Board of Directors Meeting
Friday, October 8, 2021 – 8:30 AM
LEAP Office
1000 S. Washington Ave. Ste. 201
Lansing, MI 48910

AGENDA

1. Call to Order / Roll Call
2. Approval of LBRA Board Meeting Minutes – Friday, September 10, 2021
3. Contract with Kramer Management Group (ACTION)
4. Open Forum for LBRA Board Members
5. Other Business
6. Public Comment
7. Adjournment

Lansing Brownfield Redevelopment Authority

Board of Directors Meeting Minutes
Friday, September 10, 2021 – 8:30 AM
LEAP Office
1000 S. Washington Ave. Ste. 201
Lansing, MI 48910

Members Present:	Calvin Jones, Tom Muth, Brian McGrain, Michael McKissic, Blake Johnson (8:48 AM), Andrea Binoniemi
Members Absent:	Shelley Davis-Boyd (excused), Tom Donaldson (excused), Kim Coleman
Staff Present:	Karl Dorshimer, Kris Klein, Hannah Bryant, Kambriana Gates, Zachary Crawford
Guests:	Jake Brower (City of Lansing), Jon Hartzell (DRD), Kirstie Ducourouble (Hardy) (DRD)

Call to Order
Chair Jones welcomed all and called the LBRA Board of Directors meeting to order at 9:44AM.

Approval of LBRA Board Meeting Minutes – Friday, August 6, 2021

MOTION: Muth moved to approve the LBRA meeting minutes from the Friday, August 6, 2021 LBRA Board of Director's meeting, as presented. Motion seconded by McGrain.

YEAS: Unanimous. Motion carried.

Update on Financials
Jake Brower provided an update on the LBRA financials.

Market Place #52 Reimbursement of Pedway Improvements (ACTION)
Dorshimer provided an overview and the history of Plan #52. Dorshimer expressed that the Tax Increment Revenue available would be able to reimburse the City of Lansing for the improvements for the pedway. The focus of the improvements would be the mechanicals and making it safe for pedestrians.

MOTION: Binoniemi moved to approve the Market Place plan #52 reimbursement for the Pedway Improvements, as presented. Motion seconded by Johnson.

YEAS: Unanimous. Motion carried.

Market Place #52 Lansing Shuffleboard & Social Club Brownfield Loan (ACTION)
Klein provided an overview of the Lansing Shuffleboard and Social Club project. The Developers have been previously approved for $400,000 to support eligible improvements. The Developer has requested an additional $225,000 to support additional eligible improvements that are needed as part of the project. Kirstie Ducourouble with the Detroit Rising Development expressed due to a substantial increase to construction costs the plan was changed to make the project feasible. These changes include the elimination of the mezzanine upgrade and instead adding in a 4-season enclosed patio where the shuffleboards will be installed. She explained even though the project scope was revised to accommodate the same original components, there is still a substantial increase in costs hence the request to the LBRA for additional funding. Chair Jones requested to receive updated floorplans that reflect the changes. Member McGrain expressed the increased costs to projects have been seen all around Lansing with other projects, but he remains excited about this project.

> **MOTION:** Binoniemi moved to approve the Market Place plan #52 Brownfield loan to the Lansing Shuffleboard & Social Club, as presented. Motion seconded by McKissic.
>
> **YEAS:** Unanimous. Motion carried.

Open Forum for LBRA Board Members
None was provided.

Other Business
None was provided.

Public Comment
None was provided.

Adjournment
There being no further business, Chair Jones declared the LBRA Board of Director's meeting adjourned at 10:01 a.m.

Karl Dorshimer, Director of Economic Development
Lansing Economic Area Partnership (LEAP)

LANSING BROWNFIELD REDEVELOPMENT AUTHORITY
Certificate of Resolution by Board of Directors

At a rescheduled meeting of the Board of Directors of the Lansing Brownfield Redevelopment Authority (LBRA) held on Friday, October 8th, 2021 at 8:30 a.m., pursuant to notice duly given:

PRESENT: Members:

ABSENT: Members:

The following preamble and resolution was offered by;

Member: , and seconded by:

Member:

WHEREAS, the Lansing Brownfield Redevelopment Authority (the “LBRA”), intends to assist the City of Lansing (the “City”) to relocate all City/Court/Police offices, departments and functions currently located in the City Hall Building and Adjacent Annex; and

WHEREAS, by doing so the Current City Hall Building can be made available for purchase and redevelopment by qualified developers; and

WHEREAS, the LBRA desires to engage the Kramer Management Group (the “Consultant”) as a consultant to assist the LBRA, Lansing Building Authority and City to solicit and evaluate proposals from developers to build or redevelop facilities in which to relocate the City’s Current City Hall’s offices, departments and functions, and/or purchase and redevelop the Current City Hall, and also provide oversight and management of development for any projects resulting from these efforts: and

WHEREAS, the Consultant has submitted a proposal to the LBRA for Development Consulting Services related to Lansing City Hall, a copy of which is attached hereto as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LANSING BROWNFIELD REDEVELOPMENT AUTHORITY (LBRA), AS FOLLOWS:

1. Lansing Brownfield Redevelopment Authority (the “LBRA”) approves the contract between the Kramer Management Group (the “Consultant”) and the LBRA for Development Consulting Services (the “Contract”) related to Lansing City Hall.

2. The LBRA Board directs its Chair, legal counsel, and authorized representative(s) to finalize the Contract to the satisfaction of the LBRA Chair who will then execute the Contract on the Authority’s behalf.

3. The LBRA Board approves of allocation of up to $40,000 of LBRA funds from its Local Brownfield Revolving Fund (LBRF) to support Phase I only of the Contract provided by the Consultant.

4. The LBRA Board further directs that Phases II and III as described in the Contract and their related cost estimates shall be brought to the LBRA Board for approval prior to those Phases being undertaken by the Consultant.

5. Additionally, the LBRA Board agrees that if any section, clause, or phrase of this Resolution is declared as invalid by a court of law, that ruling shall not affect the intent and purpose of this Resolution and validity of the remaining provisions of the Resolution.

6. Finally, the LBRA Board declares that all resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are repealed.

YEAS:

NAYS:

ABSTENTIONS:

ABSENT:

PREAMBLE AND RESOLUTIONS DECLARED ADOPTED.

STATE OF MICHIGAN)
) ss.
COUNTY OF INGHAM)

I hereby certify that the foregoing is a true and a complete copy of a preamble and resolutions adopted at a rescheduled meeting of the Lansing Brownfield Redevelopment Authority held on the 8th day of October, and said preamble and resolutions are on file in the office of the Lansing Brownfield Redevelopment Authority and are available to the public. Public notice of the meeting was given pursuant to and in compliance with Act No. 267, Public Acts of Michigan 1976, including in the case of a special or re-scheduled meeting, notice by publication or posting of at least eighteen (18) hours prior to the time set for the meeting. In addition, the meeting was held in full compliance with the Board's Bylaws.

IN WITNESS WHEREOF, I have hereunto affixed my official signature.

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Calvin L. Jones, Chair

KRAMER
MANAGEMENT GROUP

September 22, 2021

Mr. Calvin Jones
Lansing Brownfield Redevelopment Authority
1000 South Washington Ave
Lansing, MI 48910

Re: P3 Development Consulting Services
Lansing City Hall, 54a Court

Dear Mr. Jones,

Thank you very much for the opportunity to offer the services of Kramer Management Group (KMG) in the effort to facilitate economic development opportunities within the City of Lansing, more specifically described as the redevelopment of the current City Hall. Kramer Management Group is very excited to continue the work we provided to the City of Lansing in early 2019. Our previous work, coupled with new development opportunities, provides us with the opportunity to efficiently capitalize on the feasibility of this repurposing effort and assist the city in their goal of facilitating economic development activity while securing the city's ability to provide critical services in a functional new facility. I am very confident that the services we provide will result in a transformational opportunity for downtown Lansing.

As discussed with representatives from the City of Lansing and LEAP, KMG has been asked to lead the solicitation of a public private partnership (P3) to enable this new economic development activity and to provide development consulting services in support of the delivery of this P3 effort. The following proposal outlines the services to be provided.

Background:

In late 2018, the City of Lansing engaged KMG to evaluate previous studies, prepared by others, regarding the proposed relocation of City Hall. Those previous studies, and a previous public solicitation related to developing the existing city hall building had not produced actionable proposals for the city due to funding shortfalls. While all previous studies were beneficial to assess the need for a new city hall, an actionable and financially feasible model had not been provided to the city. Prior to re-engaging the public in another solicitation, the mayor's office chose to conduct a new independent study with the primary goal of determining the true needs assessment for what a highly efficient city hall would require, and how a new facility may be created to organize the city functions using either a centralized or decentralized model. The result of that work was the completion of a study produced by KMG and Ghafari in early 2019. This Ghafari study will be used to form the initial baseline for this new P3 solicitation.

Phases of the proposed P3 Process:

Phase 1: Consultation and administration of the P3 solicitation.
Phase 2: Proposal evaluation, selection, and negotiation of transaction with selected entity
Phase 3: Oversight and management of the P3 project.

General Scope of Services:

Phase 1 Services: October 2021-January 2022

- The Lansing Brownfield Redevelopment Authority (LBRA) agrees to establish an exclusive consultation agreement with KMG to provide consulting and program management services as outlined below throughout all phases of this initiative.
- Consult with City leadership to confirm the clear goals and objectives of the city regarding the relocation of City Hall to facilitate economic development and provide a functional new location for city services.
- Consult with City Representatives to validate/confirm the needs assessment and assumptions identified within the previous Ghafari study and update programming information to be used in the P3 solicitation.
- Consult with City financial representatives and LEAP to identify potential funding sources to be identified for the relocation of city hall functions. Clearly identify the financial capacity the city can provide this initiative.
- Consult with City representatives and LEAP to identify city and/or state-owned sites that may be considered as potential locations for a new city hall or other economic development activity.
- Consult with LEAP and others to identify potential economic development incentives or tools to assist in the feasibility of the initiative.
- Assemble all materials and incorporate into a public solicitation for a public private partnership that will accomplish all stated goals.
- Conduct public meetings in coordination with City of Lansing leadership, and LEAP as required to communicate the expectations of the solicitation and to answer questions of proposing firms.
- Administer the solicitation process including advertisement of the opportunity publicly, answering questions from proposing firms, receiving, and compiling all responses to the solicitation.
- Phase 1 is completed upon receipt of the proposals.

Phase 2 Services: February 2022- TBD

- Phase 2 Commences with the receipt proposals.
- Conduct initial reviews and evaluations of proposals received in consultation with a selection committee to be determined by the LBRA.
- As directed by the selection committee, conduct post proposal meetings and interviews with one or more proposing firm to clarify elements of the proposals, request additional information, and prepare summaries of all information provided by the bidders.

- Conduct in-depth financial reviews with city representatives and LEAP to evaluate the feasibility of any number of proposals.
- Summarize all proposed options to the selection committee and lead a decision-making process for selection of a successful P3 candidate.
- Lead negotiations with the selected P3 candidate, in consultation with city representatives, to determine actionable terms and conditions acceptable to the City.
- Assist the city as needed, with all transactional documents as required to proceed with the selected proposal.
- Phase 2 is completed upon reaching a final agreement with the selected P3 candidate.

Phase 3 Services: TBD

- Phase three commences with the execution of an agreement with a P3 candidate and continues throughout occupancy of the new City Hall.
- The LBRA or other such authority agrees to enter into an Owner's Representative agreement with KMG for the management of phase 3 activities as generally outlined in the Consensus Documents Standard form of Agreement between an owner and owner's representative for services throughout design, construction, and occupancy of the new facility or facilities.
- Specific scope of services will be determined at the time the approved project scope and schedule are understood.

Agreement for Phase 1 services:

KMG proposes to provide the phase 1 services for the lump sum amount of $40,000. Payment of services shall be made in 4 monthly retainer payments of $10,000/month payable commencing October 1, 2021. These fees include all direct labor cost for KMG resources from October 1 through January 31, 2022.

In addition to our direct labor expenses, we propose to bill you for the reasonable expenses required in the delivery of our services for your project and approved in advance by you. Such expenses include but are not limited to job related office expenses, technology licenses, document reproduction, shipping/mailing, travel expenses outside the Lansing area, mileage, and other similar expenses directly incurred in the delivery of our services for your project. Such direct expenses shall be billed at our cost monthly with documented receipts for approval.

In the event you desire Kramer Management Group to engage the services of any specialized consultants on the project, we will contract for such work on your behalf and seek reimbursement at our cost plus a markup of 5%. Such services may include Architectural Space Planning, Information Systems Planning, Move Management Services, or other interior design related services as an example.

For phase 1 services extending beyond January 31, 2022, and for subsequent phases of the project, KMG proposes to provide all services at hourly billing rates for time spent directly on the project. The following billing rate for each position is inclusive of all base wages, fringes, benefits, vacation, workers compensation insurance, professional liability insurance, and all payroll taxes and other direct labor expenses. Billing Rates are fixed through December 31, 2022, and shall escalate at the rate of 3% annually thereafter.

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Position Title	Name	Billable Cost/Hour
Principal Representative	Pete Kramer	$265
Project Executive	Mike Morgan	$235
Project Administrator	Catherine Tome	$115
Other Positions As Needed	TBD	W2 taxable wage x 2.5/1840hrs

For phase 2 services, the anticipated cost is to be determined based on the number of proposals received, and the duration of the phase 2 process. KMG proposes to establish a not to exceed estimate for such services prior to commencing phase 2 work for approval by the LBRA or other designated authority at that time. The authority may choose to utilize hourly billing rates for services or convert to a lump sum monthly retainer, however they may choose. Billing rates shall be held firm until December 31, 2022, and shall increase annually at the rate of 3% after that date. Reimbursable expenses shall be as stipulated for phase 1 services.

For phase 3 services, the anticipated cost is to be determined based on the specific proposal accepted and the requirements of the city to manage the execution of the project on their behalf. KMG proposes to establish an estimate for such services prior to commencing phase 3 work for approval by the LBRA or other such authority at that time. The authority may choose to utilize hourly billing rates for services or convert to a lump sum monthly retainer, however they may choose. Billing rates shall be held firm until December 31, 2022 and shall increase annually at the rate of 3% after that date. Reimbursable expenses shall be as stipulated for phase 1 services.

I am certain this proposal will require further clarification with you, so please contact me at your convenience to review this in detail and resolve any questions you may have.

With sincere appreciation for the opportunity,

Peter W. Kramer
President
Kramer Management Group, Inc.