

Downtown Development Authority of City of Madison Heights

Memorandum

Date: August 17, 2023

To: Downtown Development Authority Board Members

From: Giles Tucker, Community Development Director

Subject: MHHP Agreement Renewal 2023-24

Beginning in October 2022 and finalized in January 2023, the Madison Heights-Hazel Park Chamber of Commerce (MHHP) and the DDA entered into a service agreement where the chamber would provide marketing and promoting activities for the DDA in exchange for a total \$10,000 to be paid in quarterly installments of \$2,500. This agreement included that the chamber would report performance measures and financial information to the DDA annually and provide updates to the DDA board monthly and quarterly on their activities impacting the DDA area and its businesses.

Over the past year, the chamber has met the spirit of its reporting requirements on a quarterly basis, and has made significant progress in increasing membership, establishing best practices, improving events, and demonstrating the value of chamber membership. Both the City of Madison Heights and Hazel Park have committed to renewing their own agreements with the Chamber through 2024. Today, the Chamber is seeking to renew the service agreement with the DDA.

I have included a revised agreement and a report covering the activities performed by the chamber for the DDA over the past three quarters in this packet. This revised agreement removes the monthly reporting section and adds specific performance measures to be included in the annual report presented to the DDA annually. In my view, monthly reporting is excessive given the weekly collaboration and updates that the chamber and I have. By eliminating the monthly reporting but including these measures the chamber will be reporting on performance measures that can be compared year to year, and not over reporting activities we already know have occurred.

Staff Recommendations

Staff believes that small businesses, including those in the DDA are best served when we have an active Chamber of Commerce. A local chamber can potentially provide opportunities for businesses to network, get involved in community activities, and a place to go for business support resources and training where a local government may not be able to. The MHHP chamber has made significant progress in building its membership and has proven helpful in building connections with potential new business in the downtown area. For these reasons staff recommends that this service agreement should continue for another year for a total of \$10,000 paid quarterly.

MHHP Chamber/MHDDA Activity FY22-23 Q1-Q3

Notable DDA Activities

- ❖ **DDA Promotions/Marketing Activities:**
 - ❖ “Love our Local Business” promotion. Passed out roses to 25+ DDA businesses.
 - ❖ 2nd Annual Green Crawl” promotion. Confirmed business participation, made poster, and visited participating businesses.
 - ❖ “Golden Egg Hunt” promotion planning efforts for May 2023. Gathering participating businesses coordinating with DPS to highlight parks. Event delayed to Spring 2024 due to scheduling conflict with other community activities/events.
 - ❖ Attended MHDDA Promotions Committee Meetings
 - ❖ Attended MH DDA Board Meetings
 - ❖ Ribbon Cutting and other promotional sharing at Frosty Ice Cream Scoop-26137 John R
 - ❖ Provided several bags of swags and other promotional items from local businesses towards Wounded Warriors Fundraiser with Jack Huffman event at the Fire Station #2-July 12th event.
 - ❖ Create flyer and share on social media of Kabob Royale’s temporary closing due to family emergency.
 - ❖ Photo Op with Jet’s Pizza-11 Mile to share We are Hiring Campaign
 - ❖ Photo Op with Miss NeNe’s Child Care to highlight new DDA Banners installed

Notable Retention, Attraction, Relocation & Expansion Visits & Activities

- ❖ Predevelopment Meetings
 - 27117 John R (Sav-a-Lot) Site Visit with listing broker, city staff and prospective purchaser.
 - 27641 John R (Farnum Plaza, Former Thang Long Restaurant) Site Visits with prospective tenants, brokers and property owner.
 - 27308 John R (BA’s Barber Shop) Site Visits at multiple locations in DDA/MH City for BA’s Barbershop owner.
 - 935 W. 11 Mile, Boodles Restaurant and the adjacent units. Site visits with 3 prospective purchasers, property owner, city staff and DDA Board Member Jarbo. Served as liaison to the property owner on all follow-up questions from prospective purchasers.
- ❖ Retention Visits
 - Connected DEGC contact with Diamond Jim’s Owner
 - Relocation services for Big Al’s Barbershop within DDA area. Introduced two Madison Heights spaces for lease.
 - Relocation services for Iron Body Fitness Studio. Arranged showings in DDA area.
 - Connected few prospective food service partners with Cadillac Straits Brewery for their revamped restaurant offerings.
 - Walked DDA District with DDA Promotions Chair Mike Sheppard & Giles Tucker to share DDA activities, collect/update business contacts. Plans to continue walk to other parts of district in the fall 2023. (West 11 Mile, from John R to Service Drive, Gardenia to 11 Mile)

❖ Chamber Member Referral

- College Hunks Hauling Junk- Introduction to Fire Marshall Biliti and PD Chief Haines
- Connected Health Market with Baldwin House
- Connected CAPS Remodeling with opportunity to install ADA ramp for MH resident.
- Assisted staff in connecting with Empire Plumbing to help a resident in need.
- Connected John R Glass with Shelving Inc for quote for glass installation.
- Member to member referral with Young Bowling and Mia's Bar & Grille on Sunset Networking/Referral Group.

New Chamber Membership Growth

The Chamber grew by 106 members from January-July/August including the following DDA businesses:

- | | |
|---------------------|----------------------------------|
| 1. 27651 John R Rd | Cadillac Straits Brewing Company |
| 2. 26096 John R | Minutemen Staffing |
| 3. 832 W. 11 Mile | College Hunks Hauling Junk |
| 4. 26346 John R | Artech Printing |
| 5. 222 W. 11 Mile | Biggby Coffee |
| 6. 333 W. 11 Mile | Miss NeNe's Day Care |
| 7. 26137 John R Rd | Frosty Scoop Ice Cream |
| 8. 26733 John R Rd | John R Glass |
| 9. 26122 John R Rd | Amori's Market |
| 10. 27633 John R Rd | Northern TV & Audio |
| 11. 630 E. 11 Mile | Woodpile BBQ |

MEMBERSHIP GROWTH REPORT

Baseline Total Membership based on Master Membership List

October 2022 Paid Membership: 3+80=83

November 2022 Paid Membership: 5+83=88

December 2022 Paid Membership: 9+88=97

Quickbooks Adjustment Total for YR 2022: 111 (Proposed Budget Number)

January 2023 Paid Membership: 32+111=143

February 2023 Paid membership: 143+6=149

March 2023 Paid to date Membership: 149+21=170

April 2023 Paid to date membership: 170+15=185

May 2023 paid to date membership: 185+9=194

June 2023 paid to date membership: 194+8=202

July 2023 paid to date membership: 202+5=207

August 2023 paid to date membership: 207+10=217

(as of August 2, 2023)

Difference: 106

Total Current Paid Membership: 217

*Based on list as of 8-2-23

(*New/Renewal Chamber Membership (June 2023 to August 2023))

Includes member that have not signed up as members 2+ years.

1. City of Madison Heights Q2*	300 W. 13 Mile, MH
2. MH DDA Q2*	300 W. 13 Mile, MH
3. Aflac-Maria Varsch (New)	451 W. Kalama, MH
4. MRA*Industrial Level (New)	950 E. Whitcomb, MH
5. LB Office Supplies (New)	899 Mandoline, MH
6. Healing Haven (Renewal)	30821 Barrington, MH
7. C&G Newspapers (Renewal)	In-Kind
8. Simiron Inc* Industrial Level, (New)	32700 Industrial, MH
9. Red Robin Restaurant (New)	31805 John R, MH
10. CoCo Clare Salon (New)	28145 John R, MH
11. Team Rehab (New)	1467 E. 12 Mile, MH
12. Flagstar Bank (New)	31049 Dequindre, MH
13. DFCU (Renewal)	600 E. 14 Mile, MH
14. PNC Bank (New)	28841 John R, MH
15. RTM Supplies (Renewal, \$500 Level)	Warren, MI
16. Trevco (new)	32450 N. Avis, MH
17. Energy Products (New)	1551 E. Lincoln, MH
18. Detroit Hitch Co (New)	651 Rochester, Clawson
19. Master's Restaurant (New)	1775 E. 13 Mile, MH
20. Our Credit Union (Renewal)	3071 N. Normandy, RO
21. ReMax in the Park (New)	22200 John R, HP
22. Fraternal Order of Police (New)	1457 E. 12 Mile, MH
23. Butcher & Packer (New)	1780 E. 14 Mile, MH

Total Renewal/In-Kind: 7 (includes Q2 payments from City/MH DDA, 1 Industrial Level)

Total New: 16 (2 at industrial level of \$500)

Total Current Membership to date: 217

Notable Milestones & Activities

- ❖ **Chamber E-Blast via MailChimp:** Weekly E-Blast Announcements generated and shared with membership. 38 Editions as of August 2, 2023. Weekly editions include information on upcoming community events/activities.
- ❖ **Social Media Platform Management:** Multiple/Daily Social Media Postings to highlight local businesses/members and chamber activities. Goal of content posting 1-2/daily or active weekly postings. Board Members/Active Members are encouraged to share and like daily postings.
- ❖ **Special Events/Holiday Offerings/Promotions:** Coordinate monthly E-Lounge sessions with topics relevant to small businesses. Rotate venues and times between both communities. Coffee and Chats with MH City Manager Melissa Marsh and HP City Manager Ed Klobucher. Other special E-Lounge guests include Police Chief Corey Haines, Local Business Leaders from MHHP Community. Other events include Cybersecurity event with FBI, Active Shooter Training with MHPD, Ribbon Cuttings, Small Business Retreat, Police Appreciation Week, DPS Appreciation Week, Bi-Weekly BRAND Meetings and Promotion of Members, Community Round Table, and other civic/community/holiday events.
- ❖ **Shop Small Saturday Campaign:** Highly successful “Get Caught Shopping Small” Campaign to promote and engage small businesses in both communities. High rate of participation from local businesses from both communities. Elected Officials, City and School District Leaders invited to participate by “getting caught” shopping throughout the month of November leading to Shop Small Saturday –November 26, 2022. Visited over 12 small shops in MH & HP and surrounding cities to take selfies and promote “Shop Small Saturday” on November 26th. Highlighted the visits by posting all selfies on OC’s sweepstake post and also posted all visits on Chamber social media postings.
- ❖ **Culture, Food & Networking Events** –Strive for monthly events at rotating restaurants offering different cuisines from “Around the Globe.” Unique kind of casual networking with an emphasis on the different international cuisines and the culture associated with the restaurant or the small business owner. Events typically scheduled around lunch time with participation level at 15-20+. Restaurants that hosted in 1st quarter-3rd quarter: Loan Vision with Beyond Juice & Detroit Wings, Lao Pot, NoodleTopia, Super Tacos, 168 Market. Other “Around the Globe in MHHP Community activity planned include Kimchi Making Workshop (September 2023) with future plans to highlight cuisines from Thailand, Italy, Vietnam and more.
- ❖ **Successful State of the Cities** -Event held at Eastern Palace Club on March 23rd. Worked with both Mayors, City Leaders, Chamber Committee Members to plan and execute successful event with high level of engagement for sponsorships and positive feedback from business leaders.
- ❖ **Successful Annual Golf Outing**, Fieldstone Golf Course, 104 golfers with high level of sponsorships and participation from members, including for the 1st time all school districts (Lamphere, Madison, Hazel Park) participating.

- ❖ **Partnership with the MH Arts Board for upcoming Trail Tunes** on September 9, 2023. Assist with the application to the State for special liquor license. Attend planning committee meetings with the MH Arts Board with 2 other Chamber Board Representatives.
- ❖ **Secured sponsorship from MHHP Board for upcoming HP Art Fair on August 26-27th.**
- ❖ **Annual Derby Fundraiser planned for October 2023**, committee meetings starting in July. Goal of raising \$20K with 200-300 guest participation.

Notable Retention, Attraction, Relocation & Expansion Visits

Predevelopment Meetings/Expansion/Site Selection/Ombudsman Services

- Coordinated with MH to introduce Najor Development for the 12 Mile and I-75 Redevelopment (Former Marinelli's Restaurant)
- Meeting with John McCann and Rob Zograph at Design Struct (HP) to discuss redevelopment concepts/market targets for property. Marketed marketing material via chamber social media platforms.
- Design/Create by David Wenner (Seeking 4-5,000 sq.ft workshop)
- Mia's Bakery Expansion-Building Dept Introduction
- Meeting with Bill Nalu-Interstate Auto, Electric Charging Station Dvt, Contact with McNaughton McKay
- Meeting with Issac Hanna-HQ of Wireless Giant, 32600 Stephenson Hwy, introduced by Bill Nalu-Interstate Auto, discuss redevelopment project that involves EV charging stations, expansion of EVMode Business. Coordinate predevelopment meeting with MH Approval Team on both projects. Email sent to Melissa Marsh and Giles Tucker on 10-25-22 Follow-up phone call to property owner off 14 Mile (Steak & Shake biz) and Stephenson Hwy (Wireless Giant Owner) for possible redevelopment space.
- Meeting with Chief Corey Haines, City Attorney and Cindy Dong, owner of Fuji and 168 Market to discuss outstanding code enforcement issues, discussion on pro-active measures for the future.
- Inquiry on small industrial building in MH for office & R&D use-Mr. David Bowl Focus on areas in DDA
- MH Nail Supply Business (13 Mile and Dequidre) seeking 10K commercial or warehouse space for expansion.
- Relocation services for Big Al's Barbershop. Arrange for private retail space showing of property on 11 Mile owned by Bruno Ferguson of Boodles Restaurant. Arranged a showing of leasing space at ChairZ owner. Discussion on DDA grants including sign grant, façade grant.
- Multiple site visits with Ironbody Studios for future expansion.
- Site Visits of potential buildings for sale/lease for food manufacturing expansion-Noodletopia Restaurant-July 2023
- Partnership with Oakland Thrive on various networking events. Secure venue and co-hosted event at QMI for Women Owned Certification workshop.
- Assisting with OC Showcase Event scheduled for October 27, 2023.

**Agreement for Services
Between
DDA of Madison Heights
and
Madison Heights/Hazel Park Chamber of Commerce**

This Agreement between the Madison Heights Downtown Development Authority (hereinafter “DDA”) and the Madison Heights/Hazel Park Chamber of Commerce (hereinafter “MHHP”) for the period starting **October 1, 2023 – September 30, 2024.**

RECITALS

The DDA shall pay to the MHHP \$10,000 for business and event services rendered by the MHHP to the DDA, upon DDA Council approval, payable quarterly in equal amounts of \$2,500 in October, January, April, and July. Said amount may be adjusted each year as determined by the amount of inflation or deflation or services being requested as approved by the DDA Council during the DDA’s budget process, no later than the third Monday in May for the upcoming October 1st start period.

PURPOSE

Throughout the term of this Agreement, the MHHP will provide the following services with funds paid by the DDA to MHHP:

- Coordinated marketing and promotions for DDA area specific business-related activities - this specifically includes Small Business Saturday, Downtown Day, and grand opening events for all new DDA businesses.
- General business inquiries related to various topics for DDA issues or services.
- Training for local businesses and coordination with Oakland County Small Business Services.
- Develop and provide accurate and timely information to assist businesses interested in locating, expanding, or remaining in the DDA area.
- Coordinate with appropriate other agencies, governments, and non-profits to assist in business retention and expansion including Madison Heights Downtown Development Authority.
- Coordinate and contract with appropriate other agencies, governments, and non-profits to assist in business location decisions.
- Develop and maintain strong working relationships with agencies and governments that provide financial and technical assistance or training to businesses.
- Assist in one (1) DDA specific promotional event annually as determined by the DDA.
- Assist to market and promote festivals and events held by the DDA.

REQUIRED REPORTING

The MHHP shall provide the following reports to the DDA:

- By January 31 of each year an Annual report including a presentation to the DDA Board :
 - Summary and analysis of the specific steps taken to by MHHP to perform the economic development and marketing related tasks described the in this agreement. .
 - Performance Measures. The MHHP shall include in its report key performance measures including:

- Change in total Chamber business membership
- Change in DDA business membership
- A brief description and quantity of attraction, expansion, and retention related activities
- Clear outcomes of marketing and promotional activities and events in the DDA area.
- The number of DDA business attendees in events or marketing activities.
- Financial reporting and Inspection including:
 - List of Board members, their occupations, and years on the Board;
 - MHHP annual financial statements showing the previous year expenses and revenues;
 - Current and projected budgets (total organization and individual programs provided to the DDA under this Agreement). The DDA's report shall include the DDA funds expended compared to overall project funds.
- A Quarterly Report on the variety of specific promotional activities executed for the purpose of attracting businesses or business customers to the DDA. The Quarterly Report should include a description of the specific promotional activities, including samples of promotional material and financial report of individual promotional activities.

GENERAL PROVISIONS

1. **Amount of Agreement** - Subject to the terms and conditions of this agreement, the DDA agrees to provide funds in the amount specified above.

3. **Default** - If MHHP fails to remedy any material breach of any of MHHP obligations under the terms of this Agreement within 30 days of receipt of written notice from the DDA of the breach, the DDA may terminate this Agreement and the DDA may pursue any remedies available at law or in equity. Such remedies may include, but are not limited to, termination of the Agreement, stopping quarterly payments on or demanding a return of the funds, payment of interest earned on funds or declaration of ineligibility for the receipt of future payments.

4. **Amendments**. The terms of this Agreement will not be waived, altered, modified, supplemented, or amended in any manner except by a written instrument signed by the parties. Such written modification will be made a part of this Agreement and subject to all other Agreement provisions.

5. **Indemnity**. MHHP agrees to defend, indemnify and save DDA, its officers, employees, and agents harmless from any and all losses, claims, actions, costs, expenses, judgments, and/or other damages resulting from injury to any person (including injury resulting in death,) or damage (including loss or destruction) to property, of whatsoever nature arising out of or incident to the performance of this Agreement by MHHP (including but not limited to, MHHP employees, agents, and others designated by MHHP to perform work or services relating to MHHP obligations under the terms of this Agreement). MHHP shall not be held responsible for damages caused by the negligence of DDA or anyone acting on behalf of the DDA.

6. **Insurance**. MHHP shall, at its own expense, at all times for twelve months from the date of this Agreement, maintain in force a comprehensive general liability and workers' compensation policy. The liability under such policy shall be a minimum of \$500,000 per occurrence (the combined single limit for bodily injury and property damage claims) or \$500,000 per occurrence for bodily injury and \$100,000 per occurrence for property damage. Liability coverage shall be provided on an "occurrence" not "claims" basis. The DDA of Madison Heights, its officers, employees, and agents shall be named as additional insured.

7. Notices and Representatives. All notices, certificates, or communications shall be delivered or mailed postage prepaid to the parties at their respective places of business as set forth below or at a place designated hereafter in writing by the parties. DDA of Madison Heights- Melissa Marsh, DDA Manager 300 W. 13 Mile, Madison Heights, MI 48071.

This Agreement constitutes the Entire Agreement between the parties. There are no understandings, Agreements, or representations, oral or written, not specified herein regarding this Agreement. No amendment, consent, or waiver, or terms of this Agreement shall bind either party unless in writing and signed by all parties. Any such amendment, consent, or waiver shall be effective only in the specific instance and for the specific purpose given. The parties, by the signature below or their authorized representatives, acknowledge having read and understood the Agreement, and the parties agree to be bound by its terms and conditions.

DDA of Madison Heights

Name & Title: _____

Signature: _____

Date: _____

Name & Title: _____

Signature: _____

Date: _____

Madison Heights/Hazel Park Chamber of Commerce

Name & Title: _____

Signature: _____

Date: _____