



Board of Directors Meeting
Friday, May 6, 2022 – 8:30 AM
LEAP Office
1000 S. Washington Ave. Ste. 201
Lansing, MI 48910

AGENDA

- 1) Call to Order
- 2) Approval of LEDC Board Meeting Minutes – Friday, April 8, 2022
- 3) Update on Financials
- 4) Update on LEED and ARPA Funding
- 5) Preliminary LEDC 2022-23 Budget Discussion
- 6) Update on Contract with the City
- 7) Transition Update
- 8) Open Forum for LEDC Board Members
- 9) Other Business
- 10) Public Comment
- 11) Adjournment



Lansing Economic Development Corporation (LED C)

Board of Directors Meeting
Friday, April 08, 2022 – 8:30 AM
LEAP Office
1000 S. Washington Ave. Ste. 201
Lansing, MI 48910

MINUTES

Members Present: Andrea Binoniemi, Dr. Alane Laws-Barker, Calvin Jones, Jordan Sutton, Brian McGrain, Michael McKissic, Tom Donaldson

Members Absent: Shelley Davis-Boyd (excused), Blake Johnson (excused)

Staff Present: Karl Dorshimer, Kris Klein, Kambriana Gates, Mitchell Timmerman, Aurelius Christian, Jennifer Abood-Morris

Guests:

Call to Order/Roll Call

Chair Binoniemi called the Lansing Economic Development Corporation meeting to order at 8:35 AM. Klein took roll call attendance.

Approval of LED C Board Meeting Minutes – Friday, March 04, 2022

MOTION: Jones moved to approve the LED C meeting minutes from the Friday, March 04, 2022 Board of Directors meeting, as presented. Motion seconded by McKissic.

YEAS: Unanimous. Motion carried.

Update on Financials

Abood-Morris provided an update on the February 2022 draft LED C financials. Donaldson requested a projection for the financials once the resolution is passed for the LED C transition. Abood-Morris let the board know this is possible and at that point CHS will oversee the financials and can present that come July 1, 2022.

2021 LEDC Annual Report Presentation

Dorshimer presented the draft LEDC Annual Report to board members. Feedback was provided from board members. McGrain added for us to keep track of touch points/leads that are made throughout the year even if they do not move to completion. Sutton mentioned connecting with the State Bar of Michigan to assist with making maps interactive. Klein briefly described the South Lansing Initiative. Jones suggested inviting students from Lansing Public Schools to attend these ribbon cuttings in the City of Lansing.

Program Updates

a. Façade Improvement Program

Gates gave an update on the façade improvement program and the number of applicants awarded for the year. The City of Lansing will do a press release highlighting each business which the board members will have access to.

b. LEDC Site Committee- Logan Square

Christian gave an update on the Site Committee about the executive summary that will be given to consultants to develop a scope of work project plan. The executive summary will be given to the site committee members for their review prior to requesting proposals from design consultants.

c. Update on City Hall RFP

Dorshimer updated the board on the status for the City Hall RFP. Jones asked if ARPA funds could be used for this project which Dorshimer did not think those funds could be used for that. McGrain suggested to talk about additional funding opportunities available for the City Hall RFP.

Timmerman and McGrain gave an overview of the RAP (Revitalization and Placemaking) application which the City of Lansing is applying for to the MEDC as downtown was negatively impacted by Covid-19.

Resolution Establishing LEDC President & CEO (ACTION)

Binoniemi stated that this resolution is to approve Karl Dorshimer to act as the President and CEO of the LEDC who will report to the active LEDC board. After discussion of Item #3 of the Resolution and determining that an offer letter

cannot be extended until other contractual arrangements are in place, Chair Binoniemi introduced a revised resolution that changed item #3 from "In accordance with Section 17 of the LEDC's By-Laws, the Board authorizes the employment of Karl Dorshimer as the LEDC's President and CEO effective immediately under the terms of the attached offer letter, and the Board further authorizes and directs the Chairman of the Board to execute and deliver the attached offer letter on behalf of the LEDC" to the following clauses: "In accordance with Section 17 of the LEDC's By-Laws, the Board authorizes the employment of Karl Dorshimer as the LEDC's President and CEO effective immediately" and "The Board will negotiate, execute, and deliver an offer letter to govern the terms of Mr. Dorshimer's employment as the LEDC's President and CEO, which will be "at will" and will provide an annual starting salary beginning July 1, 2022." Jones requested to have a transition team that will report to the LEDC board which will be discussed during the open forum.

MOTION: Jones moved to approve the resolution establishing the President & CEO of the LEDC as presented. Seconded by McKissic.

YEAS: Unanimous. Motion Carried

FY2021-2022 Budget Amendment – Equipment & Services (ACTION)

Klein provided an update on the need for equipment and technology budget which was previously \$40,000. At this point, an amendment is needed to increase this budget by an additional \$20,000 from the contractual services line item to the transition line-item budget.

MOTION: Donaldson moved to approve the FY2021-2022 Budget Amendment as presented. Seconded by Jones.

YEAS: Unanimous. Motion Carried

Open Forum for LEDC Board Members

Transition ad-hoc committee members: Jones, McGrain, Binoniemi

Other Business

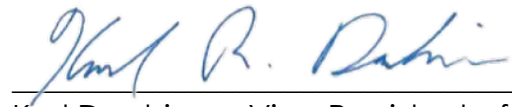
None

Public Comment

None

Adjournment

Chair Binoniemi called the Lansing Economic Development Corporation meeting to adjournment at 10:17 AM.

A handwritten signature in blue ink, reading "Karl R. Dorshimer", positioned above a horizontal line.

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

LANSING ECONOMIC DEVELOPMENT CORPORATION

Financial Statements

For the One Month and Nine Months Ended March 31, 2022 and 2021

Lansing Economic Development Corporation

Statements of Financial Position

	Mar 31, 22	Mar 31, 21
ASSETS		
Current Assets		
Checking/Savings		
10000 - PNC - General Fund - 2612	70,342.02	70,169.69
10001 - PNC - COVID19 Rescue Fund -2583	67.65	16.20
10002 - PNC - Business Fund - 2575	75,000.00	70,718.61
10004 - PNC - Business Fund Sweep -2647	1,250,492.76	1,518,647.11
10005 - PNC - General Fund Sweep - 2639	291,039.54	181,984.89
10007 - PNC - Energy Eff Rev Sav - 0696	213,376.92	213,248.93
Total Checking/Savings	1,900,318.89	2,054,785.43
Accounts Receivable		
11000 - Accounts Receivable	12,037.50	14,362.50
Total Accounts Receivable	12,037.50	14,362.50
Other Current Assets		
11119 - Prepaid Insurance	10,273.54	6,428.22
11135 - Receivable BW&L-Current Portion	0.00	4,500.00
11137 - Sleepwalker-Current Portion	4,371.40	6,961.20
11139 - The 517 Coffee Co-Current Port	5,465.83	2,646.69
11141 - Sweet Encounter Bakery -Current	4,263.22	0.00
11205 - Petra Flowers - CDBG-CV Rec	13,000.00	0.00
11206 - Ahptic Productions-CDBG-CV Rec	47,000.00	0.00
11207 - Busy Betty-CDBG-CV Rec	11,427.26	0.00
11208 - Meika's Boutique-CDBG-CV Rec	5,807.94	0.00
11209 - Lynn Osborne PC-CDBG-CV Rec	9,400.00	0.00
11210 - MJ Journeys - CDBG-CV Rec	17,681.00	0.00
11211 - Bella Viita-CDBG-CV Rec	19,999.00	0.00
11212 - Polka Dots Boutique-CDBG-CV Rec	13,650.00	0.00
11213 - Quality Detailing - CDBG-CV Rec	10,000.00	0.00
11214 - Artifact Estate - CDBG-CV Rec	7,027.00	0.00
11215 - FLEXcity Fitness - CDBG-CV Rec	17,000.00	0.00
11216 - Bantou Beauty - CDBG-CV Rec	16,000.00	0.00
11217 - Sophisticated Stylez-CDBG-CV Re	7,420.00	0.00
11220 - Premier Oil Shop - CDBG-CV Rec	24,872.00	0.00
11225 - Peoples Yoga - CDBG-CV Rec	18,200.00	0.00
11230 - Sleepwalker Spirit-CDBG-CV Rec	15,000.00	0.00
11235 - The 517 Coffee Co - CDBG-CV Rec	14,520.00	0.00
11240 - The Power of Water -CDBG-CV Rec	15,500.00	0.00
11245 - Value Engineering - CDBG-CV Rec	50,000.00	0.00
11250 - Odd Nodd Inc. - CDBG-CV Rec	9,500.00	0.00
Total Other Current Assets	367,378.19	20,536.11
Total Current Assets	2,279,734.58	2,089,684.04
Other Assets		
12000 - Loans Receivable		
11130 - Receivable BW&L	0.00	4,500.00
11131 - Receivable BW&L-Current Portion	0.00	-4,500.00
12080 - Sleepwalker Spirits & Ale-Loan	4,371.39	10,790.85
12085 - Sleepwalker - Current Portion	-4,371.39	-6,961.20
12094 - The 517 Coffee Co. - Loan Rec.	22,353.31	25,000.00
12095 - The 517 Coffee Co-Current Port	-5,465.83	-2,646.69
12096 - Sweet Encounter Bakery-Loan Rec	19,822.43	0.00
12097 - Sweet Encounter Bakery -Cur Por	-4,263.22	0.00
Total 12000 - Loans Receivable	32,446.69	26,182.96
Total Other Assets	32,446.69	26,182.96
TOTAL ASSETS	2,312,181.27	2,115,867.00
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
20000 - Accounts Payable	0.00	14,679.39
Total Accounts Payable	0.00	14,679.39

No assurance is provided on these financial statements or supplementary information. The financial statements omit substantially all disclosures and the statement of cash flows, revenue and expenses related to certain contracts are recognized when received and paid, all of which are not in accordance with accounting principles generally accepted in the United States of America.

Lansing Economic Development Corporation

Statements of Financial Position

	Mar 31, 22	Mar 31, 21
Other Current Liabilities		
20300 · Payable LBRA-Current Portion	4,500.00	4,500.00
Total Other Current Liabilities	4,500.00	4,500.00
Total Current Liabilities	4,500.00	19,179.39
Long Term Liabilities		
20200 · Payable to LBRA	4,500.00	4,500.00
20400 · Payable to LBRA-Current Portion	-4,500.00	-4,500.00
Total Long Term Liabilities	0.00	0.00
Total Liabilities	4,500.00	19,179.39
Equity		
32000 · Without donor restrictions	2,389,769.69	2,406,322.02
32100 · With donor restrictions	79,671.00	158,566.00
Net Income	-161,759.42	-468,200.41
Total Equity	2,307,681.27	2,096,687.61
TOTAL LIABILITIES & EQUITY	2,312,181.27	2,115,867.00

No assurance is provided on these financial statements or supplementary information. The financial statements omit substantially all disclosures and the statement of cash flows, revenue and expenses related to certain contracts are recognized when received and paid, all of which are not in accordance with accounting principles generally accepted in the United States of America.

Lansing Economic Development Corporation

Statements of Activities

	Mar 22	Mar 21
Ordinary Income/Expense		
Income		
40000 · Contract Income		
40010 · Brownfield Admin	0.00	14,093.95
Total 40000 · Contract Income	0.00	14,093.95
41000 · Loan Interest		
41080 · Sleepwalker Spirits Interest	12.26	33.33
41091 · The 517 Coffee Company Interest	78.73	93.75
41093 · Sweet Encounter Bakery Cafe Int	46.43	0.00
Total 41000 · Loan Interest	137.42	127.08
42000 · Investments		
42010 · Interest-Savings, Short-term CD	89.39	104.22
Total 42000 · Investments	89.39	104.22
Total Income	226.81	14,325.25
Expense		
63000 · Development		
63025 · Facade Grants	0.00	11,188.25
63030 · Contractual Services	4,493.85	5,916.20
63050 · Insurance & Bonds	1,217.16	1,037.82
63060 · Miscellaneous Operating	164.13	214.42
63072 · CDBG-CV Program Expenses	0.00	4,111.08
63080 · Bank Fees	3.00	3.00
Total 63000 · Development	5,878.14	22,470.77
64000 · EDC Business Incubator		
64005 · Bank Fees	3.00	3.00
Total 64000 · EDC Business Incubator	3.00	3.00
Total Expense	5,881.14	22,473.77
Net Ordinary Income	-5,654.33	-8,148.52
Net Income	-5,654.33	-8,148.52

No assurance is provided on these financial statements or supplementary information. The financial statements omit substantially all disclosures and the statement of cash flows, revenue and expenses related to certain contracts are recognized when received and paid, all of which are not in accordance with accounting principles generally accepted in the United States of America.

Lansing Economic Development Corporation

Statements of Activities

	Jul '21 - Mar 22	Jul '20 - Mar 21
Ordinary Income/Expense		
Income		
40000 · Contract Income		
40010 · Brownfield Admin	152,679.40	142,628.38
40020 · City of Lansing Contract	300,000.00	0.00
40040 · Annual Issuer's Fees	12,037.50	14,362.50
40090 · EGLE Allen Place Grant Contract	198,538.91	9,459.73
40091 · EGLE Allen Place Grant Admin.	300.46	0.00
40094 · CDBG CV Grant Contract	91,497.81	0.00
40095 · CDBG CV Contract Admin	2,746.31	0.00
40096 · CDBG Contract Prog Reimb	3,900.00	0.00
Total 40000 · Contract Income	761,700.39	166,450.61
41000 · Loan Interest		
41080 · Sleepwalker Spirits Interest	172.23	302.19
41091 · The 517 Coffee Company Interest	814.92	1,013.30
41093 · Sweet Encounter Bakery Cafe Int	296.43	0.00
Total 41000 · Loan Interest	1,283.58	1,315.49
42000 · Investments		
42010 · Interest-Savings, Short-term CD	873.97	1,823.05
Total 42000 · Investments	873.97	1,823.05
43000 · Other Types of Income		
43037 · Application Fees	250.00	0.00
Total 43000 · Other Types of Income	250.00	0.00
Total Income	764,107.94	169,589.15
Expense		
61000 · Contract Services		
61020 · Legal Fees	888.00	0.00
Total 61000 · Contract Services	888.00	0.00
63000 · Development		
63025 · Facade Grants	56,583.96	47,606.25
63030 · Contractual Services	714,543.54	554,173.13
63035 · EGLE Allen Place Grant Contract	136,247.71	9,459.73
63050 · Insurance & Bonds	10,257.24	12,350.73
63055 · Marketing & Promotions	345.00	0.00
63060 · Miscellaneous Operating	791.71	733.04
63072 · CDBG-CV Program Expenses	6,109.00	13,376.08
63080 · Bank Fees	74.20	63.60
Total 63000 · Development	924,952.36	637,762.56
64000 · EDC Business Incubator		
64005 · Bank Fees	27.00	27.00
Total 64000 · EDC Business Incubator	27.00	27.00
Total Expense	925,867.36	637,789.56
Net Ordinary Income	-161,759.42	-468,200.41
Net Income	-161,759.42	-468,200.41

No assurance is provided on these financial statements or supplementary information. The financial statements omit substantially all disclosures and the statement of cash flows, revenue and expenses related to certain contracts are recognized when received and paid, all of which are not in accordance with accounting principles generally accepted in the United States of America.

SUPPLEMENTARY INFORMATION

Lansing Economic Development Corporation

Statement of Activities - Actual vs. Budget

	Jul '21 - Mar 22	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
40000 · Contract Income				
40010 · Brownfield Admin	152,679.40	14,093.95	138,585.45	1,083.3%
40020 · City of Lansing Contract	300,000.00	0.00	300,000.00	100.0%
40040 · Annual Issuer's Fees	12,037.50	14,362.50	-2,325.00	83.8%
40090 · EGLE Allen Place Grant Contract	198,538.91	9,459.73	189,079.18	2,098.8%
40091 · EGLE Allen Place Grant Admin.	300.46			
40094 · CDBG CV Grant Contract	91,497.81			
40095 · CDBG CV Contract Admin	2,746.31	0.00	2,746.31	100.0%
40096 · CDBG Contract Prog Reimb	3,900.00	0.00	3,900.00	100.0%
Total 40000 · Contract Income	761,700.39	37,916.18	723,784.21	2,008.9%
41000 · Loan Interest				
41080 · Sleepwalker Spirits Interest	172.23	297.53	-125.30	57.9%
41091 · The 517 Coffee Company Interest	814.92	1,013.30	-198.38	80.4%
41093 · Sweet Encounter Bakery Cafe Int	296.43			
Total 41000 · Loan Interest	1,283.58	1,310.83	-27.25	97.9%
42000 · Investments				
42010 · Interest-Savings, Short-term CD	873.97	1,823.05	-949.08	47.9%
Total 42000 · Investments	873.97	1,823.05	-949.08	47.9%
43000 · Other Types of Income				
43037 · Application Fees	250.00	0.00	250.00	100.0%
Total 43000 · Other Types of Income	250.00	0.00	250.00	100.0%
Total Income	764,107.94	41,050.06	723,057.88	1,861.4%
Expense				
61000 · Contract Services				
61020 · Legal Fees	888.00	0.00	888.00	100.0%
Total 61000 · Contract Services	888.00	0.00	888.00	100.0%
63000 · Development				
63025 · Facade Grants	56,583.96	47,606.25	8,977.71	118.9%
63030 · Contractual Services	714,543.54	554,173.13	160,370.41	128.9%
63035 · EGLE Allen Place Grant Contract	136,247.71	1,803.75	134,443.96	7,553.6%
63050 · Insurance & Bonds	10,257.24	12,350.73	-2,093.49	83.0%
63055 · Marketing & Promotions	345.00	0.00	345.00	100.0%
63060 · Miscellaneous Operating	791.71	733.04	58.67	108.0%
63072 · CDBG-CV Program Expenses	6,109.00	12,065.00	-5,956.00	50.6%
63080 · Bank Fees	74.20	79.80	-5.60	93.0%
Total 63000 · Development	924,952.36	628,811.70	296,140.66	147.1%
64000 · EDC Business Incubator				
64005 · Bank Fees	27.00	27.00	0.00	100.0%
Total 64000 · EDC Business Incubator	27.00	27.00	0.00	100.0%
Total Expense	925,867.36	628,838.70	297,028.66	147.2%
Net Ordinary Income	-161,759.42	-587,788.64	426,029.22	27.5%
Net Income	-161,759.42	-587,788.64	426,029.22	27.5%

No assurance is provided on these financial statements or supplementary information. The financial statements omit substantially all disclosures and the statement of cash flows, revenue and expenses related to certain contracts are recognized when received and paid, all of which are not in accordance with accounting principles generally accepted in the United States of America.

