# FROM BUSTED TO BARODA BURGERS POP. 873 POP. 874 POP. 8

### BY CHARLES ECKENSTAHLER

elcome to Baroda, a community with country charm. Not long ago, the friendly country charm was threatened with the closing of Bill's Tap, a regionally known gathering place and the hometown eatery of the 'townies.'

"The Tap's closing had a major impact on the community, more so on the attitude and promise of a successful future held by local residents," according to Village President Bob Getz.

Since the early 1970s, the Tap, with its reputation for superior dining, drew customers from southwest Michigan, northern Indiana, and Chicago notables—including governors, judges, and TV personalities. Baroda was known as "the place to dine" while providing the economic life blood for other downtown businesses.

Without the Tap, prospects for downtown development were glum. Even with a carefully prepared Downtown Development Authority (DDA) development plan calling for streetscape and building façade improvements, little interest was shown by private businesses until late summer 2009 when Founder's Winery opened.

"We knew we needed to do something, something that would spark private sector interest. Our DDA had saved almost \$300,000 for streetscape and road improvements. Baroda was ready to take some bold action," notes Getz.

The Round Barn Brewery opened on March 6 2010, filling a vacant 10,000-square-foot building just down the road from village hall. Beer production will begin in July, and a brew pub and restaurant are in the works for 2013.





In 1980, Baroda was the tool and die capital of southwest Michigan, with eight businesses employing over 220 workers. Four remain today, employing 61 people—a loss of 70 percent of the tool and die workforce.









### **Baroda's Development Strategy**

In its first bold move, the village council sought funds from MDOT for three road improvement projects: improving the two entryways into downtown and streetscaping of a downtown intersection. In Phase 2, the village is seeking funding to make streetscape improvements in front of all commercial downtown businesses. Getz notes, "While public investment gives notice the village is ready to do something, we knew that streetscape improvements alone would not revitalize the downtown. We wanted to make another 'bold move'—something to stimulate private sector business investment."

The village first focused on the use of Commercial Rehabilitation Tax Abatements, setting up two tax abatement districts—one for the downtown and a second for the Lemon Creek entryway. Property owners can qualify for a 10 year 100 percent abatement of local taxes on increased assessed value due rehabilitation of their buildings. By asking existing and potential new business owners, "What we can do to help?" Baroda found a second need. Businesses owners were ready to invest in Baroda but could not get all the financing they needed. Redevelopment of downtown Baroda could be successfully started if the village could provide some companion financing along with commercial lenders to these businesses.

## RBEG Makes Private Business Investment Happen

Enter the Rural Business Enterprise Grant (RBEG), a grant that established the Baroda Revolving Loan Program. According to Lisa Epple, Area Specialist of the USDA-Rural Development, "an RBEG provides funding for rural communities to lend, typically at reduced rates and flexible terms to create new business investment and jobs. Upon repayment of the initial loans to the local community, it allows the community to establish a long-term lending program to keep growing small businesses."

The award of an RBEG in February 2010 offered Baroda a chance to set up a revolving loan program (RLF). The \$50,000 of RBEG funds supplemented with \$16,000 of village DDA funds reserved for downtown development seemed the "right tool at the right time," according to Getz.

# Baroda Tap & Grille

"The Baroda Burger is on the menu; a new hometown delight" notes, Jim Demski a retired farmer/businessman who purchased Bill's Tap from the former owner. Demski, using a commercial loan and a \$55,000 Baroda RLF loan to replace the roof and add windows to the building, opened on May 30, 2010. "We cleaned up the appearance of the first building in our downtown," Getz says with pride. "Baroda Tap and Grille not only serves good food but is a symbol of the rebirth of the downtown."

### Founder's Winery

Aptly named Founder's Winery, owner Len Olson can be characterized as a "founder" of the southwestern Michigan wine tasting experience of today. After a career spanning several decades, Olson is back to his roots—over 40 years ago he began a career of consecutively organizing and opening various wineries, including one of the first wineries in the Baroda area.

Olson, with his son Gunner, saw an opportunity to locate a new winery in the heart of southwestern Michigan's wine country. They set up in an empty portion of the Baroda City Mills building, now a partially occupied warehouse across the street from the new Baroda Tap & Grille.

"Opening a winery tasting room in a rented old concrete block warehouse building is a big decision. We put our money first into equipment and renovating the warehouse space into a tasting room. Our goal is to do a \$15,000 façade makeover, dependant on receipt of additional commercial financing and our first year's profits," notes Olson. He approached the Baroda RLF for assistance. Getz notes, "We are going to help renovate a second building this year with an \$11,000 loan to Founder's Winery to reface and create a welcome entry façade—basically repurposing the old warehouse into a commercial use property." On March 6, council welcomed the village's newest business—the Round Barn Brewery which will fill a vacant 10,000-square foot building just down the road from village hall. "This is wonderful news for Baroda," Council President Bob Getz said, beaming.



Getz and the village council have a vision of Baroda—different than what you see today. Getz says, "Come back in a year—you'll be standing in line to get into the Baroda Tap & Grille so you might as well walk over to Founder's Winery and sample some of southwestern Michigan's fine wines. You'll be passing a few other new businesses by then—maybe another winery and eatery and a few specialty shops on your walk-about. You might even be a participant in a farm-to-table feast."

The reinvention of Baroda is picking up steam—the village premiered a promotional video, "Baroda...Home of Casual Country Charm" on January 15, 2012. The Small Town Rural Development Conference is using it as part of its conference proceedings, and Village President Getz presented the reinvention of Baroda at the LaPorte Indiana Leadership Council small community conference on April 14, 2012.

Chuck Eckenstahler (AICP Retired) is an advisor to McKenna Associates. He teaches economic development at Purdue North Central, Westville, Indiana and also serves on the faculty of the Lowell Stahl Center for Commercial Real Estate Studies at Lewis University, Oakbrook, Illinois. You may contact him at 219-861-2077 or pctecken@comcast.net.

# Wightman and Associates

Wightman and Associates provided design and construction engineering for Baroda's First Street streetscape project. The project is approximately 1,300 feet long and includes decorative LED lighting with turn of the century style poles, new concrete curb and gutter, storm sewer modifications, HMA resurfacing, decorative concrete crosswalks, decorative stamped sidewalks, ADA ramps, minor water main improvements, and irrigation for new trees and hanging baskets.