

Public Spaces Community Places – A Crowdfunding Initiative

By Katharine Czarnecki

ADDING “HUMAN TOUCH” IS TRANSFORMING MICHIGAN COMMUNITIES

In 2015, IEDC recognized the Michigan Economic Development Corporation's Public Spaces Community Places program with the gold Public Private Partnership Award for populations greater than 500,000. The award recognizes outstanding and innovative development projects that have significantly enhanced the economic revitalization of distressed communities, states, or regions. The first program of its kind in the country, PSCP is a crowdfunding initiative that helps communities, non-profit organizations, and other business entities raise money for various projects with the common goal of activating public spaces. Through the program, local residents are part of the development of transformational projects in their communities with their donations backed by the state, dollar for dollar, up to \$50,000.

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PLACES – A CROWDFUNDING INITIATIVE

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It might not show up in the bottom line, but developing bike trails, parks, alleyways and commissioning public sculptures can be as integral to economic development as a timely and enticing financial or tax incentive. Across Michigan, businesses are looking for communities with a distinctive sense of place that attracts people, builds community, and brings people together to create a strong local identity.

The Michigan Economic Development Corporation serves as the state's marketing arm and lead advocate for business growth, jobs, and opportunity with a focus on helping grow Michigan's economy. In response to the need for creating a sense of place in Michigan communities, MEDC has developed Public Spaces Community Places, a crowdfunding initiative, which aims to enhance community spaces with cultural, communal, and recreational amenities that offer a compelling reason – among other economic considerations – for businesses to remain or locate to a community.

Crowdfunding is a process of raising money to finance a project or venture through many individual contributors using an online platform, in this case Patronicity, a Michigan-based crowdfunding platform. Public Spaces Community Places provides matching grants for public space projects through the Patronicity website, <https://www.patronicity.com/>. The plan is based on a collaboration among MEDC, Michigan State Housing Development Authority (MSHDA), and the Michigan Municipal League (MML).

Launched by MEDC, Patronicity, and MML in June 2014, PSCP is the first program of its kind in the country in which local residents can be part



The Midtown Green Alley project in Detroit

of the development of transformational projects in their communities and be backed by the state, dollar for dollar, up to \$50,000. MSHDA joined the program in fall 2014, providing financial and staff resources. A total of \$1.8 million in funding – a combination of MEDC and MSHDA funds – has been made available for the program for FY2016.

The grant program is available to municipalities or nonprofits with projects that focus on “activation of public spaces and community places.” These are projects that make tangible improvements to a downtown or neighborhood space, and already have established public awareness and local momentum. Examples include outdoor plazas, nature trails, public art, community centers and other enhancements that engage and draw residents to that space.

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Before and after shots of the Midtown Green Alley project in Detroit

Projects are approved on an ongoing basis and come about in a couple of ways: MEDC field staff works with communities to identify potential projects, or communities can go directly to Patronicity to develop an application. Once a project has been chosen and the funding gap has been identified, the community or nonprofit can apply to conduct a crowdfunding campaign of up to \$50,000 generated in part by donations from community residents and stakeholders. The applications are reviewed by a team of MEDC, MSHDA, and MML staff. Approved projects are awarded matching grant funds from MEDC and MSHDA once the crowdfunding goal has been met.

Interested individuals can learn about specific projects, view their progress and make donations by visiting the Patronicity website. Patronicity, a reward-based crowdfunding platform headquartered in Detroit, enables residents to make a difference in their very own communities by supporting local businesses, organizations and events, while simultaneously rewarding them for doing so.

Patronicity uses donation crowdfunding exclusively within Michigan's vibrant communities. Projects in Michigan's traditional downtowns are aided by Public Spaces Community Places, which assists the fundraising efforts of patrons. With the incentive of a funding match from MEDC/MSHDA if the financial goal is reached, the creative funding mechanism mobilizes community members to make individual contributions.

Michigan's ability to attract and retain young, knowledge based talent is greatly increased by taking advantage of unique, downtown placemaking assets in each of our communities, making this funding mechanism even more valuable.

"This is the best program the state has put together in terms of creating a sense of place in Michigan communities," said Dan Gilmartin, CEO and executive director of the Michigan Municipal League. "MEDC's Public Spaces

Community Places program is having a tangible impact on Michigan communities. The overwhelming success of the many crowdfunding campaigns also shows we've struck a chord with the public and they are recognizing the importance of creating desirable places in their communities."

As these projects affect the lives and well-being of entire communities, it is important that they have established public awareness and local momentum. For more information on the Public Spaces Community Places initiative, visit <https://www.patronicity.com/puremichigan>.

EXAMPLES OF PROJECTS

Midtown Green Alley, Detroit

One major focus with all of our Public Spaces Community Places projects is the aspect of placemaking. Placemaking is how a community shapes its public spaces to maximize shared value, based on the participation of its inhabitants. The city of Detroit has been going through a resurgence over the past few years, and many of its once abandoned buildings and public spaces are now being restored with a modern twist. One section of Detroit in particular, the Midtown Detroit area, has been

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going through a significant cultural renaissance as of late. The area has been focusing on placemaking and turning its community into one where people enjoy living, working and playing.

With this focus in mind, Midtown Detroit Inc. (a non-profit planning and development organization that supports the physical maintenance and revitalization of Midtown Detroit) partnered with Shinola, a Midtown-based manufacturer and retailer of watches, bicycles, leather goods, and journals. They turned to MEDC for support in revitalizing an unused, unattractive alleyway into a source of life by making it a green alley. The project's goal was to transform a 415-foot long alley into a walk-space that promotes future development and community connectivity.

To make a grant from MEDC possible, the project was submitted through an application process for review. Once the project was approved and the fundraising goals were set at \$50,000, it was added to Patronicity's website where donations were collected from patrons interested in making the project possible. After the funds were raised by the project's deadline, MEDC matched dollar for dollar in the amount that was allocated to go toward the alley.

Updates to the deteriorated cluttered alley included a cleanup job to strip the alley of garbage and broken pavement. Then features were added such as rain gardens, permeable pavers, historic brick, LED lighting, storm drains, and other landscaping improvements. The alley was not only improved just based on its basic condition, but was given an aesthetic upgrade that reflects the look and feel of the community around it. The alleyway now allows pedestrians to walk down the pathway from block to block with enjoyment and also allows them to do so safely.

The Midtown Green Alley project raised \$52,290 from 136 patrons, and MEDC matched \$50,000 that all went into the revitalization of this now vibrant public space.

Expanding Our REACH – Lansing

REACH Studio Art Center, located in the heart of Lansing, was founded in November 2003 by textile artist Alice Brinkman. REACH is a nonprofit corporation that



REACH Studio Art Center in Lansing



Top: Photograph of the block as it was when REACH purchased the property.

Middle: Architectural plans for four of the five storefronts.

Bottom: Artist rendering of the proposed block of renovated buildings.

offers free drop-in art programs and summer camps for kids, along with various free and scholarship based art classes for children and adults taught by local artists and educators.

When REACH realized it had outgrown its small space, it began expanding out to neighboring buildings on the block. This presented it with new possibilities as well as the chance to give Lansing a true community arts center, but also uncovered some new challenges. Faced with unforeseen building costs and necessary renovations, REACH turned to the Public Spaces Community Places program for financial assistance.

MEDC offered REACH a \$48,000 matching grant if it could raise the same funds. REACH and 289 generous patrons raised \$49,365, and MEDC approved a grant to go toward the art center's goal of expanding.

With the financial support of MEDC and REACH's patrons, construction has already begun. The plans for expansion include an outdoor courtyard, a new youth art gallery, larger main classroom, a reception area, and office. This will allow room for REACH to offer more classes for children and adults, along with art galleries for community members to enjoy.

REACH's long history in the city of Lansing and the backing from its local community clearly show just how important this community place is to the city and its children. Once this city block is complete it will be a place of pride among its community and will draw in people. This project is a true example of placemaking and will give Lansing a cultural lift it needs. The Lansing REACH Community Arts Center will surely bring people together to form a local bond, as well as attract new businesses and talent into the area.

To learn more about the Lansing REACH program, visit their website at <http://www.reachstudioart.org/>.



Rendering of the Portland Pavilion

The small community of Portland raised over its \$50,000 goal, with 749 patrons donating to the pavilion, and MEDC providing a matching grant of \$50,000. Donations came from all over. Whether it was the local VFW hall or the quilt shop in town, everyone chipped in to raise the funds for this community space.

The Red Mill Pavilion Project – Portland

While many of our Public Spaces Community Places projects succeed with flying colors in larger communities, some of the program's projects in Michigan's smaller communities take a little more work to get the fundraising they need for a matching grant. These projects wouldn't be possible without the hard work of their dedicated volunteers in each community. Portland, a city with a population just under 4,000, is one of these special communities that has very dedicated patrons.

The Red Mill Pavilion Project came to fruition two years ago when Boy Scout Troop 58 disbanded. The troop had been around for 80 years and wanted to give the community it had been longstanding members of a thank you gift with its funds. The troop settled on a community pavilion across from the Red Mill which serves as Portland's Farmer's Market.

Upon its completion, the Red Mill Pavilion will be used for a multitude of activities including family reunions, class reunions, weddings, anniversary parties, flea markets, car shows, school dances, graduation parties, and an ice skating rink. With the already strong support Portland's Farmer's Market gets, this made the pavilion a solid candidate to become a popular community gathering place. The Red Mill Pavilion and Farmer's Market offer Portland the chance to have a great place-making location that will create an identity for this small town and bring people together at a centralized location for years to come.

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These donations would not have been possible without Noreen Logel, who works with Friends of the Red Mill as a volunteer. She took it upon herself to get a solicitation license in order to raise funds properly, as well as allocate them for the pavilion.

While construction is not yet finished for the Red Mill Pavilion, Logel says they are already receiving calls to reserve the spot for graduation parties and wedding receptions. The groundbreaking for the pavilion will be spring 2016 once construction is complete.

"The Red Mill Pavilion project started out as a building that would help provide protection for our farmer's market. It has developed into so much more. This community pavilion will be used for family gatherings, class reunions, weddings, graduation parties, flea markets – anything where people will want to gather. This project has brought the community together in ways I never imagined," Logel said. "Citizens of Portland and the surrounding communities have helped with the timber-framing, provided food for the workers, thought of fundraisers and helped with them, contributed money and helped in even the smallest ways such as providing encouragement. I get calls and stopped on the street on a regular basis to be told what a wonderful and beautiful pavilion/project this is. I cannot say enough about all of our volunteers – they are the best!"

View a time lapse video of the pavilion's construction by visiting: <https://www.youtube.com/watch?v=CslwJnBqtHY>.

THE RESULTS

When MEDC started this program, we expected it to make a difference in the state of Michigan's communities, but the results have far exceeded our initial expectations. MEDC has sponsored more than 50 projects and our success rate is 97 percent. Projects range throughout large and small communities across the state's lower and upper peninsulas.

The support from volunteers and patrons in each of these communities raised a total of \$1,736,563 from 6,954 patrons through the Public Spaces Community Places program and our partners at Patronicity. MEDC has matched funds totaling \$1,468,500 covering 2,312,422 total square feet as of January 1, 2016. This support is encouraging as MEDC moves forward with the program. There are four projects currently underway as we move into 2016, and many more are to come throughout the year.

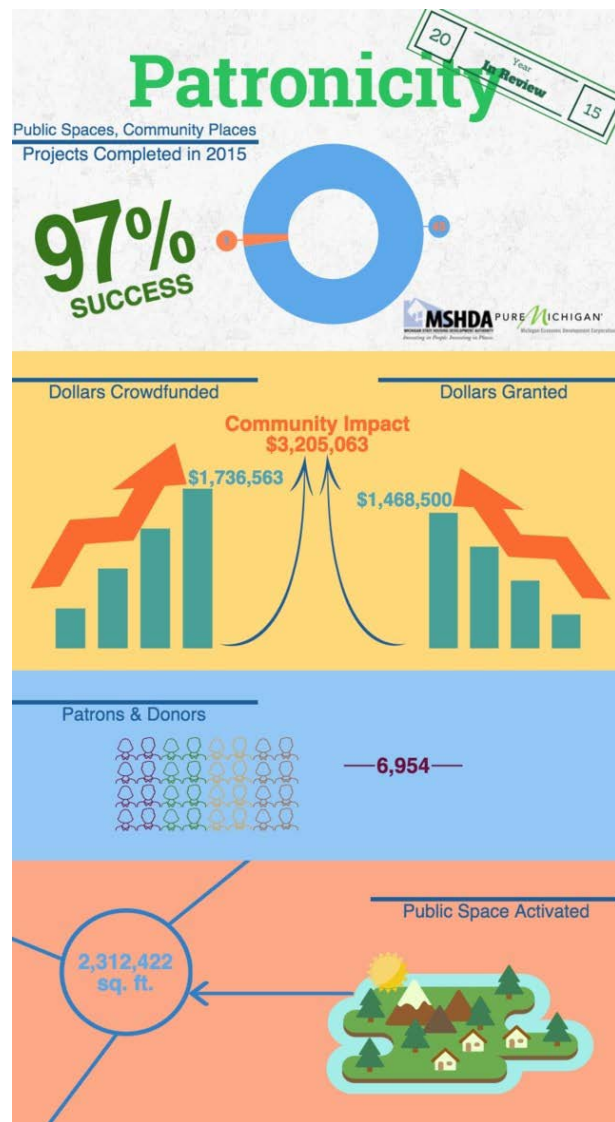
Striving to give people a place to gather or improve the look and feel of their community is the focus of the PSCP initiative. Knowing that talent stays in a community or is drawn in due to these successful projects is what the Michigan Economic Development Corporation strives to see.

LESSONS LEARNED

The creation of vibrant communities across the state of Michigan is the goal we set out to accomplish with this initiative, and it is rewarding to see such great results. Stressing the idea of placemaking to bring communities together is a major key when funding a project. This idea of placemaking stems from members of a community willing to make a difference in the culture of their community.

We have learned that when a project has a core following, the idea of placemaking values is set in place and community members already looking forward to the benefits of a space make the success of these crowdfunding projects possible. The efficiency of Public Spaces Community Places starts from within the community and its members. We would not be so successful if it weren't for the dedication and hard work of community members and patrons with the desire to make their community a more vibrant and connected place. We have seen the results of successful projects and the kind of impact they can have on a community – whether that is keeping talent in a community, attracting talent, or giving a community an identity.

With Patronicity as our online crowdfunding platform, we are allowing people from all over to donate easily and directly see just how impactful their donations become. This speaks to the crowdfunding success the campaigns have had and allows MEDC to continue allocating funds to communities that are willing to put in hard work to create a vibrant space that will change the face and feel of a community. 🌐



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