Board of Directors Meeting
Friday, June 10, 2022 – 8:30 AM
Please Note Meeting Location
Allen Neighborhood Center
Allen Market Place Great Room
1611 E Kalamazoo St., Lansing, MI 48912

AGENDA

1) Call to Order
2) Approval of LEDC Board Meeting Minutes – Friday, May 6, 2022
3) Update on Financials
4) Transition Update
5) FY2022/2023 LEDC & City of Lansing Economic Development Contract (ACTION)
6) LEDC & LEAP Memorandum of Understanding (ACTION)
7) Approval of FY2021/2022 LEDC Budget Amendment (ACTION)
   Attached Amended FY2021/2022 LEDC Budget- Highlighted in Orange
8) Approval of FY2022/2023 LEDC Budget (ACTION)
   Attached Proposed FY2022/2023 LEDC Budget- Highlighted in Blue
9) Open Forum for LEDC Board Members
10) Other Business
11) Public Comment
12) LEDC Employment - Closed Session Discussion (ACTION)
13) Adjournment

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

MINUTES

Members Present:	Shelley Davis-Boyd, Tom Donaldson, Blake Johnson, Dr. Alane Laws-Barker, Calvin Jones, Jordan Sutton
Members Absent:	Brian McGrain (excused), Andrea Binoniemi (excused), Michael McKissic
Staff Present:	Karl Dorshimer, Kris Klein, Aurelius Christian
Guests:	Mayor Andy Schor, City of Lansing

Call to Order
Vice-Chair Davis-Boyd called the Lansing Economic Development Corporation meeting to order at 9:10AM.

Approval of LEDC Board Meeting Minutes – Friday, April 8, 2022
MOTION: Donaldson moved to approve the LEDC meeting minutes from the Friday, April 8, 2022 Board of Directors meeting, as presented. Motion seconded by Johnson.

YEAS: Unanimous. Motion carried.

Update on Financials
Klein provided an update on the March 2022 draft LEDC financials including the status of grant and loan programs.

Update on LEED and ARPA Funding
Dorshimer provided an update on the Mayor's ARPA spending plan and development of the LEED Program.

Preliminary LEDC 2022-23 Budget Discussion
Dorshimer provided an overview of the FY2023 LEDC Budget which will be presented for Board approval at their June 2022 meeting. Dorshimer noted the proposed budget presented to the City may change with the ARPA allocation.

Update on Contract with the City
Dorshimer provided an update on the Contract for Economic Development Services process with the City of Lansing. The Contract will be presented to the Board for approval at their June 2022 meeting.

Transition Update
Dorshimer shared the status of the transition of staff and services from LEAP to LEDC, including possible office sites, contractual services, staff positions and employee benefits, and insurance coverage.

Mayor mentioned that he is available for questions from the Board on the transition, that he looks forward to continuing partnering with LEAP on regional efforts, but the LEDC staff and Board will be essential for a focused economic development effort in the City of Lansing.

Donaldson noted that he feels the Board is sometimes only reactive, wants to see planning and focus of development efforts.

Open Forum for LEDC Board Members
None.

Other Business
None.

Public Comment
None.

Adjournment
Vice-Chair Davis-Boyd called the Lansing Economic Development Corporation meeting to adjournment at 9:55AM.

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

CLARK SCHAEFER HACKETT
BUSINESS ADVISORS

LANSING ECONOMIC DEVELOPMENT CORPORATION

Financial Statements

For the One Month and Ten Months Ended April 30, 2022 and 2021

Lansing Economic Development Corporation
Statements of Financial Position

	Apr 30, 22	Apr 30, 21
ASSETS		
Current Assets		
Checking/Savings		
10000 · PNC - General Fund - 2612	75,000.00	72,040.69
10001 · PNC - COVID19 Rescue Fund -2583	67.65	14.85
10002 · PNC - Business Fund - 2575	72,075.00	71,365.48
10004 · PNC - Business Fund Sweep -2647	1,252,862.83	1,518,722.00
10005 · PNC - General Fund Sweep - 2639	540,862.63	156,773.06
10007 · PNC - Energy Eff Rev Sav - 0696	213,387.09	213,259.45
Total Checking/Savings	2,154,255.20	2,032,175.53
Accounts Receivable		
11000 · Accounts Receivable	67,129.79	14,362.50
Total Accounts Receivable	67,129.79	14,362.50
Other Current Assets		
11119 · Prepaid Insurance	9,056.36	5,390.40
11135 · Receivable BW&L-Current Portion	0.00	4,500.00
11137 · Sleepwalker-Current Portion	0.00	6,980.84
11139 · The 517 Coffee Co-Current Port	5,486.72	3,091.32
11141 · Sweet Encounter Bakery -Current	4,274.08	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	18,000.00	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	364,821.36	19,962.56
Total Current Assets	2,586,206.35	2,066,500.59
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	0.00	10,262.21
12085 · Sleepwalker - Current Portion	0.00	-6,980.84
12094 · The 517 Coffee Co. - Loan Rec.	21,908.68	25,000.00
12095 · The 517 Coffee Co-Current Port	-5,486.72	-3,091.32
12096 · Sweet Encounter Bakery-Loan Rec	19,472.94	0.00
12097 · Sweet Encounter Bakery -Cur Por	-4,274.08	0.00
Total 12000 · Loans Receivable	31,620.82	25,190.05
Total Other Assets	31,620.82	25,190.05
TOTAL ASSETS	**2,617,827.17**	**2,091,690.64**
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
20000 · Accounts Payable	4,146.06	1,495.00
Total Accounts Payable	4,146.06	1,495.00

Lansing Economic Development Corporation
Statements of Financial Position

	Apr 30, 22	Apr 30, 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	8,646.06	5,995.00
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	8,646.06	5,995.00
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	139,740.42	-479,192.38
Total Equity	2,609,181.11	2,085,695.64
TOTAL LIABILITIES & EQUITY	**2,617,827.17**	**2,091,690.64**

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

	Apr 22	Apr 21
Ordinary Income/Expense		
Income		
40000 · Contract Income		
40010 · Brownfield Admin	45,713.88	0.00
40090 · EGLE Allen Place Grant Contract	209,124.30	0.00
40091 · EGLE Allen Place Grant Admin.	294.46	0.00
40094 · CDBG CV Grant Contract	48,039.70	0.00
40095 · CDBG CV Contract Admin	4,843.59	5,362.02
40096 · CDBG Contract Prog Reimb	2,209.00	0.00
Total 40000 · Contract Income	310,224.93	5,362.02
41000 · Loan Interest		
41080 · Sleepwalker Spirits Interest	11.99	27.48
41091 · The 517 Coffee Company Interest	85.43	93.75
41093 · Sweet Encounter Bakery Cafe Int	50.51	0.00
Total 41000 · Loan Interest	147.93	121.23
42000 · Investments		
42010 · Interest-Savings, Short-term CD	85.12	94.26
Total 42000 · Investments	85.12	94.26
Total Income	310,457.98	5,577.51
Expense		
61000 · Contract Services		
61020 · Legal Fees	4,515.50	0.00
Total 61000 · Contract Services	4,515.50	0.00
63000 · Development		
63025 · Facade Grants	0.00	12,800.00
63035 · EGLE Allen Place Grant Contract	294.46	0.00
63050 · Insurance & Bonds	1,217.18	1,037.82
63060 · Miscellaneous Operating	0.00	156.31
63072 · CDBG-CV Program Expenses	2,925.00	2,568.00
63080 · Bank Fees	3.00	4.35
Total 63000 · Development	4,439.64	16,566.48
64000 · EDC Business Incubator		
64005 · Bank Fees	3.00	3.00
Total 64000 · EDC Business Incubator	3.00	3.00
Total Expense	8,958.14	16,569.48
Net Ordinary Income	301,499.84	-10,991.97
Net Income	**301,499.84**	**-10,991.97**

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Lansing Economic Development Corporation
Statements of Activities

	Jul '21 - Apr 22	Jul '20 - Apr 21
Ordinary Income/Expense		
Income		
40000 · Contract Income		
40010 · Brownfield Admin	198,393.28	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	407,663.21	9,459.73
40091 · EGLE Allen Place Grant Admin.	594.92	0.00
40094 · CDBG CV Grant Contract	139,537.51	0.00
40095 · CDBG CV Contract Admin	7,589.90	5,362.02
40096 · CDBG Contract Prog Reimb	6,109.00	0.00
Total 40000 · Contract Income	1,071,925.32	171,812.63
41000 · Loan Interest		
41080 · Sleepwalker Spirits Interest	184.22	329.67
41091 · The 517 Coffee Company Interest	900.35	1,107.05
41093 · Sweet Encounter Bakery Cafe Int	346.94	0.00
Total 41000 · Loan Interest	1,431.51	1,436.72
42000 · Investments		
42010 · Interest-Savings, Short-term CD	959.09	1,917.31
Total 42000 · Investments	959.09	1,917.31
43000 · Other Types of Income		
43037 · Application Fees	250.00	0.00
Total 43000 · Other Types of Income	250.00	0.00
Total Income	1,074,565.92	175,166.66
Expense		
61000 · Contract Services		
61020 · Legal Fees	5,403.50	0.00
Total 61000 · Contract Services	5,403.50	0.00
63000 · Development		
63025 · Facade Grants	56,583.96	60,406.25
63030 · Contractual Services	714,543.54	554,173.13
63035 · EGLE Allen Place Grant Contract	136,542.17	9,459.73
63050 · Insurance & Bonds	11,474.42	13,388.55
63055 · Marketing & Promotions	345.00	0.00
63060 · Miscellaneous Operating	791.71	889.35
63072 · CDBG-CV Program Expenses	9,034.00	15,944.08
63080 · Bank Fees	77.20	67.95
Total 63000 · Development	929,392.00	654,329.04
64000 · EDC Business Incubator		
64005 · Bank Fees	30.00	30.00
Total 64000 · EDC Business Incubator	30.00	30.00
Total Expense	934,825.50	654,359.04
Net Ordinary Income	139,740.42	-479,192.38
Net Income	**139,740.42**	**-479,192.38**

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SUPPLEMENTARY INFORMATION

Lansing Economic Development Corporation
Statement of Activities - Actual vs. Budget

	Jul '21 - Apr 22	Budget	$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
40000 · Contract Income				
40010 · Brownfield Admin	198,393.28	14,093.95	184,299.33	1,407.6%
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	407,663.21	9,459.73	398,203.48	4,309.5%
40091 · EGLE Allen Place Grant Admin.	594.92			
40094 · CDBG CV Grant Contract	139,537.51			
40095 · CDBG CV Contract Admin	7,589.90	5,362.02	2,227.88	141.5%
40096 · CDBG Contract Prog Reimb	6,109.00	0.00	6,109.00	100.0%
Total 40000 · Contract Income	1,071,925.32	43,278.20	1,028,647.12	2,476.8%
41000 · Loan Interest				
41080 · Sleepwalker Spirits Interest	184.22	325.01	-140.79	56.7%
41091 · The 517 Coffee Company Interest	900.35	1,107.05	-206.70	81.3%
41093 · Sweet Encounter Bakery Cafe Int	346.94			
Total 41000 · Loan Interest	1,431.51	1,432.06	-0.55	100.0%
42000 · Investments				
42010 · Interest-Savings, Short-term CD	959.09	1,917.31	-958.22	50.0%
Total 42000 · Investments	959.09	1,917.31	-958.22	50.0%
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	1,074,565.92	46,627.57	1,027,938.35	2,304.6%
Expense				
61000 · Contract Services				
61020 · Legal Fees	5,403.50	0.00	5,403.50	100.0%
Total 61000 · Contract Services	5,403.50	0.00	5,403.50	100.0%
63000 · Development				
63025 · Facade Grants	56,583.96	49,606.25	6,977.71	114.1%
63030 · Contractual Services	714,543.54	554,329.44	160,214.10	128.9%
63035 · EGLE Allen Place Grant Contract	136,542.17	1,803.75	134,738.42	7,569.9%
63050 · Insurance & Bonds	11,474.42	13,388.55	-1,914.13	85.7%
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	9,034.00	14,633.00	-5,599.00	61.7%
63080 · Bank Fees	77.20	84.15	-6.95	91.7%
Total 63000 · Development	929,392.00	634,578.18	294,813.82	146.5%
64000 · EDC Business Incubator				
64005 · Bank Fees	30.00	30.00	0.00	100.0%
Total 64000 · EDC Business Incubator	30.00	30.00	0.00	100.0%
Total Expense	934,825.50	634,608.18	300,217.32	147.3%
Net Ordinary Income	139,740.42	-587,980.61	727,721.03	-23.8%
Net Income	**139,740.42**	**-587,980.61**	**727,721.03**	**-23.8%**

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.

CONTRACT BETWEEN
THE LANSING ECONOMIC DEVELOPMENT CORPORATION
AND
THE CITY OF LANSING
(2022-2023)

THIS CONTRACT, entered into this __st day of June 2022 effective from July 1, 2022 through June 30, 2023 by and between the City of Lansing, a Michigan municipal corporation (the "City") and the Economic Development Corporation of the City of Lansing, a non-profit corporation organized and existing under the laws of the State of Michigan (the "Contractor"). The Contractor is the exclusive and independent employer of its employees, if any.

WITNESSETH THAT:

WHEREAS, the City desires to engage the Contractor to perform certain services and activities; and

WHEREAS, the Contractor represents that it will perform such services and activities in a lawful, satisfactory and proper manner, all in accordance with the policies, procedures and requirements which have been or, from time to time, may be prescribed by the City; and

NOW, THEREFORE, the City and the Contractor do mutually agree as follows:

1. Scope of Work

Introduction:

The LEDC will provide via this contract economic development services to the City. These services include assisting with business expansion, retention and attraction along with facilitating real estate and place-based development projects in the City. In addition, LEDC will provide for assistance to the West Saginaw and East Michigan Corridor Improvement Authorities' phase toward self-management while also continuing the planning work for CIAs on N. Grand River Ave and S. MLK Blvd. LEDC will also promote investment into the City's Opportunity Zones and manage the City Façade Improvement Program. To support and ensure that these efforts will be successful The LEDC will also provide complex and critical administrative services to the Tax Increment Financing Authority (TIFA), Lansing Brownfield Redevelopment Authority (LBRA) and all four CIA Boards.

Scope of Work Details (City Project)

A. Lansing Real Estate and Place Development

Preparing, marketing and facilitating the development of land and buildings in the City of Lansing including contaminated, blighted, functionally obsolete and surplus properties.

B. LBRA Plans, Grants, Loans, Acct. Admin & Board Management

Managing and conducting all the responsibilities, tasks, and functions of the Lansing Brownfield Redevelopment Authority.

C. Lansing Business Retention and Expansion

Assisting Lansing businesses with expansion and relocation including making business retention calls to determine and meet their needs to remain strong and profitable.

D. LEDC Lansing Equitable Economic Development Program

The recent federal American Rescue Plan Act (ARPA) funding offers the City a unique opportunity to deliberately focus on marginalized and underrepresented communities, which have been statistically proven to be disproportionately affected by the COVID-19 crisis and resulting economic impact. These funds also offer the ability to enable future economic success and prosperity for the entire city. As a result, the LEDC has put together a three-year LEED Program to ensure that the BIPOC (Black, Indigenous, People of Color) populations of Lansing have the tools, opportunities, and access to expertise, resources, and training needed to start and sustain businesses through the following actions:

* Provide Technical Assistance for Lansing BIPOC Owned Small Businesses (MBA).

* Partner with LEAP on an Enhanced Lansing One & All Program for Lansing Residents

* Conduct a BIPOC Small Business Grant Program

* Assistance with Business and Development Projects that impact key areas of need in Lansing

* Help BIPOC Developers to participate in development opportunities in Lansing

* Provide Admin/Staff Capacity for the LEDC LEED Program

Implementation of the LEED Program and level of services provided is subject to available funding to support the program.

E. LEDC Management and Administration

Managing and conducting all the responsibilities, tasks, and functions of the Lansing Economic Development Corporation.

F. General Administrative Services

Perform all general administrative duties and tasks to fulfill the LEDC contract for services.

G. Lansing Covid-19 Small Business Assistance/Business Recovery

Participation and implementation in Lansing of all Federal, State and Local funding Covid-19 related grant and loan programs.

H. General Economic Development Services and Activities

Day to day and general economic development activities necessary to assist and conduct economic development in the City of Lansing.

I. Lansing Business Attraction

Marketing, Promoting and Assisting with the attraction and location of Businesses to the City of Lansing.

J. Lansing TIFA Management and Administration

Managing and conducting all the responsibilities, tasks, and functions of the Lansing Tax Increment Financing Authority.

K. Lansing Façade Improvement Program

Promoting, Implementing and Managing the Lansing Façade Improvement Program, subject to available funding of the program.

L. Lansing Corridor Improvement Authorities

Creating, Developing and Assisting the East Michigan, West Saginaw, South MLK and N. Grand River Corridor Improvement Authorities.

M. Lansing Development Projects Audits, Policy & Analysis

Review and auditing of completed development projects, creating, and applying economic incentive policies, reporting and documentation of successfully completed LEDC/City projects.

2. Time of Performance

The time of the performance under this Contract shall be from July 1, 2022 to June 30, 2023. In no event shall this contract extend beyond June 30, 2023, unless so provided by a written amendment hereto that has been executed by both parties. Unless otherwise terminated pursuant to the terms of this Contract, the Contractor shall continue to perform services and activities until the Contract expires.

3. Compensation and Method of Payment for LEDC Contract Services

A) As full compensation for the Contractor's satisfactory performance under and completion of this Contract, the City shall pay the Contractor the amount of Three Hundred Thousand and 00/100 ($300,000.00) Dollars on July 1, 2022.

B) It is expressly understood by and between the City and Contractor that except as provided in subparagraph (E) below, in no event shall the total compensation and reimbursement, if any, to be paid to the Contractor pursuant to this Contract, exceed the maximum sum of Three Hundred Thousand and 00/100 dollars ($300,000.00).

C) The Contractor agrees, subject to availability of funds and any necessary Board approvals, to provide any additional money, services and/or physical resources which may be required to complete its performance under this Contract.

D) The Contractor agrees to request payment on an invoice or as otherwise mutually agreeable between the City Finance Department and the Contractor.

E) If the City desires additional services on any specific project or issue that is outside the scope of this Contract, the City may hire the Contractor for an additional agreed upon rate.

4. Continued Funding

The City makes no implied or explicit guarantee, offer or representation of future funding from the City of Lansing beyond the termination of this Contract. The City further makes no implied or expressed guarantee that it will not terminate this Contract pursuant to the terms and conditions of Paragraph 22.

5. Finance Procedures

A) The Contractor must have in place generally accepted accounting practices (GAAP) through the agency's internal structure or through services provided by the City of Lansing. To allow the Contractor to meet GAAP standards the City commits to providing all necessary accounting information to the Contractor in a timely manner per GAAP standards.

B) Suspension of Funding: The City Finance Director ("Finance Director"), in its sole discretion, has the authority to suspend, reduce or disallow any payment(s) of funds to the Contractor included in Paragraph 3,

notwithstanding any other provision of the Contract, upon written notice to the Contractor when: the internal fiscal controls and records established pursuant to Paragraph 3 and Paragraph 4 are changed without the Finance Director's approval; or, where in the opinion of the Finance Director, there is a reasonable likelihood that funds may be misused, misappropriated, or spent for an ineligible purpose as defined within this Contract.

1. Any unearned payments under this Contract may be suspended by the Finance Director upon the Contractor's refusal to accept and comply with any additional conditions or requirements of the City.

2. Any unearned payments under this Contract may be suspended or reduced if the funding sources for this Contract are reduced or suspended or terminated for any reason.

6. Contract Modifications

The City, from time to time, may expand, diminish or otherwise modify the project objectives, scope of services, or any other Contract provision related thereto, which the Contractor is required to perform. However, only modifications that are mutually agreed upon by the City and the Contractor, and incorporated into written amendments to this Contract after approval by the City, shall be amendments to this Contract.

7. Contractor's Failure of Performance

A) The failure of the Contractor to provide any work or services required by this Contract in a satisfactory and timely manner shall be a material breach of the Contract.

1. The City in its sole discretion shall determine whether the work is satisfactorily completed.

2. In the event the City determines the work or services provided under this Contract have not been performed in a timely or satisfactory manner, the City shall notify the Contractor and allow Contractor ten (10) days to cure or provide a corrective action plan for any such failure to perform work or services in a timely and satisfactory manner.

3. In the event that Contractor fails to provide a corrective action plan or cure the unsatisfactory or untimely work or performance, the City may take any other action permitted by law or this Contract, including but not limited to Contract termination.

B) Reduction of Compensation by the City of Lansing:

In the event the Contractor fails to perform, in a timely and proper manner any of the services or activities required under this Contract, the City may, in its sole discretion, reduce or modify the compensation payable hereunder to the Contractor in a manner which appropriately reflects such reduction

or diminution of services or activities.

C) Termination by the City of Lansing:

1. In the event the Contractor fails to fulfill in a timely and proper manner any of the terms, conditions, or obligations of this Contract, or if the Contractor violates any of the covenants, agreements, or stipulations of the Contract, the City shall notify the Contractor and allow Contractor ten (10) days to cure or provide a corrective action plan for any such failure or violation. In the event that Contractor fails to cure or provide a corrective action plan after receiving the notice described above, the Mayor of the City of Lansing, in the Mayor's sole discretion may terminate this Contract with no further liability to the Contractor beyond that expressly provided for within Paragraph 7 herein.

2. In the event this Contract is terminated:

a) All data, documents, drawings, maps, models, photographs, reports, studies and surveys which have been or were prepared by the Contractor with City funds pursuant to the Contract, become the property of the City; and

b) The Contractor shall receive just and equitable compensation for any work which the Contractor satisfactorily completed pursuant to this Contract, subject to (3) (b) below.

3. It is agreed that nothing contained herein shall:

a) Deprive the City of any additional rights or remedies, either at law or equity, or under the terms, conditions, obligations, covenants, agreements, and stipulations of this Contract, which they may respectively assert against the Contractor upon failure to fulfill any of the terms, conditions, obligations, covenants, agreements or stipulations of this Contract; or

b) Relieve the Contractor of any liability to the City for any damages sustained by the City as a result of any breach of Contract by the Contractor; and if it sustains such damages, the City may withhold, as a set off, any payments due the Contractor until such time as an exact amount of damages sustained by the City is properly and legally determined.

8. <u>Reports and Information</u>

A) Financial Records and Reports:

The Contractor agrees to make and maintain adequate financial records in a form satisfactory to the Finance Director. Such financial records and

reports shall reflect all costs and expenses incurred in performing this agreement and records of the use of all consideration received pursuant to this agreement.

Financial records and reports of the Contractor shall conform with the "City of Lansing Standard Operating Procedures for City Support Agencies" to be made available to the Contractor by the Finance Director, which manual is hereby incorporated by reference herein, and further the Contractor acknowledges and agrees that said "City of Lansing Standard Operating Procedures for City Supported Agencies" is available for use by the Contractor and the Contractor shall have the duty to be fully familiar with said manual.

B) Equal Employment Opportunity Provisions:

Pursuant to Chapter 1-302.1 of the Lansing City Charter, the Contractor agrees that it will ensure that no person or group engaged in the conduct of official business or seeking to do business arising from this Contract is discriminated against because of race, creed, political orientation, color, national origin, marital status, sex, age, handicap, or for any cause not reasonably related to the accomplishment of a legitimate governmental purpose.

The Contractor further agrees that all subcontractors or other agreements entered into pursuant to this Contract shall obligate any Beneficiaries of this Contract to adhere to the same equal opportunity provisions noted above.

The Contractor and any subcontractors agree to provide equal employment opportunity pursuant to all state and federal laws including the Americans with Disability Act and to provide proof to the City as requested by the Human Relations & Community Services Department pursuant to Section 206.20 and 206.21 of the Codified Ordinances of the City of Lansing.

9. Eligible Costs of the Contractor

Under this Contract, all costs incurred and expenditures made pursuant to this Contract shall be fully documented and shall be in conformance with any limitations or exclusions of applicable Federal, State and local laws, rules, regulations and conditions mandated by the City.

10. Records and Documentation

A) The Contractor shall establish and maintain all necessary records concerning any matter covered by this Contract which, from time to time, may be requested by the City.

B) Unless otherwise expressly authorized by the City, the Contractor shall maintain all records related to this Contract, including financial records and accounts for a period of three (3) years after receipt of final payment under this Contract.

C) If any litigation, claim or audit is started before the expiration of the three-year period, the records shall be retained by the Contractor until all litigation, claim or audit findings involving the records have been resolved.

11. Audits and Inspections

A) At any time during normal business hours and as often as the City may deem necessary to ensure proper accountability for all project funds, the Contractor shall:

1. Make available to the City all checks, payrolls, time records, invoices, Contract vouchers, orders and other data, information and material concerning any matter covered by this Contract; and

2. Permit the City to audit, examine, excerpt, or transcribe all checks, vouchers, orders or other data, information and material concerning any matter covered by this Contract; and

3. Allow the City to review such documents that are considered as backup to the operation of the Contractor, regardless of funding source; and

4. Make available to the City documentation supporting service reports.

12. Conflict of Interest

A) Conflict of interest is defined as: Contractor's officers, directors, and/or employees using position for a purpose that is or gives the appearance of being motivated by a desire for private financial gain for themselves or others, particularly those with whom they have family, business, or other ties.

B) Contractor covenants, to the best of its knowledge, that no such interest exists and no person having any conflicting interest in this Contract shall be employed for the purpose of performing the services and activities set forth in the Scope of Services section of the Contract or fulfilling the terms, conditions, obligations, covenants, agreements or stipulations of this Contract.

C) The Contractor shall establish safeguards to prohibit conflicts of interest as defined by 12.A. above.

13. Assignment and Transfer of Interest: Subcontracting

Except as provided in Section 23, the Contractor shall not assign or transfer, whether by assignment or novation, any interest in this Contract or subcontract any performance or portion thereof pursuant to this Contract without written consent of the City, provided however, that claims for money due or to come due the Contractor from the City pursuant to this Contract may be assigned or transferred

to a bank, trust company, or other financial institution without such consent, and the Contractor shall promptly notify the City of any such assignment or transfer.

14. Lobbying and Political Activities

None of the money, compensation, reimbursement, funds, property or services provided, directly or indirectly, under, by or pursuant to this Contract shall be used for any partisan political activity or to further the election or defeat of any candidate for any public office, or propaganda designed to support or defeat any legislation pending before the Congress of the United States, the Michigan State Legislature, or the City Council of the City.

15. "Save Harmless" Clause

Contractor shall indemnify, defend, and hold the City harmless for all damages arising out of a claim a third party brings against the City that arises solely out of Contractor's negligent or intentional misconduct.

The City shall include in all Development agreements with third parties that those third parties must indemnify, defend, and hold harmless Contractor as well as the City, to the extent allowed by law.

16. Civil Rights

A) Contractor agrees that it will not discriminate as to provision of services pursuant to this agreement or as to hiring or terms or conditions of employment based on race, creed, color, religion, national origin, sex, handicap, marital status, height, weight or age. It will maintain written personnel rules, guidelines, practices, and terms and conditions of employment. The personnel rules established may be amended from time to time, as necessary. Contractor shall have in place its personnel policies with copies of any amendments made to them. A violation of this provision shall be a material breach of the Contract.

B) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants shall receive consideration for employment without regard to race, color, religion, height, weight, marital status, sex, age, handicap, national origin, sexual orientation or gender preference.

C) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this Contract or with any such rules, regulations or orders, this Contract may be canceled, terminated or suspended in whole or in part.

17. City Charter

It is clearly understood that nothing contained in the Contract shall deprive the City of Lansing of any rights that it may exercise by virtue of the provisions of the Charter of the City.

18. Severability of Provisions

If any clauses, sections, provisions or parts of this Contract are held invalid or if any portion of any clause, section, provision or part of the Contract is held invalid, the remainder of this Contract shall continue to be enforceable as written. Unless otherwise specified in the Contract, all notices, duties or rights of the City shall be exercised by and through this Contract as specified in this herein.

19. Waiver

The failure of the City to demand compliance with any term of this Contract or to take action when this Contract is breached in any way shall not be considered a waiver of that Contractual requirement thereafter nor the City's right of action for the breach of that term.

20. Insurance and Bonds

In addition to any other insurance and bonding requirements of this Contract the Contractor shall maintain at least the following insurance coverage: Worker's compensation and unemployment compensation that meet minimal State of Michigan statutory requirements, if required by law.

21. Disclosure of Confidential Material

All reports, data, information, statements, forecasts, records, and so forth, assembled, constructed or prepared pursuant to or as a consequence of this Contract are subject to all Federal and Michigan laws and regulations governing the disclosure of "public, client and medical, or other records" subject to certain exemptions from disclosure under the circumstances expressly authorized by the above laws and regulations.

22. Termination and Parties' Election

The City may, upon sixty (60) days written notice to the Contractor, with or without cause, terminate this agreement and all of the City's obligations hereunder, including any obligations to provide financial assistance. The City may exercise its rights pursuant to this provision regardless of whether the Contractor is in default of any condition or obligation under this Contract. Once the City has provided written notice to the Contractor, the City shall not be obligated to supply financial assistance in any amount greater than the average monthly payment to the Contractor over the preceding months of this agreement. Average monthly payment, for purpose of this section, shall be determined by totaling the City's contribution from the inception of the Contract until the time notice is provided and divide the number of funded months (or any fraction thereof) by the amount of monies expended over such period. The City may also compensate in excess of the average monthly payment upon receiving documentation that warrants such action.

23. Subcontracting

The Contractor may subcontract some or all of the responsibilities set forth in

Section 1, scope of services, subject to the prior written consent of the Mayor. Any such subcontract must provide substantially the same terms as this Contract and provide that it can be terminated by the LEDC under the same terms as Section #22.

24. Applicable Law

This Agreement will be governed by the laws of the State of Michigan.

[Signatures on the following page.]

Attest:

_____

_____

City of Lansing

BY: _____
Andy Schor, Mayor

Witness:

_____

_____

Lansing Economic Development Corp.

BY: _____
Andrea Binoniemi, LEDC Chair

Approved as to form only:

_____
City Attorney

Certification as to availability of funds & Account Number:

Account #101.966000.991280.000000

LEDC Contract Amount: $300,000.00

_____
Finance Director

ECONOMIC DEVELOPMENT CORPORATION
OF THE CITY OF LANSING
Certificate of Resolution by Board of Directors

At a re-scheduled meeting of the Board of Directors of the Economic Development Corporation of the City of Lansing held on Friday, June 10, 2022 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 Economic Development Corporation ("LEDC") has contracted with Lansing Economic Area Partnership ("LEAP") to provide certain economic development services (the "Contract") and the City of Lansing, Michigan ("City") is the only intended third-party beneficiary of the Contract; and

WHEREAS, the current FY2022 Contract is effective July 1, 2021 through June 30, 2022 and the LEDC does not intend to renew or extend the Contract; and

WHEREAS, the LEDC and LEAP acknowledge the need to establish communication protocols for obligations and responsibilities that may persist beyond the termination of the Contract.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LANSING ECONOMIC DEVELOPMENT CORPORATION AS FOLLOWS:

1. Lansing Economic Development Corporation ("LEDC") approves entering into a Memorandum of Understanding ("MOU") with Lansing Economic Area Partnership ("LEAP") for ongoing obligations and responsibilities.

2. The LEDC Board directs its Chair, legal counsel, and authorized representative(s) to finalize the MOU to the satisfaction of the LEDC Chair who will then execute the MOU on the Corporation's behalf.

3. Additionally, the LEDC 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.

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

The foregoing preamble and resolutions are hereby approved by the Board of Directors for the Economic Development Corporation of the City of Lansing.

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 re-scheduled meeting of the Economic Development Corporation of the City of Lansing held on the 10th day of June 2022, and said preamble and resolutions are on file in the office of the Economic Development Corporation of the City of Lansing 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 By-Laws.

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

Andrea Binoniemi, Chair
LEDC Board of Directors

MEMORANDUM OF UNDERSTANDING
BETWEEN
LANSING ECONOMIC AREA PARTNERSHIP
AND
LANSING ECONOMIC DEVELOPMENT CORPORATION

This Memorandum of Understanding ("MOU"), with the effective date of _____ ___, 2022 is to establish and clarify ongoing communication and responsibilities of Lansing Economic Area Partnership ("LEAP") and Lansing Economic Development Corporation of the City of Lansing ("LEDC").

WHEREAS, the LEDC has contracted with LEAP to provide certain economic development services (the "Contract") and the City of Lansing, Michigan ("City") is the only intended third-party beneficiary of the Contract; and

WHEREAS, the current FY2022 Contract is effective July 1, 2021 through June 30, 2022 and the LEDC does not intend to renew or extend the Contract; and

WHEREAS, the LEDC and LEAP acknowledge the need to establish communication protocols for obligations and responsibilities that may persist beyond the termination of the Contract.

NOW, THEREFORE, in consideration of the mutual interests described above, the LEDC and LEAP (hereinafter collectively referred to as "Parties" and individually referred to as "Party"), have agreed as follows:

1. Notices
   All notices and other communications required or permitted under this MOU must be in writing and shall be addressed to the Party to be notified at the address set forth below or at such other address as each Party may designate for itself from time to time by notice hereunder.

   If to LEAP: Keith Lambert, COO
   1000 S. Washington Ave. Ste. 201
   Lansing, MI 48910
   keith@purelansing.com

   If to LEDC: Karl Dorshimer, President & CEO
   [ENTER ADDRESS]
   karl@lansingedc.com

2. Obligations and Responsibilities of the Parties
   a. The Parties acknowledge that this MOU does not alter or modify any obligations under the Contract, including but not limited to the following sections of the Contract: "Reports and Information", "Records and Documentation", "Audits and Inspections",

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and “Disclosure of Confidential Material”. To the extent provisions of this MOU conflict with the Contract, the Contract controls.

b. For requests of records and other documentation managed under the Contract, the Parties agree that requests will be made and responded to in a reasonable manner and timeframe given the circumstances and requirements of the request.
c. For general informational requests or inquiries, the Parties agree to respond in a reasonable manner and timeframe given the circumstances and requirements of the request.
d. The Parties recognize prior and existing confidentiality arrangements and agree to use at least reasonable care to protect the other party’s Confidential Information, as defined in the Contract.
e. The Parties acknowledge that access to accounts or services exclusively owned by or managed by the other Party will not be accessible without the other Party’s consent, unless required by this MOU or accessible through the City of Lansing’s LEAP Membership (which the LEDC may access by its affiliation with the City of Lansing).
f. FY2019 EPA Assessment Grant Administration, Closeout, and Audit
    i. LEAP agrees to continue providing all grant administration under the FY2019 Environmental Protection Agency (EPA) Brownfield Coalition Assessment Grant program (the “EPA Program”) including closeout reporting to the EPA.
    ii. The Parties agree to include each other on written communications regarding the EPA Program, including to vendors and the EPA and to keep each other informed of communications pertinent to the administration of the EPA Program.
    iii. LEAP agrees to prepare all vendor payment requests and drawdown requests under the EPA Program and to submit all requests to the LEDC for processing.
    iv. LEAP agrees to provide to the LEDC all materials and documentation under the EPA Program as completed, including all reports, work product, and assessments.

3. Effective Date, Amendment and Termination
    a. This MOU shall become effective upon signature by the authorized representative of each Party and will remain in effect until amended or terminated by any one of the Parties by written agreement.
    b. This MOU may be amended by written agreement of the Parties and become effective upon signature by the authorized representative of each Party.
    c. In the absence of written agreement by the Parties terminating this MOU, this MOU shall end on June 30, 202_.
4. Costs and Compensation
    a. The Parties intend for activities covered under this MOU to come at minimal cost to either Party.
    b. Unless specifically mentioned in this section, each Party agrees to provide for all costs, services and/or physical resources which may be required to complete its performance under this MOU.

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c. The Parties agree that LEAP may seek reimbursement for costs associated with administration of the EPA Program. These costs will only be reimbursed from EPA Program funds as prescribed by the EPA Program and approved by the EPA.
d. Upon the termination of the Contract or the Effective Date of this MOU, whichever occurs first, LEAP agrees to cease billing and accepting application fees on City of Lansing projects governed under the Universal Development Agreement.

IN WITNESS WHEREOF, the undersigned being duly authorized representatives of the Parties hereto execute this MOU as of the date first above written.

LANSING ECONOMIC AREA PARTNERSHIP (LEAP)

By: _____

Its: _____

LANSING ECONOMIC DEVELOPMENT CORPORATION (LEDC)

By: _____

Its: _____

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LANSING ECONOMIC DEVELOPMENT CORPORATION (LEDC)
FY 2021/2022 AMENDED BUDGET
FY 2022/2023 PROPOSED BUDGET

Description	FY 2020/2021 Actual	FY 2021/2022 Adopted Budget	FY 2021/2022 Projected Budget	FY 2021/2022 Amended Budget	FY 2022/2023 Proposed Budget
General Operating Income					
Brownfield Admin	180,385	224,293	210,070	210,070	230,356
City of Lansing Contract	-	300,000	300,000	300,000	300,000
Annual Issuer's Fees	14,363	49,850	49,850	49,850	85,269
Project Review Fees	-	-	-	-	20,000
TIFA Admin	192,800	150,000	228,423	228,423	195,000
From/(To) Fund Balance	400,000	-	150,000	150,000	-
ARPA Façade Grant Contract	-	175,000	175,000	175,000	200,000
ARPA LEED Program	-	-	-	-	-
ARPA CIA Program	-	-	-	-	-
ARPA LEDC Admin/Staff Capacity	-	-	-	-	-
CDBG-CV/Lansing CARES	660,000	-	-	-	-
Allen Place EGLE Grant	-	-	-	-	-
City of Lansing ARPA Funds	-	800,000	-	-	-
Loan Interest	1,679	1,172	1,172	1,172	7,273
Interest Income	2,098	3,000	3,000	3,000	3,000
Miscellaneous Revenue	-	50	50	50	5,000
Total General Operating Income	**1,451,324**	**1,703,365**	**1,117,565**	**1,117,565**	**1,045,898**

Description	FY 2020/2021 Actual	FY 2021/2022 Adopted Budget	FY 2021/2022 Projected Budget	FY 2021/2022 Amended Budget	FY 2022/2023 Proposed Budget
General Operating Expenditures					
Depreciation	-	-	-	-	-
Contractual Services	629,584	673,929	632,929	632,929	92,933
Personnel	-	-	-	-	434,738
Personnel Fringe and Benefits	-	-	-	-	183,044
Insurance & Bonds	15,875	21,960	21,960	21,960	15,012
Marketing, Promotions & Business Attraction	-	20,000	5,000	5,000	20,000
Travel & Conferences & Training	-	10,000	6,000	6,000	10,000
Miscellaneous Operating	1,288	1,876	1,876	1,876	4,000
CDBG-CV/Lansing CARES	660,000	-	-	-	-
Allen Place EGLE Grant	-	-	-	-	-
LSBRP Rescue Fund	-	-	-	-	-
LBA Econ Dev Analysis	-	-	150,000	150,000	-
ARPA Façade Program	-	175,000	175,000	175,000	200,000
ARPA LEED Program	-	-	-	-	-
ARPA CIA Program	-	-	-	-	-
Rent	-	-	-	-	60,000
Utilities	-	-	-	-	-
Operational Equipment & Services	-	-	60,000	60,000	25,271
To/(From) Fund Balance	-	800,000	-	-	-
Bank Fees	110	600	600	600	900
Total General Operating Expenses	**1,306,857**	**1,703,365**	**1,053,365**	**1,053,365**	**1,045,898**
Less Depreciation Expense		-	-		-
Total General Operating Expenses	**1,306,857**	**1,703,365**	**1,053,365**	**1,053,365**	**1,045,898**
Net Income	**(255,533)**	**800,000**	**64,200**	**64,200**	**(0)**
Add Back Depreciation Expense	**-**	**-**	**-**	**-**	**-**
Net Income	**(255,533)**	**800,000**	**64,200**	**64,200**	**(0)**