

We at Neva Lee's would like to preface this post by saying we come forward with our story, not just to point out funds that we over promised and never received, but the experience we had with Downtown Lansing Inc, and how they "supported" our small business. Interactions with Julie Reinhardt and Cathleen Edgerly at DLI included over-promising of funds, a lack of professional follow-through, and insufficient support for small businesses facing difficulties. We share this experience to raise awareness, educate, and advocate for other small business owners in Downtown Lansing who may have encountered similar challenges.

Our love for Lansing and its Downtown community remains steadfast. By shedding light on these issues, we hope to foster positive change, ensuring greater transparency, accountability, and genuine support for small businesses. This is not about buzzwords like "revitalization" or "community endeavors"—it's about addressing the real challenges and making Downtown Lansing a truly supportive environment for entrepreneurs.

Opening up about the behind-the-scenes challenges that many business owners face is not easy, especially when those struggles are often kept out of public view. Few people truly understand what happens behind business doors—or, for the self-employed, the emotional weight carried through the doors of your home, in your car during the drive back, or even the bathroom where in the shower the stress and fear overwhelm you in a moment of solitude.

We feel it is important to be transparent in addressing and clarifying the situation regarding the granted funds, particularly in light of the position taken by Executive Director, Cathleen Edgerly of Downtown Lansing Inc. (DLI) to ultimately cover up the overpromising by the Business Development Director on staff, Julie Reindhardt, who is still actively staffed at Downtown Lansing Inc. The justification of not ever delivering on relocation funds that were promised by said staff member is a twisting of accounting and covering up funds. Downtown Lansing Inc. is combining these together to say the second award overrides the remainder of the first one in order to justify not giving it to us. These were two separate funding awards given, two separate years. The first in which Julie of DLI offered to us, and us alone, to move our business from Kalamazoo St to Washington Square in 2022. The second one the following year was open to ALL Downtown District businesses.

1. April of 2022 - Relocation Incentive funds of \$25K coming from Downtown Lansing INC, promised by Julie Reinhardt of DLI offered to us to make the move to Washington Sq and expand our business. This \$25k funding was to be provided to make our move so that we had the funds to expand, build out the space, add the coffee shop, add the lounge for community events and inventory.
2. March 2023 - Small Business Support Grant Funds. Small Business Support Grant, a Federal based reimbursement grant that had enough funds to supply most of the businesses in the Downtown District who applied with \$50,000. This grant was awarded to more than 20 Downtown businesses. With this grant you have to spend money on pre-approved things and then be reimbursed within 30 days.

As you will see below with the following timeline and correspondence, not one time did Julie or Cathleen at Downtown Lansing Inc. tell us over the course of 19 months that the Small Business Support Grant had anything to do with the first awarded funds. At the time we applied for the Small Business Support Grant from the MEDC, we were still having active correspondence with Julie on where the remaining relocation funds were. At an in-person meeting with fellow business owners, Julie asked us to stay after that meeting to tell us that the remaining \$15K check from the first awarded funds (the relocation funds she promised us in April of 2022) would be to us by the end of the holiday, December 2022.

April 2022

Julie Reinhardt offered and awarded us relocation funds to move our business to Washington Sq. She picked the new location and was excited to get us into that building.

April 11th, 2022 - Email from Julie Reinhardt/DLI: "I am looking into getting you \$20K-\$25K in grant money from DLI to make the move possible. We believe in your business and we want it on Washington Square! I will know more in the next couple of weeks on the exact amount but you can count on that range."

April 27th, 2022 - Email from Julie Reinhardt/DLI: "Woohoo! Yaaay! The funding has been confirmed and we are just waiting for it to be distributed to us so definitely plan on the \$25K. Keep me posted on your timeline...if there needs to be gap funding we may be able to figure it out. I'm so excited for you guys!"

May 2022

May 5th, 2022 - Email from Neva Lee's to Julie Reinhardt/DLI: "We are about to sign with Tanner and will be able to get in there to start working in June for a July opening 🙌 - I wanted to touch base on funding as we do need that to proceed purchasing supplies/inventory/build out needs... some things are taking 4-6weeks to ship. You mentioned gap funding? Is there anything we need to do to receive/qualify for the grants? We'd love to get that going asap."

May 6th, 2022 - Email reply from Julie Reinhardt, DLI: "I am working on gap funding strategies....Will get back to you ASAP"

May 10th, 2022 - Email from Neva Lee's sent to Julie Reinhardt?DLI: "Thanks Julie for the info!

We will be out of town Wed-Tues but I'll have access to email. Lemme know what you find out and if there's anything you need from us.

We appreciate you!"

May 24th, 2022 - Email from Julie Reinhardt/DLI: "We will have final confirmation on delivery of funds this Thursday (we are not concerned about receiving the funds..just when they will be given to us). Once that confirmation happens we will be able to disperse the Money immediately (so as early as next Tuesday). Do you want to set up an appointment to meet on Tuesday....hopefully I'll be handing you a check! I am available all day so pick a time that works for you "

June 2022

June 1st, 2022 - Neva Lee's signs lease in new building

June 16, 2022 - Julie Reinhardt/DLI requested that Neva Lee's submits an application for a \$10K grant that Comerica Bank was offering to small businesses.

Text correspondence from Julie Reinhardt/DLI

"We can award \$10,000 Comerica Business Support Grant (remaining \$15k will come from somewhere else in the next 30 days.)"

June 27, 2022 - Neva Lee's received a \$10K check from Comerica.

August 2022

Aug 4, 2022 - Neva Lee's sends text to Julie Reinhardt/DLI regarding awarded funding.

- "Hey buddy. I was wondering if there was any word on that funding? We are in dire straits over here."

Per reply from Julie Reinhardt/DLI : "I'll check the status on the funding..we heard "a couple of weeks" last week

September 2022

September 2022 - Neva Lee's officially reopens in the new location on Washington Square.

We were unable however to complete our full expansion build out to include a coffee shop and lounge due to our restricted funds and not receiving the remaining \$15K relocation money promised to help assist with these expenses.

October 2022

October 13, 2022 - Text from Neva Lee's to Julie Reinhardt/DLI : "Hey lady, I was curious if there was any word on that funding yet?"

Per reply from DLI/Julie : "We are in the final stages of getting the money [emoji] they say next week"

November 2022

Nov 8, 2022 - Neva Lee's texts Julie Reinhardt/DLI: "Soooo any news on that money? As you can imagine \$15000 has left a huge hole in our budget. We can't move forward with the build."

Per text reply from DLI/Julie: "we are trying sooo hard...it is like pulling teeth to get them to release the \$\$....any day now!!!"

December 2022

Dec 19, 2022 - DLI holds a Downtown Merchants meeting at The New Daily Bagel, where DLI announced that the Small Business Support Funding Grant (SBSG), a reimbursement grant, would be open for all small businesses downtown to apply in January 2023. At that meeting, Julie Reinhardt/DLI requested that Neva Lee's remains after everyone else leaves for a discussion, at which time she stated that the unpaid balance of the remaining \$15K relocation incentive check would be delivered to Neva Lee's by the end of the holidays, Dec 2022.

January 2023

January 9th, 2023 - Neva Lee's texts Julie Reinhardt/DLI: "Hey Lady. Any word on that check for us?"

Julie Reinhardt/DLI texts a reply : "Let me see if I can release it"

January 9th, 2023 - Neva Lee's submits application for newly announced Small Business Support Funding Reimbursement Grant

February 2023

Feb 15, 2023 - Neva Lee's email to DLI/Julie.

"Hey Julie -

Just want to check on the updates/status of this grant and the other (15), too.

I know there's a lot going on and it's hard work, but we are excited to get some things expanded with the shop!"

February 24, 2023 - Neva Lee's emails Julie Reinhardt/DLI about a few items, one of which is the remaining \$15K

"I also wanted to double back on the remaining grant from last year - you had mentioned in the december grant meeting that would be around the holidays. You also mentioned getting gap funding last year, too? Thank you Julie Julie!"

March 2023

March 6, 2023 - Neva Lee's emails Julie Reinhardt/DLI following up on email from Feb 15 and Feb 24 that had no reply from Julie:

"Hi Julie!

I'm checking back in again to see if this email landed in your spam folder or went right to the trash?

It shows sent on my end but I don't seem to see a reply yet?

So, here I am again revisiting the status of concerns mentioned in multiple emails that I've reached out with regarding our business conversations, happenings and doings.

If you prefer to meet in person, we are free at your earliest convenience tomorrow or Wednesday 😊

Thank you!"

March 7, 2023 - Email reply from Julie Reinhardt/DLI: "Got it and updated your file 😊"

March 8, 2023 - Neva Lee's emails Julie Reinhardt/DLI to try to sort out confusion and issues with no replies or updates on situations of grants and money owed.

"Hi Julie -

"I'm confused ... what's going in the file that's not already in it? The emails of questions?

Human to human, grant funding aside - I am unsure as to where along the way we stopped open communication?

We were offered the money needed for us to move to the 100 block of washington sq prior to moving and that was something you said would happen.

Even though we mentioned needing the money before the move - we are almost a year in and it hasn't come through yet.

Since then other grants have opened up and again - we have complied with getting everything together to get our application "pushed through" multiple times, but yet we kept having to get additional requested items in with assurance our application would be pushed through. I believe we were one of the first to submit it on the first day it opened up?

Again, funding aside -

It feels that there is some failure here with communication, follow through, accountability, response to our inquiries and we are not sure why or how that has happened.

We do reach out and check on the status of things because we are being told such things that we follow up on.

You had approached us at the Dec meeting about the additional 15k coming by the end of holidays - we did not broach that with you. So, we were thinking it was on its way so i followed up more than once and received no response to it. I know it may seem like a hassle to you but it is to us, also. We made the move with plans in place and offers/incentives we trusted from you, and are anxious to get follow through instead of unanswered emails or the feeling of being brushed off.

I don't think we are being unfair to check in on things that were told to us would happen and have yet to happen.

We know there are many other businesses you deal with and each deserves their own time and attention and place in this city. We are not trying to disregard any of them or take anything away from anyone. We are trying to figure out where and how the response and dialogue fell off.

Business to business.

And like i said - we are available to meet in person which would make this much easier instead of weird perception based on typed emails.

Thanks"

May 2023

May 22, 2023 - After failed communications and no reply or movement on the \$15K from Julie Reinhardt/DLI, Neva Lee's requests an in-person meeting with Cathleen Edgerly, Executive Director, DLI. to discuss overall grant situation, and remaining balance owed, in additions to no-show appointments, lack of response or communication, among other issues with Julie Reinhardt/DLI.

May 22, 2023 - Per Cathleen Edgerly's request, following the meeting, Neva Lee's sends her multiple emails and communications between Julie Reinhardt/DLI and Neva Lee's.

May 24, 2023 - Email from Cathleen Edgerly/DLI: "I'll print out and take a deeper dive into the remainder of the communications you sent me and will sit down with Julie to discuss."

May 24 - Oct 2023 - DLI provided no follow-up or response to meeting/emails with Cathleen Edgerly/Julie Reinhardt of DLI, nor did Neva Lee's receive the outstanding \$15K payment.

October 2023

October 19, 2023 - Cathleen Edgerly/DLI emails a reply to this situation by saying that Neva Lee's would not be receiving the remaining \$15K balance. Instead, we were told that the \$15,000 had been absorbed into the \$49,000 Small Business Support Grant, a reimbursement grant that awarded more than 20 other downtown businesses with up to \$50K each, we had received in 2023 from the Michigan Economic Development Corporation (MEDC). This explanation contradicted prior assurances that the funds would be directly provided by DLI as part of the relocation support package.

October 2023 - Neva Lee's emails Cathleen in response stating significant concerns, and that this is not an acceptable outcome after over a year of this situation. A discrepancy of \$15 thousand dollars is significant for any small business, especially for our microenterprise. At no point along the way were we informed that the Small Business Funding Grant (SBFG) supplanted the previously awarded grant from April 2022. There have been any number of opportunities to communicate that particular and financial impacting point. In fact, at the December 2022 meeting regarding the announcement of the SBFG, Julie asked us to stay after, where she reconfirmed that the remaining \$15 thousand dollars would be disbursed to us in a check by the end of the holidays, Dec 2022. As noted during our May 2023 meeting, and again in the timeline I shared with you in my previous email on Oct 19, 2023, Neva Lee's was actively recruited by Julie of Downtown Lansing INC., to the space of 109 S Washington Square based on that initial \$25 thousand dollar award. It was only after

careful thought and consideration that we made the move. We formulated plans and budgets, purchases and commitments accordingly. Surely, even with DLI's large 2023 fiscal year budget, a \$15 thousand dollar loss would be of note.

All in all, the manner in which this process has been handled by DLI and its staff, a nationally certified Main Street that promotes #LiftUpLocal and is tasked to support new and expanding businesses, is disheartening.”

Oct 23, 2023 - Cathleen sends an email reply stating she knows that grant funding can be frustrating and that the grant funding awarded to Neva Lee's was based on applications our business turned in and award letters that they sent us.

She made no mention of the repeated assurances or documentation from Julie, nor any mention that they never told us the remaining \$15K was not coming. She also made no mention of the meeting we had with her in May 2023 regarding these matters, in which she never followed up on. She told us “Unfortunately there are no additional grant funds left to be awarded.”

Oct 31, 2023 - Neva Lee's replies to Cathleen stating we have received her response and were very concerned. And that for clarification, we were not requesting any new grant funding, and that DLI committed to a \$25k relocation incentive for Neva Lee's to become a part of the Downtown Lansing Main Street core, specifically to the 109 S Washington Sq. location in April of 2022. Further, had we been informed of the grant funding changes at the time of the SBFG application, we could have made changes accordingly. Stating that as a woman and veteran-owned startup retail business located in a Main Street community, we found it incredibly difficult to understand how a City of Lansing funded organization, that is also the recipient of federal funds, would transact its business affairs in this way. We told her that we understood grants are few and far between for small businesses, so we were excited for the opportunity to grow and expand our business.

No further reply from Cathleen or Julie or any member of Downtown Lansing Inc

November 2023

November 20, 2023 - Neva Lee's contacts local officials such as City Council members, the mayor, and local senators by sending emails and documentation in hopes to get assistance with the issues regarding DLI.

December 2023

December 1, 2023 : December 1, 2023 - Mayor Andy Schor responds to email from Neva Lee's. Email reply from Mayor regarding his idea of our remaining \$15K funding secured for us by Downtown Lansing INC.

"Faun & Luke:

Thank you for contacting my office regarding your seeking the balance of a grant from Downtown Lansing Inc.

In speaking to DLI leadership on this matter, it is my understanding that there was an initial grant of \$10,000 from one funding source, and the estimated additional funding was to be made available to DLI through the American Rescue Plan Act (ARPA). The ARPA money received by DLI were actually higher than anticipated, meaning that DLI was able to support downtown businesses at a higher level than they originally planned for.

It is my understanding, therefore, that the \$15,000 balance of the initial grant estimate was increased as a part of the additional grant funding DLI received through the ARPA.

I'm sorry if this was not made clear to you at the time. I have requested that DLI evaluate their grant policies and processes to make sure they are communicating with their members so that expectations are clear on both ends.

Thank you for investing in downtown and for choosing Lansing!

Andy Schor

Mayor

City of Lansing"

December 7, 2023 : Neva Lee's replies to Mayor Andy Schor,

"Andy,

Thank you for looking into this.

We admit that we are highly confused by your response. It seems either you or your staff have not read too deeply into the information we sent, and/or DLI has not provided you with accurate information.

We will be pursuing this matter further and thank you again for your time.

Sincerely,

Faun and Luke"

No further reply by the mayor and no reply from city council members

January 2024

January 19, 2024 - Kristi Jame's (Senator Sarah Anthony's Chief of Staff) emails after assisting to help:

Hi Faun,

I wanted to give you an update before the week is out. We have been in contact with both the mayor's office and DLI. Now that I've spoken with all of you, I am going to have one more conversation Monday with the Senator about ways we can support. I hope to reach back out on Monday.

January 25, 2024 - Kristi James emails Neva Lee's. "Hi Faun, I spoke with one of my contacts at MEDC. She is going to connect with her business development and small business support teams to see what additional resources might be helpful to address the challenges you are facing. Someone from MEDC should reach out to you soon to talk through your ongoing dispute with DLI, the unique needs of Neva Lee's, and what programs and resources you might qualify for. Unfortunately, I don't see a route for our office to resolve the dispute with DLI, but I do encourage you to talk it through in your call with MEDC as well to make sure we have exhausted all avenues. I spoke with staff in the mayor's office and the executive director of DLI directly to ask questions about how the situation unfolded and express concerns about how the award details were communicated to you. While we can't give legal advice in our office, I believe you mentioned you had been talking to an attorney. I would encourage you to discuss your options and your desired next steps with them. Please let me know if you do not hear from anyone at MEDC so I can make sure that connection happens in a timely manner. Let me know how that conversation goes. I hope it is helpful. If there is anything else we can do to help ensure Neva Lee's success downtown, please don't hesitate to reach out."

February 2024

February 13, 2024 - Neva Lee's speaks with MEDC on the referral from Senator Anthony's Office, who says they cannot assist and considers it a "conflict resolution" matter between DLI and Neva Lee's.

We also know that our experiences and emotions are not unique. Many others who have engaged with Downtown Lansing Inc. share similar feelings of frustration and disappointment. By bringing our story to the public, we hope to shed light on these shared struggles and advocate for meaningful change within the community we care so deeply about.