



Board of Directors Meeting
Friday, July 8, 2022 – 8:30 AM
Please Note Meeting Location
Michigan Realtors
720 N. Washington Ave., Lansing, MI 48906

AGENDA

- 1) Call to Order/Roll Call
- 2) Welcome by Michigan Realtors
- 3) Approval of LED C Board Meeting Minutes – Friday, June 10, 2022
- 4) Approval of LED C Board Meeting Minutes – Tuesday, June 28, 2022
- 5) Update on Financials
- 6) Transition Update
- 7) LEED Program Update
- 8) Irie Smoke Shack LED C Micro-Loan Request (ACTION)
- 9) Osteria Vegana LED C Micro-Loan Request (ACTION)
- 10) Open Forum for LED C Board Members
- 11) Other Business
- 12) Public Comment
- 13) Adjournment



Lansing Economic Development Corporation (LED C)
Board of Directors Meeting
Friday, June 10, 2022 – 8:30 AM
Allen Neighborhood Center
Allen Market Place Great Room
1611 E Kalamazoo St., Lansing, MI 48912

MINUTES

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

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

Staff Present: Karl Dorshimer, Kris Klein, Aurelius Christian, Mitch Timmerman

Guests: Jennifer Abood-Morris - LEAP, Beth Chapman - CSH

Call to Order

Chair Binoniemi called the Lansing Economic Development Corporation meeting to order at 9:55 AM.

Approval of LED C Board Meeting Minutes – Friday, May 6, 2022

MOTION: McGrain moved to approve the LED C meeting minutes from the Friday, May 6, 2022 Board of Directors meeting, as presented. Motion seconded by Jones.

YEAS: Unanimous. Motion carried.

Update on Financials

Abood-Morris provided update on financials, loans are current, hoping to close out CDBG program. No red flags or concerns. Abood-Morris noted that this is her last month reporting to the Board and introduced Beth Chapman of Clark Shaefer Hackett who will now be reporting out to the Board.

Transition Update

The Lansing Economic Development Corporation's mission is to create quality jobs, diversify the local economy and improve overall quality of life by attracting, expanding and retaining business and industry in the City of Lansing.

Dorshimer gave update on transition regarding payroll, employee benefits, phones, laptops, and physical office space. He also stated that Kambriana Crank will be leaving LEAP on June 30th, Dorshimer introduced Aurelius Christian as a new employee of the LEDC to start officially on July 1. Dorshimer said the LEDC was looking to hire an Office and Finance Manager for the Lansing EDC. Dorshimer also updated board members on the likelihood of the LEDC locating at 230 N. Washington, Sq in Downtown Lansing.

Jones congratulated and welcomed Aurelius Christian to the Lansing EDC team.

McGrain thanked the partnership with LEAP, and also congratulated Aurelius Christian on his new position.

Binoniemi thanked the staff, and updates board on transition teamwork help the Lansing EDC staff facilitate transition of the LEDC.

FY2022/2023 LEDC & City of Lansing Economic Development Contract (ACTION)

Dorshimer introduced and provided an overview of the final draft Contract with the City. Binoniemi spoke on the contract and informed the Board about it.

MOTION: Jones moved, Rathbun seconded.

YEAS: Unanimous, motion carried.

LEDC & LEAP Memorandum of Understanding (ACTION)

Binoniemi introduced and gave overview of MOU with LEAP. Binoniemi inquired about EPA Assessment Grant, Klein explains how certain programs and services will continue on as a joint effort between LEAP and the LEDC and the MOU defines how this will happen and what each party is responsible for. Jones inquired if the Lansing EDC attorney has reviewed the MOU. Klein indicates that the EDC's attorney has reviewed the MOU—also indicates that this is the first time the Board has reviewed this document.

MOTION: McGrain moved, McKissic seconded.

YEAS: Unanimous, motion carried.

Approval of FY2021/2022 LEDC Budget Amendment (ACTION)

Dorshimer introduced and reviewed the FY2022/2023 LEDC Budget Amendment, McGrain noted we have a profit and that we should transfer out of 'fund balance', Klein indicated the reason for why we are executing the amendment.

MOTION: Jones moved for approval, Rathbun seconded.

YEAS: Unanimous, motion carried.

Approval of FY2022/2023 LEDC Budget (ACTION)

Dorshimer introduced and discussed FY2022/2023 Budget. Dorshimer summarized budget revenues and expenses for Board.

Jones inquired about training opportunities for Board members. Dorshimer explains there are funds in the budget for this use. McGrain noted MEDA offers trainings for economic development for either Board members or staff. McGrain also talked about how trainings and conferences will allow for further business recruitment as well as re-distributing monies for training. Binoniemi noted agreement and that she would like budget amendments to fund such items if once the funding and new budget takes better shape.

MOTION: McGrain moved, Jones seconded.

YEAS: Unanimous, motion carried.

Open Forum for LEDC Board Members

None.

Other Business

Christian offered an update on Site Committee and the work that is being done on Logan Square. Indicates we are looking for a vision and action plan, engagement of consulting group. McGrain further discussed and is excited about possibilities for Logan Square.

Klein indicated that we have several LEDC Micro-Loan requests and that the Loan Committee will need to be further populated by other Board members—currently Director Johnson is on the Committee but has indicated his plans to resign. Jones volunteered to be on the Committee, and it was noted that Chair of the LEDC is on the Loan Committee and may appoint. Klein indicates that if any other members would like to participate, they are welcome to join.

Binoniemi indicated that as we move through the LEDC Transition that we should list opportunities for Committees, Trainings and other events for Board members.

McGrain indicated that he and other Board members are available for coffee, phone calls, lunch etc. Binoniemi also echoes those sentiments.

Rathbun gives introduction of herself and her work within Lansing.

Public Comment

None.

LEDC Employment (Closed Session)

Binoniemi introduced LEDC Employment Offer.

MOTION: Jones moved to enter a closed session to discuss employment related matters, McGrain seconded.

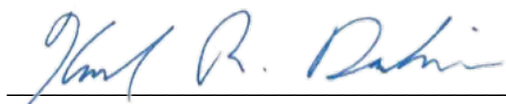
ROLL CALL:

Rathbun: yea
Jones: yea
Sutton: yea
McGrain: yea
McKissic: yea
Binoniemi: yea

Unanimous, motion carried.

Adjournment

Chair Binoniemi called the Lansing Economic Development Corporation meeting to adjournment at 10:52 AM.



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



Lansing Economic Development Corporation (LED C)
Board of Directors Special Meeting
Tuesday, June 28, 2022 – 8:00 AM
LEAP Office
1000 S. Washington Ave. Ste. 201
Lansing, MI 48910

MINUTES

Members Present: Andrea Binoniemi, Shelley Davis-Boyd, Catherine Rathbun, Brian McGrain, Calvin Jones, Michael McKissic

Members Absent: Blake Johnson, Dr. Alane Laws-Barker, Jordan Sutton

Staff Present: Karl Dorshimer, Kris Klein, Kambriana Crank, Aurelius Christian

Guests: None

Call to Order

Chair Binoniemi called the Lansing Economic Development Corporation meeting to order at 8:02AM.

LED C Employment Offer for President and CEO (ACTION)

Chair Binoniemi circulated copies (for the Board's review) of the LED C Offer Letter of Employment to Karl Dorshimer as President & CEO.

MOTION: Davis-Boyd moved to approve the LED C Offer Letter of Employment to Karl Dorshimer as President & CEO as circulated at the meeting and that the LED C Board authorizes the Chair to execute and deliver that offer letter. Motion seconded by Jones.

YEAS: Unanimous. Motion carried.

Open Forum for LED C Board Members

Jones, McGrain, and Binoniemi expressed their thanks to the Board, transition committee, and City of Lansing for assisting with the process.

The Lansing Economic Development Corporation's mission is to create quality jobs, diversify the local economy and improve overall quality of life by attracting, expanding and retaining business and industry in the City of Lansing.

Other Business

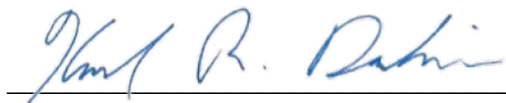
None.

Public Comment

None.

Adjournment

Chair Binoniemi called the Lansing Economic Development Corporation meeting to adjournment at 8:08AM.



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

LANSING ECONOMIC DEVELOPMENT CORPORATION

Financial Statements

For the One Month and Eleven Months Ended May 31, 2022 and 2021

DRAFT

Lansing Economic Development Corporation

Statements of Financial Position

	May 31, 22	May 31, 21
ASSETS		
Current Assets		
Checking/Savings		
10000 · PNC - General Fund - 2612	75,000.00	70,588.19
10001 · PNC - COVID19 Rescue Fund -2583	67.65	14.85
10002 · PNC - Business Fund - 2575	75,000.00	74,997.00
10004 · PNC - Business Fund Sweep -2647	1,306,175.65	1,430,531.13
10005 · PNC - General Fund Sweep - 2639	321,083.36	158,883.00
10007 · PNC - Energy Eff Rev Sav - 0696	213,398.31	213,269.26
Total Checking/Savings	1,990,724.97	1,948,283.43
Accounts Receivable		
11000 · Accounts Receivable	240,460.44	14,362.50
Total Accounts Receivable	240,460.44	14,362.50
Other Current Assets		
11119 · Prepaid Insurance	9,969.18	6,420.59
11135 · Receivable BW&L-Current Portion	0.00	4,500.00
11137 · Sleepwalker-Current Portion	0.00	6,999.19
11139 · The 517 Coffee Co-Current Port	5,507.01	3,540.35
11140 · Prepaid Expenses	1,635.00	0.00
11141 · Sweet Encounter Bakery -Current	4,284.62	0.00
11205 · Petra Flowers - CDBG-CV Rec	13,000.00	13,000.00
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	2,946.83
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	17,000.00
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	8,290.67
11225 · Peoples Yoga - CDBG-CV Rec	18,200.00	18,200.00
11230 · Sleepwalker Spirit-CDBG-CV Rec	18,000.00	3,000.00
11235 · The 517 Coffee Co - CDBG-CV Rec	14,520.00	2,420.00
11240 · The Power of Water -CDBG-CV Rec	15,500.00	2,583.33
11245 · Value Engineering - CDBG-CV Rec	50,000.00	8,333.33
11250 · Odd Nodd Inc. - CDBG-CV Rec	9,500.00	9,500.00
Total Other Current Assets	367,400.01	106,734.29
Total Current Assets	2,598,585.42	2,069,380.22
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	9,733.50
12085 · Sleepwalker - Current Portion	0.00	-6,999.19
12094 · The 517 Coffee Co. - Loan Rec.	21,459.65	25,000.00
12095 · The 517 Coffee Co-Current Port	-5,507.01	-3,540.35
12096 · Sweet Encounter Bakery-Loan Rec	19,120.95	0.00
12097 · Sweet Encounter Bakery -Cur Por	-4,284.62	0.00
Total 12000 · Loans Receivable	30,788.97	24,193.96
18800 · Deposit-Equipment	13,381.74	0.00
Total Other Assets	44,170.71	24,193.96
TOTAL ASSETS	2,642,756.13	2,093,574.18
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		

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

	May 31, 22	May 31, 21
20000 · Accounts Payable	13,381.74	22,500.00
Total Accounts Payable	13,381.74	22,500.00
Credit Cards		
20050 · CC Payable-PNC-8031	3,765.00	0.00
Total Credit Cards	3,765.00	0.00
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	21,646.74	27,000.00
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	21,646.74	27,000.00
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	151,668.70	-498,313.84
Total Equity	2,621,109.39	2,066,574.18
TOTAL LIABILITIES & EQUITY	2,642,756.13	2,093,574.18

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Lansing Economic Development Corporation

Statements of Activities

	May 22	May 21
Ordinary Income/Expense		
Income		
40000 · Contract Income		
40010 · Brownfield Admin	0.00	37,756.25
40050 · TIFA Admin	228,422.94	0.00
Total 40000 · Contract Income	228,422.94	37,756.25
41000 · Loan Interest		
41080 · Sleepwalker Spirits Interest	0.00	27.41
41091 · The 517 Coffee Company Interest	81.03	93.75
41093 · Sweet Encounter Bakery Cafe Int	48.01	0.00
Total 41000 · Loan Interest	129.04	121.16
42000 · Investments		
42010 · Interest-Savings, Short-term CD	299.39	85.75
Total 42000 · Investments	299.39	85.75
Total Income	228,851.37	37,963.16
Expense		
63000 · Development		
63030 · Contractual Services	5,485.12	47,184.50
63035 · EGLE Allen Place Grant Contract	209,124.30	0.00
63050 · Insurance & Bonds	1,217.18	1,037.81
63060 · Miscellaneous Operating	1,090.49	156.31
63072 · CDBG-CV Program Expenses	0.00	8,700.00
63080 · Bank Fees	3.00	3.00
Total 63000 · Development	216,920.09	57,081.62
64000 · EDC Business Incubator		
64005 · Bank Fees	3.00	3.00
Total 64000 · EDC Business Incubator	3.00	3.00
Total Expense	216,923.09	57,084.62
Net Ordinary Income	11,928.28	-19,121.46
Net Income	11,928.28	-19,121.46

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Lansing Economic Development Corporation

Statements of Activities

	Jul '21 - May 22	Jul '20 - May 21
Ordinary Income/Expense		
Income		
40000 · Contract Income		
40010 · Brownfield Admin	198,393.28	180,384.63
40020 · City of Lansing Contract	300,000.00	0.00
40040 · Annual Issuer's Fees	12,037.50	14,362.50
40050 · TIFA Admin	228,422.94	0.00
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	1,300,348.26	209,568.88
41000 · Loan Interest		
41080 · Sleepwalker Spirits Interest	184.22	357.08
41091 · The 517 Coffee Company Interest	981.38	1,200.80
41093 · Sweet Encounter Bakery Cafe Int	394.95	0.00
Total 41000 · Loan Interest	1,560.55	1,557.88
42000 · Investments		
42010 · Interest-Savings, Short-term CD	1,258.48	2,003.06
Total 42000 · Investments	1,258.48	2,003.06
43000 · Other Types of Income		
43037 · Application Fees	250.00	0.00
Total 43000 · Other Types of Income	250.00	0.00
Total Income	1,303,417.29	213,129.82
Expense		
61000 · Contract Services		
61010 · Accounting Fees	22,043.54	0.00
61020 · Legal Fees	5,403.50	0.00
Total 61000 · Contract Services	27,447.04	0.00
63000 · Development		
63025 · Facade Grants	56,583.96	60,406.25
63030 · Contractual Services	697,985.12	601,357.63
63035 · EGLE Allen Place Grant Contract	345,666.47	9,459.73
63050 · Insurance & Bonds	12,691.60	14,426.36
63055 · Marketing & Promotions	345.00	0.00
63060 · Miscellaneous Operating	1,882.20	1,045.66
63072 · CDBG-CV Program Expenses	9,034.00	24,644.08
63080 · Bank Fees	80.20	70.95
Total 63000 · Development	1,124,268.55	711,410.66
64000 · EDC Business Incubator		
64005 · Bank Fees	33.00	33.00
Total 64000 · EDC Business Incubator	33.00	33.00
Total Expense	1,151,748.59	711,443.66
Net Ordinary Income	151,668.70	-498,313.84
Net Income	151,668.70	-498,313.84

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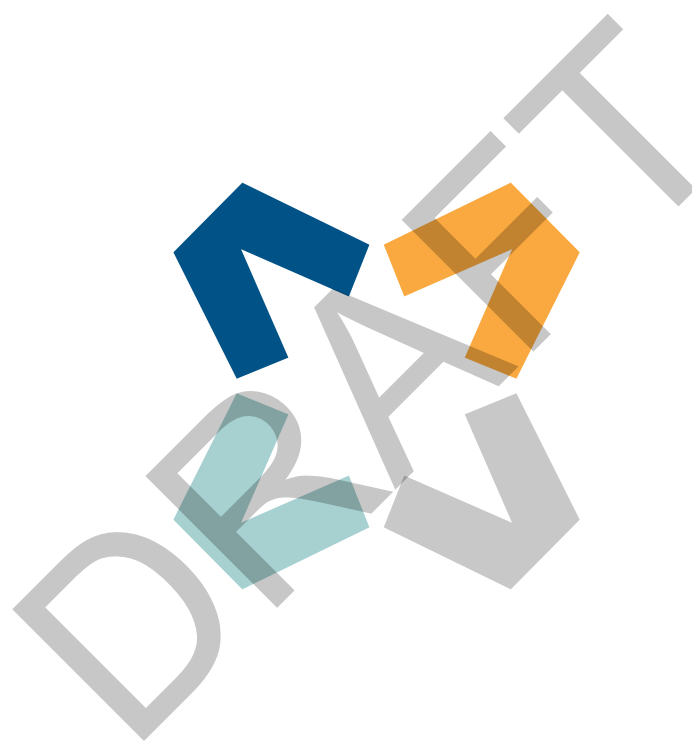
SUPPLEMENTARY INFORMATION

Lansing Economic Development Corporation

Statement of Activities - Actual vs. Budget

	Jul '21 - May 22	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
40000 · Contract Income				
40010 · Brownfield Admin	198,393.28	210,070.00	-11,676.72	94.4%
40020 · City of Lansing Contract	300,000.00	300,000.00	0.00	100.0%
40040 · Annual Issuer's Fees	12,037.50	49,850.00	-37,812.50	24.1%
40050 · TIFA Admin	228,422.94	228,423.00	-0.06	100.0%
40070 · Fund Balance	0.00	150,000.00	-150,000.00	0.0%
40080 · Facade Grant Contract	0.00	175,000.00	-175,000.00	0.0%
40090 · EGLE Allen Place Grant Contract	407,663.21	0.00	407,663.21	100.0%
40091 · EGLE Allen Place Grant Admin.	594.92			
40094 · CDBG CV Grant Contract	139,537.51			
40095 · CDBG CV Contract Admin	7,589.90	0.00	7,589.90	100.0%
40096 · CDBG Contract Prog Reimb	6,109.00	0.00	6,109.00	100.0%
Total 40000 · Contract Income	1,300,348.26	1,113,343.00	187,005.26	116.8%
41000 · Loan Interest				
41080 · Sleepwalker Spirits Interest	184.22	0.00	184.22	100.0%
41091 · The 517 Coffee Company Interest	981.38	0.00	981.38	100.0%
41093 · Sweet Encounter Bakery Cafe Int	394.95			
41000 · Loan Interest - Other	0.00	1,172.00	-1,172.00	0.0%
Total 41000 · Loan Interest	1,560.55	1,172.00	388.55	133.2%
42000 · Investments				
42010 · Interest-Savings, Short-term CD	1,258.48	3,000.00	-1,741.52	41.9%
Total 42000 · Investments	1,258.48	3,000.00	-1,741.52	41.9%
43000 · Other Types of Income				
43010 · Miscellaneous Revenue	0.00	50.00	-50.00	0.0%
43037 · Application Fees	250.00	0.00	250.00	100.0%
Total 43000 · Other Types of Income	250.00	50.00	200.00	500.0%
Total Income	1,303,417.29	1,117,565.00	185,852.29	116.6%
Expense				
61000 · Contract Services				
61010 · Accounting Fees	22,043.54	42,944.00	-20,900.46	51.3%
61020 · Legal Fees	5,403.50	30,000.00	-24,596.50	18.0%
Total 61000 · Contract Services	27,447.04	72,944.00	-45,496.96	37.6%
63000 · Development				
63025 · Facade Grants	56,583.96	175,000.00	-118,416.04	32.3%
63030 · Contractual Services	697,985.12	559,985.00	138,000.12	124.6%
63035 · EGLE Allen Place Grant Contract	345,666.47	150,000.00	195,666.47	230.4%
63050 · Insurance & Bonds	12,691.60	21,960.00	-9,268.40	57.8%
63055 · Marketing & Promotions	345.00	5,000.00	-4,655.00	6.9%
63056 · Travel & Conferences & Training	0.00	6,000.00	-6,000.00	0.0%
63060 · Miscellaneous Operating	1,882.20	1,876.00	6.20	100.3%
63072 · CDBG-CV Program Expenses	9,034.00	0.00	9,034.00	100.0%
63080 · Bank Fees	80.20	0.00	80.20	100.0%
Total 63000 · Development	1,124,268.55	919,821.00	204,447.55	122.2%
64000 · EDC Business Incubator				
64005 · Bank Fees	33.00	612.00	-579.00	5.4%
64030 · Equipment	0.00	60,000.00	-60,000.00	0.0%
Total 64000 · EDC Business Incubator	33.00	60,612.00	-60,579.00	0.1%
Total Expense	1,151,748.59	1,053,377.00	98,371.59	109.3%
Net Ordinary Income	151,668.70	64,188.00	87,480.70	236.3%
Net Income	151,668.70	64,188.00	87,480.70	236.3%

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.



MEMORANDUM

DATE: Tuesday, July 5, 2022

TO: LEDC Board of Directors

FROM: Mitch Timmerman, Director of Economic Development, on behalf of the Lansing Economic Development Corporation Loan Committee

Subject: Request Approval of \$25,000 LEDC Micro-Loan for Irie Smoke Shack LLC

The Lansing Economic Development Corporation (LEDC) has received a micro-loan financing request through its Business Financing Assistance Program (BFAP) from Irie Smoke Shack LLC (Borrower). The \$25,000 request is for legal and professional fees, design fees and permits, equipment, and equipment installation to open and operate a Caribbean barbecue restaurant inside of the Lansing Shuffle Board Project—located at the former Lansing City Market Building (325 Riverfront Dr. Lansing, MI).

The proposed project will help to bring a food vendor into the Lansing Shuffle club, and will provide tastes of Jamaican barbecue, as well as have traditional American barbecue favorites. Irie Smoke Shack also plans on hiring local as well as collaborating with MSU to create a management internship program that will give students the skills necessary to manage a restaurant post-graduation. The addition of Irie Smoke Shack will help the Lansing Shuffle project attract people down to the riverfront and drive foot traffic after 5 o'clock.

The requested loan terms are as follows:

Amount: \$25,000

Term: 36 months (36-month amortization/maturity)

Interest Rate: 4.75% fixed

Debt Service: Monthly, during repayment period (est. \$746.47/month)

Security: Personal Guaranty from owners

After discussing the project, loan application, and business' financials the Loan Committee recommends approval of the loan application by the LEDC Board of Directors at their Friday, July 8th, 2022 meeting.

Appended is an executive summary of the project and the loan terms recommended by the Loan Committee.

IRIE SMOKE SHACK AT LANSING SHUFFLE

LEDC Micro Loan Term Sheet

Project: Restaurant Stall at Lansing Shuffleboard & Social Club
Location: Entity Address: 14255 Stark Rd. Ste 117 Livonia, MI 48154
Project Property: 325 Riverfront Dr. Lansing, MI 48912
Applicant:
Program: Lansing Economic Development Corporation Business Financing Assistance Program

Background Information: John Hartzell, Beth Hartzell and Chef Max Hardy have impressive resumes when it comes to the hospitality business. John and Beth Hartzell created the Detroit Shipping Co. which is a food hall located in Detroit, MI. They hope to be able to create a second food hall in Lansing, MI with the Lansing Shuffle Board & Social Club. Chef Max Hardy is an award winning Chef and owns and operates three restaurants in Detroit, MI. Chef Max Hardy is the mastermind behind Irie Smoke Shack, LLC.

Project Description: Irie Smoke Shack, LLC plans on opening up a food stall in the Lansing Shuffle Board and Social Club. Irie Smoke Shack will provide Caribbean barbecue while also providing traditional American barbecue favorites and sides. The addition of this hall will help drive traffic not only to Lansing Shuffle Board and Social Club, but also to the Adado Riverfront—driving the push to make Lansing a thriving city after 5 o'clock.

Level of Investment: The business is requesting a total of \$25,000 for legal and professional fees, design fees and permits, equipment acquisition and installation; all in order to open and launch the restaurant Lake Trust Credit Union is providing a total of \$159,869 for all operating costs and requirements. The applicant is providing \$7,050 for marketing costs, and design fees and permits. In total the cost of the project is \$191,919.

Terms of the Loan:
Term: 3 years (36 months)
Loan Amount: \$25,000
Interest Rate: 4.75% fixed
Payments: Monthly
• 36 Principle & Interest payments: \$746.47 (est.)
Fees (due at closing): \$250.00 Loan Application Fee - Paid to Lender
Attorney/Document Fees (TBD)
Security: Personal guaranty from Beth Hartzell, Jon Hartzell, and Max Hardy
Collateral: None
Additional Terms: Approval of Other Project Financing

IRIE

SMOKE SHACK

EST. '22

Presented by
Happy Life Hospitality
with Chef Maxcel Hardy



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Happy Life Hospitality was forged out of the success of Detroit Shipping Company, which Jon opened in 2018. Happy Life now manages the daily operations and events at Detroit Ship Co and is developing a second food hall in downtown Lansing. Happy Life will manage the day-to-day operations of Irie Smoke Shack.



Best of Detroit - Best Food Hall, 2018, 2019, 2020, 2021

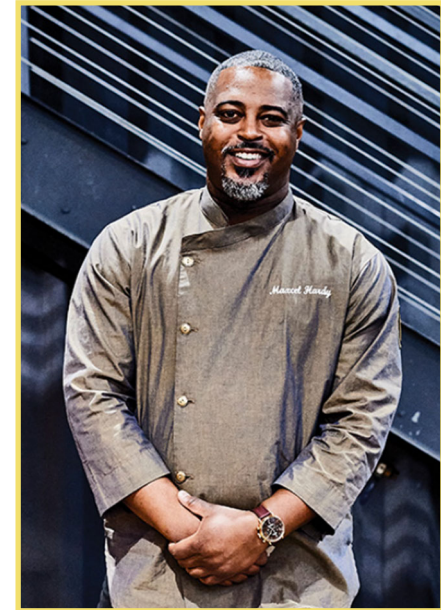


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Triple-threat hospitality development and management team, Happy Life Hospitality, is lead by Jon Hartzell.

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Award-winning chef and philanthropist, Chef Max Hardy is the owner and operator of three Detroit restaurants: Coop, Honey and Jed's Detroit. Hardy is a frequent guest on Detroit morning news shows and has had multiple feature articles covering his food and charitable efforts. Hardy will develop the menu for Irie Smoke Shack and train & mentor the staff.



Detroit News - Michiganian of the Year, 2021

Hour Detroit - Restaurateur of the Year, 2021



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Chef Max's Caribbean fusion restaurant, Coop, has been operating within Detroit Shipping Company since 2018.

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Team

Development Director

- responsible for securing necessary capital
- coordinates design and build-out with architect and general contractor
- performs construction administration
- establishes internship program with MSU

Director of Operations

- Procures necessary kitchen equipment & smallware
- Secures health department approval
- Prepares SOPs, employment agreements and operating manuals
- Monitors weekly operating financials and directs Irie's General Manager
- Ensures profitability of the operations

Brand & Event Manager

- Visits site weekly to take photos and videos
- Manages social media accounts and website

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Responsibilities as Part-Owner

- Develop Irie's menu
- Hire and train local staff
- Organize and participate in special events and fundraisers
- Visit site bi-weekly to mentor staff and oversee quality of food preparation
- Participate in monthly financial meetings with Irie's management team

Irie Smoke Shack

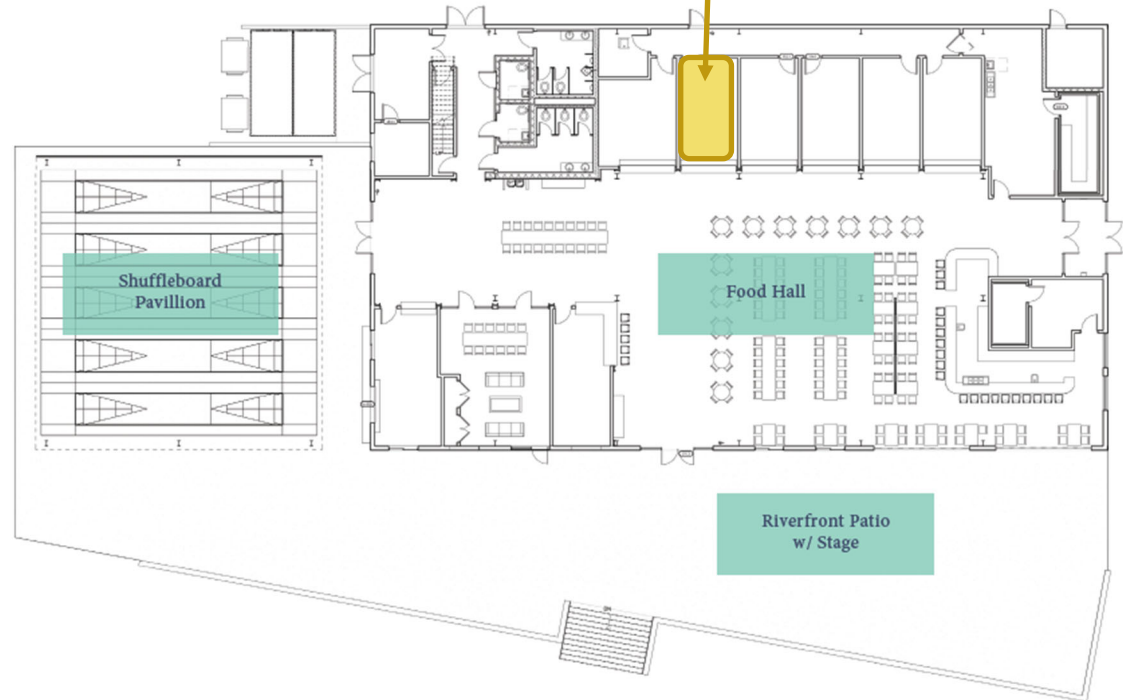
Coming to the Lansing Shuffle Food Hall

Soon to be mid-Michigan's best in food, drink and entertainment.

Set to open in Summer 2022, Lansing Shuffle is a food hall and event space housing seven independent food vendors, two bars, shuffleboard courts and a riverfront patio. The venue will draw customers from the greater Lansing area who are looking for a unique food and entertainment experience.



Irie Smoke Shack



Irie Smoke Shack

One of 7 Restaurants Inside the Lansing Shuffle Food Hall

Our business model, above and beyond serving delicious barbecue, emphasizes the support of the **community** and the ways in which we can **lift each other up**. At Irie, we will maximize hiring of local minority groups, giving them an opportunity to be mentored by leaders in the industry and earn a livable wage. We are also talking with the Michigan State University School of Hospitality to establish a management internship program, giving graduating students the experience to manage a restaurant within the greater support network of the Lansing Shuffle food hall.

Irie is a Jamaican word that means “nice,” “good,” or “pleasing.” At Irie Smoke Shack, we aim to serve comforting smoked barbecue that incorporates the flavors and spices of the Caribbean. Grab a slab of ribs or a whole jerk chicken and enjoy with your family and friends.

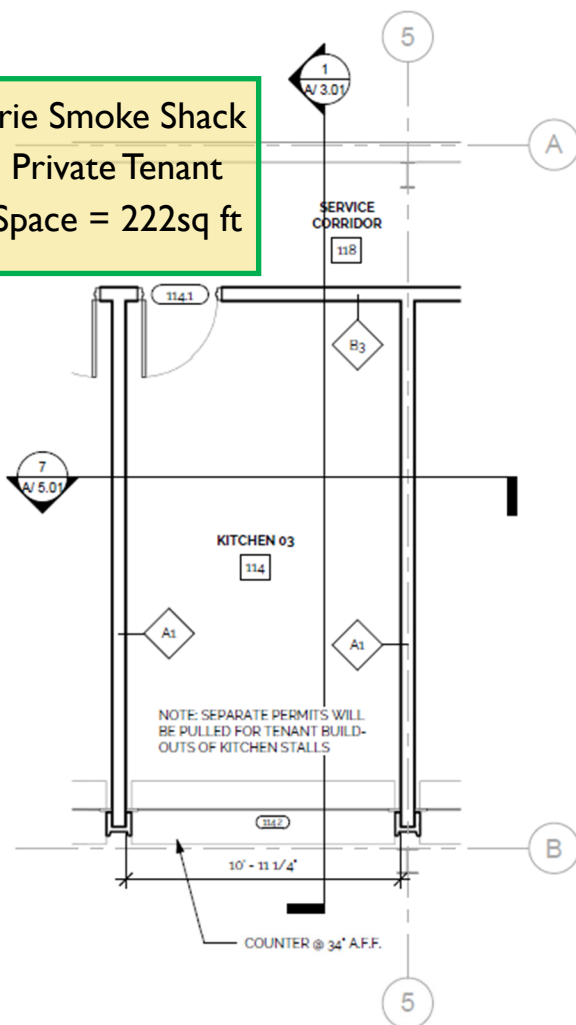


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Chef Max Hardy at his Caribbean-fusion restaurant, COOP, inside Detroit Shipping Company

Kitchen & Back of House at Lansing Shuffle Food Hall

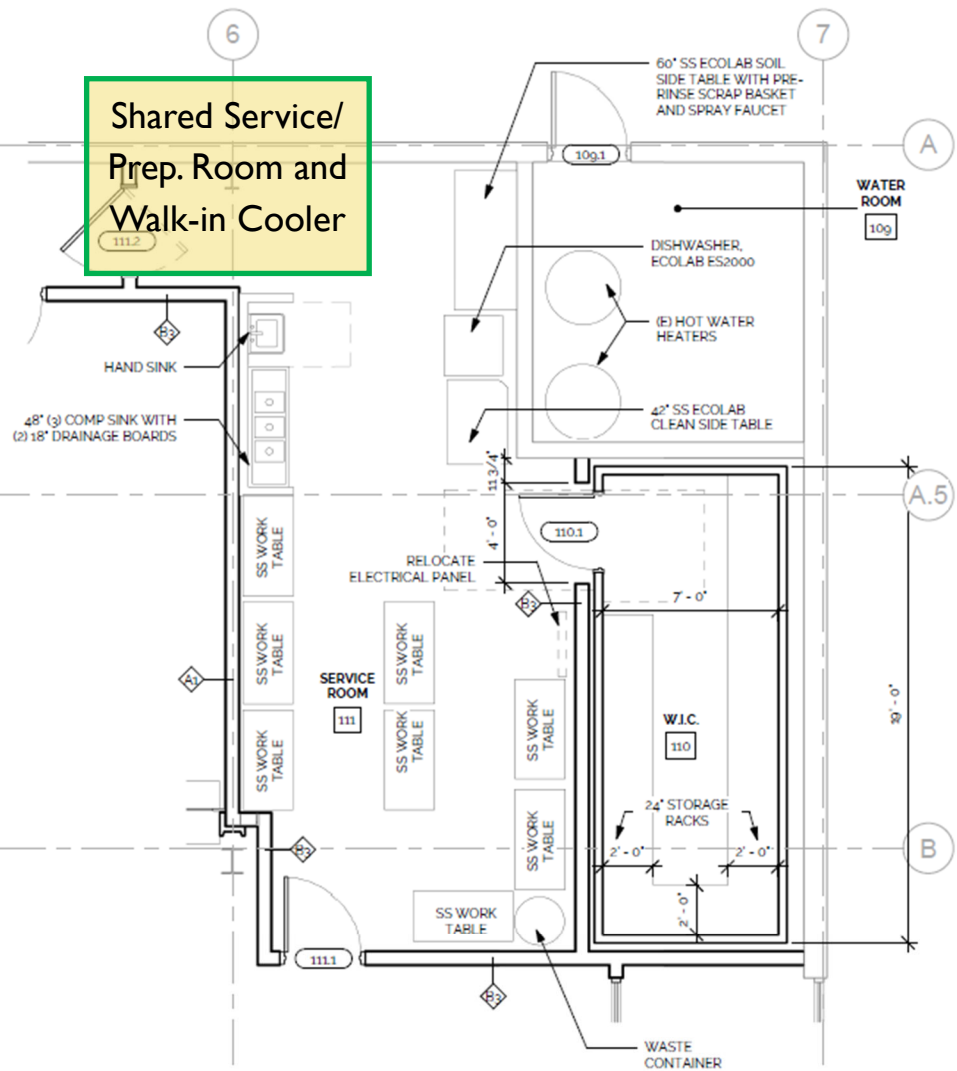
Irie Smoke Shack
Private Tenant
Space = 222sq ft



ENLARGED FLOOR PLAN - TYPICAL KITCHEN
1/4" = 1'-0"

5

Shared Service/
Prep. Room and
Walk-in Cooler



ENLARGED FLOOR PLAN - SERVICE ROOM 111
1/4" = 1'-0"

111

The Menu

Pre Game

Sweetwater Cornbread & Cheddar
Cheese Casserole
Crispy Garden Medley
Low Country Smoked Wings

Meats & Sandwiches

Talking the Blues Crispy Chicken
Sandwich
Uncle John's Smoked Sausage
St. Louis Dry Rubbed Ribs
Smoked Turkey Leg
Tomahawk "Chef Favorite"
Backyard Signature Beef Ribs
BBQ Smoked Rubbed 1/2 or 1/4 Chicken
Low and Slow Pulled Pork
Chef Max Signature Jerk Dirty Bird

Sides

White Cheddar Return of the Mac
Backyard Cottage Fries
Low Country Collard Greens
Sweet & Tangy Coleslaw
Kick Ass Baked Beans



Finger-Licking Smoked Barbecue

Serving up all the familiar dishes — country ribs, pulled pork and chicken wings — but with a flavor and soul unique to Chef Max.



IRIE

SMOKE SHACK



EST. '22

Opening fall 2022 at Lansing Shuffle
325 Riverfront Drive, Lansing, Michigan

MEMORANDUM

DATE: Tuesday, July 5th, 2022

TO: LEDC Board of Directors

FROM: Mitch Timmerman, Director of Economic Development, on behalf of the Lansing Economic Development Corporation Loan Committee

Subject: Request approval for \$25,000 LEDC Micro-Loan for Osteria Vegana, LLC

The Lansing Economic Development Corporation (LEDC) has received a micro-loan financing request through its Business Financing Assistance Program (BFAP) from Osteria Vegana Lansing, LLC (Borrower). The \$25,000 request is for construction, equipment, professional services, working capital, loan payment reserve, and a portion of the owner's pre-launch salary to open and operate an Italian vegan fusion restaurant inside of the Lansing Shuffle Project—located at the former Lansing City Market Building (325 Riverfront Dr. Lansing, MI).

The proposed project will help to bring a food vendor into the Lansing Shuffle Project, and will provide a unique dining experience and showcase the possibilities of vegan food to Lansing. Osteria Vegana also plans on sourcing from local suppliers of produce. The addition of Osteria Vegana will help the Lansing Shuffle project attract people down to the riverfront after 5 o'clock.

The requested loan terms are as follows:

Amount: \$25,000

Term: 36 months (36-month amortization/maturity)

Interest Rate: 4.75% fixed

Debt Service: Monthly, during repayment period (est. \$746.47/month)

Security: Personal Guaranty from owner Gianmarco Roselli

After discussing the project, loan application, and business' financials the Loan Committee recommends approval of the loan application by the LEDC Board of Directors at their Friday, July 8th, 2022 meeting.

Appended is an executive summary of the project and the loan terms recommended by the Loan Committee.

Osteria Vegana at Lansing Shuffle

LEDC Micro Loan Term Sheet

Project: Restaurant Stall at Lansing Shuffle Board & Social Club
Location: Entity Address: 1520 Surria Court Bloomfield Hills, MI 48304
Project Property: 325 Riverfront Dr. Lansing, MI 48912
Applicant: Gianmarco Roselli
Program: Lansing Economic Development Corporation Business Financing Assistance Program

Background Information: Gianmarco Roselli has several years of experience being a restaurant chef, private chef, and caterer. He brings with him a unique vegetarian and vegan menu that will surely be a great shot in the arm for the Lansing food scene.

Project Description: Osteria Vegana Lansing, LLC plans on opening up a food stall in the Lansing Shuffle Board and Social Club. Osteria will provide Italian vegan fusion cuisine that will be affordable and loved by all. The addition of this hall will help drive traffic not only to Lansing Shuffle Board and Social Club, but also to the Adado Riverfront—driving the push to make Lansing a thriving city after 5 o'clock.

Level of Investment: The business is requesting a total of \$25,000 for equipment, construction of stall, professional services, pre-launch salary, and working capital, all in order to open and launch the restaurant; this is the LEDC Micro-Loan amount requested by the applicant. Lake Trust Credit Union is providing a total of \$25,000 for equipment purchase, working capital, and miscellaneous set up. The applicant is providing \$22,557 for working capital, professional services, and construction. SPARK is providing \$35,000 for construction, pre-launch salary and working capital. In total the cost of the project is \$107,557.

Terms of the Loan:

Term: 3 years (36 months)
Loan Amount: \$25,000
Interest Rate: 4.75% fixed
Payments: Monthly
• 36 Principle & Interest payments: \$746.47 (est.)
Fees (due at closing): \$250.00 Loan Application Fee - Paid to Lender
Attorney/Document Fees (TBD)
Security: Personal guaranty from Gianmarco Roselli
Collateral: None
Additional Terms: Approval of Other Project Financing

June 8, 2022

Lansing Economic Development Corporation

1000 S. Washington, Ste 201

Lansing, MI 48933

Dear LEDC Board,

Osteria Vegana is an Italian vegan fusion restaurant opening inside Lansing Shuffle food hall in the fall 2022. Osteria Vegana takes inspiration from historical Italian dishes and adds vegan flair, taking people who love organic food someplace they have never been. We provide vegan food at median cost but gourmet quality.

We intend to work closely with the Michigan Good Food Fund to hire from local immigrant populations and involve local suppliers of produce. We are an eco-positive, environmentally sound restaurant that provides gourmet food to everyday people. We also support local business through farming and produce solely from local greenhouses. Everyone is invited to come enjoy our fresh season-driven menu.

We will be a part of the upcoming Lansing Shuffle project which promises to add to the exciting momentum in Lansing that is reinvigorating the 'after 5pm' scene. We plan to be a big splash hit in the area and will have many visitors from far and wide to come check us out, stimulating the Lansing economy.

Thank you for your consideration of this loan request. We look forward to collaborating in the future.

Sincerely,

A handwritten signature in black ink, appearing to read 'G. Roselli', written over the word 'Sincerely,'.

Gianmarco Roselli
Owner, Osteria Vegana