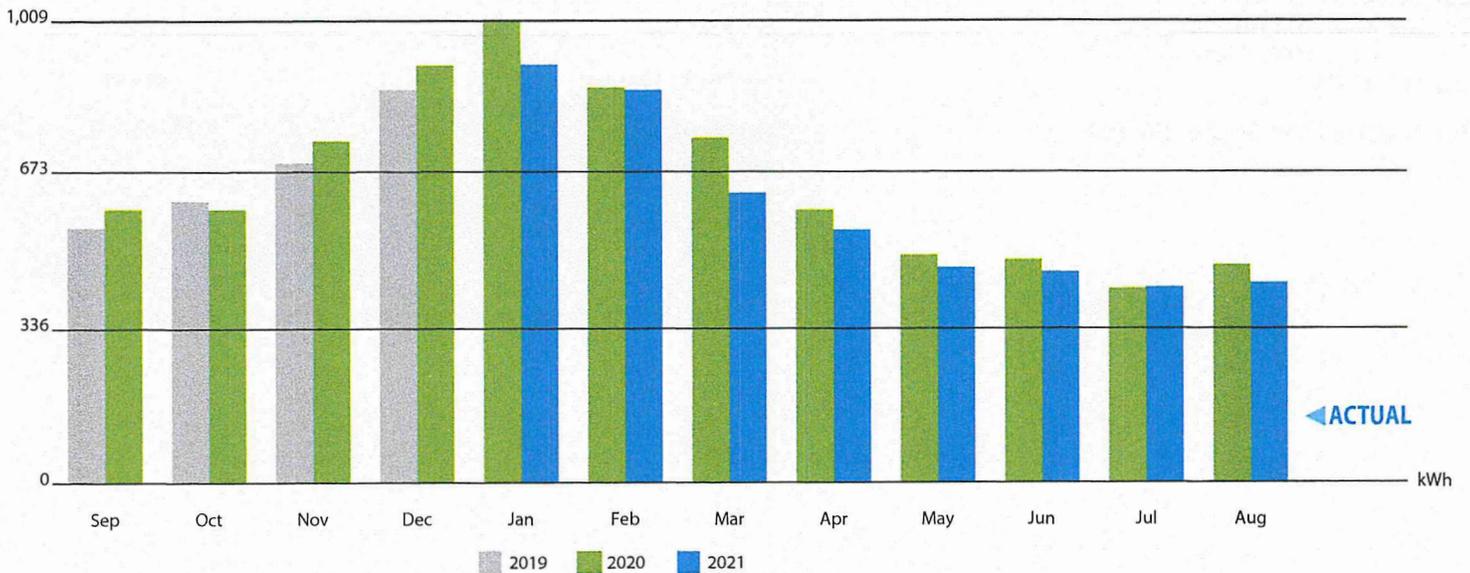
August Electric Use
432 kWh
August 2020 use: 470 kWh

Cost per day:
$3.22

kWh per day:
15

Prior 12 months electric use:
7,551 kWh

STAY SAFE: Call 9-1-1 and 800-477-5050.
We'll respond day or night.

Downed power lines.
Stay 25 feet away. Call from
a safe location.

If you smell natural gas.
If the "rotten egg" odor of
gas is apparent, call from a
safe location.

Explore Energy Efficiency Solutions for Your Business

Discover the many ways your business can save, or tell us a little
about your business to find the solutions best suited to you.

Get started
www.ConsumersEnergy.com/startsaving

Meter Information

Your next scheduled meter read date is on or around 09/13/2021

Electric Service:

Smart Meter
Meter Number: 31278553
POD Number: 0000004053513
Beginning Read Date: 07-15
Ending Read Date: 08-12
Beginning Read: 34030
Ending Read: 34462 (Actual)
Usage: 432 kWh

Total Metered Energy Use: 432 kWh

Payments applied after Aug 13, 2021 are not included.

Electric Charges

Energy	432@ 0.092266	$39.86
PSCR	432@ 0.007090	$3.06
System Access		$28.22
U20697 Deferral Surcharge	432@ 0.000555	$0.24
Distribution	432@ 0.047786	$20.64
FCM Incentive	432@ 0.000098	$0.04
Power Plant Securitization	432@ 0.001256	$0.54
Low-Income Assist Fund		$0.91
Total Electric		**$93.51**
Total Energy Charges		**$93.51**

Amount Due: $189.34
by September 07, 2021

If you pay after the due date, a 2% late payment charge will be added to your next bill.

Please make any inquiry or complaint about this bill before the due date listed on the front. Visit **ConsumersEnergy.com/aboutmybill** for details about the above charges.

NEWS AND INFORMATION

Please see the insert for details on the environmental characteristics of electricity delivered to customers.

ALERT - Beware of phone and email scams regarding utility payments: Consumers Energy never demands payment using only a prepaid card. Many options at www.ConsumersEnergy.com/waystopay.

Consumers Energy is regulated by the Michigan Public Service Commission, Lansing, Michigan

Ways to pay your energy bill:

Auto-pay
Checking or savings

Auto-pay
Discover® MasterCard®
or Visa®
(Eligibility varies)

eLockbox
via ACH

Secure electronic payment with emailed remittance

Same-day payment
ConsumersEnergy.com

Discover® MasterCard®
Visa® or eCheck

Same-day payment
866-329-9593

Discover® MasterCard®
Visa® or eCheck

By mail
Check, money order

Consumers Energy
Payment Center
P.O. Box 740309
Cincinnati, OH 45274-0309

In person
Cash, check, card
or money order

Varies by authorized payment location

Fee may apply

For more information, visit **ConsumersEnergy.com/waystopay**

☐LOG IN

Payment Posted

Account Number: xxxx xxxx 2681
Service Address: 2167 Hamilton Rd Okemos MI 48864-1643

Hello,

Your payment for C/O DOWNTOWN DEV AUTH at 2167 Hamilton Rd Okemos MI 48864-1643 in the amount of $189.34 has been applied on September 09, 2021.

Your confirmation number is: 1937519492.

Please log into your [online account](#) to view your payment.

Thanks for being our customer.

Sincerely,
Consumers Energy

Please do not reply to this automated email message.

Terms & Conditions

ADVANCED REDEVELOPMENT SOLUTIONS
PO Box 204, Eagle MI 48822
Tel 517.648.2434
ephelzer@msn.com

MEMORANDUM

To: Downtown Development Authority (DDA) Board Members – Meridian Township

From: Eric P. Helzer, EDFP, Principal – Advanced Redevelopment Solutions (ARS)

Copy: Pat Smith & Jonathan Branoff – Village of Okemos, LLC (VOO), and John Peckham – ARS

Date: September 8, 2021

Subject: Village of Okemos, LLC – Financing Status

Village of Okemos Redevelopment Project – Hamilton and Okemos Roads (Project)

Meridian Township, Okemos, MI 48864

On behalf of the Village of Okemos, LLC (VOO), see attached updated Source of Funds Analysis we have prepared as a result of a good working session between the VOO development team members and the Township representatives on Wednesday September 8, 2021. The gap in financing to develop this exciting mixed-use redevelopment Project was discussed at length during this meeting. As a result of these discussions, an additional Meridian Township Redevelopment Fund Grant addressing the Off-Site Costs associated with existing poor infrastructure conditions (roads and sidewalks, water, sanitary sewer, storm sewer, electrical, gas, etc.) necessary to allow this mixed-use redevelopment Project to proceed as one part of the solution satisfying a portion of the gap in financing. As such, to close the remaining gap in financing, VOO with the support of the Township, will pursue, through the Michigan Economic Development Corporation (MEDC) and the Michigan Strategic Fund (MSF), a Michigan Community Revitalization Program (MCRP) Grant and Loan.

In short, the following identifies the VOO current estimates of the Project's future requested "asks" of the Township once we meet with the MEDC to gain acknowledgement of their support for gap financing with the MCRP.

Estimated Amounts by Program Pending Approval by Township (does not include State agency programs)

Downtown Development Authority (DDA) TIF = $2,257,655

Meridian Township Redevelopment Fund Grant #2 = $570,000

Meridian Township Redevelopment Fund Grant #3 = $1,899,153

Total Estimated Amount of Request to Township = $4,726,808

Additionally, a Brownfield Plan will need to be approved by the Township to allow for an Act 381 Wok Plan request of the State to gain access to State Tax Increment Revenues (TIRs) estimated at $2,849,727, since local TIRs are captured by the DDA.

We look forward to your continued support and our future discussions on this exciting Project.

ATTACHMENT:

Sources of Funds Analysis as of September 8, 2021

Village of Okemos Redevelopment Project - Sources of Funds Analysis (9-8-2021)

	Privately Funded (Developer) *(pending)*	EGLE Grant *(secured)*	EGLE Loan * *(secured)*	BRA TIF * *(pending)*	DDA TIF * *(pending)*	Meridian Twp Redevelopment Fund Grant #1 *(secured)*	Meridian Twp Redevelopment Fund Grant #2 *(pending)*	Meridian Twp Redevelopment Fund Grant #3 *(pending)*	MCRP Gap Financing ($750,000 Grant, $5,000,000 Loan) *(pending)*	GRAND TOTAL
$ Amount	$ 54,820,856	$ 905,077	$ 905,275	$ 2,849,727	$ 2,257,655	$ 33,980	$ 570,000	$ 1,899,153	$ 5,750,000	$ 69,991,723
%-age of Grand Total	78.32%	1.29%	1.29%	4.07%	3.23%	0.05%	0.81%	2.71%	8.22%	100.00%
Privately or Publicly Sourced	Private	Public	Public	Public **	Public **	Public	Public	Public	Public	NA
Private Portion										
Private $ Amount	$ 54,820,856	$ -	$ -	$ -	$ -	$ -	$ -	$ -	TBD	$ 54,820,856
Private %-age of Grand Total	78.32%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	TBD	78.32%
State Public Portion										
State Public Portion $ Amount	$ -	$ 905,077	$ 905,275	$ 2,849,727	$ -	$ -	$ -	$ -	$ 5,750,000	$ 10,410,079
State Public Portion %-age of Grand Total	0.00%	1.29%	1.29%	4.07%	0.00%	0.00%	0.00%	0.00%	8.22%	14.87%
Local Public Portion										
Non-Meridian Township Local Public Portion ($ Amount)	$ -	$ -	$ -	$ -	$ 1,539,169	$ -	$ -	$ -	NA	$ 1,539,169
Non-Meridian Township Local Public Portion (%-age of Grand Total)	0%	0%	0%	0%	2.20%	0%	0%	0%	NA	2.20%
Meridian Township Local Public Portion ($ Amount*)**	$ -	$ -	$ -	$ -	$ 718,486	$ 33,980	$ 570,000	$ 1,899,153	NA	$ 3,221,619
Meridian Township Local Public Portion (%-age of Grand Total*)**	0%	0%	0%	0%	1.03%	0.05%	0.81%	2.71%	NA	4.60%

NOTES:

* The Developer will be borrowing from a bank or other institution against the Brownfield & DDA TIF Recapture. The amount that can be borrowed will be determined by the Net Present Value of the TIF. The longer the recapture schedule the lower the Net Present Value of the TIF, and therefore the less the Developer is able to borrow against the TIF. Anything that delays the full recapture of the TIF reduces the Net Present Value of the TIF, lowers the amount that the Developer can borrow against the TIF, and hurts the Developer's ability to move forward with the project. Based on recent lender discussions, we are estimating that we can borrow approximately 65% of the Year 1 Net Present Value. BRA TIF Bank Loan = $663,026 (Note that the EGLE Loan must first be repaid with BRA TIF revenues then the BRA TIF Bank Loan debt service can be reimbursed with the BRA TIF). DDA TIF Bank Loan = $1,257,932.

** As TIF is a reimbursement program generated from a Developer's private investment as a result of their improvements, the governing Authority (BRA/DDA) uses the captured new tax increment revenues to reimburse the Developer (or the Township) for their incurred costs of the completed eligible work under the TIF Plan. As such, the Developer's own created new tax dollars are repaid back to the Developer until such time that the eligible costs the Developer has incurred are fully reimbursed. However, the Developer must find sources of funds to pay for the up front work (i.e Bank Construction Loans, Owner's Equity, EGLE Loan) and wait for the annual TIF reimbursements to service the Developer fronted sources of funds. Without the completion of the proposed Project there would be no new tax incremental revenues created on this Project property. In other words, without the redevelopment project, property values will not increase and no new taxes will be available to pay for eligible needed improvements to land (environmental/asbestos abatement/demolition) or infrastructure improvements (water, sanitary sewer, storm sewer, electric, gas, roads/sidewalks, etc.).

*** Meridian Township's portion of the DDA TIF contribution to the Project is based upon the millages rates used in the approved DDA Development and TIF Plan page 20. Meridian Township's millage rate is 8.8007 mills out of a total of capturable millages in the amount of 27.6539 mills due to the Capital Area District Library opting out of the Development and TIF Plan. Therefore, Meridian Township is contributing 31.82% of the capturable millages to the DDA Development and TIF Plan.

Advanced Redevelopment Solutions

To:	**Downtown Development Authority Members**
From:	**Neighborhoods & Economic Development Director Amber Clark**
Date:	**October 4, 2021**
RE:	**DDA TIF Application Review**

With changes to the website being managed by the Communications Department we have an opportunity to review the current DDA TIF Application to ensure we have the appropriate content changes only. The application itself is in good order and reflects the requested items for the DDA Subcommittee members to review. We have new chair members and staff associated with the management of the applications. We may also want to consider making the application available to be completed and submitted online. Please review for appropriate edits to be made, the final application packet will be updated on the new website.

Meridian Township
Downtown Development
Authority
Tax Increment Financing
Application Assistance
Packet

A Prime Community

Dear Prospective Developer,

Welcome to Meridian Township! Meridian is a prime community and embraces prime development. The Township Board of Trustees is working with the members of the Meridian Charter Township Downtown Development Authority to bring quality redevelopment to the Okemos Potential Intensity Change Area (PICA) and DDA District. As such, we've developed robust programs to incentivize appropriate development projects, including the availability of Tax Increment Financing (TIF).

Please review the contents of this document, which includes the qualifications, process, and application to request TIF funding through our DDA.

For further information about the Township goals and other incentives, please utilize the links provided below.

Thank you for your potential investment in our Prime Community!

Sincerely,
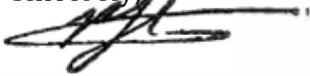
Ron Styka
Township Supervisor

Renee Korrey
Downtown Development Authority Chair

2018 DDA TIF Plan

2017 Meridian Township Master Plan

Meridian Redevelopment Fund

Height & Density Zoning Amendment MUPUD Overlay

MEDC Redevelopment Ready Communities Incentive Programs

Downtown Development Authority,
Economic Development

Dear Applicant:

This packet contains information and materials necessary for submitting an application for Tax Increment Financing (TIF) assistance from the Meridian Township Downtown Development Authority.

This packet includes the following:

➔ TIF Assistance Application Approval Process Overview
➔ TIF Application
➔ Personal Profile Form
➔ Sources & Uses of Funds, Detailed Pro Forma and Revenue Projection Worksheets

Please complete every section of this application as incomplete applications will not be accepted. If any of the aforementioned items are missing from your packet, please feel free to contact the Economic Development Director at (517) 853-4568.

Funding Priorities

The Meridian Township DDA adopted a Tax Increment Finance and accompanying Development Plan (Plan) which captures new incremental tax revenues beginning in 2019 and concluding in 2039. Over the past few years the economy has shifted significantly, and the township has identified the Downtown Development District as:

- a Potential Intensity Change Area (PICA)
- a critical redevelopment area in need of blight elimination;
- an area with businesses shuttering, resulting in a dwindling tax base;
- existing parcels with environmental contamination that pose as a threat to human health and the environment and are barriers to support safe and economical redevelopment, and;
- an area where previously proposed redevelopment projects have failed on key district blocks due to the aforementioned issues.

Further, the Meridian Township DDA and has identified specific projects within the DDA District (District) that need funding. These projects will help position Downtown Meridian toward becoming a great downtown destination and place to live, shop and work. These priorities are identified below, in order of value priority, and will be the basis from which proposed projects are funded, should those projects meet specific criteria.

1. **Public Infrastructure Improvements** – Public improvements covers a wide array of projects including street lighting, streetscape enhancements, water and sewer improvements, electrical improvements, burying of existing and new utilities, storm water improvements, parking improvements and generally anything else that falls within the public right-of-way, easement or public realm.

2. **Private Infrastructure Improvements** – As part of redevelopment, developers are often required to improve private infrastructure or anything on a private property (not in a public right-of way). The DDA is able to assist with offsetting these costs, specifically when it comes to integrated parking structures such as vertical and underground parking, utilities, water and sewer tap fees, soft costs and others that support density in accordance with local zoning, master plans and township goals but may be cost prohibitive to complete the project. Although these improvements are considered private for funding purposes, they have public benefit and support the redevelopment efforts of the township and DDA.

3. **Façade Improvements** – Typically, DDA's utilize a portion of tax increment revenue funds to assist business owners with façade improvements for buildings in need of repair or upgrade within the District. This is usually set up as a low interest loan or competitive grant program with match requirements. These programs work great for improving the image of the buildings within the DDA District.

4. **Streetscape** – Having an attractive, well designed streetscape strengthens the public realm within downtown corridors. It can enhance the image of the community, adds landscaping and other artistic elements and is complimentary to the pedestrian environment. Streetscape enhancements include but are not limited to planter boxes, waste receptacles, benches, brick pavers, decorative fencing, trees and tree grates, sculptures and other pieces of art and costs related to improving the street itself.

5. **Site Preparation** – Costs associated with site preparation can be significant for both public and private investment. These costs include such activities as clearing & grubbing, compaction and sub-base preparation,

cut and fill operations, dewatering, excavation for unstable material, foundation work to address special soil concerns, retaining walls, temporary sheeting/shoring, specific and unique activities, etc., anything on private property not in a public right-of-way to support density and prohibitive costs to allow for greater density in accordance with local zoning, master plans and township goals.

6. **Environmental Activities** – Environmental Activities would include activities beyond what may be supported by the Michigan Department of Environment, Great Lakes and Energy (EGLE) under an approved Brownfield Plan and Act 381 Work Plan to protect human health and the environment, off-set cost prohibitive environmental costs and insurance needs, etc.

7. **Public Spaces** – Many people equate public spaces to parks, but they can also include public alleys, community centers, non-park public owned green spaces and many more. Projects that can enhance these spaces all fall under the eligible activity expenses of the DDA.

8. **Gap Funding** – Recognizing that the cost of mixed-use, traditional development is higher than it is for undeveloped sites, the township may, at its own discretion, commit project-specific future tax increment capture back to private projects for a specified period of time. The goal is to provide funding to close the "gap" that prevents the project from becoming a reality due to financial feasibility. For example, if the pro-forma for a project indicates that it cannot generate enough income to cover the cost of construction and a reasonable rate of return for a developer/investor, future tax increment can be committed to that development to make is feasible. It can also be used as a tool to attract companies and businesses to the township to create new employment opportunities within the DDA District.

Projects meeting or exceeding the scoring criteria driven by the priorities above could potentially qualify for project specific Tax Increment Financing to assist with the successful implementation of the project(s).

Meridian Township Downtown Development
Authority
Tax Increment Financing (TIF) Application
Approval Process Overview

A committee established by the DDA reviews all applications for Tax Increment Financing (TIF) assistance. The process outlined below usually takes at least 30-90 days, although more complex projects typically require more time to review and approve.

1. Convene Introductory Meeting Prior to Formal Submission of TIF Application

   Prior to preparation of a formal TIF application, prospective applicants should request a meeting with the committee to discuss the concept of the potential project and its scope as well as to obtain general information.

2. Submission & Review of TIF Application *

   The DDA requires submission of a formal application for TIF assistance in order to consider an applicant's request for TIF assistance. TIF assistance may only be used to pay for eligible costs in accordance with the applicable Michigan statues. An application must include the items referenced in the TIF application checklist, (see the enclosed application) and applicants are required to demonstrate a financial need or TIF assistance as well as the public benefit of the payment.

   The submission will be reviewed by the committee for conformance with the guidelines of the Tax Increment Finance Assistance Program. An application will be considered complete after it has been signed, finances have been reviewed, an assessor's report has been issued and the committee has reviewed and authorized the application for scoring by the entire DDA Board of Directors.

   Application information will be considered confidential except as disclosure may be required under the Michigan Freedom of Information Act (FOIA), which applies to the DDA and Township. The DDA shall advise an applicant of any FOIA request it receives for application documentation before disclosing the same under the FOIA.

3. Present Proposed Developer Scope/Project to DDA

4. DDA Scores Project and Votes to Recommend Full Approval, Partial Approval or Denial of the Project Application.

5. Township Board Reviews Recommendation from the DDA and Votes to Approve or Deny the Application

6. Execute Development Agreement

7. Implement Project / Payout Funds

Meridian Township
DDA TIF Application Checklist

Please Include This Checklist When Applying For TIF Assistance.

General Project Information
- ❑ Summary Letter
- ❑ Copies for DDA
- ❑ Project Narrative
- ❑ Site Map(s)

Detailed Project Information
- ❑ List of Parcel Identification Numbers (PIN's)
- ❑ Affordable Housing
- ❑ Table of Residential Unit Mix
- ❑ Renderings of Project
- ❑ Project Timeline
- ❑ Public Benefits
- ❑ Residential Displacement
- ❑ Evidence of Site Control

Project Financial Information
- ❑ Sources and Uses of Funds
- ❑ Employer Personnel Needs
- ❑ Request for TIF Assistance
- ❑ Budget of TIF Eligible Expenses
- ❑ Pro Forma Income & Expense Schedule
- ❑ Analysis of Financial Need
- ❑ Financial Commitment
- ❑ Most Recent Property Tax Bills
- ❑ Appeal of Property Taxes
- ❑ Other

Professional Studies
- ❑ Market Studies/ Demonstration of Need
- ❑ Environment Studies & Reports
- ❑ Other Studies & Reports
- ❑ Traffic Impact
- ❑ Appraisal

Developer Information
- ❑ Ownership Structure
- ❑ Financial Statement
- ❑ Resumes & Experience of Principals
- ❑ Principal Profile Information
- ❑ Developer License Number

Compliance Information
- ❑ Development Budget
- ❑ Affidavit & Escrow Agreement
  - o Affidavit/Escrow agreement filled out in its entirety

  (Affidavit must be signed and notarized by both buyer & seller)
  - o Copy of most recent Violation Notice
  - o Itemized contractor's proposal from licensed contractor
  - o Proof of contractor's licensing

Meridian Township
Downtown Development Authority
Tax Increment Financing (TIF) Assistance
Application Requirements

The committee reviews all applications for TIF assistance. In order for the committee to effectively evaluate a request for TIF assistance, the Applicant must:

➔ Provide all applicable items in a single submission
➔ Organize the submission and present the required information in the manner indicated below
➔ Provide five (5) copies of the submission

Failure to provide all the required information in a complete and accurate manner, could delay the processing of your application. The committee reserves the right to reject or halt the processing of applications that lack all required items.

The Following is a General Overview of the Items Referenced In The TIF Application Checklist:

General Project Information

Summary Letter

Provide a summary of the project in the form of a letter addressed to the **Economic Development Director**. The letter should not exceed two (2) pages in length and should include only the following essential information about the project:

➔ Description of site(s) or building(s), including address and TIF District
➔ Current and proposed uses
➔ Description of end users
➔ Project start and end users
➔ Name of developer and owner
➔ Total development costs

➔ Overview of private-sector financing
➔ Amount of TIF assistance requested
➔ Statement regarding why TIF is essential
➔ Summary of increment projections
➔ Profitability
➔ Description of public benefits, including job creation

Project Narrative

Provide an in-depth overview of the project in narrative format. The narrative must include a description of the following aspects of the project:

➔ Current condition of the site and historical overview that includes the size and condition of any existing structures, environmental conditions, and past uses of the site.
➔ Proposed use(s) or project (e.g. industrial, commercial, retail, office, residential for sale or for rental, senior housing, etc.)
➔ Construction information about the project including size of any existing structure to be demolished or rehabbed; sized of any new construction; types of construction materials (structural and finish); delineation of square foot allocation by use; total number and individual square footage of residential units; type of residential units (e.g. for-sale, rental, condominium, single-family, etc.); number and type of parking spaces provided; and construction phasing.
➔ Confirm that this project is consistent with goals and objectives identified in the Township's Comp Plan.

Site Map(s)

Provide a map that shows the location of the site. Also provide a map that focuses on the project and its immediate surroundings. Both maps should be no longer than 11x17.

Detailed Project Information

List of PINs
Identify the specific Parcel Identification Numbers (PINs) included in the proposal. Also include the "base" SEV for each of these PINs. This information can be obtained in the TIF District Redevelopment Plan and from the Ingham County Assessor's Office.

Table of Residential Unit Mix
Provide a detailed overview of the residential units in the project. Details must include: the number and type of unit (i.e. number of bedrooms and bathrooms), unit size measured in square feet, construction cost per square foot, base sales price, "write-down" for affordable units, and the projected amount of total sales revenue.

Renderings of Project
Provide preliminary architectural elevations, plans and renderings for the project. These drawings should be no larger than 11x17 inches.

Project Timeline
A comprehensive project timeline is required. Include anticipated dates for site acquisition, project start and completion, as well as other project milestones. Multi-phase projects must include details for each phase. The timeline should also identify any critical or time-sensitive dates as well as any time constraints facing the applicant.

Public Benefits
Fully describe the public benefits that can be realized by the completion of this project. Projects with a high degree of public benefits are typically more likely to receive TIF assistance. Examples of public benefits include, but are not limited to the following:

➔ Positive Property Value Impacts
➔ Re-occupancy of a vacant building
➔ Elimination of blight
➔ Creation of new retail choices
➔ Rehabilitation of a historic building
➔ Increased sales tax revenue
➔ Job-training opportunities

This statement should include qualitative examples of public benefits as well as quantifiable and measurable outcomes of the short-term and long-term benefits to the neighborhood and to Meridian Township. Support documentation for the estimates of public benefits can be included in the Professional Studies Section.

Demonstration of Need (GAP Analysis)
Provide a detailed statement that accurately and completely explains why TIF assistance is needed. This statement should provide the reasons why the project would have unacceptable financial returns without TIF.

Project Financial Information

Sources & Uses of Funds
Identify the sources of funds used to finance the project. Typical sources include equity, lender financing, mezzanine financing, other anticipated types of public assistance, and any other types or methods of financing. Describe the sources of equity and include a term sheet for lender financing, if available.

Beware that TIF assistance is generally available as a reimbursement after the project is complete. Thus, the project budget must identify the up-front sources intended to finance the development costs of the project. If determined, specify the specific line items of the project budget that each source will finance.

Summarize the uses of funds. General categories to be identified include: acquisition and related site costs, hard construction costs, and a breakdown of soft costs.

All projects must include for the construction phase a monthly or quarterly cash flow (i.e. sources or "cash in" by source and uses or "cash out" by use).

Note: a performance guarantee may be required by the Township to ensure property improvements are completed.

For-sale housing developments must show income from the rental or sale of commercial space, the sale or rental of parking spaces, and unit upgrades must be included. Clearly identify all assumptions (such as absorption, sales prices, taxes, etc.). Identify the profit expected at the completion of the project.

Applicants are advised that to the extent possible, sales contracts for land acquisitions should not be executed until DDA and the Applicant have agreed on an amount of TIF assistance to be provided. This is because the purchase price of a development site to be acquired or recently acquired will be reviewed to determine acquisition costs that will be considered in the estimation of TIF assistance. The committee will review any market value appraisal submitted in support of an acquisition, and the department may obtain its own appraisal or review appraisal.

Development Budget
Provide an accurate and detailed development budget for the project that includes a detailed breakdown of significant line item costs consistent with the sample included in the application packet. The budget should be arranged to identify acquisition and site related costs, hard costs, and soft costs. Also, identify all line items that are performed by the developer, owner, or related entities.

Request for TIF Assistance
Specifically state the amount of TIF assistance that is necessary to make this project possible. Also specify the terms of payment (e.g. pay-as-you-go or developer note) and how the developer will fund project costs that will be reimbursed with TIF increment after those project costs have been incurred. For example, will the developer provide additional equity or borrow additional funds to "front-fund" the TIF assistance?

Budget of TIF Eligible Expenses
Identify which of the development budget costs are eligible for reimbursement as allowed by the Meridian Township DDA Development Plan.

Pro Forma Income & Expense Schedule
Applicants whose projects involve the rental of commercial, retail, industrial, or dwelling space must submit pro formas that identify income and expenses projections on an annual basis for an eleven-year period. A hypothetical property reversion is to be assumed. Clearly identify all assumptions (such as absorption, vacancies, debt service, operational costs etc.) that serve as the basis for the pro forma. Two sets of pro formas are to be submitted. The first set should show the project without TIF assistance and the second set with TIF assistance.

For owner occupied industrial and commercial projects, detailed financial information must be presented that supports need for financial assistance (see following page).

Analysis of Financial Need
Each application must include financial analyses that demonstrate the need for TIF assistance. Two analyses must be submitted: one without TIF assistance and one with TIF assistance. The applicant must indicate the minimum return or profit the applicant needs to proceed with the project and rationale for this minimum return or profit. The analyses will necessarily differ according to the type or project that is being developed.

> **For Sale Residential** – Show profit as a percent cost (minus developer fee and overhead and minus sales commissions and closing costs, which should be subtracted from gross sales revenue). Other measures of profitability may be submitted, such as profit as a percent of sales revenue.

> **Mixed Use Commercial / For-Sale Residential** – Provide either separate analyses for each component of the project or include in the revenue sources for the for-sale portion, the sale value of the commercial component based on the net operating income of the commercial space at stabilization. Indicate how the sale value was derived.

> **Owner-Occupied Commercial** – For projects, such as "big-box" retail projects, provide copies of the analyses that the company used to determine the amount of TIF assistance that would be needed to allow the company to meet or exceed the company's minimum investment threshold(s) for proceeding with the project.

> **Competitive Projects** – In instances where the Township is competing with other jurisdictions for the project (e.g. corporate headquarters, new manufacturing plant), present detailed analyses that demonstrate the capital and operating cost differential between the proposed location(s) in the township and locations outside the township that are being seriously considered by the applicant.

TIF Performance Measures
Identify the performance outcomes of the requested TIF assistance. Actual performance will vary from project to project. Typical performance measures of TIF assistance include:
→ TIF assistance as a percentage of total project costs
→ TIF assistance as a percentage of increment generated by the development project
→ Ratio of public (TIF) to private investment
→ TIF assistance per Full Time Equivalent job created
→ TIF assistance per Full Time Equivalent job retained

Financial Commitments
Submit commitment letters and/or term sheets from all lenders for proposed debt (such as construction, mezzanine, permanent, and government financing) and all other financial sources of the project (such as grants, and tax credits). Commitment letters must clearly specify the nature and terms of the obligations.

Most Recent Property Tax Bills
Submit a copy of the most recent second installment property tax bill for each PIN in the project.

Appeal of Property Taxes
Provide a statement, signed by the developer/owner, that the property has not received a Meridian Township real estate tax reduction. and that such a reduction has not and will not be applied for if TIF assistance is awarded to the project.

Other Available Subsidies
Identify all other forms of public assistance that will be applied for to support this project.

Professional Studies

Market Studies
Applications for commercial and residential projects must include a comprehensive market study. Market studies are not required for industrial projects. The market study must identify target markets, analysis of competition, demographics, market rents, letters of intent/interest from prospective tenants, or for housing developments sale prices or rental rates of comparable properties.

Appraisal
All projects that involve the transfer of land must include a recent appraisal. Projects that include land as a form of equity or collateral must also submit a recent appraisal. The appraisal must value the property "as is", and the impact on value must be considered for such items as demolition, environmental remediation, relocation of utilities, lease buy-outs and other work necessary to make the site developable. The property must be valued assuming that the highest and best use is the proposed use.

Environmental Studies and Reports
Submit a copy of the Phase I environmental report/study performed on the property. If there is probable or potential contamination on the project site, then a Phase II report/study or evidence that the site has been or is being enrolled in a EGLE No Further Remediation Program must be also be included.

Other Studies and Reports
Include as appropriate other reports in support of information that is presented in the application.

Developer Information

Ownership Structure
Submit an organizational chart and narrative description of the ownership structure of the development and ownership entities, which includes information on individuals involved in each. The financial relationship of each entity must be clearly and accurately described. Where applicable, also identify the relationship between the developer/owner and the operating entity. Indicate the entities that will serve as construction manager and general contractor for the project.

Financial Statements
Provide year-end historical (prior 3 years) and interim financial statements of the Applicant and owning and/or operating entity if different form the Applicant. Financial Statements should include accountant an audited or compiled Balanced Sheet, Income Statement, and Statement of Cash Flows.

Resumes and Experience of Principals
Submit resumes for each of the principals of the developer, owner, and operator. Also include a brief history that identifies the development entity's experience and previous involvement in developing similar projects and the ownership or operating entity's experience or ability in managing similar projects.

Principal Profile Information
Submit the requested information for each of the principals and business entities involved in this project. This information will be used to verify that the applicants and related associates do not have any outstanding debts to the Township or recipients of child support payments. All outstanding Township debts and child support must be paid in full in order for the committee to proceed with processing any application for TIF assistance.

PRINCIPAL PROFILE

The following information must be provided for each individual that is an owner, partner, investor, director or officer of the applicant entity or of any entity holding an interest in the applicant. The information will be provided only to the Director of Finance the purpose of determining whether any of the listed persons have outstanding water bills, traffic or parking tickets, child support payments, or other obligations. All outstanding obligations must be satisfied before the committee will proceed with the application.

Name:	
Home Address:	
Date of Birth:	
Social Security Number	
Driver's License Number	
License Plate Number	

Name:	
Home Address:	
Date of Birth:	
Social Security Number	
Driver's License Number	
License Plate Number	

Name:	
Home Address:	
Date of Birth:	
Social Security Number	
Driver's License Number	
License Plate Number	

Name:	
Home Address:	
Date of Birth:	
Social Security Number	
Driver's License Number	
License Plate Number	

SOURCES AND USES OF FUNDS, DETAILED PRO-FORMA, AND REVENUE PROJECTIONS

Project Name:_____   Date: _____

Developer: _____

SOURCES AND USES OF FUNDS

I. Sources of Funds

Equity
Developer Equity $_____

% of total project costs

_____%Other Equity (__) $_____   _____%

Total Equity $_____   _____%

Loans		**Rate**	**Term**	
Construction Financing	$_____	_____%	_____%	_____%
Permanent Financing	$_____	_____%	_____%	_____%

Government Assistance (_____) $_____   _____%

Other (_____) $_____   _____%

TOTAL SOURCES OF FUNDS $_____   _____%

II. Uses of Funds

$ Per SF of Building Area

Land Acquisition	$_____	$_____
Demolition	$_____	$_____
Site Clearance and Preparation	$_____	$_____
Soft Costs/Fees	$_____	$_____
Soft Cost Contingency	$_____	$_____
Hard Construction Costs	$_____	$_____

III. Detailed Pro Forma (must correspond to line times for Uses of Funds on previous page)

Land Acquisition $_____

Demolition $_____

Site Clearance and Preparation $_____

Infrastructure	$_____
Utilities/removal	$_____
Utilities/relocation	$_____
Utilities/installation	$_____
Hazardous Materials Removal	$_____
Other (_____)	$_____

Total Site Clearance and Preparation $_____

Soft Costs/Fees

Project Management (_____%)	$_____
General Contractor (_____%)	$_____
Architect/Engineer (_____%)	$_____
Developer Fee (_____%)	$_____
Appraisal	$_____
Soil Testing	$_____
Environmental Testing	$_____
Market Study	$_____
Legal/Accounting	$_____
Insurance	$_____
Title/Recording/Transfer	$_____
Building Permit	$_____
Mortgage Fees	$_____
Construction Interest	$_____
Commissions	$_____
Marketing	$_____
Real Estate Taxes	$_____
Other Taxes	$_____
Other (_____)	$_____
Other (_____)	$_____
Sub-Total Soft Costs/Fees	$_____
Soft Cost Contingency	$_____

REVENUE PROJECTIONS – RENTAL PROJECT

			YEAR 1	YEAR 2	>>>YEAR 11
INCOME	SF	AVG			
Commercial Rent	_____	$_____	$_____	$_____	
Commercial Expense Recoveries	_____	$_____	$_____	$_____	
Residential Rent – market rate units	_____	$_____	$_____	$_____	
Residential Rent – affordable units	_____	$_____	$_____	$_____	
Parking Revenue (per space)	_____	$_____	$_____	$_____	
Other Revenue (_____)			$_____	$_____	
Gross Potential Income			$_____	$_____	
Commercial Vacancy	_____%		$_____	$_____	
Residential Vacancy	_____%		$_____	$_____	
EFFECTIVE GROSS INCOME (EGI)			$_____	$_____	
EXPENSES			$_____	$_____	
Maintenance & Repairs			$_____	$_____	
Real Estate Taxes			$_____	$_____	
Insurance			$_____	$_____	
Management Fee			$_____	$_____	
Professional Fees			$_____	$_____	
Other Expenses (_____)			$_____	$_____	
Other Expenses (_____)			$_____	$_____	
TOTAL EXPENSES			$_____	$_____	
NET OPERATING INCOME (NOI)			$_____	$_____	
Capital Expenses (reserves, tenant improvements, commissions)			$_____	$_____	
Debt Service			$_____	$_____	
NET CASH FLOW (before depreciation)			$_____	$_____	

REVERSION IN YEAR 10:

Year 11 NOI before Debt & Capital Expenses	$_____
Capitalization Rate:	_____%
Gross Reversion:	$_____

REVENUE PROJECTIONS – FOR-SALE PROJECT

GROSS SALES VALUE

HOUSING UNITS: Unit Type   Number   Price

_____ _____	$_____	$_____
_____ _____	$_____	$_____
_____ _____	$_____	$_____
_____ _____	$_____	$_____
_____ _____	$_____	$_____
_____ _____	$_____	$_____
_____ _____	$_____	$_____
_____ _____	$_____	$_____
_____ _____	$_____	$_____

Total Housing Sales
  *Indicate Affordable Units $_____

Housing Unit Upgrades $_____

PARKING SPACES: Type   Number   Price

_____ _____	$_____	$_____
_____ _____	$_____	$_____

Total Parking Sales: $_____

COMMERCIAL SPACE: Unit Type   Size-SF   Price Per SF

_____ _____	$_____	$_____
_____ _____	$_____	$_____

Total Commercial Sales: $_____

TOTAL GROSS SALES REVENUE $_____

COSTS of SALES
Commission   _____ % $_____
Marketing   _____ % $_____
Closing   _____ % $_____
Other Costs (_____) $_____

TOTAL COSTS of SALES   _____ % $_____

NET SALES REVENUE $_____

HARD COST CATEGORIES

It is not necessary to provide a detailed cost breakdown, but the hard construction costs indicated in the pro forma must include the items listed below, if applicable.

Site-work
Shoring & Underpinning
Erosion Control & Earth Retainage
Curbing
Paving
Drainage Control
Fencing
Accessories

Concrete
Concrete
Formwork
Reinforcement
Grout

Masonry
Masonry, Stone, Granite, Slate, Glass Block
Mortar/Grout
Reinforcing Accessories

Metals
Structural Framing
Metal Decking
Ladders & Rungs
Grates & Trench Covers
Stairs & Railings
Expansion Control

Wood
All lumber
Connections & Fasteners
Architectural Woodwork
Cabinetry
Hardware

Thermal & Moisture Protection
Water/Damp Proofing
Water Retardants & Repellents
Roofing
Siding
Flashing
Sealants

Finishes
Suspended Ceilings
Lath & Plaster/Gypsum Board
Flooring
Acoustical Treatment
Wall Finishes & Covers

Specialties
Toilet Partitions
Fireplaces & Stoves
Flagpoles
Signage
Lockers
Awnings
Movable Partitions
Toilet Accessories
Shelving

Appliances & Equipment
Window Washers
Kitchen Appliances
Audio/Visual
Laundry
Waste

Furnishings
Window Treatments
Furniture
Special Construction

Conveying Systems
Elevators
Lift
Pneumatic Tubes

Mechanical
Sprinkler System
Plumbing Fixtures
HVAC

Electrical
Conduit & Cabling
Lighting

This Completes Your Application!

Please Return To:

Economic Development Department

2nd Floor Meridian Township Hall

5151 Marsh Road Okemos MI 48864
meridian.mi.us
or
Clark@meridian.mi.us
517-853-4568

Guidelines for scoring Tax Increment Financing Assistance Applications

1. Upon receipt of an application for assistance, a committee established by the DDA consisting of the DDA Chair or their proxy, the Economic Development Director, Township Treasurer and Township Planner shall be convened to review the application packet for completeness and eligibility with program requirements.

2. An application will be considered complete after it has been signed, finances have been reviewed, an assessor's report has been issued and the subcommittee of the DDA has reviewed and authorized it for scoring by the entire DDA

3. The DDA Board shall score the application in accordance with the project priority score sheet included within the application package. While there are is a potential total of 70 points, it is expected that some criteria may not apply for specific projects. In that case, only the criteria that apply shall be scored.

4. For a project to meet the threshold for funding, it needs to receive a score of 70% or higher of the total points available from which the project is scored against. As noted above, some criteria may not apply for specific projects. In that case, the project shall still score 70% or higher utilizing the applicable criteria.

5. The entire DDA Board shall score the application unless a member identifies a potential conflict of interest with the project before the board.

6. The final score will be the average of all scores submitted be the entire DDA Board.

7. The DDA Board reserves the right to negotiate with those projects scoring near the 70% threshold to potentially improve the projects overall score.

8. The DDA Board recognizes that this TIF Assistance Program is discretionary and reserves the right to withhold or reduce funding assistance based on certain conditions that are reasonable to the public interest.

9. If a project meets the eligibility criteria, passes the 70% scoring threshold, the DDA Board will vote to recommend, modify or deny TIF funding assistance. If funding is agreed upon, the DDA will forward the request to the Township Board.

10. Unless the application is denied by the DDA, the Township Board will have final say for funding on all projects. Approved projects shall enter into a formal development agreement with the township

11. If a project is rejected by the Township Board or the DDA, the process starts over with the subcommittee.

To:	**Downtown Development Authority Members**
From:	**Neighborhoods & Economic Development Director Amber Clark**
Date:	**October 4, 2021**
RE:	**Downtown Development Authority Tenant Incentives/Gap Financing**

Recent discussions of financial support of the Village of Okemos has created a new discussion regarding how the Downtown Development Authority will support redevelopment in our downtown. The DDA's primary purpose is to correct and prevent deterioration and promote economic growth within this district. Other purposes of a DDA include reversing declining property values, improving the overall business climate and increasing employment opportunities. Many of these can be economic development tools we use to create a program to incentivize tenancy, redevelopment, and management of the district.

Included with this memo is the adopted 2018 TIF Plan of the DDA. The Development Plan contains proposed improvements that the DDA can fund to position the DDA as a destination place. There are 16 different categories with specific allocations for funding that the Authority has to power to use as an incentive for development. Our discussion today and for the future should be related to what creative ways DDA's (or other Tax Authorities) have spurred development. Best practices proven in other communities has shown us that it will take the Township's cooperation in funding to make a development at the Okemos and Hamilton intersection viable.

Here are examples of local government tax authorities using their TIF funds as incentives for development:

Façade Improvement Programs

Business Improvement Districts

Infrastructure Improvements

Here are examples of local government tax authorities financing projects in alternative ways:

Crowd Source/Fundraising Mechanisms

Annual Festivals

Donations/Gifts

TIF Revenue

Recommendation:
It is our recommendation that the Downtown Development Authority elect incentives for redevelopment through creative programming that attracts, retains and expands business in the Downtown district.

Your concurrence is appreciated.

Attachments:
Michigan Main Street Business Development Toolkit
Michigan Main Street Fund Development Toolkit

BUSINESS DEVELOPMENT TOOLKIT

MICHIGAN MAIN STREET

MICHIGAN

MAIN STREET

CENTER

INSIDE

HOW TO USE THIS TOOLKIT

This toolkit contains information, examples and tools to help guide your Main Street organization's overarching economic vitality approach and related business development efforts.

Best practices, proposed actions, tools and the potential roles played by Main Street organization staff, board members and committee volunteers are offered for guidance, to help jumpstart or refocus the scope of local Main Street economic vitality efforts, and to promote action.

The directions and actions offered are not exhaustive, exclusive or prescriptive. Ultimately, local leaders must assess how the contents apply to local priorities, conditions and opportunities and adapt the framework and tools, accordingly. Moreover, it is our hope that this toolkit's contents will inspire even better or different ideas, practices, and tools that will lead to results and business development success.

CONTENTS

CREDITS AND ACKNOWLEDGEMENTS

CORE PRINCIPLES

Make it Personal

Invest time to build strong relationships—and trust—with district property owners, business community members and economic development partners. Make a commitment to listen, and employ high-touch communications that advance meaningful discussions and demonstrate you care.

Do the Groundwork

Creating and maintaining a current building and business inventory, market information, and statistics tracking changes and progress in the district requires time and attention to detail. Yet, it's this same information that will provide a solid foundation for successful business development initiatives and programs.

Build on Assets

Identify businesses, anchors, attractions and special features that help drive the district's economy and that distinguish the district as a special place. Build on those assets in a way that offers opportunities for existing businesses to grow, and for new businesses and uses to join the mix.

Work Together

Engage stakeholders and economic development partners at the ground level to help build ownership and to mobilize the community's collective talent, experience, expertise and resources to advance local business development initiatives.

Reimagine Spaces

Promote opportunities for the historic rehabilitation, adaptive reuse, and redevelopment of properties and spaces to accommodate entrepreneurs, micro-retail and co-working spaces, and other uses to complement and fill gaps in the district's business mix.

Create a Vibe

Highlight accomplishments, showcase progress and successes, and use testimonials and positive messages to create an air of excitement surrounding the district, its future, and the chance for others to climb on board.

Mobilize Resources

The design and execution of a holistic business development strategy and program is a big job. Simply put, a Main Street organization operating in isolation can't do it alone. It should come as no surprise, then, that the most successful business development initiatives demonstrate high levels of collaboration and leverage the resources, experience and expertise of community economic development partners.

Strong partnerships that engage the full roster of community and economic development players are, in many ways, the underpinning to success and fuel the ability to unleash a downtown's or historic business district's full potential. The list of potential partners can be extensive and often includes the usual suspects along with others who share an interest in the district's livelihood such as:

— Local Government
— Chambers of Commerce
— Area Economic Development Organizations
— Local Arts and Culture Organizations
— Foundations
— Universities and Extension Offices
— Small Business Development Centers
— Utility Providers
— Financial Institutions
— Brokers and Real Estate Firms
— Marketing and Media Organizations
— Others…

Activities revolving around entrepreneurial support systems, business start-up programs, and property development projects offer some of the best examples and illustrate the importance, and impacts, of strong partnerships at work.

BUILDING BLOCKS

INFORMATION, TOOLS AND COLLATERALS

Some of the most important business development program groundwork involves activities to:

— Inventory and map assets and opportunities

— Collect and track information and statistics

— Identify and coordinate efforts with partners and business resource providers

— Design templates and format collateral materials

The work behind these and other related activities, while largely unnoticed by the public, is foundational to the design and execution of business development strategies.

Examples: Building Blocks

- [ ] Building and Business Inventory
- [ ] Available Properties List and Map
- [ ] Property Cut Sheet Template
- [ ] Market Snapshot
- [ ] Community/District Profile
- [ ] Business Resources and Incentives Guide
- [ ] Small Business Journey Map
- [ ] Starting a Business Guide
- [ ] Website Landing Page/Resources Section
- [ ] Community Driving Tour Map and Script
- [ ] Community/District Virtual Tour
- [ ] Virtual Property Tours
- [ ] District Map

BE THE LOCAL MARKET EXPERT
Arm yourself with information to help tell a story and promote business development opportunities.

Secondary Data

Basic information that helps describe the marketplace is typically derived from secondary data sources and includes:

- [ ] Demographic data and projections
- [ ] Psychographic profile
- [ ] Retail sales gap analysis

Secondary data sources include:

- [ ] MEDC: 🖱 siteselection.michiganbusiness.org
- [ ] U.S. Census Bureau: 🖱 data.census.gov
- [ ] Data USA: 🖱 datausa.io
- [ ] Esri: 🖱 esri.com
- [ ] Claritas: 🖱 claritas.com

Primary Data

Locally-collected and tracked data, statistics and insights help existing businesses assess marketing opportunities and opportunities for expansion. The information is also valuable to prospects and their understanding of what's happening on the ground. It's your chance to infuse data, to help tell a story, and to promote opportunities for retention and expansion, new business ventures, and development. Sources and examples include:

- [ ] Consumer and business surveys
- [ ] Property and business inventories
- [ ] Locally-tracked statistics—examples include:
  - ○ Number of businesses
  - ○ Number of employees
  - ○ Occupancy rates
  - ○ Occupancy by industry/business types
  - ○ Net new businesses
  - ○ Net new jobs
  - ○ Private and public investment
  - ○ Number of residential units
  - ○ Estimated annual events attendance

TOOLS AND RESOURCES

- 📄 Business Survey Questionnaire Template
- 📄 Consumer Survey Questionnaire Template
- 📄 MMS Data Resource Guide

BUILDING BLOCKS

EXAMPLES: BUILDING BLOCKS AND ADAPTATIONS
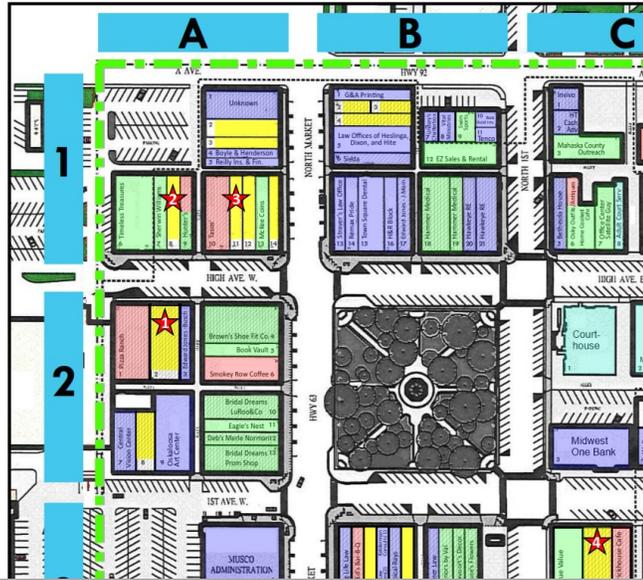
CREATE AND MAINTAIN A BUILDING AND BUSINESS INVENTORY
Your inventory is a key building block for analyzing the business mix, tracking changes, and promoting opportunities.

- ☐ Collect and maintain basic information on ownership, occupancy, use, property value, etc.
- ☐ Create a map to show the location and mix of different business types and uses in the district.
- ☐ Map available properties and spaces.
- ☐ Track investments, changes in occupancy and values, etc.

📄 MMS Data Resource Guide
📄 MMS Building & Business Inventory Tool
🖱 Google Maps *(MyMaps Creation Tool)*
🖱 Visme *(Custom Map Maker Tool)*

BUILD A CASE FOR INVESTMENT
Synthesize information, infuse data, and use visuals to introduce prospects to the community, to highlight progress, and to paint a picture of potential and opportunity.

- ☐ Market Snapshot [Example]
- ☐ Community/District Profiles [1] [2] [3]
- ☐ IMPACT Report [Examples]
- ☐ Driving Tour Map [Example]
- ☐ Virtual Tour [Example]
- ☐ Website Landing Page [Example]

📄 IMPACT Content Collection Guide
📄 MMS IMPACT Pulse Poll Template
🖱 MMS IMPACT Pulse Poll Demo

BUILDING BLOCKS

EXAMPLES: BUILDING BLOCKS AND ADAPTATIONS

KEEP A PULSE ON AVAILABLE PROPERTIES AND OPPORTUNITIES

Showcase available properties and redevelopment opportunities, and promote business types and uses targeted for

- [ ] Maintain a current inventory of properties and spaces available for sale or lease.
- [ ] Create a template and generate cut sheets with images, basic property specs and contact information.
- [ ] Post available properties and spaces on your website with viewable and downloadable cut sheets.

📄 Property Cut Sheet Examples [1] [2] [3]

🖱 Canva Real Estate Flyer Templates

HELP PROSPECTS AND DEVELOPERS NAVIGATE THE PROCESS

Work with local economic development partners to map business start-up and property development processes, to promote resources, and to promote a business-friendly environment.

- [ ] Inventory and summarize available technical assistance and incentives in a resources guide or fact sheets. [Example]
- [ ] Outline and map local business start-up and property development processes. [Example]
- [ ] Create a website landing page for business prospects and developers. [Example]

📄 MMS Small Business Journey Mapping Guide and Checklist

SUPPORTING BUSINESSES

BEST PRACTICES

► Invest time to build strong, personal relationships with, and among, business community members.

► Work actively with partners to facilitate and promote access to business support programs and resources.

► Use interactions and business survey findings to identify needs and to target assistance.

► Advocate for business-friendly policies and ordinances.

ACTIONS TO SUPPORT BUSINESSES

— Examples

☐ Organize a volunteer-led business visitation program or block captains program.

☐ Host business roundtable discussions on timely topics of specific interest to district members.

☐ Host business networking events to build camaraderie, share ideas, and build awareness.

☐ Create a private invitation-only Facebook Group page for business community members to share information.

☐ Conduct an annual or biennial business survey to, in part, identify business needs and to target technical assistance and resources, accordingly.

☐ Work with economic development partners to inventory and promote business assistance resources.

☐ Create a district owner's manual with a "Who to Call" directory for information and assistance.

☐ Host and promote continuing education and training opportunities for business owners and managers.

☐ Share market information with existing businesses, especially those who might have opportunities to fill product and service gaps, to expand, or to reposition themselves in the market to tap into new opportunities.

☐ Orchestrate a social media campaign to highlight and promote local businesses and business owners and their involvement in community causes.

☐ Offer ideas for business to plug-in to events and for cooperative marketing opportunities to capitalize on traffic and gain exposure.

☐ Work closely with local government to communicate and address business community concerns, and advocate for business-friendly policies and ordinances.

Efforts to retain businesses and programs that help businesses expand, create jobs and encourage reinvestment can effectively help to build confidence on the part of other investors and heighten the appeal of the district as a place to relocate, expand, start a business, or invest.

Communicating is not enough. It's about building relationships!

Build a strong foundation for business development activities and success by building strong relationships with— and earning the trust of — business and property owners. Challenge your organization to develop and deploy a mix of high-touch and high-tech methods to engage the players in meaningful ways.

High-touch methods emphasize personal visits, face-to-face conversations and ongoing relationship-building efforts to nurture a personal rapport – and trust – with business owners. Examples include one-on-one business visits conducted by Main Street staff; volunteer-led block captains or business check-in programs; and business roundtable discussions and networking events.

High-tech methods utilize electronic tools and channels to communicate with business community members, as well as other important audiences. Examples include websites, social media posts and features, e-mail blasts and updates, and texting or messaging apps.

High-touch techniques offer chances for local Main Street organizations to communicate in ways that stand out from the sea of messages flooding inboxes, texting apps and social media feeds—and to show you really care.

SUPPORTING BUSINESSES

HOW'S BUSINESS? BUILDING A RAPPORT

Examples: Questions to Get the Conversation Going

— How long have you been in business?

— Did you always want to be a [business type] owner?

— How did you get started?

— Why did you choose this location?

— What's your best selling product?

— How is your industry changing?

— Do you have plans to expand?

— How can we help?

THE EXECUTIVE DIRECTOR'S ROLE

— Maintain current business contact information

— Be accessible, and be visible on the street

— Use pop-in visits—quick and simple business visits—to enhance visibility and nurture a strong rapport

— Become familiar with the full range of tools and resources available to help businesses

— Take time and tap resources to further develop your own business acumen and to better understand the needs of small businesses

BOARD AND COMMITTEE ROLES

— Prioritize business support and retention efforts

— Help organize and facilitate business owner meetings or roundtable discussions

— Participate in, and help enlist additional volunteers for, a volunteer-led business visitation program

— Help develop a block captains program

— Become familiar with local market data, expansion opportunities, and local business resources

ENLIST INITIATE AS YOUR SMALL BUSINESS SUPPORT PARTNER
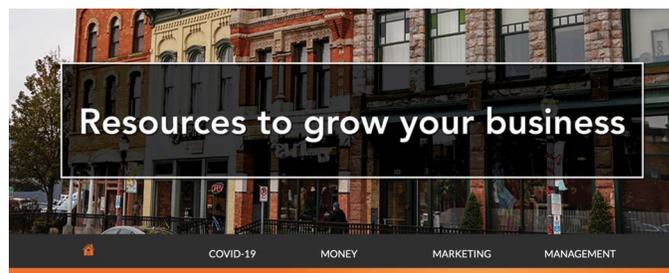
Initiate | Support for Your Small Businesses

What is it?
Initiate is an online learning portal with over 100 resources to help small businesses grow and thrive in today's economy as they explore the topics of money, marketing, and management.

How can I use it?
Initiate can be used as part of your organization's business retention strategy. Access additional tools such as a Business Performance Plan and identify resources on Initiate that you can recommend to small businesses.

Where do I find it?
Get direct access at: medc.initiateprosperity.org.

To learn more about how to use Initiate as part of a more comprehensive business retention strategy and how to coach businesses and refer them to available resources, join the MEDC's Business Retention Series training cohort. See upcoming training dates at miplace.org/small-business.

TOOLS AND RESOURCES

- MEDC Initiate Website
- Business Survey Questionnaire Template
- Example: Block Captains Program Overview
- Example: Block Captain Position Description
- Example: Business Owners Meeting Agenda

BUSINESSES DEVELOPMENT

INTRODUCTION

A strong commitment to business retention can breed confidence among new business prospects and investors, especially as they weigh prospects for long-term success. The rippling effects enhance the ability for local Main Street organizations to:

— Identify and promote opportunities for existing businesses to expand or reposition to fill gaps

— Promote opportunities for entrepreneurs and new business prospects to join the mix

— Heighten interest in district properties and spaces

— Advance appropriate property development and redevelopment efforts to accommodate growth and the many different uses that make for a vibrant district

INGREDIENTS FOR SUCCESS

A host of factors influence business development program outcomes, and there is no guarantee of results. Still, communities and organizations can enhance their chances for success by:

— Demonstrating a strong commitment to business retention and business support initiatives.

— Demonstrating a solid understanding of the market and market trends.

— Demonstrating progress and positive trends through tracking data, visuals and testimonials.

— Demonstrating strong partnerships involving local government, the local Main Street organization, and other community economic development partners are in place.

— Promoting a business-friendly and development-ready environment by providing an outrageous level of personal attention to prospects, helping prospects navigate the development process or the steps for opening a business, and exuding a "can-do" attitude.

— Targeting prospects, investors and developers who have:

• Prior industry experience or who are already operating within the region;

• A connection to the community; and/or

• Concepts or business models that are consistent with identified gaps in the business mix or that are complementary to existing businesses, uses and development patterns.

Some of the best and most immediate opportunities for business growth often revolve around expansion and business repositioning opportunities. Survey findings that showed strong demand for a brewpub helped inspire the repositioning—or metamorphosis— of a Wayland, MI coffeehouse to reemerge as The OpenRoad Brewery.

Rethinking spaces to accommodate different uses and opportunities for entrepreneurs can breathe new life into old buildings, and bolster the business mix. An attractive retail showroom occupies the storefront at Darker Manufacturing in downtown Owosso, MI while the rear of the building houses manufacturing facilities for the company's handmade small batch leather and canvas products.

BUSINESSES OPPORTUNITIES

ACTIONS TO PROMOTE BUSINESS OPPORTUNITIES

— Examples

☐ Perform research to profile and target business expansion and recruitment opportunities.

☐ Work with economic development partners to assess and enhance the local entrepreneurial support system with consideration given to training and mentoring, access to capital, availability of appropriate space, etc.

☐ Explore opportunities for the staging of a business start-up, business plan or "pitch" competition that offers entrepreneurs a chance to enter the market at a low entry cost, or to test market business concepts.

☐ Work in unison with economic development partners to help entrepreneurs and prospects navigate the local business start-up process, and to promote a business-friendly environment.
  - ○ Create a business start-up guide.
  - ○ Work with local code officials to map permitting processes in user-friendly terms.
  - ○ Develop and maintain online how-to business start-up content and a directory to resources.
  - ○ Promote and direct prospects to technical assistance providers and resources (i.e. SBDC).

THE EXECUTIVE DIRECTOR'S ROLE

— Responding to inquiries
— Identifying and making contact with prospects in the surrounding region
— Packaging and providing information about the local market and identified opportunities in a quality format
— Serving as a matchmaker to direct prospects to appropriate properties and resources

BOARD AND COMMITTEE ROLES

— Gauge interest, research examples, and enlist partners to develop and stage a pitch competition
— Work with promotion partners, where needed, to:
  - • Showcase businesses and business activity via social media, e-letters, short videos, etc.
  - • Develop and gain support for small business promotional programs (i.e. downtown scrip or gift cards, shop local initiatives, etc.).
— Develop a new business welcome program (i.e. welcome kit, opening event support, etc.)

RESOURCES TO BUILD YOUR ENTREPRENEURSHIP ECOSYSTEM

Building a Community Entrepreneurship Ecosystem— A Self-Guided Training for Communities

To further the Entrepreneurship Ecosystem building movement, Main Street America developed a self-guided training for communities that walks local leaders through a series of inputs designed to build a greater understanding of the current entrepreneurship support system.

Download the guide here and view the following downloadable supplemental forms referenced in the guide:

☐ Questions for Entrepreneurs Focus Group
☐ Questions for Stakeholders Focus Group
☐ Organizational Matrix
☐ Small Business Survey

MORE TOOLS AND RESOURCES

▤ Example: At a Glance Top Prospects Survey Results
▤ Example: Business Start-up Guide
▤ Exercise: Identify complementary business opportunities in four steps
▤ Exercise: Create a business clustering map and strategy
▤ MEDC/MMS Hands-on Exercises: Entrepreneurship Ecosystem Audits [1] [2]
▤ Main Street America article: Entrepreneurial Ecosystems and the Role of Commercial Districts

PROPERTIES AND SPACES

ACTIONS TO PROMOTE AND SHOWCASE AVAILABLE PROPERTIES AND SPACES

— Examples

- [ ] Use temporary storefront and window treatments (e.g. "This space is not empty, it's full of opportunity!" posters) to highlight opportunities on the street.
- [ ] Organize and host periodic open house-style property tours for prospective businesses, entrepreneurs and investors to tour available properties and spaces.
- [ ] Host a workshop to share hints and tips for building owners to prepare and fill spaces, including examples of funding sources, technical assistance, and commercial leasing practices and options.
- [ ] Host small-scale events, entertainment and networking mixers at opportunity sites.
- [ ] Work with property owners and agents to rethink and adapt or retrofit appropriate sites for pop-up shops, kiosks or other shared space or co-working arrangements; and, possibly, to offer limited-term or rent-reduced spaces as an incentive for new entrepreneurs or pitch contest winners.

THE EXECUTIVE DIRECTOR'S ROLE

- Maintaining a current list of available properties made available online and in a print-on-demand format
- Serving as a matchmaker to direct prospects to appropriate properties and resources
- Sharing information on targeted uses and business types showing potential for expansion and recruitment with property owners and real estate professionals.

BOARD AND COMMITTEE ROLES

- Serving as eyes and ears on the street to monitor changes and to help maintain a current inventory of properties available
- Facilitating connections and helping to enlist partners (i.e. property owners, real estate brokers, local government, financial institutions, small business technical assistance providers, etc.) in efforts to promote opportunities and attract quality tenants.
- Discuss location and space needs with existing businesses to identify possible expansion, shared space, and relocation or trading spaces opportunities.
- Host regularly scheduled property owner meetings to discuss available space and collaborate on strategies for attracting new tenants to promote a wide and diverse variety of business offerings.

THE COST OF AN EMPTY STOREFRONT

A circa 2012 Georgia Main Street-commissioned study conducted by Donovan Rypkema with Place Economics estimated the cost of an empty storefront—or lost economic activity—at more than $386,000.

Estimates and variables have undoubtedly changed in the time since the study was conducted, and could differ widely based on other factors (i.e. geographic location, building size, etc.). Still, the study and resulting estimate of lost economic activity demonstrates how it's in everyone's best interest to fill spaces with active uses, and to maximize real estate—our districts' most valuable commodity.

TOOLS AND RESOURCES

- Presentation: Cost of an Empty Building
- Worksheet: Cost of an Empty Building Calculator
- Example: Vacant storefront treatment signage
- Example: Coming Soon signage
- Example: Property tour window cling
- Example: Property tour event program
- Wallplay Ground Floor Pop-Up Toolkit

DEVELOPMENT OPPORTUNITIES

ACTIONS TO PROMOTE DEVELOPMENT

— Examples

☐ Work with partners to identify and pursue appropriate tools and resources (i.e. grants, tax credits, etc.) to promote development opportunities and to address problem properties.

☐ Using typical historic storefront footprints, create examples of potential building modification ideas to illustrate ways to maximize leasable space.

☐ Package information for development sites in a Request for Qualifications (RFQ) format to solicit interest.

☐ Explore possibilities for the Downtown Development Authority (DDA) to acquire, hold and develop property, as allowed by state enabling legislation.

☐ Review existing land use plans, ordinances, and codes to ensure compatibility with uses targeted for expansion and recruitment, including non-retail uses (i.e. housing, processing and light manufacturing, etc.).

☐ Work with local government officials and partners (i.e. historic preservation commission, planning and zoning commissions, and others) to ensure review processes are streamlined to the extent practicable, and to map development processes and corresponding protocols.

☐ Create a list of possible development group members who might invest in an "at risk" or historic building on short notice if one becomes available. Ensure potential members support rehabilitation that is sensitive to the historic nature of the property and its surroundings.

THE EXECUTIVE DIRECTOR'S ROLE

— Build relationships with local and regional developers and commercial real estate brokers

— Understand your market (i.e. rental rates, opportunities for infill and rehabilitation, etc.)

— Develop an elevator speech on why development should take place in your downtown

BOARD AND COMMITTEE ROLES

— Host an investors and developers meet & greet event

— Assess and understand the organization's structure, authority and capacity for leading and participating in development projects; and draft the organization's policies for actively engaging in real estate development projects

OLD BUILDINGS | CONTEMPORARY USES
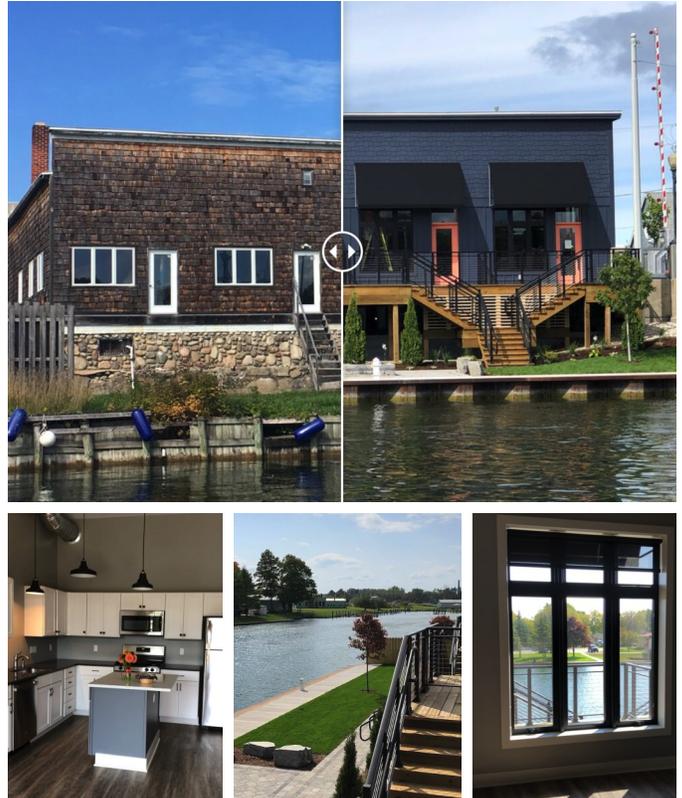
Promoting opportunities goes beyond tactics to simply market properties, buildings and spaces. While those efforts are important, strategies to adapt and maximize space, like the Drawbridge Lofts & Shops redevelopment project in Cheboygan, MI should also consider business trends and related adaptive reuse techniques, including designs to maximize space; strategies for creating micro-retail, pop-up spaces and shared spaces; and development opportunities that could help to accommodate housing and other non-retail uses that, collectively, make for a vibrant district.

TOOLS AND RESOURCES

⌐ State of Michigan Downtown Development Authority (DDA) enabling legislation *(Act 57 of 2018, Part 2)*

⌐ DDA Fact Sheet from MEDC

⌐ MEDC Community Capital Resources

📄 Example: Request for Qualifications (RFQ) for redevelopment site

FUND DEVELOPMENT TOOLKIT
MICHIGAN MAIN STREET

MICHIGAN
MAIN STREET
CENTER

Dorothy A. Johnson Center
FOR PHILANTHROPY

Effective fund development is based on having good information and building effective relationships. It truly is a team sport and organizations will achieve the best results if everyone understands the role they play in fund development.

The toolkit is organized around **10 essential pillars of fund development** that will lead your organization through the process of understanding your sustainability, organizing your development team, and choosing the best development tactics to raise funds. Each section in the toolkit includes tips specific to that area, as well as lists of linked resources that include templates and additional resources.

While many of the elements of this toolkit build upon one another, it is not necessary to read or use it from start to finish. Select a topic where you need help and dig into the resources that are most valuable for your situation. The variety of resources provided in the digging deeper sections are designed to meet the needs of various organizations, regardless of size and life cycle. Explore and customize the templates and resources to best fit your needs.

10 PILLARS OF FUND DEVELOPMENT

1. EVALUATE YOUR ORGANIZATION'S OVERALL SUSTAINABILITY

The sustainability of an organization is never reliant on any one thing, there are many factors to consider. "The Foraker Model of Sustainability" provides a framework in which to consider the well-being of an organization.

The model represents a journey rather than a destination. The model proposes four lenses with which to consider an organization's work along the journey. As each lens is strengthened, so too will the programs and services of an organization become more efficient and effective.

The journey begins with key questions: "Who are we?" and "Where are we going?" Once we have clarity on these two questions, we then look to:

- Having the right balance between staff (whether paid or volunteer) and board members
- Having mission aligned, trusted partnerships
- Having enough funds to meet the mission with the right mix of unrestricted revenue to allow for administration and adaptability

Using these lenses will help your organization understand the dynamics of sustainable programs and services. Good sustainability practices include having an up-to-date:

- **Strategic framework** that sets the future for the organization and guides decision making

- **Marketing plan** that is updated annually
- **Fundraising plan** that is updated annually and monitored regularly
- **Annual budget** that is monitored by leadership, both staff and board, throughout the year
- **Succession plan** to ensure ongoing leadership or the organization, for staff and the board
- **Metrics** to measure your success and guide decision making
- **Bylaws and policies** to ensure accountability for organizational leadership

DIGGING DEEPER

Learn more about the Foraker model through mini video lessons using the links below.

- Focus
- Right people
- Partnerships
- Unrestricted funds

Your organization can also use the "Non-profit Leadership Lab's 14 Attributes of Healthy Non-profits" to help track your organization's progress to becoming more sustainable.

Another resource is the book "Focus on Sustainability: A Nonprofit's Journey."

Last, Bloomerang developed a field manual for non-profit sustainability that also provides indicators and best practices for enhancing organizational sustainability.

FOCUS → RIGHT PEOPLE → PARTNERSHIPS → UNRESTRICTED FUNDS → PROGRAMS & SERVICES SUSTAINABILITY
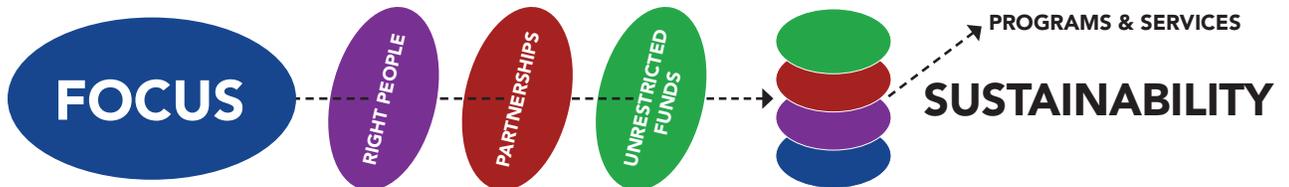
Fund development is mission work and good budgeting is about ensuring that you have enough resources to fulfill your mission. Your budgeting process is about understanding context and aligning your annual work with your strategic focus.

As an organizational boundary line, the board should play a role in developing the budget. The extent of that role will depend on many factors like staffing, size, and relationship to a municipality. At minimum, the board should be involved through a finance committee and also in reviewing and approving the budget before it is put into action.

If you are part of a municipality, make sure you understand how your program budget fits with the entire budget. Be sure to ask questions about where your revenue is expected to come from and what is subject to change over the course of the year. Know what your program budget relies on.

In addition to preparing your annual budget, your organization should be thoughtful and strategic about long-term financial planning for measured organizational growth and scenario planning to help you navigate times of uncertainty. The links will bring you to resources and templates.

BUDGETING TIPS

- Always start with your budget by assessing how much revenue you can generate from all the available sources: grants, individual donors, special events, government contracts, interest income, and earned income. The revenue assessment should include evaluating the past three to five years of revenue to look for trends. Questions you may want to consider:
  - » How does the Main Street budget connect with the budget for the municipality?
  - » Have your revenue streams increased or decreased in recent years?
  - » Is your donor list growing or shrinking?
  - » What is reasonable to expect from grants and other revenue sources in the coming year?
  - » What is the financial condition of your community and how might that impact your organization?
- Once you have a realistic idea of what revenue will look like, then it's time to think strategically about how you will allocate that revenue. Start by developing the budget for each individual program or service you offer.
- Allocate expenses and revenue by month and be realistic about the ebb and flow of each. While some costs are fixed or equal each month, it is important to note in the budget detail where the peaks and valleys are for revenue and expenses. This will help your organization better manage cash flow and properly forecast cash on hand.
- Ensure that the board is part of the process by sharing the various pieces of the budget—program or service budgets. When sharing the budget with the board, be sure to provide both the numbers and some narrative. Narrative should be focused on key areas of change and explaining any new budget items. For example, if there are additions to the staff, this should be explained in a narrative that accompanies the budget.

TIPS FOR MANAGING THE BUDGET

- The board should review the financial health of the organization at least quarterly. This review should include a detailed profit and loss statement, a fiscal year to date budget, balance sheet, and financial forecasting.
- A regular review of fund development efforts is also valuable for the board. This could include how each fundraising appeal performs, a review of fundraising events, financial results of any earned revenue efforts, and reviewing grant and contract management. This regular review could be done using dashboards, and/or reviewing profit and loss statements for each revenue area.
- Management should have financial systems in place that comply with the generally accepted accounting principles (GAAP) and follow both state and federal regulations.

DIGGING DEEPER

- Michigan Main Street budget template
- The Council of Nonprofits has a blog about why budgeting is important and includes a variety of links to other resources
- Strong nonprofit toolkit from the Wallace Foundation (includes budgeting templates and guides)
- Ten-step guide to budgeting
- Guide to budgeting for small nonprofits
- Four budget templates that include program and annual budgets, cash flow projections, and a grant budget template

Fundraising is transactional, the things we do to raise money for our organization.

Good fund development is a strategic approach to developing donor relations. To move your organization from fundraising to fund development requires that you first have a good framework in place for fundraising and then you take a strategic focus in arranging fundraising actions in such a way that you develop relationships.

Fundraising asks: How can I raise money?

Fund development asks: How can I build relationships to maximize funding for our mission?

DIGGING DEEPER

Learn more about fundraising and development with these resources:

- Best fundraising blogs
- Principles of fundraising
- Fundraising and development resources
- All about fundraising: tools and resources
- Fundraising bright spots
- Book: "Fundraising for Social Change," by Kim Klein

A FRAMEWORK FOR FUNDRAISING SUCCESS

FUNDRAISING STRATEGY

- What level of philanthropic support do we need to raise and for what purposes?
- What level of philanthropic support is feasible to raise?
- What activities and investments are necessary to reach that goal?

DONOR ENGAGEMENT

- What are the most effective ways to identify and engage new prospects?
- What activities will motivate continued and upgraded gifts from current supporters?

CASE FOR SUPPORT

- What aspects of our work and vision will inspire the greatest philanthropic support and have the greatest impact on our mission?
- How will we communicate our goals and vision most effectively to different constituencies?

LEADERSHIP

- Which volunteer(s) or group will serve as the primary champions for fundraising within our action coalition?
- What is the most effective way to engage and support other volunteers in advancing our fundraising work?

INTERNAL OPERATIONS

- What (if any) staffing will be necessary to support our fundraising program?
- What systems do we need to have in place to organize and accurately track our work?

Source: Core Pillars of Successful Fundraising, Campbell & Company, Campaign for Action

A successful fund development program includes creating a culture of philanthropy throughout the organization. Everyone must understand that they play a role in ensuring the organization has adequate funding to effectively carry out programming. This requires shared values and practices to support fund development.

Within this culture of philanthropy, it's important to build a team dedicated to fund development efforts. Ideally the team will include staff, volunteers, and board members.

STEP ONE: Determine an effective team structure

Creating a team starts with setting a structure to facilitate your fund development efforts. One effective structure is to develop a Community Relations and Development (CRD) team. The CRD team should include the staff liaison that is responsible for development, a couple of willing board members, and some community volunteers.

STEP TWO: Recruit fundraising volunteers

Tips for recruiting and maintaining the fundraising volunteers:

- Be clear on expectations, including how much time will be required and what the goals are for the committee.
- Provide various levels of engagement that include serving on the CRD committee or serving on a committee for a specific fundraising activity, or working on one event.
- Make volunteer engagement fun and beneficial for those involved. It's not about the organization needs, it's about what the volunteers can bring!
- Make the process easy for people to get involved by providing clear communication, training, and ensuring that the committee has the resources it needs to be successful, things like:
  » Agenda and report templates
  » Sample work plan templates
  » Detailed budget
  » Have an attitude of gratitude

STEP THREE: Ensure the board understands their role

Make sure the full board understands their role in the fund development process, beyond the few board members who may serve on the committee.

- **Ethics and accountability:** The board and individual board members are responsible for ensuring the public's trust as a part of their fiduciary responsibility. The board must ensure that the organization is acting ethically in the way that it is raising and spending funds, and is communicating honestly with the public.
- **Financial oversight:** Board members are responsible for ensuring the organization's finances are in order. The board must make sure that the organization has the money it needs to sustain its mission, that it is spending resources wisely, and that it has a reasonable plan for sustaining programs into the future.
- **Relationship building and network:** Board members can write notes to thank donors, take donors to lunch, host small events, and invite donors to your organization's fundraising events. They can also help your organization connect by making introductions to key community leaders and potential funders.
- **Planning:** Board members can serve on fund development and event committees to help with planning and implementation.
- **Giving:** Board members should be making personally significant contributions in support of the organization's mission.

STEP FOUR: Develop internal systems to manage fund development activities

Good fund development work relies on knowing your donor and having systems in place to manage relationships and track information. Systems to facilitate fund development include:

- Budgeting to ensure the organization has tools and resources for fundraising success
- Staff and/or volunteers to plan, support, and execute the work
- System to track and acknowledge donor gifts
- System to track donor communications and connections
- System to ensure the ethics of fundraising and the rights of donors are being honored

DIGGING DEEPER:

- Building a culture of philanthropy for your organization
- How to engage your board as fundraisers
- Nine ways to motivate and engage your board members to raise funds
- Rachel Muir: Do's and don'ts of getting boards to fund raise
- Rachel Muir: Board member guide to fundraising
- Five simple steps to turn volunteers into fundraisers
- Role of the board member in fundraising
- Board communication kit
- Volunteer engagement toolkit
- Michigan Main Street volunteer toolkit
- Volunteer management toolkit

Here are additional resources to help you select software and design internal systems to facilitate fund development work:

- Top 10 donor management software report
- Fundraising Code of Ethics
- Donor Bill of Rights

5. IDENTIFY YOUR ORGANIZATION'S EXISTING REVENUE SOURCES

Any organization is in danger if it relies solely on one source of funding. There is no perfect mix for the right revenue sources, each organization must evaluate their own risk by understanding how much they stand to lose if one funding source goes away. If you rely on one source of revenue for more than 40 percent of your annual budget, you have to ask yourself will the organization survive if that one source goes away. Having a good mix of revenue will make you less vulnerable and create more sustainability.

This graphic helps you understand where revenue comes from in the non-profit sector:

49% EARNED Private fees for services

31.8% EARNED Government grants/contracts

8.7% DONATED Individuals

2.9% DONATED Foundations

1.5% DONATED Bequests

0.9% DONATED Corporations

5.2% Other

Copyright ©2019 National Council of Nonprofits (www.nonprofitimpactmatters.org)

Earned revenue accounts for the majority of funds in the sector. Consider these potential earned revenue sources:
- Fees for training your organization provides
- Rental income from property your organization owns
- Selling merchandise or cause marketing partnerships
- Investment income from savings or endowment funds

DIGGING DEEPER
To help you understand your own funding mix, the Association of Fundraising Professionals, BoardSource, and several partner organizations, designed underlined fundraising effectiveness tools to help you measure your organization's dependency on top funding sources and your fundraising effectiveness. These templates will help your organization balance the risk and rewards of fund development by calculating:
- How much money you have to support the mission. This fundraising net = total amount raised minus fundraising expenses.
- The extent to which your organization is dependent on top donors. This dependency quotient helps you understand the risk and resilience of your organization and is equal to the sum of contributions from the five largest donors or funders divided by your organization's expenditures.
- How much money you spent to raise the funds. This cost of fundraising is calculated by dividing the total fundraising expenses by the total fundraising net revenue.

Your organization can use these tools below to help measure fundraising effectiveness:
- Understanding and evaluating your fundraising strategy (toolkit for board and staff)
- Tool to help calculate organization's fundraising effectiveness (Excel document)
- Measuring Fundraising Success (conversation guide for board and staff)
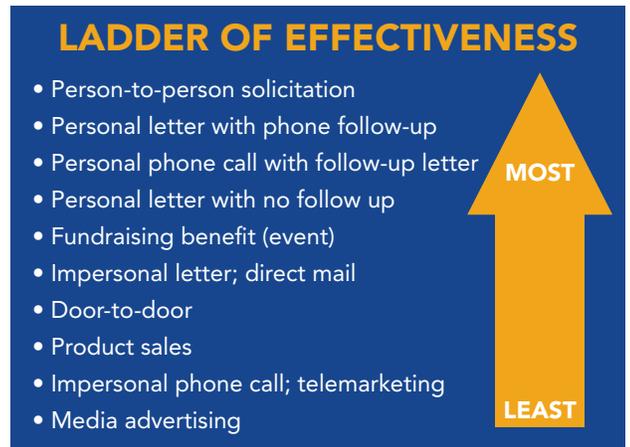
BLOG POSTS AND ADDITIONAL RESOURCES
- Five best ways to generate earned income for your nonprofit
- How to get donations: 18 ways the pros are doing it
- Non-dues revenue: the basics
- Building multiple revenue streams: This guide will walk your organization through the five steps of the revenue development process:
  1. Assess goals for the future and current resource capacity
  2. Identify your income strategy
  3. Select an appropriate revenue source
  4. Develop and execute a revenue resource plan
  5. Evaluate results and strive for improvement
- How to raise $1,000 in 10 days

Not all fundraising tactics are the same. A robust fund development plan should include a variety of tactics that not only generate revenue, but work together to build relationship.

Each fundraising tactic carries a different level of effectiveness and return on investment. A good development plan uses a variety of fundraising tactics. Choose fundraising tactics based on goals and organizational capacity, both people and financial resources.

LADDER OF EFFECTIVENESS

- Person-to-person solicitation
- Personal letter with phone follow-up
- Personal phone call with follow-up letter
- Personal letter with no follow up
- Fundraising benefit (event)
- Impersonal letter; direct mail
- Door-to-door
- Product sales
- Impersonal phone call; telemarketing
- Media advertising

MOST

LEAST

Source: Henry Rosso, "Achieving Excellence in Fundraising," Jossey-Bass

FUNDRAISING EFFECTIVENESS CHART

Ways/places for asking for support	Definition	Effectiveness tips	Prospect ratio	Average cost per dollar raised
Direct mail	Money raised through the mail by sending a solicitation package to a broad base of potential supporters.	Most effective way to achieve these *new* donors: repeated solicitations	100:1	$.80–$1.25
Telemarketing	Money raised through the telephone by calling with a solicitation script to a broad base of potential supporters.	Most effective way to achieve these *new* donors: repeated solicitations	10:1	$.10–$ .20
Fundraising event	Money raised from individuals who are new to the universe of your organization or upgrading to a higher level through the sale of tickets and other event collateral	Most effective way to achieve these donors: multiple solicitation tactics	Direct mail sales 100:1; Face-to-face sales 4:1	$.50
Corporate sponsorship	Money raised from corporations who support the work of your organization and/or are seeking recognition opportunities	Most effective way to achieve these donors: face-to-face solicitations	4:1	Widely variable; approximately $.10–$.
Grants	Money raised from private and public foundations and/or various branches of the government	Most common way to achieve this money: grant applications	11:1	For program grants $1.00; for operating grants <$.15
Individual donors	Money raised from individuals who support the work of your organization at a philanthropic level	Most effective way to achieve these donors: face-to-face solicitation	4:1	<$.10

Source: Community Toolbox, Marketing The Initiative to Ensure Financial Support

FUNDRAISING TACTICS
ANNUAL APPEALS (DIRECT MAIL)

Direct mail is a useful tool for any organization, particularly during the fourth quarter of the calendar year when people are in the giving spirit for the holidays. The number of appeals you want in a calendar year will depend on the culture and relationships you have. At minimum, send one appeal requesting a philanthropic gift in the fourth quarter to potential donors.

Creating annual appeals is best done when you have a plan that connects appeal letters to an overall fund development strategy. One key to good direct mail is having a clean list with proper donor addresses.

Tips for writing an effective appeal letter:
- Make the letter scannable by putting some text in bold or italics, using short paragraphs, and lists
- Make a specific ask by naming the desired amount —based on recent giving—and noting what the gift will do
- Use donor centered language, like "you" and "your," not "I" and "we"
- Make the letter visually appealing with a picture or interesting graphic
- Tell one key story in the letter that demonstrates the impact of your mission
- Choose a theme and repeat it several times throughout the letter
- Assume that the donor will give by including thank-you language
- Create urgency with active language and a clear call to action
- Include a postscript with a clear call to action —research shows that the P.S. is often read first
- Make sure the envelope has a real, first class stamp on it—if you are a 501C3, large mailings of over 200 pieces may qualify for bulk mailing and non-profit bulk mail stamps
- Include a response piece that can be returned with the gift

Tips for an effective response piece:
- Make sure it's branded
- Include three to five suggested giving levels
- Include matching gift information
- Provide space for full credit card information

Digging deeper:
- Appeal letter samples
- Sample response pieces for fundraising by mail
- 10 Tips to create a fundraising appeal letter that brings in the money
- 10-step annual appeal from start to finish
- Sample appeal letter

SOCIAL MEDIA AND ONLINE FUNDRAISING

Good fund development relies on using various channels of communication and giving options, including social media and online fundraising platforms.

Tips for using online communication and fundraising:
- Be sure that any online communication you use—website, online giving platforms, e-newsletters, etc.—are optimized for mobile use
- Ensure that all online communication is branded consistently for the organization
- Create easy enrollment online for recurring gifts
- Leverage existing relationships for online peer to peer fundraising
- Use digital ads on platforms like Google and Facebook
- Don't try to master all social media platforms, get really good at one of them and when you have the capacity, add another platform
- Know how to message for each social media platform

Digging deeper:
- M + R Annual Digital Benchmarks
- What is digital fundraising
- 2020 Digital fundraising report
- Peer-to-peer fundraising checklist
- Guide to virtual fundraising
- Crowdfunding platforms reviews
- 11 Best fundraising sites for individuals and non-profits
- Seven practical tips for leveraging social media
- Social media pros and cons for each platform

SPECIAL EVENTS

Events play a vital role in the fund development plan. Not only can special events help raise dollars, but also build relationships, cultivate new donors, and introduce people to your organization.

It is important to choose the right event to raise fund for your organization. You can use this events benefit grid to evaluate the type of even that helps meet your organization's needs.

Once your organization has chosen the right event to raise funds, you can use this event planning guide to plan your event.

Tips for working with sponsors:
- Setting prices for sponsorship packages
  » Estimate the actual cost of the package, including meals, advertising, etc.—this should represent approximately 25 to 30 percent of the total sponsorship cost
  » Estimate the value of the promotion the sponsor will receive—this should represent about 25 to 30 percent of the total sponsorship
  » The remaining 40 to 50 percent of the sponsor fee will be a donation
- Cultivating sponsors
  » Start with existing relationships
  » Leverage relationships to expand your network
  » Use creative outreach by securing lists and noticing who sponsors other community events

Special event ideas:
- First Thursdays—brings hype, movement, art (wine/coffee/beer)
- Business breakfasts—local business owners, property developers, city officials
- Restaurant week
- Beer/local specialty tours
- Benefit concerts
- Community projects of public art

Digging deeper
- Questions to ask before a special event
- Special events blog and resources
- Corporate sponsor basics
- Ultimate guide to fundraising sponsorship

MAJOR GIFTS

As your donor pool grows you want to begin cultivating larger gifts from dedicated donors. Every organization needs to set its own major gift threshold. To set your major gift level, look at your top ten individual donors and consider their level of giving. This will give you a range within which to set your major gift level. There is no perfect number, it simply has to feel comfortable for your organization.

Tips for cultivating major gifts:
- Identify your 20 to 50 donors and evaluate their ABCs:
  » **Access:** can you gain access to the donor for in person conversations
  » **Belief:** does the donor believe in the mission
  » **Capacity:** evaluate whether the individual has the capacity to give more—this can be done by talking to others who know the donor or doing research online of property records, or other public records that indicate higher income
- Create a communication schedule for this small group that includes special touch points at least once a quarter—touch points could include: a handwritten note, sending a small token of appreciation like a mug or such, sending a birthday card, a special e-news with "insider" information, taking them to lunch or coffee, a holiday card, etc.
- Build a relationship of trust through one-on-one conversation and expressing gratitude for previous giving
- Invite the donor to give at the major gift level
- Invite the donor to share their decision with others in their circle of influence
- Repeat the process

Digging deeper
- The Ultimate Guide to Getting a Major Gift Program Started
- Five simple steps to a major gift program
- Relationship mapping and major gifts toolkit
- Non-profit Learning Lab Step-by-Step Guide to Major Gifts

SUSTAINABLE DONORS

Regular monthly (or quarterly) donors help create sustainability for your organization.

Benefits of a monthly giving program:
- Provides predictable revenue
- Creates a multiplier effect as small gifts add up to large revenue
- Increase overall donor giving for someone who can only afford a small amount at one time—a $10 per month gift adds up to a $120 for the year
- Increases donor retention: monthly donors are far more likely to continue giving than someone who gives a gift once or twice a year

Tips for setting up a sustainable donor program:
- Create a fun name for a giving club to promote monthly giving
- Set a base gift and three or four giving levels for the club: it's important to quantify the gift amounts; for example, $20 per month will help us fill in the blank
- Create ways for people to sign up and give: make it easy to join online through Paypal, ACH, or a customized giving platform
- Promote the giving club in all of your regular communications
- Host a special event or special campaign to cultivate the first members of the giving club

Digging deeper
- Ultimate guide to monthly giving program
- Quick tips for creating a monthly giving program
- Quick start guide to monthly giving
- Erica Waasdorp is a monthly giving specialist who offers free resources and various tips on her website to help you build or improve your monthly giving program

After you've evaluated your organization's budget and available resources and determined the best fundraising tactics for your organization, it's time to put together a plan of action. The format is up to you and what works for your organization in terms of your culture and capacity.

When planning it's important to understand how much money you have the capacity to raise. Completing a gift range chart can help you think through whether or not you have the right contact to raise the desired amount. A gift range calculator can help determine the range of gifts needed and the number of prospects necessary. Each desired gift typically requires four to five prospects.

Tips for developing fundraising plan:
- **Necessary resources:** identify the resources your organization has for fundraising efforts, including the budget, volunteers, and staff resources
- **Cultivation and communication activities:** include both cultivation activities to identify and develop new donors, as well as communication tools and channels to develop relationships
- **Financial goals:** be clear and realistic about financial goals for the fundraising efforts

- **Solicitation strategies:** map out the fundraising tactics (in Section 6) and timing for asking for funds
- **Strategic goals:** include strategic goals for how fund development efforts fit into the broader work of the organization
- **Evaluation criteria:** have clear criteria on what will be measured
- **Timetable:** set clear deadlines for each action in the plan

DIGGING DEEPER
- Creating an effective fund development program
- Fundraising operating plan template
- Create an effective fundraising plan
- Annual fund strategies
- Rachel Muir: Stewardship plan
- Non-profit Learning Lab fundraising plan step-by-step guide
- 10+ fundraiser worksheet templates
- Sample fundraising plan
- SPLKA Sample plan
- Community Relations and Development action plan template
- Fundraising on a budget
- Fundraising budget template
- Gift range chart template

The case statement is a foundational document for your organization to demonstrate why you need to raise funds. This document provides the basic language your organization will use to talk about your work and it can be customized for various campaigns.

Key elements to include in a case statement:
- **Organizational history:** provide the key story of how your organization began and why you exist, this section should include your mission, vision, and key milestones
- **The need:** explain the need you're trying to meet; this explanation should include both data-based evidence and anecdotal story that represents your story
- **The solution:** explain what your organization is doing to meet the need, this includes a brief description of your core programs
- **Why you and why now:** describe why your organization is uniquely qualified to do the work and why it matters now, create a sense of urgency
- **Action desired:** tell donors what action you want them to take to help your organization achieve its mission

DIGGING DEEPER
- How to Write a Case Statement for Today's Donors
- Case statement worksheet
- Nonprofit Learning Lab: Creating a Case Statement Step by Step Guide
- Book: "Making the Case: The No-Nonsense Guide to Writing the Perfect Case Statement," by Jerold Panas

STORYTELLING FOR FUND DEVELOPMENT
Good fund development relies on good storytelling of your organization's mission and the impact you have on the community.

Why stories matter:
- Stories provide connection
- Stories help us merge meaning with emotion
- Stories provide clarity
- Stories have the power to influence action

Tips for constructing your story:
- Focus on the foundation of story: consider what you want the story to accomplish
  - » What do you want people to *think*?
  - » What do you want people to *feel*?
  - » How do you want people to *act*?
- Focus on the "hero's journey:" every classic story includes the hero's journey
  - » Set-up: demonstrate the need, what was happening before contact with your organization
  - » Intervention: how did your organization intervene
  - » Resolution: what was the result of that intervention
- Create an engaging story by answering these questions:
  - » Whose story is it?
  - » What's happening?
  - » What's at stake?
  - » What's the call to action? Create urgency
- Compose a good story by developing a good character and sharing the character's point of view
  - » The character is not your organization, it is who your organization impacts
  - » Use key details to bring your character to life
  - » Create emotion, particularly empathy, to connect your character and create "physiological arousal:"
    - Positive arousal = awe, excitement, amusement and humor
    - Negative arousal = anger, anxiety (if we're content or sad we will not be moved to action)

DIGGING DEEPER
- Storytelling samples and tips
- Storytelling guide

Good fund development work is relationship based. It's a strategic, intentional process of identifying and cultivating people who care about your mission.

The donor engagement cycle includes:

- **Recruit and inspire:** everyone is a prospective donor; your job is to share the story in a way that will inspire people to connect with your organization
- **Learn:** once an individual knows who you are, you want to help them learn about the mission so they will connect more deeply
- **Engage:** show donors the work and get them involved in some way, create two-way communication to build an authentic relationship

- **Ask:** research shows that the number one reason people don't give is because they are not asked— asking can take many forms as noted with the various fundraising tactics discussed in Section 6
- **Thank:** while the linear graphic represents thanking a donor after they've been asked, thanking really begins at the moment of first contact and continues throughout the relationship
- **Repeat:** fund development is a continual process

DIGGING DEEPER

- Building and sustaining relationships
- Donor retention toolkit (sample timeline, letter and card templates and checklists)
- Donor segmentation
- Constituent engagement
- 23 Ways to appreciate donors

Recruit/inspire   **Learn**   **Engage**

DONOR ENGAGEMENT LIFECYCLE

Ask   **Thank**   **Repeat**
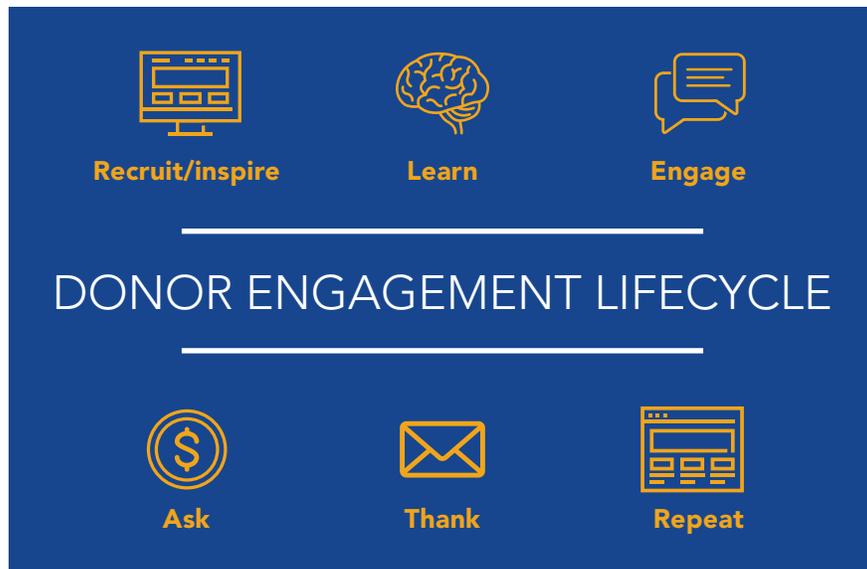
Setting clear goals and metrics to measure fundraising success will help your organization stay on track and show the results of the hard work. Your organization will need to measure more than just how much money was raised.

What to measure:
- Number of contacts with donors
- Fundraising goals
- Increases in giving
- Donor engagement
- Number of renewed and new donors
- Volunteer and board engagement

DIGGING DEEPER

- Fundraising fitness test
- Fundraising net analyzer
- Giving USA Resources and Insights is filled with articles, reports, and other resources to help deepen your understanding of giving in this country
- 16 Fundraising metrics

MICHIGAN ECONOMIC DEVELOPMENT CORPORATION