AGENDA

Committee of the Whole
AGENDA FOR NOVEMBER 14, 2022 AT 5:30 PM

Lansing City Hall, Tony Benavides Lansing City Council Chambers
124 W. Michigan Avenue, 10th Floor
To provide input or ask questions on any item that is listed on the agenda,
members of the public may contact the City Council at city.council@lansingmi.gov or (517) 483-4177 prior to the meeting.

UPDATED 11/14/2022 P.M.

Council Member Hussain, Chairperson
Council Member Wood, Vice Chairperson

1. Call to Order

2. Roll Call

3. Minutes

A. October 24, 2022

4. Public Comment on Agenda Items (Up to 3 Minutes)

5. Presentations:

B. Ovation Performing Arts Center

6. Discussion/Action:

C. RESOLUTION - ACT 31; Incorporation of the Lansing Public Media Authority

D. RESOLUTION - Grant Acceptance; Michigan Enhancement Grant- Ovation Performing Arts Center

E. RESOLUTION - Issuance and Sale of Limited Tax General Obligation Bonds for Capital Improvements for Ovation Performing Arts Center

F. RESOLUTION - Setting a Public Hearing; Public Act 425; Windsor Township

G. RESOLUTION - Fireworks Display License; Pyrotecnico Fireworks Inc. for the City of Lansing's Silver Bells Celebration

H. RESOLUTION - Introduction and Set a Public Hearing; Ordinance adding Chapter 291 to establish the HUD conflict of interest policy

I. RESOLUTION - City Council Meeting Schedule for 2023

Closed Session

J. Pursuant to MCL 15.268(c) of the Open Meetings Act, the City Council will recess into closed session for strategy and negotiation sessions connected with the negotiation of a collective bargaining agreement between the City of Lansing and the Capitol City Labor Program, Inc., Supervisory Unit, as requested by the City.

K. Litigation Updates: Pursuant to MCL 15.268(e) the City Council will recess into closed session to consult with the City Attorney in connection with the following specific pending litigation. An open meeting will have a detrimental financial effect on the litigating or settlement position of the City of Lansing concerning these cases.

Atkinson, et.al. v. City of Lansing, et. al.
Lynn v. City of Lansing

OPV Partners v. City of Lansing
Stafford v Klein, et al.

Reconvene

7. Other

L. RESOLUTION - Ratification of the Tentative Agreement; CBA between the City of Lansing and the Union, Capitol City Labor Program, Inc., Supervisory Unit for a period of 7/1/2022 - 6/30/2026

8. Adjourn

Persons with disabilities who need an accommodation to fully participate in these meetings should contact the City Council Office at 517-483-4177 (TTY 711) 24 hour notice may be needed for certain accommodations. An attempt will be made to grant all reasonable accommodation requests.

DRAFT

MINUTES
Committee of the Whole
Monday, October 24, 2022 @ 5:00 p.m.
Tony Benavides Lansing City Council Chambers

CALL TO ORDER
Council President Hussain called the meeting to order at 5:00 p.m.

PRESENT
Councilmember Adam Hussain
Councilmember Carol Wood- excused
Councilmember Peter Spadafore - excused
Councilmember Patricia Spitzley
Councilmember Jeremy Garza
Councilmember Brian T. Jackson.
Councilmember Jeffrey Brown
Councilmember Brian Daniels

OTHERS PRESENT
Sherrie Boak, Council Office Manager
Jim Smiertka, OCA
Lisa Hagen-Lawrence, OCA
Mark Lawrence, Mayors Office
Jane Bias- DiSessa, Deputy Mayor
Dick Peffley, BWL
Heather Shawa, BWL
Scott Taylor, BWL
Dominic Cochran, City TV
Desiree Kirkland, Finance Director
Shelbi Frayer, Chief Strategy Officer

Minutes
MOTION BY COUNCIL MEMBER SPITZLEY TO APPROVE THE MINUTES FROM OCTOBER 10, 2022, AS PRESENTED. MOTION CARRIED 6-0.

Council President Hussain stated the closed session will be moved to the meeting on November 14, 2022, due to needing six votes to go into closed session.

Public Comment
No public comment at this time.

Presentations

Board of Water and Light Financial Report FY 2021/2022

Ms. Shawa referenced the audited statements in the packet and introduced Scott Taylor.

Mr. Taylor went through the Bakertilly document and condensed financial information.

Council Member Spitzley stepped away from the meeting at 5:06 p.m.

Discussion

Council Member Spitzley returned to the meeting at 5:07 p.m.

RESOLUTION – ACT 31; Incorporation of the Lansing Public Media Authority

Mr. Smiertka briefly outlined ACT 31 which is used by municipalities with the concept similar to the Stadium, the Lansing Center and not unusual. It is a device to allow the concept a building authority to builds an asset, then leases the asset to the municipality then that lease payment goes back to the authority, and they use those funds to payoff the bonds. Now that the municipality would be a lease will contract back to the authority to operate. An ACT 31 is broad with no restrictions on it. The original document that was referred had sections that were not supposed to be in the document. Mr. Venker explained that he used the ACT articles for LEPFA as a template for these Articles and it had sections that references to the stadium and the Lansing Center that should not have been in there. That was corrected and resubmitted and republished 10/24 a.m. There are no public hearing requirements and is recorded with LARA.

Council Member Spitzley asked OCA why this is being done. Mr. Cochran provided background on the Ovation project and media center. This would be the first step in building a performing arts center which has been going on since 2000. This would the organization that would oversee the construction and transition into the management of. Council President Hussain asked about the feasibility study that was referenced in the packet and who did it.
Mr. Cochran stated that AMS Planning and Research were selected to do the survey with specific inquiries which was in 2019 and they did an update after the pandemic. The median used for outreach was with polling, potential users such as promoters, and non-profits.

Council Member Spitzley asked when Council got a copy of the feasibility study before today. Mr. Cochran stated he could forward to Council as soon as possible. Council Member Spitzley asked if it would be under LEPFA and would this be subsidized like LEPFA. Mr. Cochran confirmed not under LEPFA, and no it would not be subsidized but an operating budget that is profitable. It will be part of the feasibility study. Council Member Spitzley asked why Council is approving the articles. Mr. Venker stated under ACT 31 the governing body is the only entity that can create this body.

Council Member Jackson asked if the authority would be set up so the City can build a building that does not exist yet. Mr. Venker confirmed, the ACT 31 Authority is the preliminary step so financing and funding models can be created and has bonding authority. Council Member Jackson asked if this would be to build one facility or all encompassing all Lansing Media. Mr. Cochran stated that they are proposing is an adaptive re-use and new construction. There is a plan to redevelop a building at Washington and Lenawee for media center and space for community use.

Council President Hussain asked about media notices in early 2022 about this venue and discussion on 40 lofts for artists. Mr. Cochran stated that was the original thought based on potential donors.

Mr. Smiertka stated this is not part of the City, it is a separate Authority. This allows for the operation of this project as a business. Mr. Cochran added it will separate liability.

Council Member Garza asked why this is not housed under LEPFA. Mr. Cochran stated that the board that does get incorporated for this entity will be a large hands-on work for this board through construction and make it into a successful endeavor. There were many members in the art community that want to be involved and it should be able to stand alone. Council Member Garza asked if the Warton Center has pushed back on this, and Mr. Cochran stated they have met a couple times and they have informed him that they see this as a compliment to the Warton Center.

Council Member Jackson asked what happens if it is not profitable. Mr. Cochran stated that at every junction they laid out all the conservative choices. They anticipated 1 event per week as an average in the bid venue part, and the staff and numbers are conservative. Other than the bonding the city will do for the PEG fees, this will be built with no debt obligation for this.

Council Member Spitzley asked about the comparison with the former Hookah Lounge on Washington. Mr. Cochran stated they have worked with those owners and spoke about the Authority plan and in this case this Authority will work with promoters, and they can work to compliment both venues.

Patricia stated her concerns that Council has not seen the feasibility study and the budget to make an informed decision.

MOTION BY COUNCIL MEMBER SPTIZLEY TO TABLE ACTION ON THIS RESOLUTION UNTIL THE COUNCIL IS PROVIDED WITH THE BUDGET AND FEASIBILTY STUDY. MOTION CARRIED 6-0.

<u>RESOLUTION – Issuance and Sale of Limited Tax General Obligation Bonds for Capital Improvements for Ovation Performing Arts Center</u>
Ms. Kirkland stated the Administration is asking for approval for a $20 million bond which will be paid for the fees currently in PEG from T-Mobile and cable companies.

MOTION BY COUNCIL MEMBER SPITZLEY TO TABLE UNTIL THERE IS INFORMATION ON THE BUDGET AND THE PEG FEES.

Council Member Jackson asked for a presentation. Council President Hussain asked them to come back to the November 14th meeting with the information for Council to make the decision.

MOTION CARRIED 6-0.

CLOSED SESSION
Require six (6) votes and not able to obtain six (6) votes.

Council Member Spitzley asked if by not going into closed session is the city missing any deadlines. Mr. Smiertka stated they are not missing deadlines; they are just trying to keep Council updated.

Council Member Jackson clarified why he always votes no for closed sessions.

<u>Adjourn</u>
The meeting adjourned at: 5:42 p.m.

Respectfully Submitted by,
Sherrie Boak, Recording Secretary,
Lansing City Council
Approved by the Committee

Agenda Item 5. Presentation

Ovation Performing Arts Center

Once the materials are received the packet will be updated.
Please continue to check back for updates.

LEPFA

November 11, 2022

Re: Ovation Project-City of Lansing

Honorable Lansing City Council:

Please allow this letter to serve as support from Lansing Entertainment & Public Facilities Authority (LEPFA) to the City of Lansing for a new live performance events venue in downtown Lansing). Since it was incorporated through City Council resolution in 1995, LEPFA's mission is to provide the professional management for the Lansing Center, Jackson Field, Groesbeck Golf Course, and signature events such as the Common Ground Music Festival and Silver Bells in the City, as well as other community/regional events.

LEPFA agrees that there is a need for live performance spaces in Lansing, and the Ovation venue could fill that void. The Ovation venue would provide an additional facility for entertainment and live music events in our city/region.

Venues such as Ovation would add synergy and vibrancy to the downtown entertainment space, as well as offer additional opportunities for attracting more people and visitors to enjoy the downtown Lansing offerings. This venue would complement the current downtown entertainment amenities and could add additional value to the convention and event business. Projects like Ovation generate economic impact as well as improve quality of life, which improve the attractiveness and viability of our city.

For our city to continue to grow and attract more residents and businesses, it is important to make these bold and visible changes to our downtown district. LEPFA continues to support the development and growth of diverse entertainment facilities in Lansing and appreciates the work already invested in the Ovation project. LEPFA would like to continue to provide the Administration support by addressing any challenges or concerns that may arise as Ovation moves forward.

Warm Regards,

Larry Leatherwood, Chair
LEPFA Board of Commissioners

Lansing Entertainment & Public Facilities Authority

LANSING CENTER
JACKSON Field
333 E. Michigan Avenue, Lansing, MI 48933
Ph.: (517) 483-7400 | Fax: (517) 483-7439
www.lepfa.com
Groesbeck GOLF COURSE
Member & Partner of:
Greater Lansing Michigan Convention & Visitors Bureau

RECEIVED
OCT 24 2022
City of Lansing
City Council

Good evening,

Attached are the background materials on The Ovation project that we discussed at Committee of the Whole today.

The pdf labeled "Lansing Final Report" is the original market, feasibility, and economic impact study from AMS Planning and Research. The pdf labeled "Lansing Feb 2022 AMS Update" contains more updated information as the project was evolving and "right-sizing" for what our market really needs. The pro forma operating budget in that document still shows a need for an operating subsidy because it only contemplates the expenses for the project, and none of the income from the rooftop facility. The pdf labeled "The Ovation Case Statement" is the most updated document and is exactly what we will be sending out to potential corporate funding partners before in-person pitch meetings. That document contains lots of information, including the most updated budgets for both construction and operations(reflecting no need for an operating subsidy), as well as some background information on AMS Planning & Research.

Page 22 of the Case Statement has more impact detail, but the main takeaway is that economic impact study results are showing a conservative $12.5 million in annual economic activity generated.

Thank you for the opportunity to further discuss this transformational project with you, I look forward to the next meeting!

T. Dominic Cochran
Director
Lansing Public Media Center – Mayor's Office of Community Media
2500 S. Washington | Lansing, MI 48910
O: 517-483-4058 | E: Dominic.Cochran@lansingmi.gov
Website | Facebook | Twitter | Instagram

START SPREADING THE NEWS

INTRODUCING THE OVATION MUSIC AND ARTS CENTER

WE BUILT THIS CITY

PHOTO CREDIT: Eat Pomegranate Photography for CCFF

AN IMMEDIATE NEED TO ESTABLISH PLACE AND PROSPERITY IN LANSING POST-PANDEMIC

Downtown Lansing is sitting on a wealth of potential. Those familiar with Lansing know what our city has to offer, from affordable homes to well-paying jobs to neighbors who take the time to say hello. We love Lansing, and we want to see our city continue to prosper.

For decades Michigan's citizens have come downtown to visit our Capitol during business hours. Still, when it comes to attracting people after five o'clock, whether it's weekend visitors or prospective residents, Downtown Lansing lacks a cultural pull. An amenity to build up our external reputation, draw in visitors from neighboring cities and other corners of the state year-round, and inspire prospective residents to consider putting down roots here. While there are countless gems across our region, we need a major, day-to-night and year-round attraction that everyone can come to associate with Downtown Lansing. A space that will illuminate on a statewide scale what Lansing residents already know to be true: that we are a city of doers committed to cultivating arts, culture, and economic growth.

A new arts and culture center will fulfill this vision, with ripples of impact. This new attraction will increase foot traffic downtown after work and on the weekends; help retain the students graduating from the many colleges right in our backyard; further situate Downtown Lansing as a desirable, intriguing place to visit and live; and amplify the vibrant arts and culture that already exists in our city.

We can all agree that we must invest in Lansing to create a sustainable future. Here's how you can be a part of it.

Introducing The Ovation Music and Arts Center — your opportunity to amplify Lansing's arts and culture scene and sustain our local economy in the process.

WOULDN'T IT...

...BE NICE?

PHOTO CREDIT: Studio Intrigue Architects

IMAGINING THE POSSIBILITIES FOR THE OVATION MUSIC AND ARTS CENTER

The Ovation Music and Arts Center will be a space for residents and visitors alike to enjoy and create art, right in Downtown Lansing. The building at the corner of South Washington Square and West Lenawee Street will be designed as a flexible space to accommodate a variety of performances, from large-scale music concerts to independent films to networking events — and so much more. The facility will also include retail space on South Washington Square, Capital City Film Festival offices, a film and video equipment rental library, and classrooms available to school groups.

> Construction for this transformative space will begin in Spring of 2023, and will open to the public in Fall of 2024. Estimating this will be at least a two-year construction, The Ovation will open to the public 2025 or later. That's right — *it's happening.*
>
> The Ovation will include:
>
> - A two-story main stage
> - A smaller, intimate stage alongside the main stage
> - First- & second-story lobbies
> - A second-story balcony
> - A private party room with a balcony overlooking the main stage
> - Bars & concessions
> - Retail space facing South Washington Square

FLEXIBLE-USE SPACES

As a whole, The Ovation will be designed as a flexible space that can accommodate a wide variety of events. The performance space provides flexibility to book a wide range of shows and acts throughout the year, with a maximum capacity of 2,025 standing patrons for a single performance. Additional micro-retail, offices, and multi-use community spaces expand the possibilities for utilization and provide operating revenue.

Capitol Fundraising Associates (CFA)[1] and AMS Planning & Research[2] both conducted feasibility studies to guide the planning of this project. According to CFA's environment study, the most important feature of a music and arts center according to its target audience is flexibility of space and the versatile usage of the building. Many interviewees stressed the importance of community access to the building, its stages, and its common areas. They noted the importance of ensuring that low-income community members, members of the Lansing School District, and historically marginalized populations were considered in the programming of the space. The versatility of the space will ensure that the space is operating efficiently, and also provide a broad range of programming to appeal to a variety of audience demographics.

As a flexible-use space, there's something for everyone at The Ovation; you could be at an experimental symphony performance one day, and front-row for Slayer the next.

A VIBRANT BLOCK

Picture this: It's a Wednesday evening in Downtown Lansing. The Ovation's block is bustling with activity, as people wander the shops along South Washington Square. A line for the night's performance begins to emerge and anticipation begins to build. The impressive building catches the eye of an out-of-town visitor, prompting them to explore the area. In the space that was once a rundown empty parking littered with weeds, a sense of place emerges.

[1] The City of Lansing engaged Capitol Fundraising Associates (CFA) to research the feasibility of building a music and arts center in Downtown Lansing in 2019. The study was based on interviews with 64 individuals including chief executive-level corporate managers, regional family and small business owners, known philanthropic individuals, elected representatives, local economic development leaders, city vendors and others.

[2] The City of Lansing engaged AMS Planning & Research to conduct a feasibility study for The Ovation in August 2021, and an updated study in February 2022. The study sought to assist development partners by offering a recommended business model for operations, should a new venue be developed. Methodology included collecting 35 background documents provided by area organizations and municipal governments; engaged in stakeholder interviews; and reviewing patron records, among other research methods.

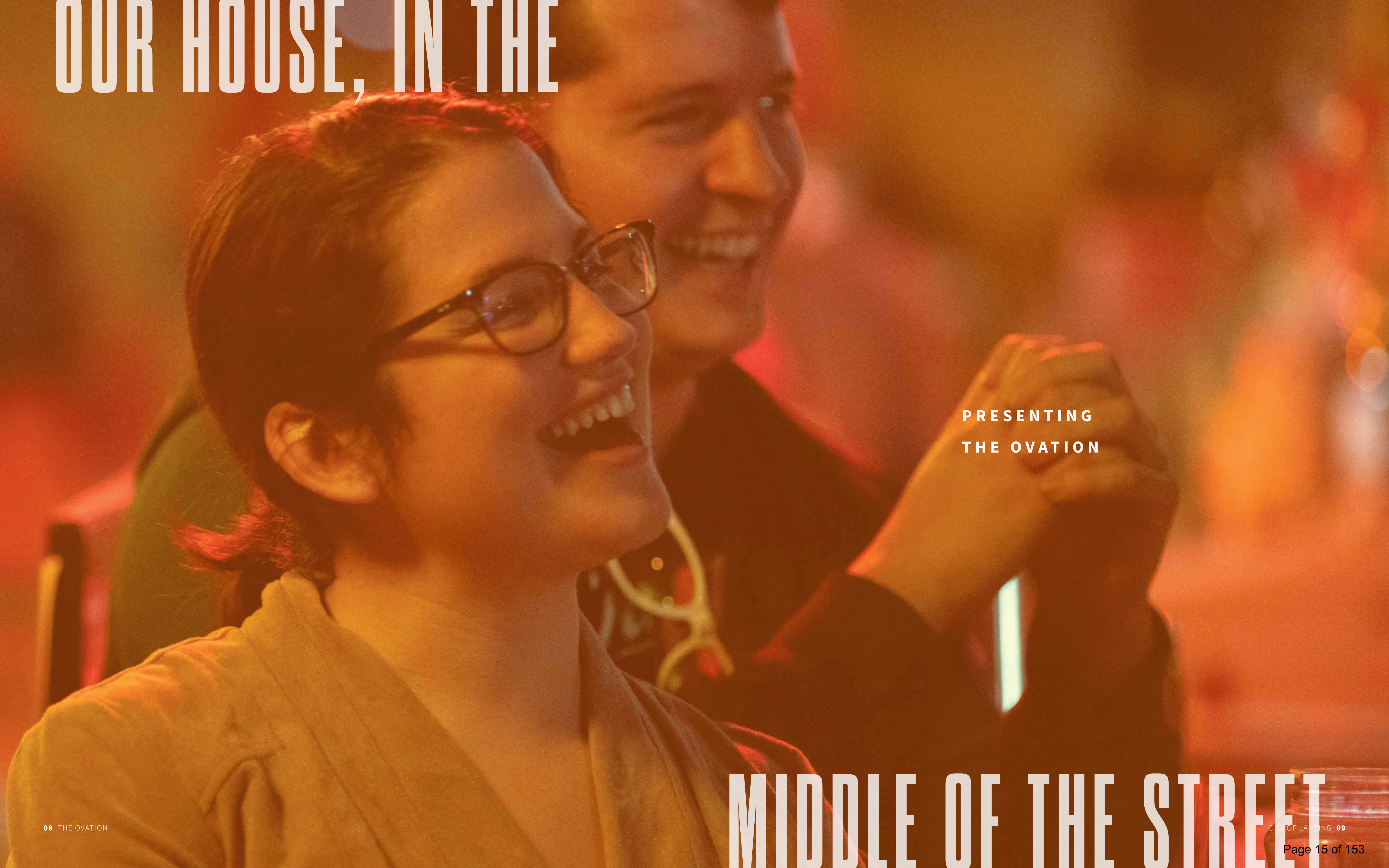
PHOTO CREDIT: Xiaoxing Han for CCFF

LET'S GET IT STARTED

This new facility will mark our region as a point of interest; support our cultural development; and create a sustainable, positive economic impact.

> "We believe that the performing arts bring communities together, and we support increasing access to the arts in Greater Lansing. The renewed effort to bring a smaller performing arts center to Downtown Lansing will allow performers and artists who excel in a more intimate space to share their works with the community. The staff of Wharton Center looks forward to offering our assistance as this project moves forward."
>
> — **Mike Brand, Former Executive Director,** Wharton Center for Performing Arts (2005-2022)

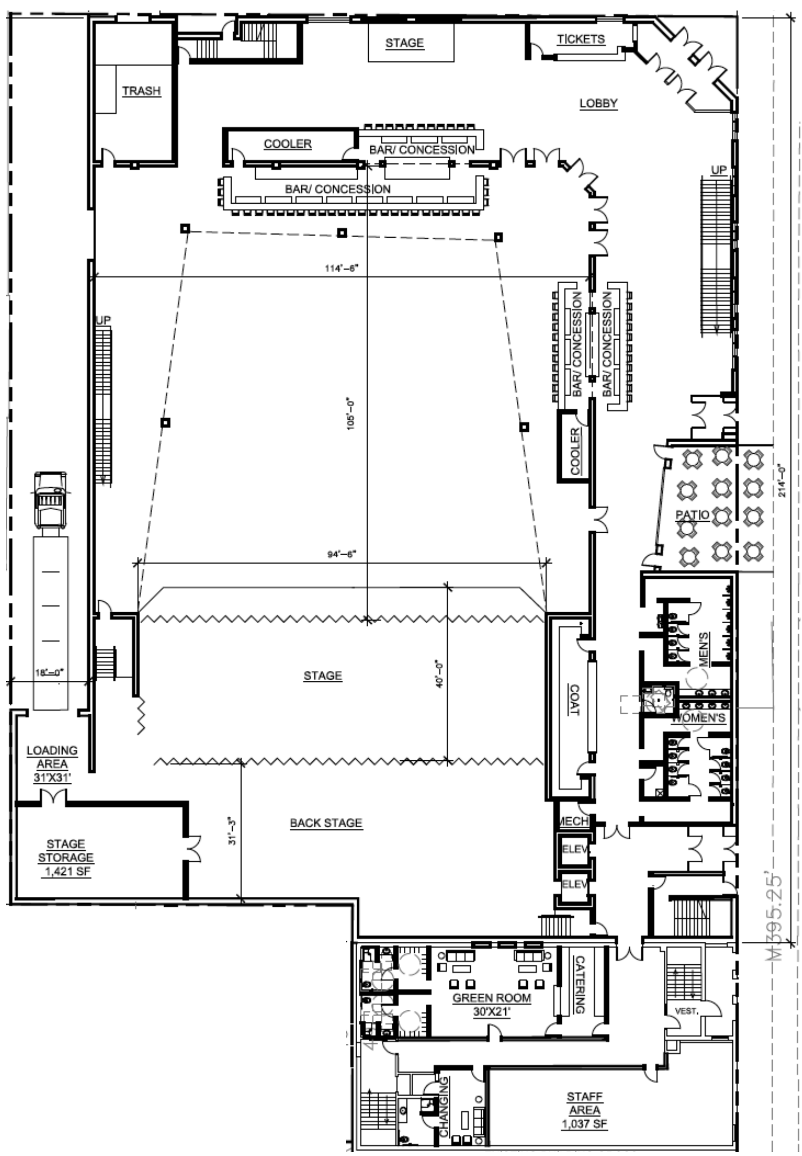
OUR HOUSE, IN THE MIDDLE OF THE STREET



PRESENTING

THE OVATION

FIRST FLOOR



The focal point of the space will be a **two-story main stage,** a large performance area with a capacity of 1,200 people seated - 1,500 standing for large-scale, national acts.

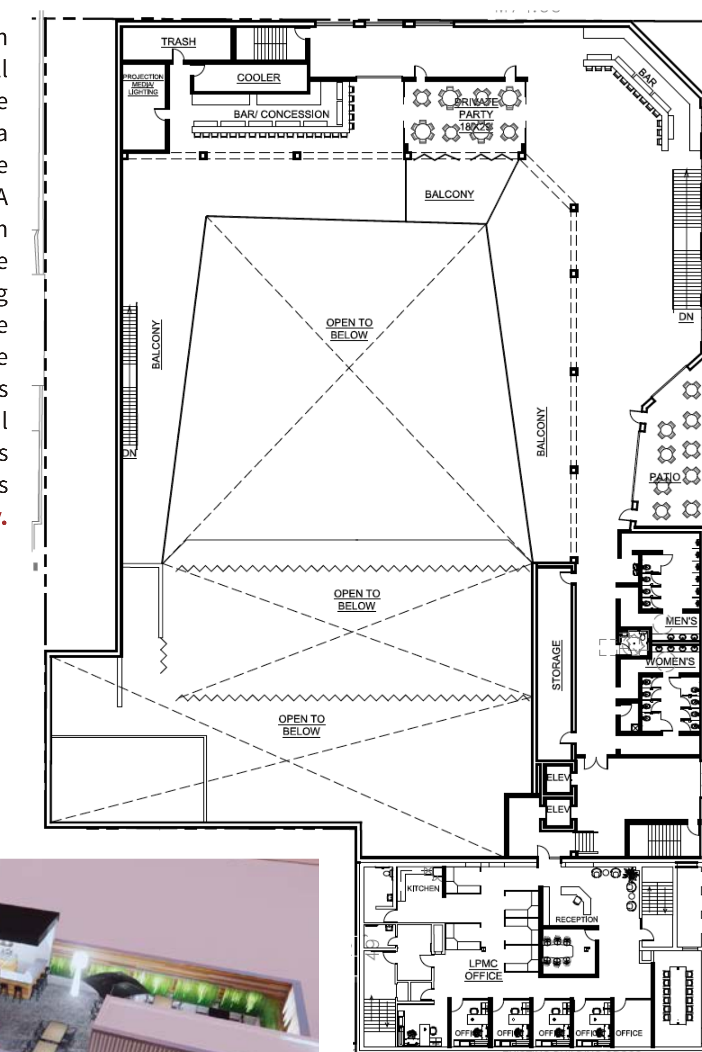
Situated alongside this space will be **a second performance area** with a capacity of 275 people, for more intimate performances.

Micro-retail spaces along South Washington Square will make efficient use of this space along the sidewalk and encourage foot traffic and walkability through this area of downtown.

The ground floor will also house **offices and multi-purpose collaboration rooms** for local arts organizations and will include the home of the Lansing Public Media Center.

SECOND FLOOR

Overlooking the main stage, a **balcony** will curve around the venue from above, with a capacity of 250 people seated - 400 standing. A **private party room** with a capacity of 80 people seated - 125 standing will provide a unique opportunity to experience a show as a group, as well as an additional source of revenue. This room will also include its own **private balcony.**



ROOFTOP

The roof will be repurposed into a **full rooftop bar,** with ample seating for food and drink.

Across both floors, a performance at the main stage will have a **total capacity of 2,025 standing audience members** for a single performance (which includes the main floor, balconies, and the private party room).

OPERATING BUDGET:

EARNED REVENUES	Base Year
Ticket Fees/Surcharges	$598,000
Facility Rentals	$932,000
Rental Additions/Chargebacks (gross)	$293,000
Concessions (net)	$230,000
TOTAL EARNED REVENUES	**$2,053,000**
CONTRIBUTED REVENUES	
Contributions, Sponsorships, Grant (net)	$90,000
Rooftop Bar	$150,000
TOTAL CONTRIBUTED REVENUES	$240,000
TOTAL REVENUE	**$2,293,000**
OPERATING EXPENSES	
Theatre Operations	$693,000
Adminisrative	$110,000
Building Operations	$492,000
Compensation (FTE personnel)	$812,000
Expense Contingency	$110,000
TOTAL OPERATING EXPENSES	**$2,217,000**
NET OPERATING RESULT	**$76,000**

AMS Planning & Research forecasted operating budget for a base year of operations in 2022, projected in 2022 dollars.

THE LOCATION

The Ovation will transform a highly visible, underutilized space into the first vibrant landmark many visitors see when entering the Capital City. Situated at a primary city entrance point from highway I-496, the future home of The Ovation is currently a vacant parking lot and brick building at the corner of South Washington Square and West Lenawee Street on the south end of Downtown Lansing. Positioned within minutes' walking distance of the restaurants and shops along South Washington Square and the surrounding downtown streets, this is a prime location for a performance venue.

OPERATIONS OVERVIEW

In 2022, AMS Planning & Research conducted a report detailing the estimated expenditures and projected earned revenue of The Ovation. The financial model details a base year of operations and projects an annual revenue of $2.29 million, and $2.22 million in expenses associated with the venue. Revenues cover 103% of annual operating expenses.

The data demonstrates that The Ovation breaks even by incorporating revenue from the rooftop bar. Additional earned revenue will stem from ticket sales, concessions, rentals for the two stages, and rentals for multi-purpose rooms. With these sources, revenue will surpass operating and maintenance costs.

The increased revenue caused by the economic impact of the Ovation could go on to support other public needs to improve quality of life and address disparities across the City of Lansing.

REVENUES

As the primary line of business, facility rentals remain the driver of earned revenue, representing nearly half of total earned revenue at $932,000 annually (including commercial lease income). Base rental rates in the main hall (before labor charges) range from $2,000 - $4,500 per performance/ event uses, depending upon qualifying discounts for use by local nonprofits. The rooftop bar would generate $150,000 annually. Multi-purpose rooms are projected to garner about $74,000 in gross rental revenue, primarily from events as an extension of main hall use.

Projected lease income from local organizations will be maintained at the building at an operating cost of $8.25 per sq. ft., and are assessed directly based on their projected square footage footprint in the venue.

Other sources of earned revenue include ticket fees and surcharges and concession sales. With an assumed per capita revenue ranging from $3 - $7 (depending upon the nature of the event), concessions and bar sales contribute a net revenue of $230,000 to The Ovation's bottom line.

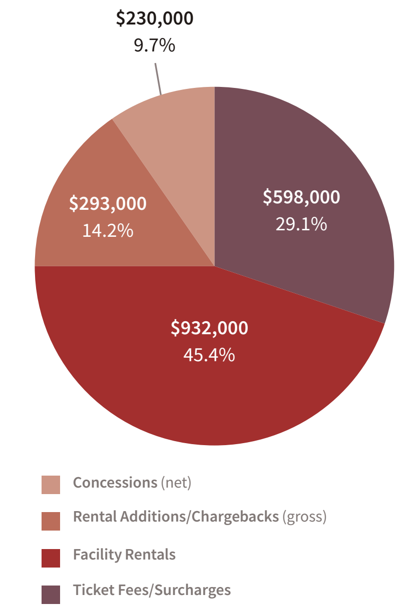
OPERATING EXPENSES

Projected expenses are driven by building operations, theater operations, and compensation of eight full-time personnel. Building operations, which includes utilities, insurance, building security, cleaning and maintenance, and annual capital improvements, is estimated based on the total square footage of 82,158 sq. ft at $492,000 or 22% of total expenses. The cost of credit card transactions and other box office fees are calculated on a per-ticket basis, amounting to $469,000 in box office operations expense. In addition to the cost of variable labor and other front of house operational needs, this drives $693,000 in theatre operations expenses, or 31% of expenses.

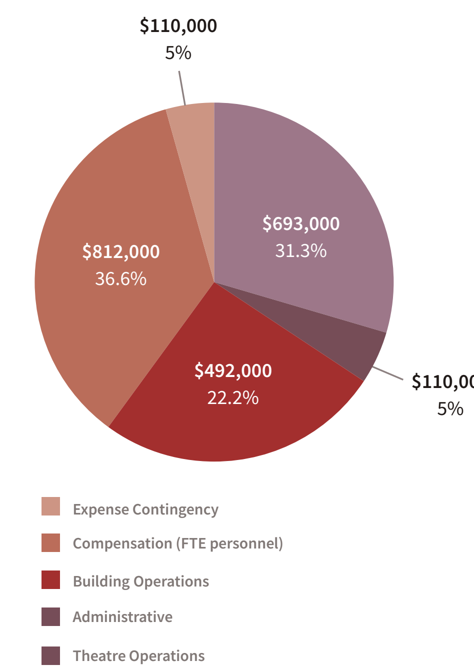
"COVID-19 has changed the way all of us live and work. For our downtown to remain relevant to both the businesses and the talent pool they need to recruit, we need to reinvent downtown and give it a new purpose. The Ovation will be the catalyst that brings people downtown to our stores, our restaurants, and attracts them to our community."

— **Tim Daman**
President and CEO, Lansing Regional Chamber of Commerce

EARNED REVENUES



OPERATING EXPENSES



EIGHT DAYS A WEEK

The flexible nature of The Ovation is designed to increase efficiency of operations and, thus, boost revenues. Looking at a prospective weekly calendar for the space, it is clear that not only does the facility see full utilization regardless of the day or season, but that there is something for everyone. Once this facility is built with all amenities, the number of opportunities for the community will be infinite.

(Note that this calendar is purely hypothetical and nonexhaustive, and is designed to serve as an example for the type of programming that will take place at The Ovation. The day-to-day management of the facility calendar will be by a professional music booking firm.)

A HYPOTHETICAL CALENDAR OF EVENTS AT THE OVATION

SUNDAY
Morning: An interactive, family-oriented theater performance
Afternoon: An experimental performance from Lansing Symphony Orchestra
Night: A blues concert

MONDAY
Morning: An entrepreneurship seminar
Afternoon: Lansing Public Media Center hosting an event in the multipurpose space
Night: A stand-up comedy act

TUESDAY
Morning: A company retreat in the private party room
Afternoon: A podcast recording in the studio
Night: A poetry slam on the side performance stage

WEDNESDAY
Morning: A senior painting class in the multipurpose room
Afternoon: A Lansing Art Gallery exhibition
Night: An intimate punk concert

THURSDAY
Morning: A musician's recording session in a rented studio
Afternoon: A business conference and networking event at the rooftop bar
Night: An independent film screening

FRIDAY
Morning: A music class with Lansing School District students bussed in by Lansing Promise
Afternoon: All Of The Above Hip Hop Academy classes
Night: A nationally-known country artist

SATURDAY
Morning: A local history lecture from Capital Area District Library
Afternoon: An interactive, family-oriented theater performance
Night: A well-known hip hop act

"The creation and activation of a flexible event venue in downtown Lansing will provide entertainment opportunities visitors are seeking within our destination. It also will add a meeting and conference option within our Capitol district to meet many other unique needs."

— **Julie Pingston,** President and CEO, Greater Lansing Convention & Visitors Bureau

PHOTO CREDIT: Xiaoxing Han for CCFF

Activity predictions for The Ovation's base year

Ticketed events in main venue	130
Ticketed events in lobby and ancillary spaces	30
Gross annual capacity for ticketed events	268,000
Estimated annual ticketed patrons	187,000

WHO WILL USE THE OVATION: SOME EXAMPLES

The Ovation will provide spaces that will be utilized by a number of groups, events, and organizations from across the region and beyond. According to CFA's research, residents identified creating a home for community arts organizations as the second most significant use for a music and arts center (behind drawing national acts to Lansing). The following are a handful of examples, many of which have already expressed interest in using the space.

- **Live music concerts** will take place across The Ovation's various stages, working with independent concert promoters to organize and schedule these shows.
- **Lansing Public Media Center** will bring regular activity to this new facility. The Center produces City TV broadcasts (including City Council meetings), organizes the Capital City Film Festival, and will use The Ovation for its office.
- **Capital City Film Festival** also offers the spring festival and pop-up events throughout the year, and will utilize this new venue for screenings and performances at the main stage and in other multi-use spaces throughout the venue. The festival currently runs for five days in April and offers more than 45 film and music events at various venues throughout Lansing, but demand for a larger space exists. Festival leadership have expressed the desire and demand for expanding the offerings of the film festival, potentially to most weekends throughout the year.
- **Lansing Art Gallery & Education Center** has a need for new, expanded space at the street level. The Center currently operates in a facility with 7,000 total sq. ft., and hosts seven annual exhibitions in addition to education programming for students. Leadership at the Lansing Art Gallery have expressed a need for larger, street-level space, and dedicated rooms for discipline-specific classes, which could be located in the Ovation's retail spaces.
- **Lansing Symphony Orchestra (LSO)** will use the space for experimental performances that cater to younger audiences. This also fills a need for LSO, as there are fewer calendar options for LSO to perform at Wharton Center during key months.
- **Common Ground Music Festival** and its promoter have expressed demand for a 1,000-2,000 seat venue in Lansing. Promoter MiEntertainment Group noted interest in programming more popular music including hip hop, rock, jazz, bluegrass, and country in Lansing, particularly on secondary tour legs, and needs an appropriate indoor venue that will be fulfilled by The Ovation's main stage.
- **Community events** will be well-situated in both the smaller performance area, multipurpose rooms, and private party area on the first and second floors. From wedding receptions to company parties to bar mitzvahs, this will bring additional rental revenue to The Ovation.
- **Retailers** will set up shop in the ground-level micro-retail spaces facing South Washington Square. This will bring additional foot traffic to Downtown Lansing and expand this area's activity farther south.
- **Local nonprofits and school groups** will make use of multi-purpose rooms on the first and second floor.

TAKING CARE OF BUSINESS

OVERVIEW OF FINANCIAL INVESTMENT AND NEEDS

An investment in Lansing's future is an investment in our greater region. With additional support from funders, The Ovation will deliver returns on this investment in many forms, and in turn Downtown Lansing will continue to grow and prosper.

There is already a foundation of secured funding for The Ovation. Because this building includes the facility that will house the Lansing Public Media Center studios and offices, the City of Lansing has identified a funding source through public access fees (PEG fees collected from cable companies and paid to the City to support public education and government programming) totaling $8 million for development. To date, $2 million has also been secured from the State of Michigan, and $750,000 has been secured through federal grants.

This two-story build has a total cost of $17.5 million. The full rooftop bar is estimated to generate $150,000 annually, bringing in an annual net operating result of $76,000.

In addition to secured funding from PEG fees, the State of Michigan, and federal grants, this requires $6.75 million of private investment through a combination of private donors and grants.

PRIVATE INVESTMENT SUPPORT

This space will be a transformative community development. The Ovation is seeking support from those who understand the importance of arts and culture and the economic impact of a music and arts space. For those looking to invest in our future and forever change the face of Downtown Lansing, now is the time for action.

Corporations, businesses, and individuals who invest in The Ovation are offered various naming rights opportunities to recognize and thank donors for their support. (All naming rights are for ten years, and donors are required to fulfill their pledges in 2-3 years.)

CONSTRUCTION DETAILS

- 2 floors
- 49,100 gross building sq. ft.
- 2,025 person capacity performing arts venue
- Two-story, Class A office suite
- Retail suites
- Full rooftop bar
- Sign for building would be seen from highway
- $2,000,000 land cost
- $12,429,031 construction hard cost
- $2,974,066 construction soft costs and other expenses

TOTAL COST:

$17,403,097

FUNDING

$8M

Dedicated Public Access fees (PEG)

$2M

State of Michigan funding

$750,000

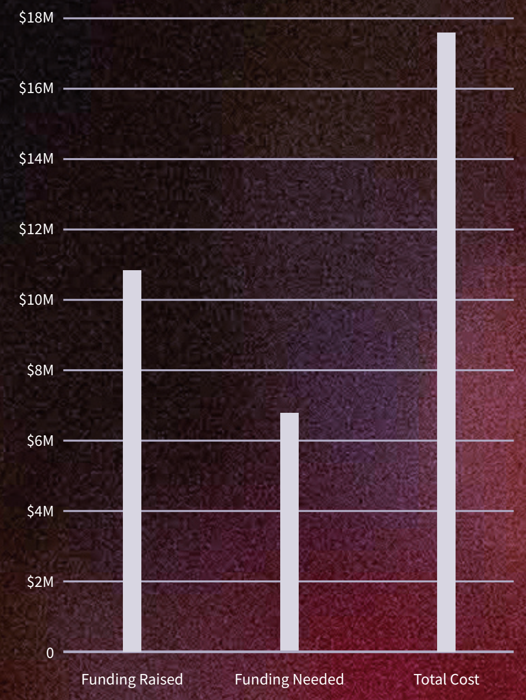
Federal grants

$6.75M

Additional funding needed through a combination of private donors and grants

TOTAL INVESTMENT:

$17.5M



"The impact of COVID-19 underscored the need to diversify the industries on which our downtown is built. Investing in The Ovation Music and Arts Venue is a phenomenal way to support the thriving arts and culture community in Lansing and build a new destination for residents and visitors alike."

— **Peter Spadafore**
Former President and At-Large Member, Lansing City Council

Construction costs, as with all numbers in this report, reflect conservative estimates. As such, construction costs include all construction expenses, such as land cost, fees, administrative costs, etc.

I WANT YOU

VALIDATION AND ANALYSIS OF NEED FROM THIRD-PARTY DATA

The numbers don't lie: A prime location and an eager market set the stage for a transformational asset for the City.

STRONG DEMAND

Quantitative data also demonstrates significant demand for live performances in Lansing — especially among demographics we are hoping to attract to the area to sustain long-term growth. A survey of those who attended events from Lansing 5:01 (an initiative designed to attract young professionals to Lansing) found that 70% of respondents believe "more concerts" is something the Lansing region is missing that would increase their interest in living and working in the Lansing region.

Concerts overwhelmingly surpassed other options. There is a serious demand for local concerts among young professionals, the population that is most critical to launching Lansing's next chapter.

According to CFA's feasibility study, residents seek after-work attractions downtown. When asked about Downtown Lansing's weaknesses, the top answer among interview respondents was that Downtown Lansing shuts down at 5 p.m. and lacks weekend entertainment. This sentiment was brought up by almost half of all those interviewed, 29 out of 64.

A 2019 AMS Planning & Research study concluded that a 1,000 to 2,000-seat venue is a niche market that does not currently exist within the Detroit-Lansing-Grand Rapids corridor. The study also found that local residents believe that current performance and entertainment offerings in the city are lacking, and are currently traveling elsewhere to see live music and comedy shows.

This study also identified strong demand among prospective venue renters. In 2019, 65% of the AMS study respondents expressed interest in renting a new facility in Lansing. AMS's 2021 study results were even higher; 71% now say they would be interested in using a new Lansing venue. These individuals listed parking, calendar dates, and affordability as the top factors they consider when renting a venue.

ATTRACTING VISITORS

AMS's research also found that The Ovation has the potential to attract audiences from across the state. Market area findings reflect a primary market of 30-minute drive time and secondary market of 60-minute drive time. Together, these primary and secondary markets span 302 zip codes, and a total of more than 2.7 million people.

On a local scale, AMS data also found that The Ovation's primary market in the Mid-Michigan region is steadily growing, showing potential for audience sustainability for smaller scale events as well.

90%

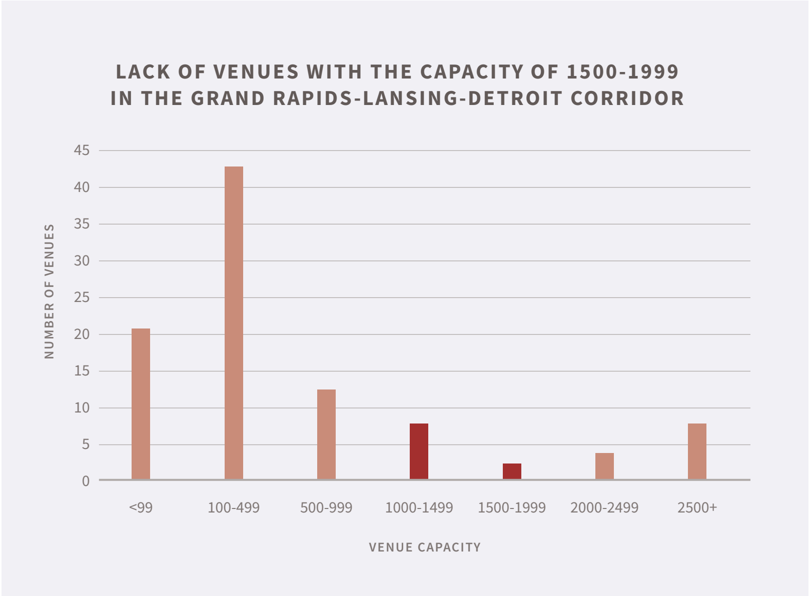
of respondents suggested the need for a flexible large theater space, according to an AMS survey.

70%

of respondents suggested a theater space, according to an AMS survey.

87%

of community residents support the creation of a new music venue in Lansing.



According to AMS's 2019 study, The Grand Rapids-Lansing-Detroit corridor has **a notable lack of venue stock** with capacity between 1,000-2,000.

70%

of people believe "more concerts" would increase their interest in living and working in the Lansing region (Lansing 5:01).

TO WANT ME

THE OVATION'S LASTING IMPACT ON OUR ECONOMY

The COVID-19 pandemic has a glaring effect on not only our local economy, but the way we choose where to live and work in general. With work-from-home options becoming the norm for many, affordable cities like Lansing and its surrounding region are primed to succeed. However, if our region wants to continue to grow, attract visitors, and retain talent we need to attract this modern workforce and offer a variety of options for non-work-related activities. We have repeatedly identified a missing piece of the puzzle, and it is time we put that piece in its place.

When it comes to significant community investments like The Ovation, there are ripple effects of economic impact. Given its scope and potential status as a cultural anchor, The Ovation will have the ability to uplift not only the economy of Downtown Lansing, but of the Mid-Michigan region as a whole.

The return on investment for the City of Lansing, local small businesses, and our neighborhoods is expected to be akin to that of Jackson Field: **transformative.** Additionally, like Michigan State University and General Motors, The Ovation will be a community asset not only to Lansing, but to the greater Mid-Michigan community.

Considering the space's potential to increase tourism, amplify local businesses, and attract young people to live and work in the surrounding area, it becomes clear that The Ovation is a needed investment, not a charity.

QUANTITATIVE BENEFITS

AMS estimates that the construction project will generate an estimated $17.5 million in the local economy, creating 209 total full-time equivalent jobs and generating $1.1 million in taxes and fees for local governments.

Beyond construction itself, The Ovation will provide a sustainable source for employment and economic development. On an annual basis, operation of the venue and spending by its audiences will generate $12.5 million in the local economy, creating 159 total full-time equivalent jobs and generating $904,000 in taxes and fees for local governments.

QUALITATIVE BENEFITS

In addition to the quantitative economic impact of The Ovation, there are countless benefits that appear through more subtle means. The community impacts of a new music venue in Lansing transcend the calculated direct and indirect spending to include additional, less quantifiable benefits that have a direct impact on our day-to-day life. This lone development has the potential to spark increased quality of life for residents and local businesses; spin-off development surrounding the venue; rising commercial real estate values for downtown restaurants, hotels, and the like; new and increased visitation to the city; and service as an anchor for community revitalization. The rooftop bar will reignite Downtown Lansing's nightlife. With a sign visible from the highway, this structure will beckon for passerby to visit Downtown.

In short, The Ovation will serve as an anchor for community revitalization. It is history in the making.

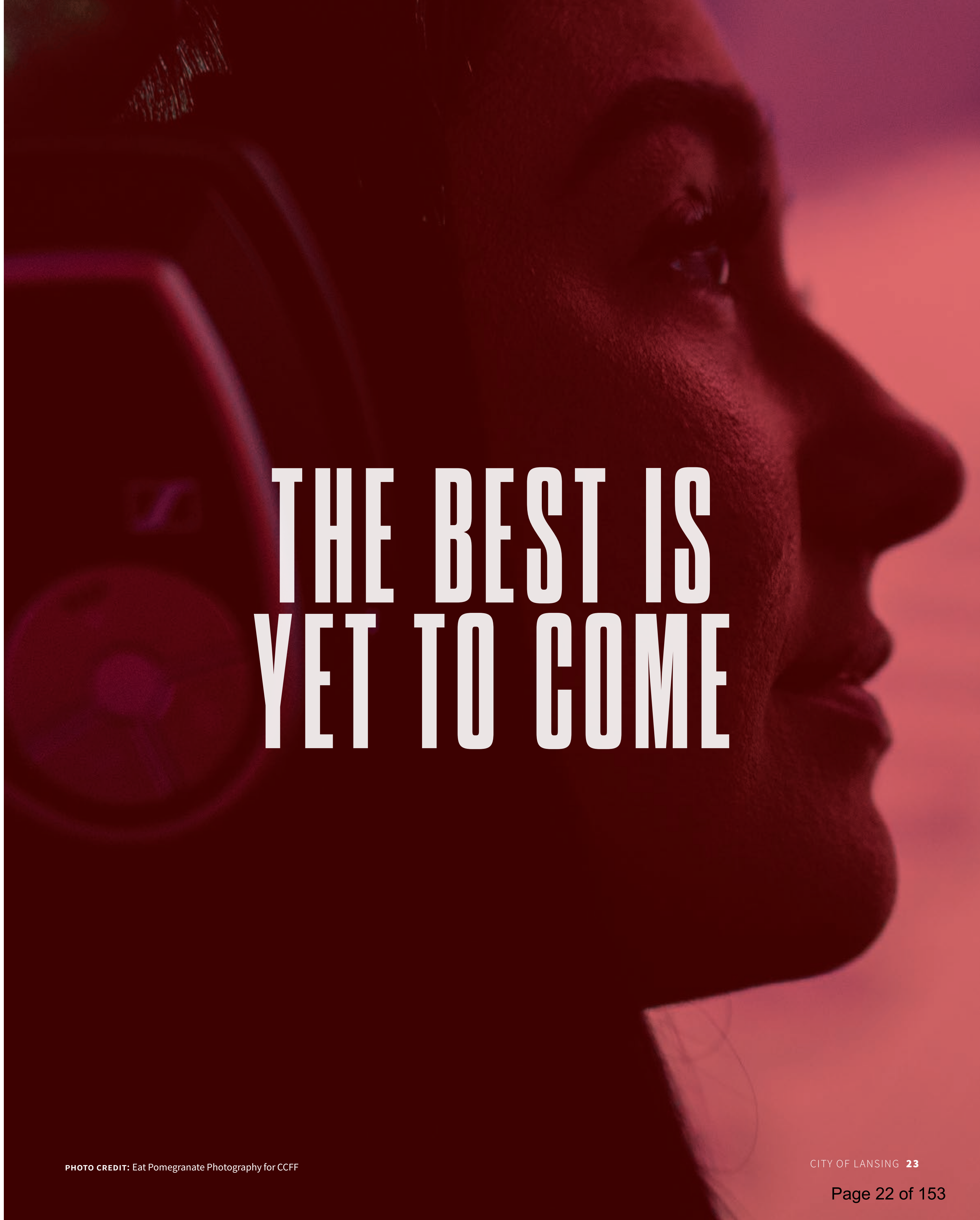


PHOTO CREDIT: Eat Pomegranate Photography for CCFF

PHOTO CREDIT: Xiaoxing Han for CCFF

THE OVATION IS FOR ALL OF US

By definition, an "ovation" has two meanings. First, of course, is an "enthusiastic, prolonged applause." But the term also refers to "a show of public homage or welcome."

Similarly, The Ovation is more than a venue for live performances; it will serve as a sign of welcome and prosperity for Lansing residents and visitors alike. Whether it's a first-time visitor entering Downtown Lansing off the highway or a local strolling by on their way to work, those who encounter The Ovation will see the space as a demonstration of our area's brimming potential.

Like a proud audience simultaneously rising in applause, now is the time to give our region the standing ovation it deserves. Together, our support can elevate this space to the next level, opening doors to opportunity and prosperity. As a community, we can make this happen.

Sure, many of us will enjoy the privilege of staying local for a concert, rather than driving a couple of hours east or west — but the true mission of the space is so much more than convenience. The Ovation will activate an under-utilized portion of Downtown Lansing. It will offer activities for residents during the day and nurture a culture of creativity, education, and innovation that will lead to even greater things.

It will attract visitors and artists to our community, reviving the downtown scene after 5:00 p.m. and on the weekends. And perhaps most impressive, it will grow into a sustainable financial model that will position the facility for long-term success and help our region prosper for decades to come.

The Ovation will be a space for all of us. Will you be a part of it?

TOTAL ATTENDANCE PER YEAR	**190,000**
GREATER LANSING RESIDENT ATTENDEES	
Percent	66.8%
Estimated Number of Attendees (calculation)	126,920
Average Per Person	$22.19
Total Estimated Resident Spending (calculation)	$2,816,354.80
NON-RESIDENT ATTENDEES	
Percent	33.2%
Estimated Number of Attendees (calculation)	63,080
Average Per Person	$39.55
Total Estimated Resident Spending (calculation)	$2,494,814.00
ESTIMATED TOTAL ANNUAL AUDIENCE SPENDING	**$5,311,168.80**

LANSING

124 W MICHIGAN AVE
LANSING, MI 48933

To: Dom Cochran / City of Lansing
From: Michele Walter & Kristian Otten / AMS
Date: February 2022
Project: 1517 / Lansing
Re: Study Update - DRAFT

Lansing Study Update

In August 2021, the City of Lansing re-engaged AMS Planning & Research to conduct an update to the 2019 venue feasibility study. Having both revisited the project scale and scope to more closely align with the results of a fundraising feasibility study and received a seed grant of $2 million from the State of Michigan, the City is poised to enter into a partnership agreement with developers. The following memo is submitted as an update addendum to AMS' report issued in January 2020. The update study effort in the fall of 2021 included a review of the project details to date for inclusion in operational modeling, re-issuing a potential user survey to local organizations to update activity assumptions, and contacting local and touring promoters to follow up on input given in 2019.

Equipped with these updated inputs and market context, AMS has revised the activity and building program assumptions to create an updated operating pro forma. With the assistance of Americans for the Arts, we have also revised the potential economic impact of the Lansing venue.

Potential User Survey Update

The update to the user survey resulted in the addition of some new local potential users for the venue. Despite the challenges the live events sector is facing currently, local users project a greater future volume of events and performances, resulting in an activity profile shift in balance toward more local use.

Respondent Information & Status

Response Rates:

- 2019 Survey: 86 respondents
- 2021 Survey: 35 respondents

The survey conducted in 2019 shares a similar mix of respondent types with the 2021 survey: 30% of 2019 survey respondents identified as performing arts producers, as did 43% of 2021 survey respondents.

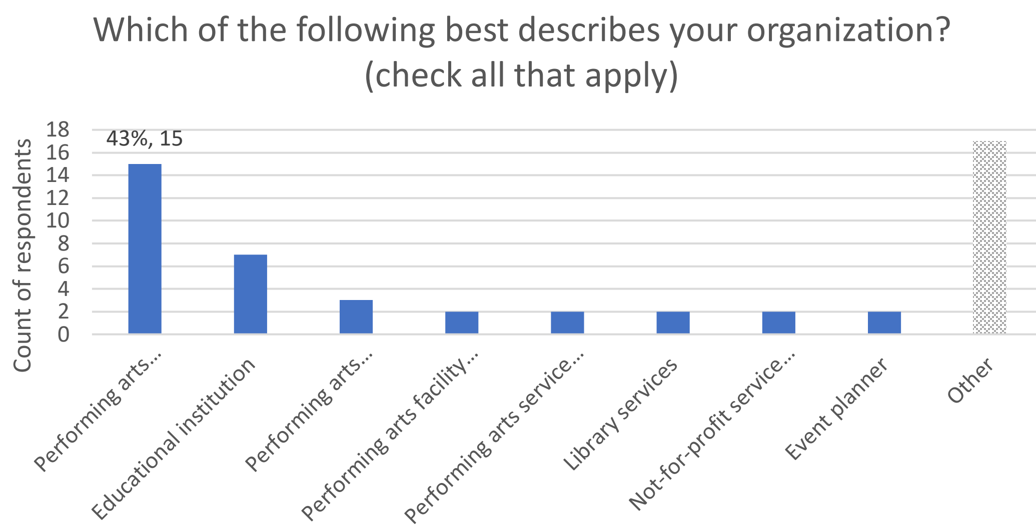


Fig 1: Respondent organization types

Dominant activity types among 2019 survey respondents included special events, education and training, festivals/events, and dance programming. In 2021, these activity types remain dominant among respondents. The additional 2021 respondents include primarily musical performance users, meeting and lecture users, and theatre groups.

Most potential user organization budget sizes remain relatively small; nearly half of organizations cite annual budgets under $100,000.

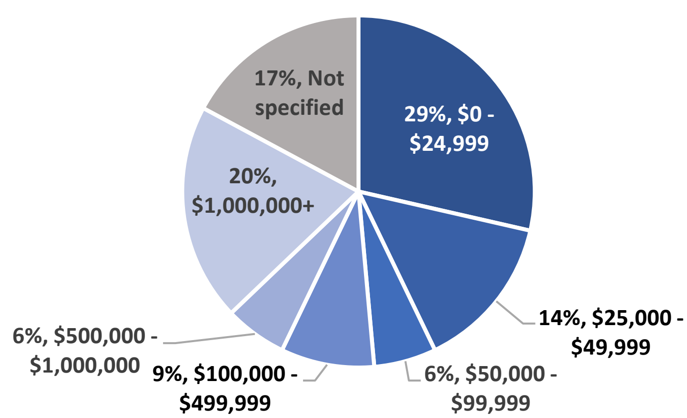


Fig 2: Respondent budget size

Ticket and tuition price points have remained low (or free) for most local organizations. The 2019 study revealed that most respondents offered free admission to their events. Nearly half of respondents in 2021 continue to offer free or by donation admission or tuition for at least some programs; for nearly 30% of respondents, free admission is the most commonly offered ticket option.

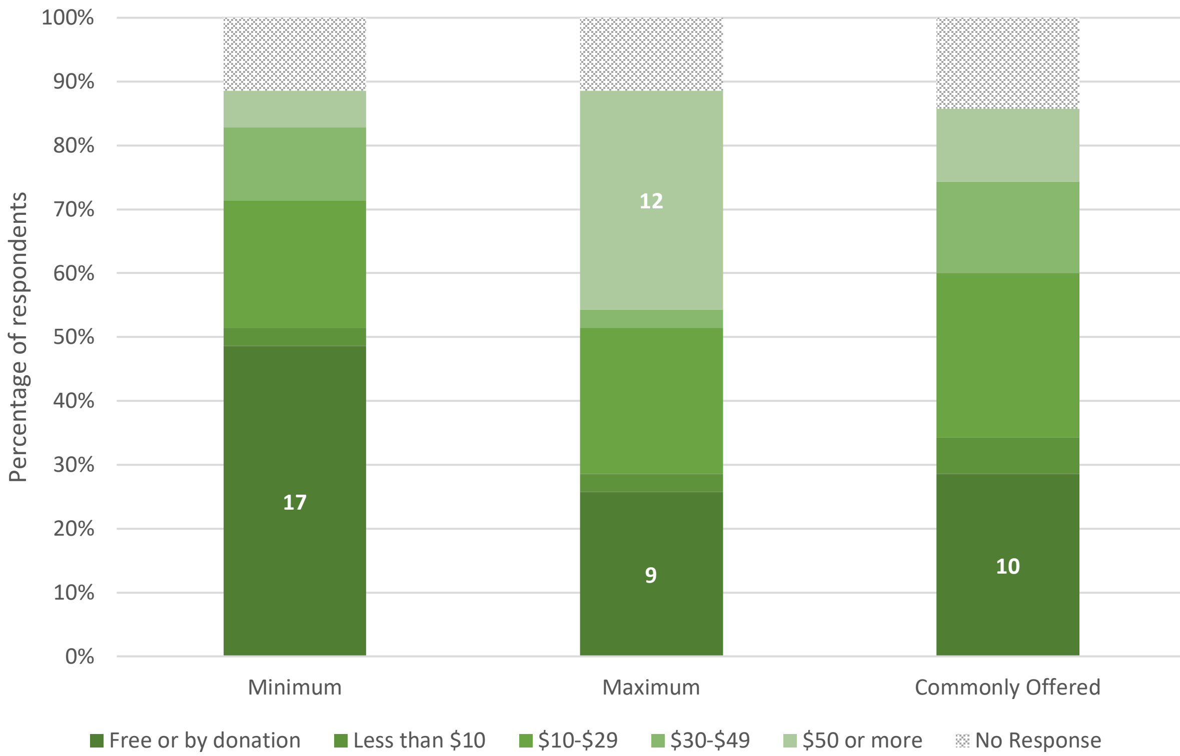


Fig 3: Respondent ticket prices

To understand the baseline of current activity, the 2021 survey asked respondents to provide the current status of programming and activities. More than half of respondents are currently offering socially distanced or limited capacity activities, often in conjunction with virtual programs, while about one quarter are offering unlimited capacity activity currently.

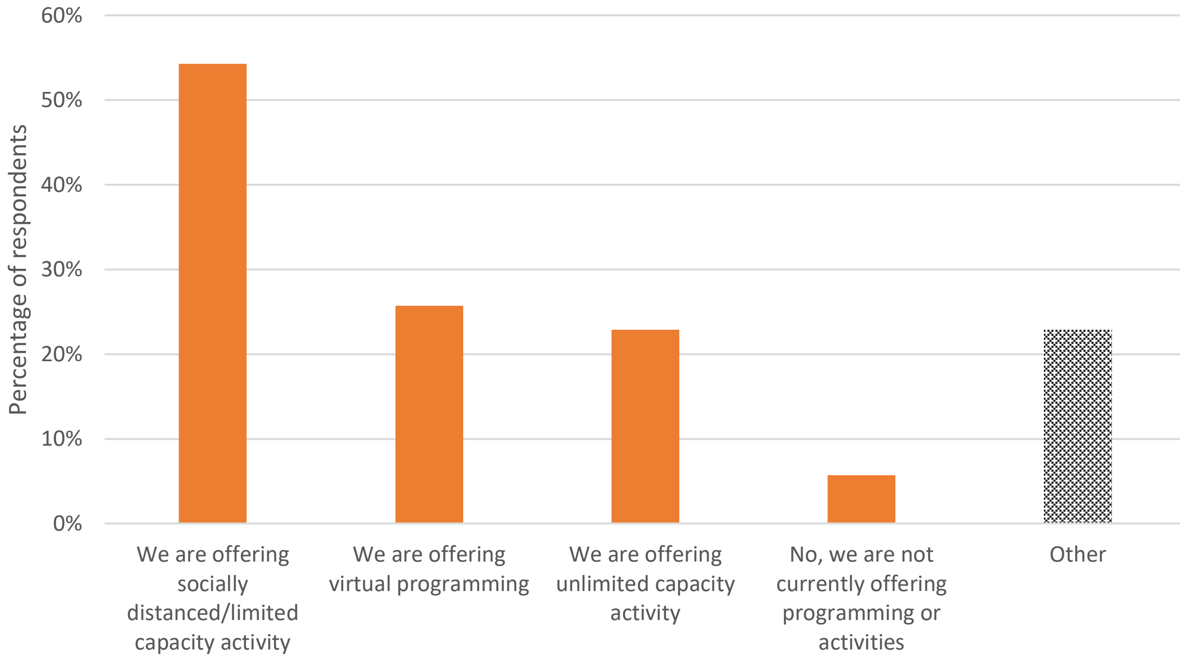


Fig 4: Current status of activity

Rental interest and factors

In 2019, 57% of respondents were currently renting space and 65% expressed interest in renting a new facility in Lansing. The 2021 study results are higher; while 63% currently rent, 71% now say they would be interested in using a new Lansing venue.

	2019 Survey	2021 Survey
Do you rent space currently?	57%	63%
Would you be interested in renting a new performance/event facility in Lansing?	65%	71%

Fig 5: Current rental and interest in renting a new venue (2019 v. 2021)

The 2019 study showed that parking, calendar dates and affordability were the most important factors in choosing rental facilities. In the 2021 update, these factors continue to top the charts in terms of critical rental factors; more than 90% of respondents say that parking availability, calendar availability, and affordability are ‘essential’ or ‘important’.

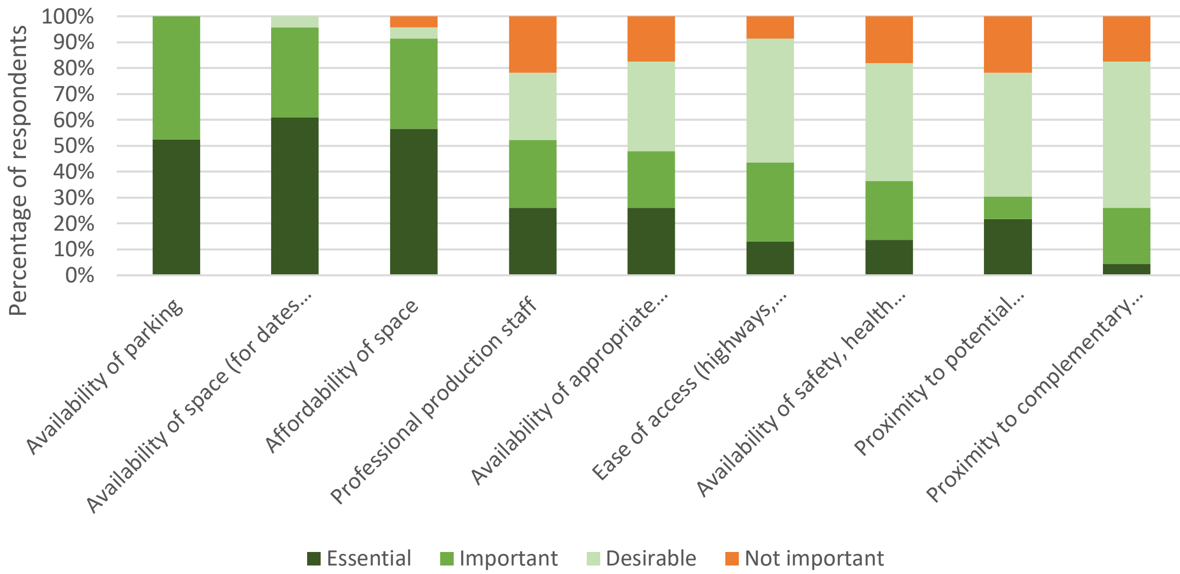


Fig 6: Rental factors

Most 2019 respondents said that performance space was their primary need, followed by spaces for meetings and educational events. The types of space needed according to the 2021 study reveal a similar demand, with 44% of respondents calling for a proscenium stage for performances. Demand for a large performance space of any kind remains primarily in the 800-1200 seat range (more for standing room). The current building program calls for a larger primary space extending to over 2,000 in a standing room configuration, but due to its flexible nature this space can still accommodate smaller capacity needs expressed by local users, while making the space more commercially viable for promoters. Meanwhile, many other community users require a smaller space for their performances, which will presumably be accommodated in the building program by lobby and multi-purpose spaces (though with reduced activity due to the lack of a ‘black box’.

In addition to specific unique needs expressed in our original report, 2021 survey respondents emphasize the need for storage space and access to concert percussion, stage capacity and wing space for ensembles, dance surfaces (i.e. Marley floor), access to tables and chairs, and A/V sound and lighting needs.

Overall, respondents continue to be very supportive of the endeavor and perceive the need for flexible space to accommodate many performance, education and event needs in Lansing’s downtown.

Promoter Input Update

AMS also followed up with promoters from the original 2019 study, and spoke with a few additional locally active promoters to update perspectives on the commercial touring marketplace in Lansing. In essence, the marketplace is still developing, but with some investment in reaching the seasonal market of college students, consideration of capital needs and operational policies to meet the health safety standards of audiences, and work on developing agents' and artists' interest, the marketplace demand for commercial touring music will grow, led by a handful of local promoters.

Health Safety Considerations

Promoters cite typical considerations in capital investment and operational practice to keep audiences and artists safe, including space and airflow, cashless transaction infrastructure, and copious hand sanitizing stations and safety signage. They also say that they do not expect to return to any normal activity before Q2 of 2022, pending the impact of recent COVID variants.

Market for Content

There is potential fertility in the marketplace, driven by students at Michigan State University and the 'college buzz' therein. That said, promoters say that many artists of interest to college students still prefer larger markets like Detroit and Grand Rapids and must be specifically enticed to a venue in Lansing. The planned room at Ovation has greater commercial potential due to its larger GA capacity. Much work must be done with agents to determine the correct content. Continuing investment in festival activity will also help to develop the marketplace.

Promoters' needs vary, but often depend on the capacity of the space and the deal they can strike with the venue. Generally, there is demand for seated venues in the 800-1500 range or larger, and GA venues of up to 2,000, placing the current plans at the top end of capacity demand. Promoters also reiterate the importance of flexible space to accommodate corporate rentals and other events.

In terms of content genre, the small market of Lansing has proven interest in country, rock, and some hip-hop music, as well as comedy acts. Meanwhile jazz, R&B, and blues tend to perform less satisfactorily in Lansing according to local promoters.

Operating Model Impacts

Given the activity inputs as described above, and adjustments made to the building program, AMS has reforecast the operating model for a base year of operations, projected in 2022 dollars.

Building Program adjustments:

- Main Venue is up from 1,400 seated and 1,800 standing to a total main venue capacity of 2,025 standing, including wrap around second floor balcony
- Performance Lab has been exchanged for 4x multi-purpose rooms and lobby space, which is expected to be used occasionally as a performance / event space
- Total gross square footage of 71,586 GSF including the apartment shell

Activity profile

Overall activity in the main hall has shifted toward commercial offerings due to the interest and inputs of both revised, and additional new, survey respondents and promoter informants. That said, some activity has also reduced, primarily due to removal of dedicated black box and rehearsal space and the larger capacity of the main venue. Ticketed events in the base year total 130 in the main venue, and 30 in the lobby and ancillary spaces. The revised operating model based on updated activity projections and building program results a gross annual capacity of 268,000 for ticketed events. With a revised venue capacity of over 2,000 standing, and assuming 70% sold on average, the venue could expect to see as many as 187,000 ticketed patrons annually.

The Ovation		
Schedule 4: Activity Profile	**Base Year - Live Music Venue**	**Base Year - Lobby & Ancillary Spaces**
Commercial Performances (Rentals)	85	0
Private Event Rental	35	40
Commercial Rentals	120	40
NFP Performance	45	30
NFP Event (non-performance)	27	60
NFP Rehearsal	78	15
Not-For-Profit Rentals	150	105
Total Events/Performances/Rentals/Rehearsals	*270*	*145*
Total Ticketed Presentations/Events	**130**	**30**
Venue Capacity	**2,025**	**150**
Total Gross Capacity for Ticketed Events	**263,250**	**4,500**
%sold average	**70%**	**70%**
Projected Annual Audiences	184,275	3,150
Average Audience per Ticketed event	1,418	105

Fig 7: Activity profile

Pro Forma Operating Model

The Ovation	
Schedule 2: Summary Pro Forma	
Operating Overview	**Base Year**
Earned Revenues	
Ticket Fees/Surcharges	$598,000
Facility Rentals	$902,000
Rental Additions/Chargebacks (gross)	$293,000
Concessions (net)	$200,000
Total Earned Revenues	**$1,993,000**
Contributed Revenues	
Contributions, Sponsorships, Grants Net	$0
Total Contributed Revenues	**$0**
Total Revenue	**$1,993,000**
Operating Expenses	
Theatre Operations	$693,000
Administrative	$110,000
Building Operations	$592,000
Compensation (FTE personnel)	$812,000
Expense Contingency	$110,000
Total Operating Expenses	**$2,317,000**
Net Operating Result	**($324,000)**

Fig 8: Pro forma operating model

The updated financial model, which details a base year of operations, results in annual earned revenues of $1.99 million and $2.12 million in expenses associated with the venue. Earned revenues cover 86% of annual operating expenses. Annual subsidy to balance the budget is now estimated at $324,000; this represents a reduced burden based on the slightly larger capacity of the venue and increased potential for revenue producing performance and event rentals in Ovation's main hall, based on our research projections.

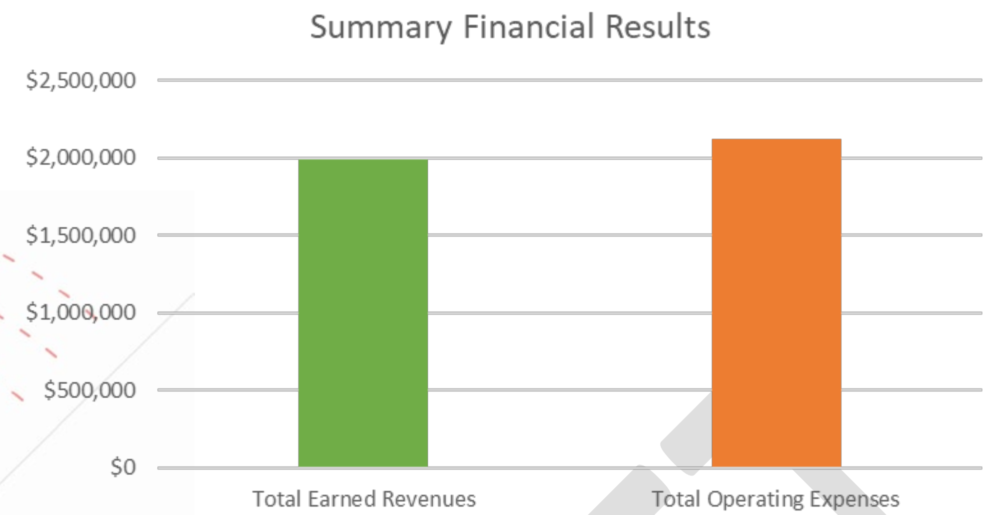


Fig 9: Total earned revenue as a percentage of operating expenses

Revenues

As the primary line of business, facility rentals remain the driver of earned revenues, representing half of total earned revenue at $902,000 annually (including commercial lease income). A slightly greater volume of all projected activity in Ovation's main hall totaling 270 use days, as well as an increased GA capacity relative to 2019 modeling, drives gross rental revenues in that space to $728,000 annually. Base rental rates in the main hall (before labor charges) range from $2,000 - $4,500 per performance/event uses, depending upon qualifying discounts for use by not-for-profit local users.

Meanwhile the removal of the black box space from the building program results in decreased performance and rehearsal rental usage of smaller ancillary spaces, while essentially maintaining non-performance usage levels in these spaces. The planned lobby space and flexible multi-purpose rooms garner about $74,000 in gross rental revenue, primarily from events as an extension of main hall use.

Projected lease income from the Lansing Art Gallery and Lansing Public Media Center have been maintained at building operating cost of $8.25 per square foot, and are assessed directly based on their projected square footage footprint in the venue. Total additional lease income results in about $100,000 in revenue.

Other sources of earned revenue include ticket fees and surcharges, which have increased in net due to increased attendance projections ($598,000 or 30% of earned income).

Gross rental additions and chargebacks for variable labor have decreased slightly due to a lesser overall volume of rehearsals and events without the black box space. This decrease is partially offset, as the need to support main hall events has increased. Gross rental additions and chargebacks contribute $293,000 or 15% of gross earned revenue.

Slightly higher attendance projections based on Ovation's main venue activity and capacity also result in increased concession sales. With an assumed per capita revenue ranging from $3 - $7 (depending upon the nature of the event), concessions and bar sales contribute a net revenue of $200,000 to the Ovation's bottom line.

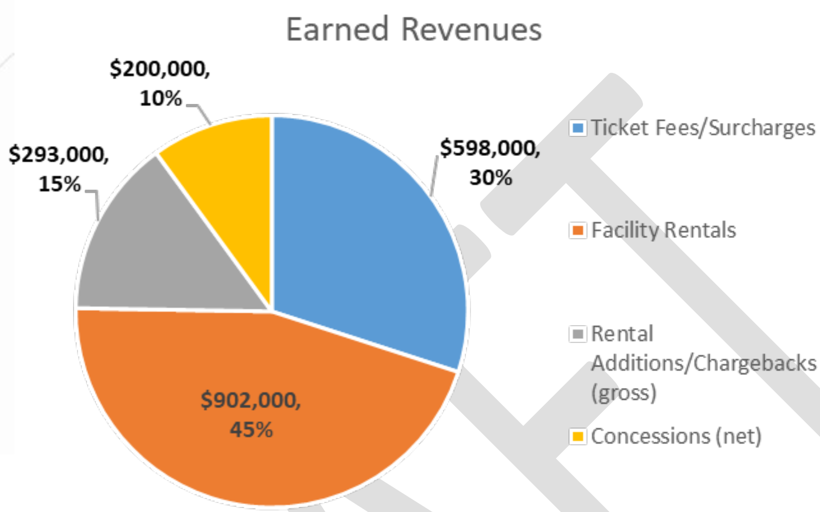


Fig 10: Earned Revenues

Expenses

Expenses are driven by building operations, theater operations, and compensation of 8 FTE personnel (an increase of 1 head above the original 2019 model to support additional activity).

Building operations, which includes utilities, insurance, building security, cleaning and maintenance, and annual capital improvements, is estimated based on the total square footage of 71,586 GSF at $592,000 or 25% of total expenses.

In addition to the slate of personnel modeled in the 2019 which included an Executive Director, Administrative Assistant, Finance Director, Facilities Director, Marketing Director, Production Director and Production Assistant, we have recommended the addition of an Events Coordinator position to support additional non-performance use of the venue. Staffing expenses, including salaries, taxes and benefits, cost $812,000 annually.

Due to an assumed increase in attendance and ticket sales, the cost of box office operations has increased marginally within theatre operations. The cost of credit card transactions and other box office fees are calculated on a per-ticket basis, amounting to $469,000 in box office operations expense. In addition to the cost of variable labor and other front of house operational needs, this drives $693,000 in theatre operations expenses, or 30% of expenses.

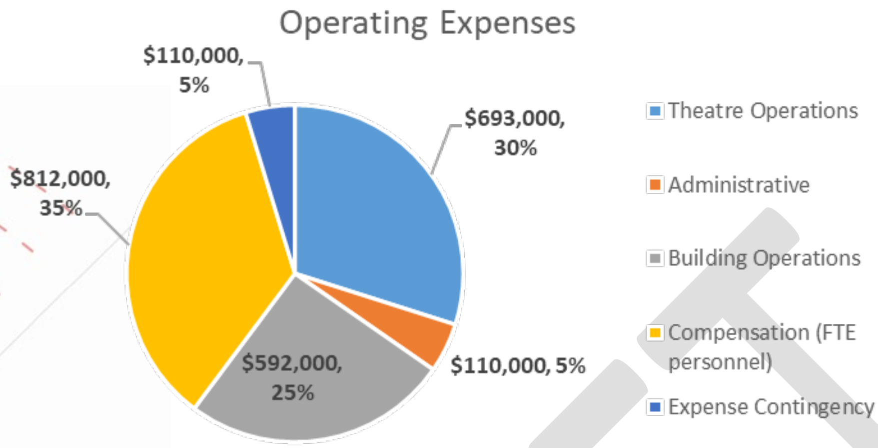


Fig 11: Expenses

Economic Impact

The City of Lansing also engaged AMS Planning & Research to update a detailed report regarding the projected economic impact of this potential new venue in Lansing. An economic impact study generates a quantifiable estimate of the financial benefits that a new venue has on the local economy, from the construction of the building, to annual operating expenditures, to dollars spent at local businesses by attendees of the venue's programming. The report estimates that with the current capital expense estimated at $22 million the construction project will generate an estimated $17.5 million in the local economy, creating 209 total full-time equivalent jobs and generating $1.1 million in taxes and fees for local governments.

On an annual basis, operation of the venue and spending by its audiences will generate $12.5 million in the local economy, creating 159 total full-time equivalent jobs and generating $904,000 in taxes and fees for local governments. The community impacts of a new music venue in Lansing transcend the calculated direct and indirect spending to include other less quantifiable benefits like increased quality of life for residents, spin-off development downtown, rising real estate values, new and increased visitation to the city, and service as an anchor for community revitalization.

City of Lansing
Final Report

January 2020

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Introduction

The City of Lansing Facilities & Infrastructure Committee of the Mayor's Arts & Culture Commission initially engaged AMS Planning & Research in February 2019 to conduct a feasibility study for a potential new performance venue located in downtown Lansing. The study sought to assist development partners by offering a recommended business model for operations, should a new venue be developed.

Key Questions

The study process was guided by a series of questions about the vision of success for a new music and arts facility, community composition and needs, competition, and opportunity:

- **What groups, besides Lansing Symphony and Lansing Public Media (LPMC), would comprise the users? What are the needs within the community? What programming 'gaps' exist, and what is the demand in the marketplace?**
- **What is the competitive environment? What are the local and regional factors that may impact operations? What opportunities are present?**
- **What partnership opportunities exist? Is the funding environment conducive to long-term operations of a new venue[1]?**
- **What is the best governance and operating model for a new venue with multiple users? What would be the cost of operations? What revenue streams would support the venue, and what amount of subsidy would be required?**

[1] Though AMS did develop some understanding of the funding environment in Lansing for both capital dollars and potential ongoing operating dollars, detailed study of the funding environment is ongoing through the engagement of *Capitol Fundraising Associates,* under the leadership of CEO Rebecca Bahar-Cook

Study Methodology

In order to establish context for the study, AMS collected and reviewed over 35 background documents provided by area organizations and municipal governments, including the Lansing Symphony, Wharton Center, Downtown Lansing Inc., CVB, LEAP, Lansing Arts Council, and Lansing School District, as well as master planning documents from previous City studies. Patron files were obtained from the Lansing Symphony Orchestra and analyzed for comparative demographics, primary and secondary market definition, and development of the 'profile' of a typical arts patron in the Lansing region.

AMS engaged in stakeholder interviews to understand the degree of community leadership support for a new cultural hub in downtown Lansing, as well as expectations about the physical form of a new venue and the types of arts programming it would offer; factors at play in the regional marketplace; and challenges and opportunities; all in an effort to define a successful venture. This leadership perspective was supplemented by a community survey measuring current and projected consumption of arts and entertainment activity in Lansing[2], and inviting perspective on current arts and cultural offerings in Lansing.

Using patron records obtained from the Lansing Symphony Orchestra[3], AMS then created and studied primary and secondary market areas[4] to understand demographic composition and affinities toward certain types of arts engagement. AMS also conducted a survey of area arts and cultural organizations' current and potential needs, and inventoried area competitive content and venues, to understand the landscape of arts and cultural resources in the region and the demand for a new venue. Conversations with local, regional and national promoters provided

[2] Including how often respondents attend, where they attend, the types of programming they engage with, and what factors drive or prevent attendance at performance events.

[3] LSO Patron records 2015-2018 (combined)

[4] A primary market area was defined as a 30-minute drive time; expanded/secondary market was defined as a 60-minute drive time

insight to the opportunities for available touring content and perceptions of gaps that a new venue might fill.

With the study of cultural assets, perspectives, and market in hand, AMS offered comparable case studies and generated an outline of potential activity at the venue utilizing survey responses from potential users and feedback from regional concert promoters. Theater planning firm *Fisher Dachs Associates* was hired to construct a preliminary building program for a space which fit the needs of the various stakeholders. AMS created a model for operations, including a pro forma revenue and expense budget, and governance and operating recommendations. Using the results from the building program and operating estimates, subconsultant *Americans For the Arts* created a report outlining the anticipated economic impact from the construction and operation of the potential new venue. The City of Lansing has now engaged *Capitol Fundraising Associates* to study the feasibility of undertaking a capital campaign to fund a new venue, as defined in this study.

I. Definition of Success

A cutting edge, flexible performance venue with dynamic and versatile programming to engage residents and visitors of the City of Lansing and the greater mid-Michigan region.

Working with AMS, and informed by stakeholder inputs and community research, the Facilities & Infrastructure Committee of the City of Lansing Arts & Cultural Commission established a definition of success for a new arts and cultural venue in Lansing. Stakeholders cite the importance of a cultural stimulus which drives creative output and engagement, programmed by a variety of local presenters and producers. They emphasize that a flexible-form venue will accommodate many user types, without compromising amenities. A target capital budget of $40-$60 million was established, with a recommended public/private partnership for capital development and operations. With these **guiding principles** in mind, a specific vision of a facility and its parameters has been created and tested.

Consumer demand aligns with the facility needs of potential users in Lansing and the greater region to recommend a highly flexible, music-oriented venue with a capacity of 1,400 seats and 1,800 patrons in a standing-room configuration. Flexibility is the key to activating the space regularly, as it will serve as a home to Lansing Symphony Orchestra rehearsals and concerts, supplemented by a variety of regional users and touring shows. Robust concessions with accommodations for multiple points of sale will entice commercial acts and ensure their economic success. An additional small black box space, known as a "performance lab" with a capacity of about 200 seats would serve a large array of Lansing's local arts and events. The Lansing Public Media Center and Visual Arts Center would also house their operations in dedicated spaces in the new venue complex.

II. The Need for a New Facility

The effort to understand the marketplace and potential for a new venue in Lansing is segmented into two categories: the marketplace for touring content at regional arts venues, and the marketplace for audiences. This two-pronged study helps to determine the level and types of demand for a new facility.

Market for Content

An inventory of regional competitive venues reveals that the corridor between Detroit and Grand Rapids has a notable lack of venues with capacity between 1,500 and 1,999 seats. Anecdotal feedback from area content providers cited the lack of a sufficient venue of appropriate capacity and availability to serve both local groups and small to mid-size commercial music performances. This inventory confirmed the gap and represents an opportunity for Lansing to better serve the demand in the marketplace with new development.

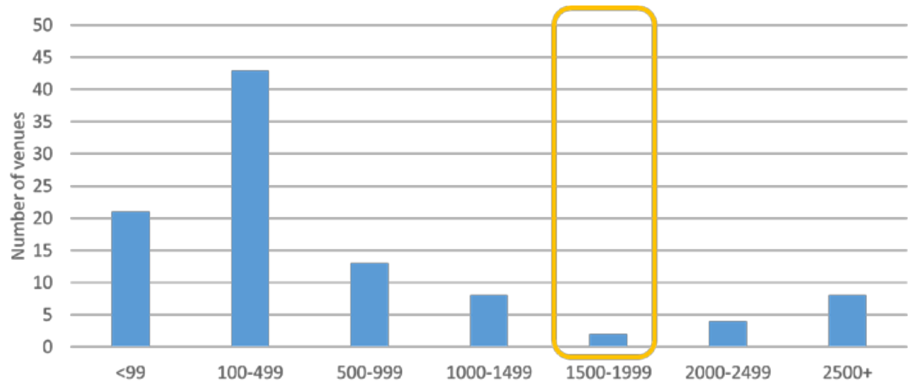


Fig 1: Regional venue inventory by capacity

A user survey garnering response from 86 potential facility user group participants across greater Lansing[5] reveals a strong need for a new venue downtown. Respondents decidedly say that the venue must be able to distinguish itself from others in the marketplace in order to be a useful asset to the community; Lansing needs a *unique* new venue, different from the Wharton Center, Lansing Center, and other Lansing area performances spaces – not just 'another venue' to fill the inventory.

Fig 2: User survey – additional comments

[5] 30% of respondents are performing arts producers, among other categories including commercial enterprises, not-for profit service organizations, educational institutions, performing arts presenters, performing arts service organizations, and performing arts facilities operators.

Survey respondents are most interested in flexible spaces, including flexible proscenium theaters, flat floor multi-use spaces, and black box theaters. Of those who responded to a question regarding venue type, nearly 90% suggested the need for a flexible large theater space, and over 70% suggested a black box theater space.

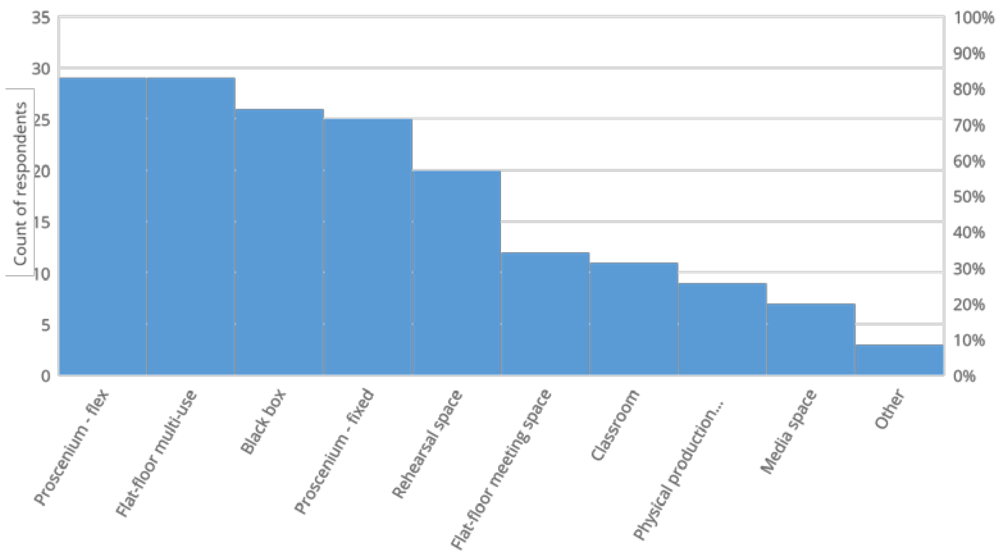


Fig 3: User survey – desired venue type

There are several important factors which area organizations consider in deciding to rent a space for their programming. Parking, availability of dates on the calendar, and the affordability of rental rates were all mentioned by over 85% of respondents as important or essential factors in choosing to rent spaces.

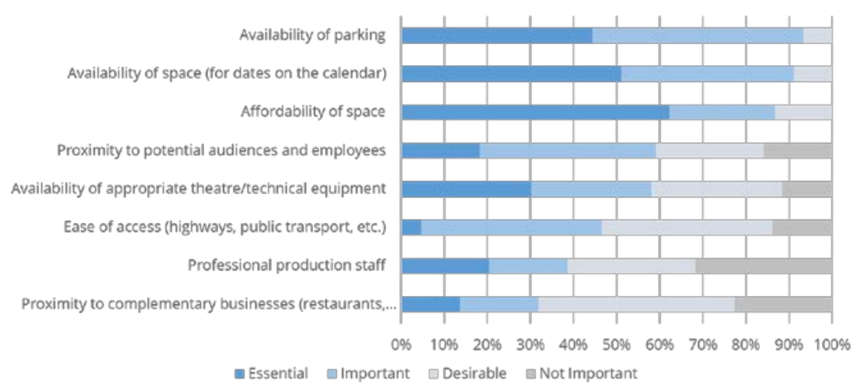


Fig 4: User survey – rental factors

Lansing Symphony Orchestra

As a potential anchor tenant of the new venue, AMS carefully examined the current and projected activity and needs of the Lansing Symphony Orchestra. The orchestra has successfully penetrated the local market, with untapped patrons of a similar profile being located in nearby Grand Rapids and Ann Arbor -- cities which already have symphony orchestras to serve those patrons. In order to grow its market, the LSO must expand its existing footprint within Lansing, by diversifying its offerings to entice a wider audience. A new venue, which provides opportunities for various collaborations, and flexibility for formal and informal audience configurations, can assist in attracting new audiences to the symphony's programming, transcending the traditional symphony crowd[6].

Currently, the LSO plays their season of about 25 nights at the Wharton Center, but the orchestra struggles to book dates at Wharton due to a full calendar of presentations, student recitals and concerts, and other content at the Center. Additionally, the Wharton Center began a five-year rental rate increase in the 2016/17 season, which will result in a total rate increase of 77% by the 2020/21 season. Between difficulty with scheduling, increasing costs for rental space, and a desire to centralize operations in Lansing to contribute to the revitalization of downtown, a new home for the Symphony is increasingly justified.

[6] Most LSO patrons are wealthy, working white collar jobs or retired, highly educated, and living in suburban or rural communities. The patron file also consists of students and young professionals living in Lansing and East Lansing, many of whom are highly educated but are earlier in their careers, and thus do not represent high levels of personal wealth

Fig 5: Wharton Center blackouts and LSO dates (green)

The LSO cannot fill the calendar of a new venue with its own season of programming however. Though it would be an important anchor tenant in the venue, the orchestra must rely on other local arts groups and commercial content to fill dates and activate the building throughout the daytime hours.

Other Potential Users

Two other local organizations in need of improved and expanded spaces are expected to be potential leaseholders in the new venue. The **Lansing Public Media Center** (LPMC), Lansing's government access TV station, would bring regular daytime activity to a new facility as it produces TV broadcasts of council meetings and other events for the City of Lansing. The LMPC has expressed a need for additional office and studio space for its programming. LPMC is also responsible for the annual Capital City Film Festival, which runs for five days in April and offers over 45 film and music events across the city. Additional concerts, fundraisers, and popup film events associated with the festival occur throughout the year. The festival's leadership says that, given the right space, they could see notable audiences for screenings every weekend throughout the year, but the only space that can currently be booked is a 375-seat venue called the *Loft*, which is too small. To meet increasing demand by expanding the film offerings to most weekends throughout the year, a larger space offered by a new venue would better serve the festival and its expansion.

The **Lansing Art Gallery & Education Center** currently operates in a 7,000 square foot facility in the basement of Lansing's downtown YMCA. Offering seven annual exhibitions and education programs for students, as well as works for sale by local and Michigan artists, the gallery has outgrown its current space and desires to have a presence at street-level to attract more walk-ins. With growing interest in its education programming, the Lansing Art Gallery is also in need of larger, discipline-specific classrooms.

Relocating these two civic institutions into a new facility which is part of the proposed venue would provide additional daytime activation of the venue on both weekdays and weekends. Further, it creates synergistic educational opportunities for youth and adults alike.

The Common Ground Festival runs for one week in June and offers over 25 popular music acts at Adado Riverfront Park[7]. Representatives of the primary concert promoter for the festival, *MiEntertainment Group*, say that the festival procures some content that may be better suited in a commercially oriented[8], right-sized indoor venue, which is currently missing from the marketplace. With the addition of such a venue, *MiEntertainment Group* would be interested in booking more acts in the region on secondary tour legs, including hip hop, rock, jazz, bluegrass, and country.

Conversations with various other regional and national promoters[9] reveal notable opportunity for Lansing. Promoters recognize the venue gap in Lansing, saying that a lack of mid-sized regional venues between 1,000-

[7] The Common Ground Festival has an estimated economic impact of $70m annually

[8] 'Commercially-oriented' spaces cater to the needs of promoters, artists, and audiences, providing VIP amenities, multiple points of sale for food and beverage, etc.

[9] Promoter interviews: Madison House (Adam Bauer), Live Nation (Dave Clark), Indigo Road Entertainment (Denny Baxter), Meridian Entertainment Group

2,000 seats has created a 'depressed' market. They recognize the presence of the Wharton Center, but say that bringing popular content there is impossible due to the curated nature of their presented programming and Michigan State University's other priorities for the venue. In spite of some concern about competition from the local Soaring Eagle Casino and existing radius clauses[10], promoters see the potential in mid-sized and smaller music concerts in Lansing, including mid-range rock, pop and country that would frequently play a 1,500-2,000 capacity venue on the way from Detroit to Grand Rapids. Recent examples of these include The Verve Pipe, Colin Hay, Get the Led Out, Bone Thugs N Harmony, Ben Rector, and Justin Moore. Overall, promoters express interest in bringing programming to a new venue in Lansing, but do not have any interest in capital investment in, or operation of, a new facility.

Market for Audience

In addition to content and venue supply, AMS studied the propensity of audiences to attend events in Lansing. To understand the demographic and psychographic constitution of the region, AMS determined a primary area of study based on a 30-minute drive time[11], and a secondary market area based on a 60-minute drive time[12]. This primary market area is projected to grow in next five years by 2.1%[13], and interestingly sees high levels of education, yet lower income than the secondary market, likely due to a young and well-educated, but early-career population living in

[10] Depending on touring contracts negotiated by artists, some artists may have blackouts after playing at venues within a certain radius; this is more likely to impact higher-profile acts, preventing them from playing in Lansing after having played in Detroit or Grand Rapids due to the proximity of competitive venues.

[11] Primary market area encompasses 58 zip codes with a total population of 512,500, and represents 81% of the aggregate LSO patron file.

[12] Secondary market area encompasses 244 zip codes with a total population of 2,188,500, and represents a total 89% of the aggregate LSO patron file.

[13] 1.3% growth in the total market area

the city and East Lansing[14]. The average age in the primary market is 38.5, and 79% of the market area identifies as white.

Segmentation of the primary market reveals a diversity of socioeconomic groups living in the region, but a significant portion of the primary market consists of low-income singles and families without kids[15]. The expanded market, including suburban Lansing, sees higher incomes and more family households.

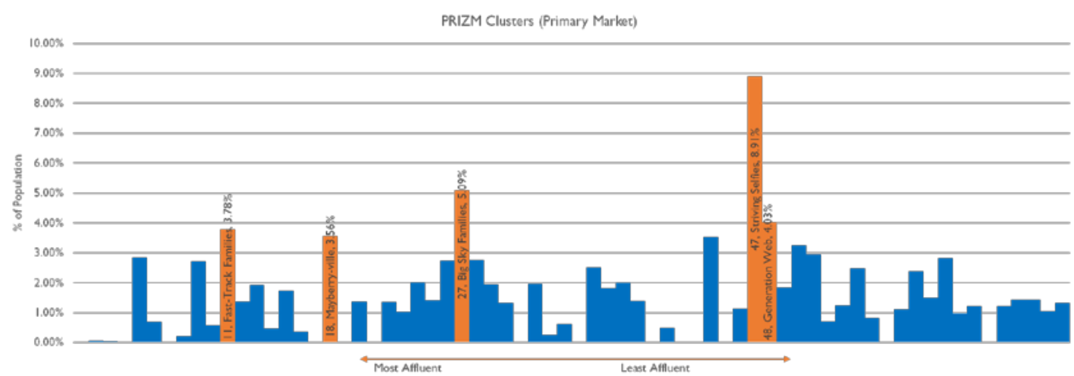


Fig 6: Primary Market segment composition

When compared to national averages, primary market residents are slightly more inclined to attend specific events like country music concerts, but index lower than the national average in likelihood to attend more traditional arts and cultural events including dance and symphonic music.

An online survey of the community gathered information on the current and projected consumption of arts and entertainment by residents, community perception of existing performance offerings in Lansing, and

[14] 62% of the primary market earns under $75k; 44.5% have completed college degrees

[15] Dominant segment – striving selfies (8.9%): “Striving Selfies is a segment of younger singles and couples that show signs of greater potential. They are among the most tech savvy segments with some college credits under their belt. More often than not, they are renters who have not yet been able to purchase their first home.”

drivers and barriers involved in attending arts and entertainment events in the city[16]. Most respondents call Lansing or East Lansing home, but other surrounding towns[17] were also represented. It is important to note that the demographic composition of these 'likely to participate in arts and cultural activities' survey respondents differs from the general public in a few key ways, which have bearing on the survey results: Survey respondents are more frequently college educated, earn greater household incomes, and are older than the primary market area[18].

An overwhelmingly positive 87% of community survey respondents are supportive of a new venue for arts and entertainment in Lansing. Though supportive, questions were raised about the appropriate venue form, issues that may arise with downtown parking, and economic feasibility and ongoing cost to taxpayers. Negative respondents said they believe the Wharton Center is adequate to fill the need, or that the city should be engaged first in solving other priority issues like fixing roads.

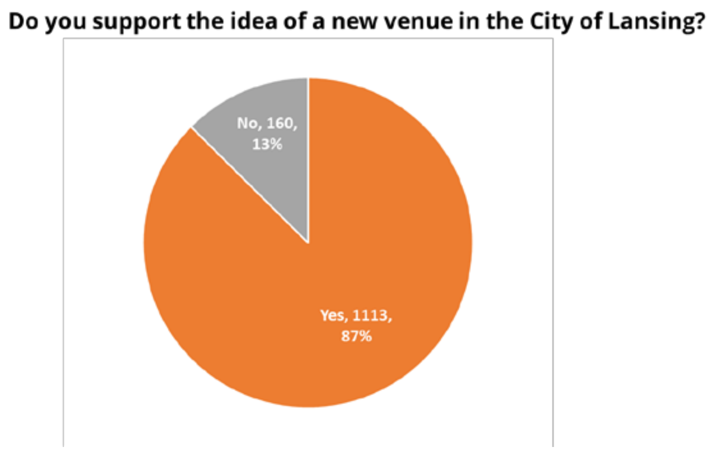


Fig 7: Support of a new venue in Lansing

[16] Community survey was distributed to Arts & Culture commission member contacts, Lansing Arts council members, etc. It received 1,311 total responses.

[17] Haslett (46 responses), Holt (32), Grand Ledge (30), Mason (28), Dewitt (26), Williamston (23), etc.

[18] 88% of survey respondents completed college, vs 43% of primary market; 49% of survey respondents earn under $100k in household income, vs 75% of the primary market; 34% of survey respondents are over age 60, compared to 15% of the primary market.

When asked about their perception of the level of performances and entertainment offerings in Lansing and the surrounding area, 70% of respondents said they believe that Lansing is undersupplied, indicating a demand for more entertainment options and a desire to see more volume and diversity of content.

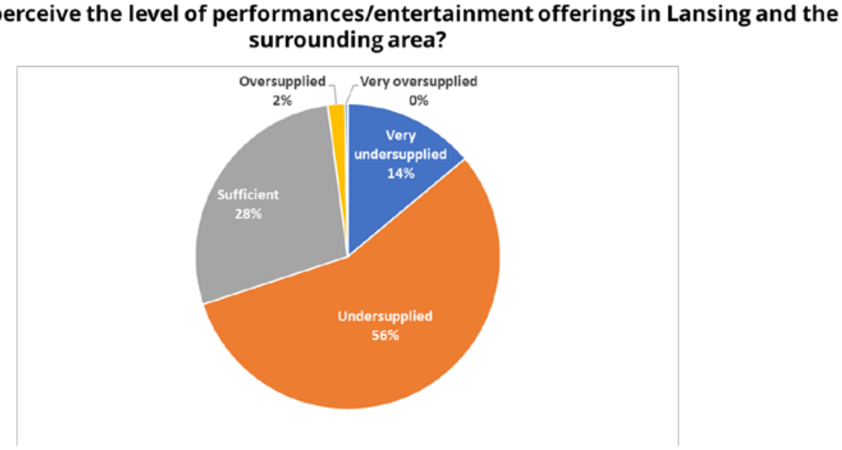
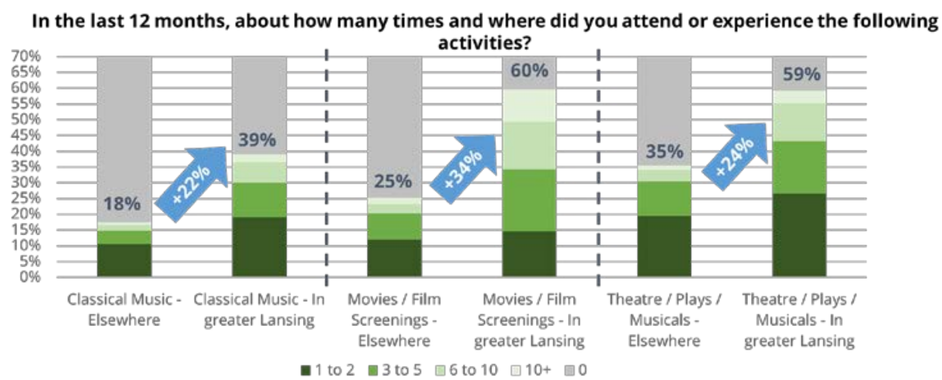


Fig 8: Perceived level of performances/entertainment offerings in Lansing

Respondents were also asked to share their actual attendance in the past year both in greater Lansing and elsewhere. Results show that respondents more frequently attend classical music, film screenings, and theater in greater Lansing, while there is opportunity to offer more comedy and popular music events which are less frequently attended (or available) in greater Lansing.



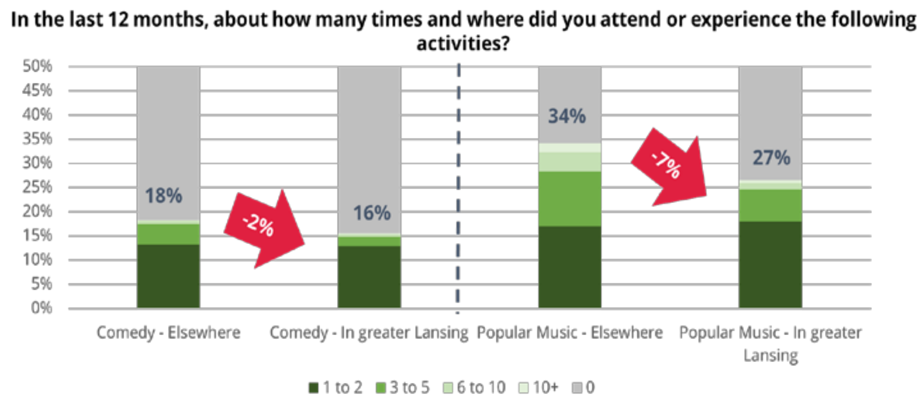


Fig 9: Actual attendance in greater Lansing and elsewhere (2 figures)

When asked specifically what they expect to see in a new venue in Lansing, over 75% of respondents say they would expect theater events of some kind (which can be accommodated in a black box space), and over 65% expect various kinds of music and family-oriented performances.

Respondents were also asked about the factors that influence the decision to attend arts and entertainment events. Over 90% of respondents say that the content of the program is paramount to this decision. Convenience factors, including the date and time of the event, ticket availability, ticket price, and ease of parking and traveling to the venue, are also important in determining whether to attend an event.

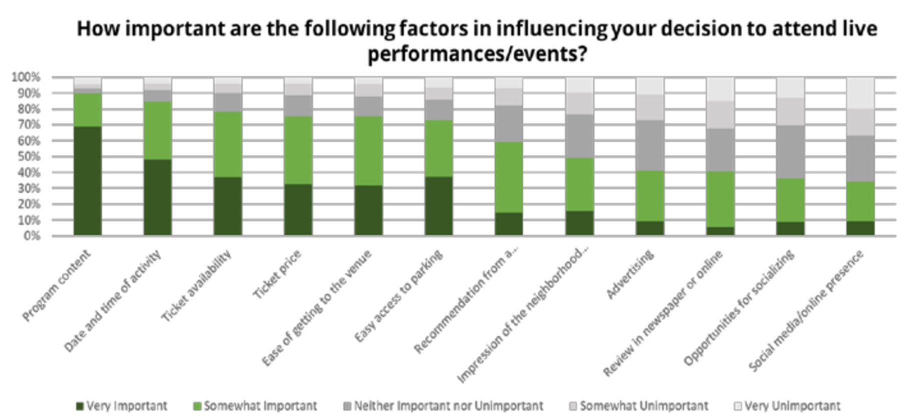


Fig 10: Attendance factors

The combination of a marketplace venue gap, interest in space from local and regional users, and a supportive community response bode well for a new, carefully planned venue in downtown Lansing.

III. Case Studies

AMS selected a series of exemplar case studies to learn from as the City considers the features of a new performance facility. Case study venues meet some or all selection criteria, including: a modest capital cost; support of diverse programming centered around a variety of musical genres; adaptable acoustical environment for multiple performance uses; and, accommodation of a symphony orchestra for some uses. After considering both *flexible form venues* accommodating a wide variety of entertainment forms, and more *traditional fixed-seat venues* intended for symphonic music (but adaptable to host commercial music concerts), the Arts & Culture Commission chose to pursue a more flexible form venue. AMS selected the following "flexible" case study venues for further study:

- *SoundBox* – San Francisco, CA
- *The Anthem* – Washington, DC
- *Octave 9* – Seattle, WA
- *Paristown Hall* – Louisville, KY

SoundBox

As the experimental and affordable alternative home of the San Francisco Symphony, the *SoundBox* offers over 30 annual low-cost performances of experimental music ranging from a classical chamber ensemble to electronic folk. With a capital cost in 2011 of $10 million[19] and a capacity of 500, the space features a Meyer Sound Constellation electronic acoustical system, a full-service bar, and a sunken art exhibit.

[19] $10 million renovated space

Fig 11: *SoundBox*

The Anthem

The Anthem was built in 2017 for $60 million and has a capacity that extends from 2,500 to 6,000, depending on the configuration. Promoter I.M.P, who also owns and operates other regional venues, brings over 130 popular music concerts to the venue annually, as well as three National Symphony Orchestra pops programs and private event rentals. The venue is 90% flexible, with state-of-the-art sound and lighting, broadcast video production capabilities, an exclusive caterer, 54,000 square feet of lobby and seating areas, and 7 dressing rooms.

Fig 12: *The Anthem*

Octave 9

Octave 9 is a small, flexible experimental music incubation space owned and operated by the Seattle Symphony. The renovation of the space was completed in 2018 for a total cost of $6.7 million. The 2,500 square foot venue has a total capacity of 150 standing, and offers 30 annual programs including jazz, classical music, contemporary music and electronic music. The space features 13 curved panels and 10 HD projectors, a variety of floor configurations including banquet, reception, theater, and in-the-round arena style, a Meyer Sound Constellation system, and an exclusive caterer.

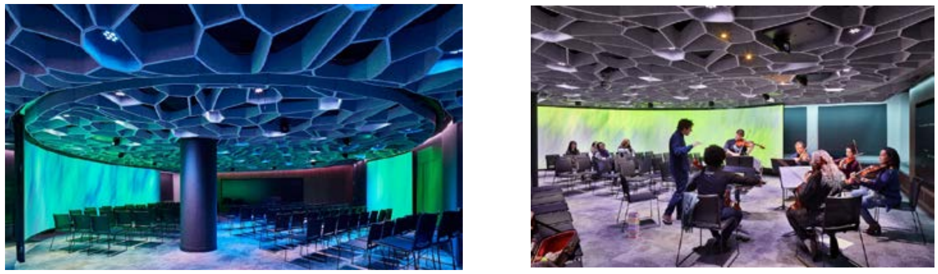


Fig 13: *Octave 9*

Paristown Hall

Old Forester's Paristown Hall is a new venue owned and operated by *Kentucky Center for the Arts.* The hall opened in 2019 at a total capital cost of $12 million. It features 28,000 square feet and accommodates 2,000 in a standing room configuration which caters primarily to national touring bands, collaborative projects, local and regional artists, new works, and nontraditional performance experiences. The *Kentucky Center's* resident Louisville Orchestra has plans to hold a series of annual experimental performances in the space. The venue has three large bars, two VIP lounges with outdoor patio access and private bars and restrooms, various visual art curation spaces, and a green room for artists. Plans are in the works to incorporate a large outdoor screen which will broadcast other *Kentucky Center* programming to the public.

Fig 14: *Paristown Hall*

Though differing slightly in intended uses, capacity, and cost, some common takeaways exist in each of these flexible performance spaces. The City of Lansing has an opportunity to deliver a space for its community at the vanguard of a new venue form: flexible, experimental spaces serving both traditional music forms like the symphony, as well as experimental and commercial forms of music, represent a trend in adaptable, non-traditional spaces which are reinventing typical orchestral settings, as well as serving other performances and community events. The multipurpose function of many of these spaces, which host activities ranging from banquets and events to general admission concerts to symphonic or chamber performances, necessitate flexibility in both space configurations and acoustical environments. Also notable is the presence of concession and catering capabilities within each venue, which assist in accommodating different types of programming and special events. In particular, multiple points of sale for food and beverages within the performance space are necessary to attract commercial content and fulfill the economic demands of venue operators and promoters alike.

IV. Recommendations

Equipped with an understanding of the market for content and audience, and a review of comparable facilities nationwide, AMS created a projection for the facility program and financial operation[20]. Other recommendations and analysis include operating and governance structure, staffing, and economic impact of construction and operation of a new venue.

Building Program

Under the advisement of AMS, Fisher Dachs Associates crafted a preliminary building program, including the primary flexible music venue[21] with a capacity of 1,400 seated and 1,800 in a standing room configuration. The facility has significant patron amenities including multiple points of sale for food & beverage throughout and surrounding the space. The program also incorporates a small 'performance lab' black

[20] With the help of subconsultants Fisher Dachs Associates (FDA) and Americans for the Arts (AFTA)

[21] Presumably including variable acoustics systems

box with a capacity of 200 seated, a media center with multiple studios and offices to accommodate the Lansing Public Media Center, and a visual arts center space with classrooms and galleries, intended for the Lansing Art Gallery[22].

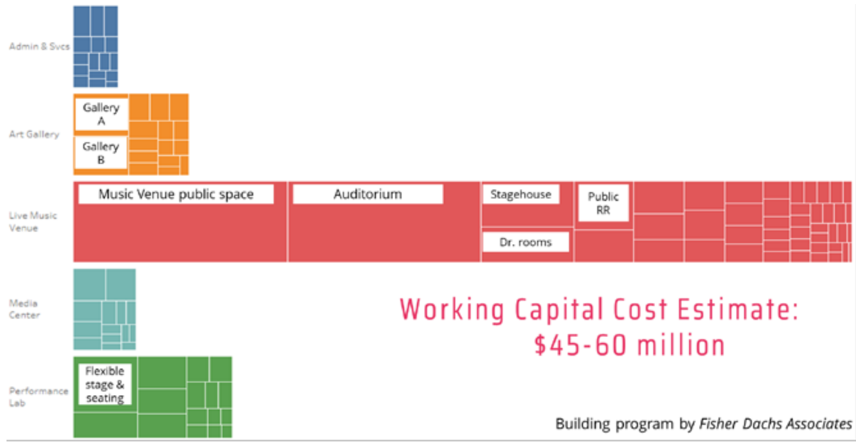


Fig 15: Preliminary building program (FDA)

The building as defined is 79,900 net square feet (125,500 gross square feet) [23]. At 53,700 square feet, the Live Music venue with all of its public and back of house accommodations comprises 67% of the total net square footage (NSF) of the facility. The Performance Lab black box theater has a total NSF of 10,900 square feet (14% of the total facility). The Media Center has a total NSF of 4,300 square feet (5% of the total facility), and the Lansing Arts Center has a total NSF of 7,900 square feet (10% of the total facility). The remaining 3,100 square feet are allocated to administrative offices[24] and services[25]. The estimated total capital cost of the building program is $45-$60 million[26].

[22] While the venue would serve as the primary venue for the Lansing Symphony Orchestra, the Symphony's administrative offices would not relocate and therefore are not included in the building program.

[23] 1.57 multiplier for the ratio of gross to net

[24] In addition to working offices, includes: reception/security, kitchenette, copy & supply, IT room, staff restroom, etc.

[25] Includes: janitorial supply, crew lockers, closet, etc.

[26] As part of a larger development project some costs may be shared.

Activity & Operations

Informed by user survey results, interviews with regional promoters, existing levels of activity, and learnings from comparable facilities, AMS crafted an activity profile for the rentable spaces[27] of a new venue, which include the Live Music Venue and the Performance Lab. A full slate of activity is projected in both venues: 250 annual use days are anticipated in the Live Music Venue, driven by commercial performance rentals. 296 annual use days are modeled in the Performance Lab, driven by nonprofit performance rentals. Overall, ¾ of the use day activity anticipated across the facility will be nonprofit use, while the remaining ¼ of use days are expected from commercial users. 78% of use days across the facility are expected to be for public facing activities like performances and events, while 22% of days are allocated to various rehearsals, generally held by nonprofit rental users like local theaters and the symphony.

Use Type	Live Music Venue	Performance Lab
Rehearsal Days	70	50
Commercial Performance Days	75	11
Nonprofit Performance Days	58	159
Other Nonprofit Days	27	43
Other Commercial Days	20	33
TOTAL USE DAYS	**250**	**296**

Fig 16: Activity Profile

[27] AMS' presumption in modeling is that the venue will be operated by a private nonprofit or commercial operator under contract with the city as owner of the venue. Facility users (i.e. Lansing Symphony) and tenants (Media Center and Visual Arts Center) would be under separate lease agreements with the operator, and their operating expenses are not included in the model.

Using the modeled activity and venue capacities, the Live Music Venue has a gross annual capacity of 186,200, and the Performance Lab has a gross capacity of 34,000. Assuming a standard average of 70% sold across all ticketed events, a projected 154,140 will be served annually in both venues: 130,340 in the Live Music Venue, and 23,800 in the Performance Lab.

This activity profile, coupled with regional economic realities and operational data sourced from other organizations, forms the basis for financial pro forma modeling. Assumptions made in the creation of the model, include a combined local, state and federal tax rate of 13.2% of gross payroll, benefits totaling 27% of gross payroll, an average ticket service fee and surcharge of $3.50[28], and a standard operating contingency of 5.0% of total expenses[29].

The financial operating model, which details results from a base year of operations[30] results in annual earned revenues of $2,014,000 and operating expenses of $2,654,000. Earned revenues cover 76% of operating expenses, and the net operating result is an annual deficit of ($640,000), which must be subsidized by contributed revenue from government, foundation, and/or private giving.

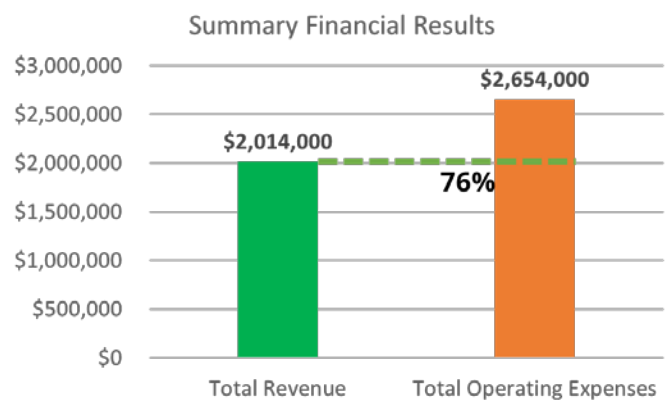


Fig 17: Total earned revenue as a percentage of operating expenses

[28] Based on local comparable rates, including Wharton Center

[29] All assumptions are made in 2019 dollars and do not account for future inflation

[30] A base year of operations is understood to be year 3 after operations, in which regular income and expenses have settled from any residual opening spikes

Earned revenue is driven by facility rentals, comprising over 50% of total earned revenue at a projected $1,026,000 annually. Rental rates for use of the Live Music Venue range from $1,500 for a load in/rehearsal day to market rate of $4,500 per performance. Rental rates for use of the Performance Lab range from $150 for a load-in/rehearsal day to market rate performance at $1,600[31]. Lease income is calculated at $8.25 per square foot[32]. Other earned revenue sources include ticket fees and surcharges ($456,000; 23% of earned income), rental additions and chargebacks ($409,000; 20% of earned income) and net income from concessions ($123,000; 6% of earned income).

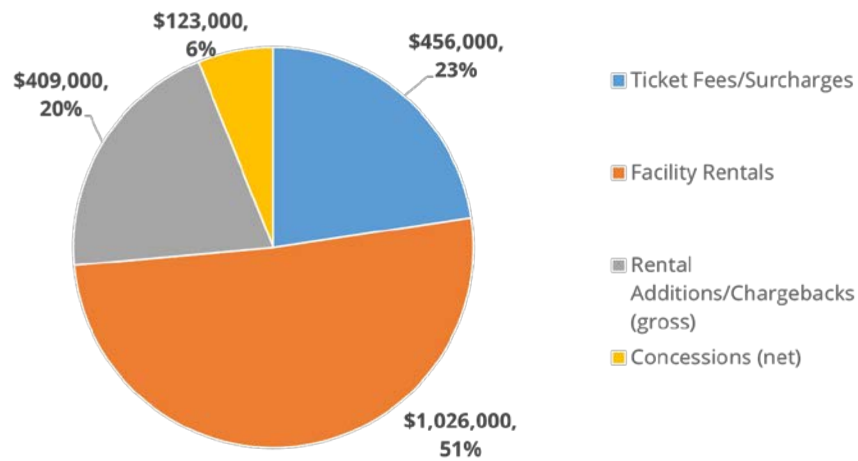


Fig 18: Earned Income breakdown

Expenses are driven by building operations and the compensation of 7 FTE personnel. Building operations, which includes utilities, insurance, building security, cleaning and maintenance, and annual capital improvements, is estimated at $1,035,000 annually, or 39% of total expenses. Compensation comprises 27% of expenses at $728,000. Other

[31] Rental rates are sourced from study of the local competitive environment and comparable facilities. Nonprofit rates are less than half of market rates.

[32] $8.25/square foot is equal to the calculated cost to operate the building

expenses include theatre operations[33] ($659,000; 25% of expenses), administrative expenses ($106,000; 4% of expenses), and a 5% expense contingency totaling $126,000.

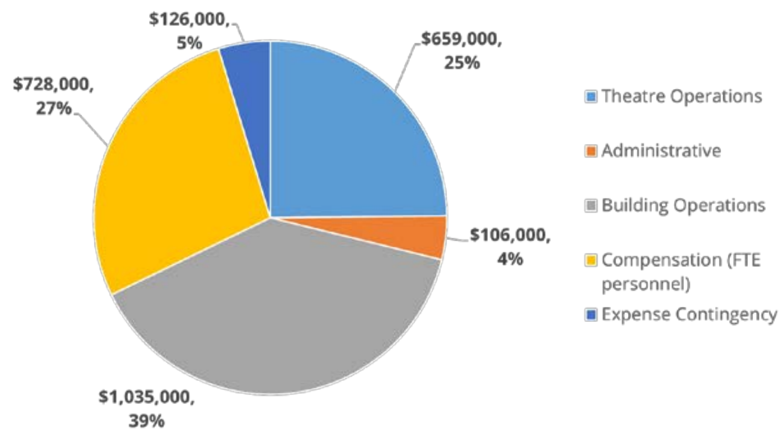


Fig 19: Expenses breakdown

AMS recommends a staff of 7 full time equivalents, including an Executive Director to whom a Finance Director, Facilities Director, Development Director and Production Director report. In addition to an administrative assistant serving the ED, the Production Director would have an assistant to shoulder the burden of coordinating rentals with outside groups.

Fig 20: Recommended staffing structure

[33] Theater operations includes the cost of contracted hourly event staff, ticketing software, box office, programs, repair and maintenance of box office tech equipment, etc.

Rentals are the line of business which will produce the most revenue and likely require the most attention and coordination. The production team, with the input of the ED, would be expected to coordinate booking, scheduling and rental contracting for local nonprofits performance users; private, community, government and nonprofit event users; and commercial music acts.

Management & Governance

AMS recommends that the City of Lansing contract with a commercial or not-for-profit management company to operate the facility. This model assumes that the City owns the property, with relationship existing between City and developer of record. Under contract, the management company would have operational objectives to meet, and the contract would be renewed at a predetermined interval, contingent upon performance. The management company would be responsible for coordinating rental users for the Live Music Venue and the Performance Lab, filling a quota of annual uses. Meanwhile, the LPMC and the Lansing Art Gallery would be leaseholders in their portions of the facility, responsible for their own programming but paying rent in accordance with their agreement.

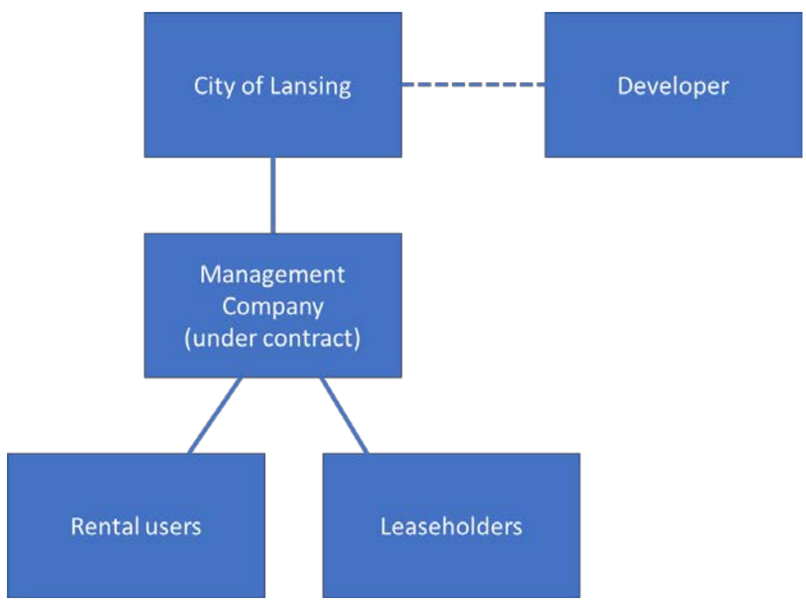


Fig 21: Recommended management structure

Economic Impact

The City of Lansing's Arts & Culture Commission also engaged AMS Planning & Research to produce a report detailing the projected economic impact of a potential new music venue in Lansing. Working with Americans for the Arts and their proprietary economic impact methodology, the team estimated the impact of the potential facility's construction and operation based on a $45 million capital cost estimate provided by Studio Intrigue Architects, and financial and attendance projections for operation of the building. Other inputs included employment, incomes, and government revenues provided by U.S. Dept of Commerce, local tax data, and audience expenditures and residency estimates generated by AFTA's audience-intercept surveys.

The report is divided into three channels of spending which drive economic impacts in the local economy (Ingham and portions of Eaton and Clinton Counties): 1) one-time spending on facility design and construction, 2) recurring spending on facility operations, and 3) impacts from audience members' spending on attendance-related activities including meals, transportation, lodging, etc. The report details the direct impacts of spending on or from the Lansing Music Hall in the local economy to build and operate the hall, and ancillary spending by audience members, but not the ticket sales or operating budgets of those who use the facility (i.e. Lansing Symphony) as those impacts are considered to be already present in the market.

In addition, the report details the *indirect* impact of local businesses and residents who have benefited from direct spending then re-spending some of those dollars in the local economy, creating a ripple-effect. The total impact is the sum of the direct impacts plus all indirect impacts on the local economy.

The building project, including costs of design, construction and management, has an estimated *direct impact* of 281 full time equivalent (FTE) jobs which will earn an estimated $11.3 million in wages and pay $1.5 million in taxes and fees to local and state government. As these dollars are re-spent, *the total industrial activity generated* is estimated at

$39 million, which creates 465 FTE jobs earning $18.5 million and paying $2.8 million in total taxes and fees to local government.

Similarly, a stable base year of operations at the music hall (year 3 after opening) will generate *direct impact* of 13 FTE jobs which will earn an estimated $589,000 in wages and pay $121,000 in taxes and fees to local and state government annually. As these dollars are re-spent, *the total industrial activity generated* by operating the building is estimated at $4.7 million, which creates 30 FTE jobs earning $1.2 million and paying $269,000 in taxes and fees to local government annually.

Finally, in a stable base year of operations, attendance-related activity and spending has a *direct impact* of 65 FTE jobs which will earn an estimated $1.6 million in wages and pay $317,000 in taxes and fees to local and state government annually. As these dollars are re-spent, *the total industrial activity generated* by audience-related spending is estimated at $6.9 million, which creates 109 FTE jobs earning $2.7 million in wages and paying $546,000 in taxes and fees to local government.

In sum, the total impact of the capital project is estimated at $38.9 million, resulting in $2.8 million in government revenues. The recurring impact of facility operations and audience-related spending is $11.6 million annually, resulting in $815,000 in annual government revenues.

The community impacts of a new music venue in Lansing transcend the calculated direct and indirect spending to include other less quantifiable benefits like increased quality of life for residents, spin-off development, rising real estate values, new and increased visitation to the city, and service as an anchor for community revitalization.

Summary

Lansing is well positioned for a new performance venue in its downtown. An identified venue gap has created a programming opportunity for local organizations and commercial arts and events. Many local organizations need flexible, available, and affordable spaces for their performances and events. As potential anchor tenants, the Lansing Symphony Orchestra, Lansing Public Media Center, and Lansing Arts Gallery are poised to contribute to revitalization of Lansing with the potential move into new space downtown. Commercial promoters cannot currently play in Lansing due to a lack of venue, but they do want to bring small and mid-sized acts to the city.

This study also reveals strong community support for a new venue, and the perception of undersupply of arts and entertainment offerings in Lansing. In conjunction with a growing trend of flexible spaces serving varied performance and community event types, the City of Lansing has the opportunity to develop a unique, multi-use flexible facility downtown to serve an array of audiences and arts organizations.

With the completion of this feasibility study and recommendation, the next steps for this project involve an analysis of project funding strategies, and engagement of a project development team, including various specialty building-type experts. Using the recommendations made throughout this study, testing for fundraising feasibility has already begun with *Capitol Fundraising Associates*. AMS also recommends the development of a small community leadership team to advance the project by working to determine financing and operating support strategies, engaging in site visits to develop greater understanding of emerging flexible venue trends, and selecting theater consultants and acousticians to assist with design.

ARTICLFS OF INCORPORATION OF
LANSING PUBLIC MEDIA AUTHORITY

WHEREAS, the City of Lansing has the power pursuant to the provisions of Act 31, Public Acts of Michigan, 1948 (First Extra Session), as amended to incorporate one or more authorities for the purpose of acquiring, furnishing, equipping, owning, improving, enlarging, operating and maintaining a building or buildings, automobile parking lots or structures, recreational facilities, stadiums, and the necessary site or sites therefor, together with appurtenant properties and facilities necessary or convenient for the effective use thereof, for use for any legitimate public purpose of the City; and

WHEREAS, the City desires to incorporate an authority pursuant to the provisions of said Act 31 for the purpose of acquisition, construction, operation, and maintenance of a public media center and arts and cultural performance venue, and appurtenant properties and facilities therefor;

NOW, THEREFORE, these Articles of Incorporation are adopted, signed and acknowledged by the City for the purpose of forming the Lansing Public Media Authority as a nonprofit Authority under the provisions of said Act 31, the Articles being as follows:

ARTICLE I

The name of the corporation and authority created by these articles is the LANSING PUBLIC MEDIA AUTHORITY (the "Authority").

ARTICLE II

The incorporating unit of the Authority is the City of Lansing (the "City"), Counties of Ingham and Eaton, State of Michigan, a municipal corporation of the State of Michigan, pursuant to action taken by the City Council of the City (the "City Council").

ARTICLE III

This Authority is incorporated for the purpose of acquiring, furnishing, equipping, owning, improving, enlarging, operating and maintaining a building or buildings, automobile parking lots or structures, recreational facilities, stadiums, and the necessary site or sites therefor, together with appurtenant properties and facilities necessary or convenient for the effective use thereof for use of any legitimate public purpose of the City, including but not limited to the acquisition, constructions, operation, and maintenance of a public media center and arts and cultural performance venue, and appurtenant properties and facilities therefor.

ARTICLE IV

Section 1. The Authority shall possess all the powers necessary to carry out the purpose of its incorporation, including the incidental powers necessary thereto, granted to the Authority by Act 31, Public Acts of Michigan, 1948 (First Extra Session) as now or hereafter amended ("Act

31"). The powers granted in these Articles of Incorporation shall be in addition to those granted by any statute or charter, and the enumeration of any power in either these Articles of Incorporation or in Act 31 shall not be construed as a limitation upon such general powers.

Section 2. The Authority shall be a body corporate with power to sue and be sued in any court of the State of Michigan.

Section 3. The Authority shall have the power to enter into a contract or contracts with the City pursuant to which the Authority will acquire, furnish, equip, own, improve, enlarge, operate, and maintain property necessary to accomplish the purposes of this incorporation and contemplated by the terms of Act 31 and lease said property to the City for a period of not to exceed fifty (50) years, except as may be otherwise provided in Act 31. The City shall have such rights to sublet or assign property leased from the Authority which are provided in Act 31.

Section 4. For the purpose of accomplishing the objects of its incorporation, the Authority may accept property transferred to the Authority by the City, and the Authority may, subject to the prior approval of the City Council, acquire property by purchase, construction, lease, gift, devise or condemnation, and for the purpose of condemnation, it may proceed under the provisions of Act 149 of the Public Acts of Michigan, 1911, as amended, or any other appropriate statute.

Section 5. All property owned by the Authority shall be exempt from taxation by the State of Michigan or any taxing unit therein.

Section 6. In order to carry out its responsibilities, the Authority may employ personnel as it deems necessary, subject to terms and conditions of employment as determined by the Authority, and the Authority may contract with others, public or private, for the provision of all or a portion of the services necessary for the management and operation of the property and facilities under its control.

Section 7. The term of this corporation and Authority shall be perpetual, or until terminated in accordance with law, and in any event shall not be less than or terminated prior to the time that all bonds or other obligations of the Authority are paid in full. In the event of dissolution or termination of the Authority, the title to any property, real or personal, then owned by the Authority, and any contract rights, revenue rights received or receivable, or anything else of value held or owned by the Authority, shall automatically vest in and become the property of the City.

ARTICLE V

Section 1. The Authority shall be directed and governed by a Board of Commissioners of eight (8) voting members known as the "Commission." The Commissioners shall include the persons holding the City of Lansing offices of City Attorney, Finance Director, and Director of the Office of Community Media of the City, an additional member to be designated as the Mayor's Representative, and four (4) members of the public selected by the Mayor with the advice and consent of the City Council. Two (2) of the three (3) Lansing Public Media Authority Commissioners selected by the Mayor with the advice and consent of the City Council shall reside within the corporate limits of the City. The Mayor and the members of the City Council shall not be eligible for membership or appointment to the Commission.

Section 2. The terms of the Commissioners serving by virtue of holding the offices of City of Lansing offices of City Attorney, Finance Director, and Director of the Office of Community Media of the City shall continue as long as the Commissioner holds said office. In the event of a vacancy in one of said offices, the person fulfilling the duties of said office on an interim basis shall serve on the Commission. The term of the Commissioner serving as the designated Mayor's Representative shall continue to serve at the pleasure of the Mayor and may be removed or replaced at any time by the Mayor.

Section 3. The terms of the three (3) Commissioners selected by the Mayor with the advice and consent of the City Council to serve on the first Commission shall be for a term of years as follows: one Commissioner for a term ending on June 30, 2024, one Commissioner for a term ending on June 30, 2025, and one Commissioner for a term ending on June 30, 2026. Each succeeding Commissioner shall serve for a 3-year term beginning on July 1 following the expiration of the term of the Commission whom he or she succeeds and expiring June 30 of the last year of such term. Each Commissioner shall serve during the term for which he or she is appointed and thereafter until his or her successor is appointed and qualified.

Section 4. The Commissioners shall not be subject to personal liability of accountability for the actions and debts of the Authority.

Section 5. The Commission shall adopt and may amend bylaws and rules of procedure consonant with the provisions of Act 31 and provide therein for regular meetings of the Commission. The Commission shall conduct all business at public meetings held in compliance with Act 267, Public Acts of Michigan, 1976, as amended.

Section 6. The Commission shall adopt a corporate seal.

Section 7. The Commission shall designate a Chairperson, and a Vice Chairperson who shall be Commissioners, and a Secretary and a Treasurer who may but need not be Commissioners, each to be designated for such term in office as may be fixed by the bylaws. The offices of Secretary and Treasurer may be combined and held by one person to be known as the Secretary/Treasurer if provided in the bylaws.

Section 8. The Chairperson shall preside at meetings of the Commission and may sign and execute all authorized bonds, contracts, checks and other obligations in the name of the Authority when so authorized by the Commission. The Chairperson shall do and perform such other duties as may be fixed by the bylaws and from time to tie assigned to him or her by the Commission. In the absence or disability of the Chairperson, the Vice Chairperson shall perform the duties of the Chairperson.

Section 9. The Secretary shall keep the minutes of all meetings pof the Commission, and of all committees thereof, in books provided for that purpose. The Secretary shall attend to the giving, serving, and receiving of all notices or process of or against the Authority. The Secretary may sign with the Chairperson in the name of the Authority all bonds, contracts, and other obligations authorized by the Commission, and when so ordered, the Secretary shall affix the seal of the

Authority thereto. The Secretary shall have charge of all books and records, which shall at all reasonable times be open to inspection and examination of the Commission or any member thereof, and, in general, perform all the duties incident to the office of Secretary.

Section 10. The Treasurer shall have custody of all the funds and securities of the Authority which may come into his or her hands or possession. When necessary or proper, the Treasurer shall endorse on behalf of the Authority for collection, checks, notes, and other obligations, and shall deposit them to the credit of the Authority in a designated bank or depository. The Treasurer shall sign all receipts and vouchers for payment made to the Authority. The Treasurer shall jointly with such other officer or officers as may be designated by the Commission sign all checks, promissory notes, and other obligations of the Authority when so ordered by the Commission. The Treasurer shall render a statement of his or her cash accounts when required by the Commission. The Treasurer shall enter regularly in the books of the Authority to be kept by him or her for the purpose full and accurate accounts of all moneys received and paid by him or her on account of the Authority, and shall, at all reasonable times, exhibit the books and accounts kept by the Treasurer to the Commission or any Commissioner when so required. The Treasurer shall perform all acts incidental to the position of Treasurer fixed by the bylaws and as assigned to him or her from time to time by the Commission. The Treasurer shall be bonded for the faithful discharge of his or her duties as Treasurer, the bond to be of such character, form and in such amount as the Commission may require.

Section 11. Compensation, per diem fees and mileage for attending meetings, if any, for the members of the Commission shall be fixed by the Commission when approved by a majority of the City Council. No Commissioner who holds any paid public office or public employment shall receive any salary as such Commissioner.

Section 12. Vacancies occurring in the office of the Commission described in Section 3 of this Article V shall be filled by the Mayor with the advice and consent of the City Council for the unexpired term.

Section 13. A Commissioner, other than an ex officio Commission or Mayor's Representative, may be removed from office for cause by an affirmative majority vote of the City Council.

Section 14. The books and records of the Authority and of the Commission, officers and agents thereof shall be open to inspection and audit by the Finance Director of the City at all reasonable times. The Authority shall submit an annual report to the City Council.

ARTICLE VI

The City Clerk of the City shall cause a copy of these Articles of Incorporation to be published once in a newspaper circulated within the City as provided in Act 31, such publication to be accompanied by a notice that valid incorporation of the Authority shall be conclusively presumed unless questioned in a court of competent jurisdiction as provided in Act 31.

ARTICLE VII

Amendments may be made to these Articles of Incorporation as provided in Act 31.

ARTICLE VII

Location of registered office and post office address is:

Office of the City Clerk
Lansing City Hall
124 W. Michigan Ave.
Lansing, Michigan 48933

ARTICLE IX

Dissolution of the Authority may be accomplished in the same manner provided in Act 31 for incorporation of an authority, in so far as applicable, or in any manner provided for dissolution of an authority under the provisions of Act 31, provided that the Authority shall not be dissolved until payment or provision for payment is made regarding all obligations of the Authority.

ARTICLE X

These Articles of Incorporation shall become effective and be in full force and effect as provided in Section 6 of Act 31 ten (10) days after their adoption by City Council.

IN WITNESS WHEREOF, the City of Lansing has adopted and authorized to be executed these Articles of Incorporation on behalf of the City, a municipal corporation of the State of Michigan, by its Mayor and Clerk.

CITY OF LANSING, MICHIGAN

By________________________________

Mayor

By________________________________

City Clerk

The foregoing Articles of Incorporation were adopted by the City Council of the City of Lansing, Counties of Ingham and Eaton, Michigan, at a meeting duly held on the ____ day of _______________, 202__.

____
City Clerk, City of Lansing, Michigan

Dated:______________________.

BY THE COMMITTEE OF THE WHOLE
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, the City Council of the City of Lansing deems it advisable and necessary to provide for the acquisition, construction, operation, and maintenance of a public media center and arts and cultural performance venue, and appurtenant properties and facilities therefor; and

WHEREAS, Act 31 of the Public Acts of Michigan 1948 (First Extra Session), as amended ("Act 31") enables a City to incorporate one or more authorities for the purpose of acquiring, furnishing, equipping, owning, improving, enlarging, operating, and maintaining buildings, automobile parking lots or structures, transit-oriented developments, transit-oriented facilities, recreational facilities, stadiums, and the necessary site or sites therefor, together with appurtenant properties and facilities necessary or convenient for the effective use thereof, for use for any legitimate public purpose of the City; and

WHEREAS, the City Council deems it advisable and necessary and in the best interest of the City to create and establish an Authority under the provisions of Act 31, for the purpose of accomplishing the aforesaid, to be designated the Lansing Public Media Authority; and

WHEREAS, Articles of Incorporation for the proposed Lansing Public Media Authority under Act 31 have been reviewed by the City Council;

NOW THEREFORE BE IT RESOLVED THAT:

1. The attached Articles of Incorporation of the Lansing Public Media Authority are hereby approved and adopted.

2. The Mayor and City Clerk of the City are hereby authorized and directed to execute the Articles of Incorporation of the Lansing Public Media Authority for and on behalf of the City.

3. The City Clerk shall cause a copy of the Articles of Incorporation of the Lansing Public Media Authority or a summary of the Articles to be published once in a newspaper circulated within the City as provided in Act 31, such publication to be accompanied by a notice that valid incorporation of the Lansing Public Media Authority shall be conclusively presumed unless questioned in a court of competent jurisdiction as provided in Act 31.

4. The City Clerk shall file a certified copy of the executed Articles of Incorporation of the Authority with the County Clerks of the Counties of Ingham and Eaton, and the Secretary of State of the State of Michigan, together with a certificate stating the date and newspaper of publication of the Articles of Incorporation. The City Clerk is hereby authorized and directed to file the originally executed Articles of

Incorporation with the recording secretary of the Authority, when selected, and to take such steps as are necessary under the provisions of State law to perfect the Articles of Incorporation of said authority.

5. All other resolutions and parts of resolutions in so far as they conflict with the provisions of this Resolution are hereby rescinded.

LANSING CITY COUNCIL

GRANT INFORMATION FORM

(Required for all grant applications and acceptances)

REFERRAL DATE: 10/10/2022

GRANT NAME: Michigan Enhancement Grant

DEPARTMENT: Lansing Public Media Center

CONTACT PERSON (INCLUDE EMAIL AND PHONE): Dominic.Cochran@lansingmi.gov 517-862-6159

APPLIICATION DATE 3-1-2021 AWARD DATE: 9-29-2021

GRANT CYCLE: _FY22 State Budget____ Check One: ___Annual _X__One-Time

FUND AMOUNT: __$2,000,000___________ (Breakdown below should total this amount)

GOODS & SERVICES	
PERSONNEL	
CONSTRUCTION	$2,000,000.00
LAND	$0.00
OTHER (Training)	

CITY MATCH (IF APPLICABLE): $ N/A

GRANT PAYS FOR: Construction of Ovation Performing Arts Center

FUND ALLOCATIONS (Please describe the purpose of the grant and allowable uses):

Direct appropriation to City of Lansing from state of Michigan to help pay for the cost of construction of the Ovation Performing Arts Center

BY THE COMMITTEE OF THE WHOLE
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, the City of Lansing, Counties of Ingham and Eaton, State of Michigan (the “City”), plans to finance the development of, and provide for the operation of, a public media and performing arts center to be located within the City (the “Project”); and

WHEREAS, prior to September 30, 2022, the City submitted an application (the “Application”) to the Michigan Economic Development Corporation (the “MEDC”), grant administrator on behalf of the State of Michigan (the “State”), for a Michigan Enhancement Grant; and

WHEREAS, pursuant to Section 1096(76) of 2021 Michigan Public Act 87 (“Act 87”), the State has earmarked two million dollars ($2,000,000) (the “Grant”) of the funds appropriated for Michigan Enhancement Grants to the City, to assist with the financing of the Project; and

WHEREAS, specifically, Section 1096(76) of Act 87 states that the Grant is for a music and arts center in a city with a population greater than 100,000 and in a county with a population between 275,000 and 300,000 according to the 2010 federal decennial census; and

WHEREAS, it is anticipated that, upon receipt and processing of the Application, the MEDC will confirm the Grant in favor of the City; and

WHEREAS, pursuant to this Resolution, the City, by and through its City Council, wishes to accept and appropriate the Grant to support the financing of the Project; and

WHEREAS, while there is no local match requirement for the Grant, the City has demonstrated its additional anticipated financing sources for the Project in the Application.

NOW, THEREFORE, BE IT RESOLVED the City Council of the City accepts the Michigan Enhancement Grant in the amount of $2,000,000 and appropriates such funds as necessary to support the financing of or provide security for the Project; and

BE IT RESOLVED, the total amount of the Grant funds may be received from the MEDC in one or more distributions; and

BE IT RESOLVED, the Mayor of the City and the Finance Director or their designees are authorized to create appropriate accounts to make necessary operating transfers for the expenditure and control of the balance of the awarded Grant for the benefit of the Project as ultimately designed; and

BE IT RESOLVED, the Mayor of the City and the Finance Director or their designees are authorized representatives to execute any documents on behalf of the City or its affiliate, including a Grant Agreement with the MEDC, the Michigan Strategic Fund or any other party relating to the receipt of the Grant and application of Grant funds for the benefit of the Project; and

BE IT RESOLVED, that the acceptance, approvals and authorizations contained in this Resolution will apply to the Grant, including if the amount of the Grant is increased from time to time, and including the negotiation and execution of any additional documentation reflecting such increases.

RESOLUTION #2022-###

City of Lansing
Counties of Ingham and Eaton, State of Michigan

RESOLUTION AUTHORIZING ISSUANCE AND SALE OF
LIMITED TAX GENERAL OBLIGATION BONDS

A RESOLUTION TO APPROVE:

- Up to $20,000,000 of Limited Tax General Obligation Bonds to finance lawful capital improvement needs of the City;
- Sale of Bonds in one or more series;
- Pledge of City's full faith and credit for the payment of the Bonds;
- Authorized Officers to sell Bonds without further Council action;
- Rating application, official statement, and continuing disclosure; and
- Other matters necessary to sell and deliver the Bonds.

WHEREAS, the City, a municipal corporation of the State, has been duly created under the provisions of Act 279, pursuant to which the City has the comprehensive home rule power conferred upon it by Act 279 and the Constitution, subject only to the limitations on the exercise of that power contained in the Constitution, by statute of the State or by provisions of the Charter; and

WHEREAS, the City determines it to be necessary for the public health, safety and welfare of the City and its residents to acquire and construct within the City certain capital improvements, including a public media and performing arts center, with parking and other necessary appurtenances and infrastructure (collectively, the "Capital Improvements"); and

WHEREAS, under the provisions of Section 517 of Act 34 a City may issue municipal securities to pay the cost of any capital improvement items within the limitations provided by law; and

WHEREAS, staff of the City recommend that issuance by the City of its Capital Improvement Bonds (Limited Tax General Obligation) under Section 517 of Act 34 in an amount not to exceed Twenty Million Dollars ($20,000,000) (the "Bonds") for the purpose of financing costs of acquisition and construction of the Capital Improvements is the most practical means to that end; and

WHEREAS, it is proposed that the Bonds be limited tax general obligation bonds secured by a pledge of the City's full faith and credit, subject to constitutional, statutory and charter limitations; and

WHEREAS, as additional security for the Bonds, the City anticipates contractually pledging certain public, education and government access facilities and services fees

(“PEG Fees”) it receives as a franchising entity pursuant to 2006 Michigan Public Act 480 (the Uniform Video Services Local Franchise Act); and

WHEREAS, not less than 45 days prior to the issuance of the Bonds, a notice of intent to issue bonds must be published in accordance with Section 517 of Act 34, a form of which is attached as Exhibit B (“Notice of Intent”), which will provide that the proposed Bonds may be issued without a vote of the electors of the City unless the requisite petitions for an election on the question of the issuance of the Bonds are filed with the Clerk of the City (“City Clerk”) within a period of 45 days from the date of publication; and

WHEREAS, Act 34 permits the City to authorize, within limitations which shall be contained in the authorizing resolution of the governing body, an Authorized Officer to sell and deliver and receive payment for obligations, approve interest rates or methods for fixing interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, and other matters and procedures necessary to complete the transactions authorized; and

WHEREAS, the City Council of the City (“Council”) wishes to authorize an Authorized Officer to sell and deliver and receive payment for the Bonds without the necessity of Council taking further action prior to sale and delivery of the Bonds.

WHEREAS, the Bonds will be issued pursuant to such terms and bear interest at such rates as finally determined at the time of sale of such Bonds in one or more Sale Orders in accordance with the parameters of this Resolution or the terms of a Bond Purchase Agreement; and

WHEREAS, the Council desires to delegate to any Authorized Officer the authority to make certain determinations with respect to the Bonds, if necessary, within the parameters of this Resolution and to take such other actions and make such other determinations as may be necessary to accomplish the sale and delivery of the Bonds and the transactions contemplated by this Resolution, as shall be confirmed in one or more Sale Orders or a Bond Purchase Agreement; and

WHEREAS, the Council wishes to authorize the determination of the method of sale of the Bonds pursuant to a Sale Order, which sale will be by either (a) negotiated sale to one or more underwriters, (b) public/competitive sale or (c) private placement with a designated purchaser; and

WHEREAS, if the Bonds are sold pursuant to a negotiated or public/competitive sale, the Council desires to authorize the submission of disclosure information in connection with the distribution of one or more preliminary official statements (together with any supplements thereto, each a “Preliminary Official Statement”) and final official statements (together with any supplements thereto, each an “Official Statement”) in connection with the offering for sale of a certain series or all of the Bonds; and

WHEREAS, if the Bonds are sold pursuant to a negotiated or public/competitive sale, it will be required, as a condition precedent to the purchase of the Bonds, that the City agree to provide continuing disclosure as required by Section (b)(5) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities and Exchange Act of 1934, as amended; and

WHEREAS, the Bonds may be issued as tax-exempt bonds pursuant to the requirements of the Code, in reliance on the advice of the City's Municipal Advisor and the City's Bond Counsel, each as appointed and defined below.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY THAT:

ARTICLE I
DEFINITIONS AND INTERPRETATION

Section 101. Definitions. The words and terms defined in the preambles and recitals hereof and the following words and terms as used in this Resolution shall have the meanings ascribed therein or herein to them unless a different meaning clearly appears from the context:

"Act 34" means the Revised Municipal Finance Act, Act 34, Public Acts of Michigan, 2001, as amended.

"Act 279" means the Home Rule City Act, Act 279, Public Acts of Michigan, 1909, as amended.

"Authorized Officer" means each of the Mayor, the Deputy Mayor, the City Clerk, the Chief Strategy Officer and the Finance Director of the City.

"Bond Counsel" means Dykema Gossett PLLC, attorneys of Lansing, Michigan.

"Bondholder," "Bondowner," "Owner" or "Registered Owner" means, with respect to any Bond, the person in whose name such Bond is registered in the Bond Registry.

"Bond Insurer" means the issuer of a Municipal Bond Insurance Policy with respect to the Bonds, if any, named in the Sale Order.

"Bond Purchase Agreement" means each bond purchase agreement between the City and the Underwriters or purchaser or purchasers of the Bonds providing for the terms and conditions of the purchase of the Bonds.

"Bond Registry" means the books for the registration of Bonds maintained by the applicable Transfer Agent.

"Bonds" means the City's 2022 or 2023 Limited Tax General Obligation Bonds, issued in one or more series, as authorized by Article III of this Resolution.

"Bonds Maximum Interest Rate" means a rate of interest not to exceed the maximum rate permitted by law.

“Bonds Maximum Principal Amount” means an amount not to exceed twenty million dollars ($20,000,000).

“Capital Improvement Fund” means the fund so designated and established under Section 501 hereof.

“Charter” means the Home Rule Charter of the City, as amended from time to time.

“City” means the City of Lansing, Counties of Ingham and Eaton, State of Michigan.

“Code” means the Internal Revenue Code of 1986, as amended.

“Constitution” means the Constitution of the State of Michigan of 1963, as amended.

“Council” means the City Council of the City of Lansing, Michigan.

“Debt Retirement Fund” means the fund so designated and established under Section 501 hereof.

“Fiscal Year” means the fiscal year of the City as in effect from time to time.

“Interest Payment Date” has the meaning given such term in Section 303.

“Mayor” means the mayor of the City or his designee.

“Municipal Advisor” means Robert W. Baird & Co. Incorporated, Lansing, Michigan.

“Municipal Bond Insurance Policy” means one or more policies of municipal bond insurance, if any, issued by the Bond Insurer insuring the payment when due of the principal of and interest on the Bonds determined to be insured as set forth in a Sale Order.

“Non-Arbitrage and Tax Compliance Certificate” means each Non-Arbitrage and Tax Compliance Certificate of the City regarding rebate requirements and other tax responsibilities of the City relating to the Bonds under the Code.

“Regular Record Date” has the meaning given such term in Section 303.

“Resolution” means this Resolution, as supplemented by one or more Sale Orders.

“Sale Order” means the order or orders executed by an Authorized Officer approving the sale of any series of Bonds and making certain determinations and/or confirming the final details of such Bonds upon the sale thereof in accordance with the parameters of this Resolution and the terms of the Bond Purchase Agreement.

“State” means the State of Michigan.

"Transfer Agent" means a bank or trust company to be selected by an Authorized Officer of the City to serve as the transfer agent or paying agent.

"Underwriters" means such underwriter or underwriters as shall be designated in the Sale Order.

Section 102. Interpretation. (a) Words of the feminine or masculine genders include the correlative words of the other gender or the neuter gender.

(b) Unless the context shall otherwise indicate, words importing the singular include the plural and vice versa, and words importing persons include corporations, associations, partnerships (including limited partnerships), trusts, firms and other legal entities, including public bodies, as well as natural persons.

(c) Articles and Sections referred to by number mean the corresponding Articles and Sections of this Resolution.

(d) The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms as used in this Resolution, refer to this Resolution as a whole unless otherwise expressly stated.

ARTICLE II
DETERMINATIONS

Section 201. Authorization of Bonds: Finding and Declaration of Need to Borrow. The Council hereby finds and declares that it is necessary for the City to borrow hereunder such sum as shall be determined by an Authorized Officer not in excess of the Bonds Maximum Principal Amount and to evidence such borrowing by the issuance of the Bonds not in excess, in aggregate principal amount, of such Bonds Maximum Principal Amount, pursuant to the Charter and in accordance with the provisions hereof, for the purpose of paying all or part of the costs of acquiring and constructing the Capital Improvements, including the costs incidental to the issuance, sale and delivery of the Bonds, all as finally confirmed by an Authorized Officer in the Sale Order.

The Bonds shall consist of bonds in fully-registered form in denominations of $5,000, or integral multiples thereof, or in minimum denominations of $100,000 and $5,000 additional integral multiples thereof, not exceeding for each maturity the maximum principal amount of that maturity, numbered as determined by the Transfer Agent (as hereinafter defined). The Bonds shall bear interest at the rates determined upon sale of the Bonds but in any event the net interest cost of any Tax-Exempt Bonds (as defined below) shall not exceed 6.00% per annum and the net interest cost of any Taxable Bonds (as defined below) shall not exceed 9.00% per annum. The Bonds shall bear interest, mature as serial bonds, term bonds or drawdown bonds, and be payable at the times and in the manner as may be determined by the Authorized Officer in a Sale Order at the time of sale of the Bonds. The Bonds shall be dated as of the date of delivery thereof or as may be otherwise determined by the Authorized Officer at the time of sale of the Bonds. The Bonds may be subject to redemption prior to maturity at the times and prices and in the manner as may be determined by the Authorized Officer at the time of sale of the Bonds.

The Bonds may be issued in book-entry only form through The Depository Trust Company in New York, New York ("DTC") and the Authorized Officer is authorized to execute such custodial or other agreement with DTC as may be necessary to accomplish the issuance of the Bonds in book-entry only form, and to make such changes in the form of the Bonds within the parameters of this resolution as may be required to accomplish the foregoing.

Interest on the Bonds shall be payable to the registered owner of record as of the fifteenth (15th) day of the month prior to the payment date for each interest payment. The record date of determination of registered owners for purposes of payment of interest as provided in this paragraph may be changed by the City to conform to market practice in the future. Interest shall be payable by check or draft drawn on the Transfer Agent mailed to the registered owner at the registered address, as shown on the registration books of the City maintained by the Transfer Agent. The principal of the Bonds shall be payable upon presentation and surrender of such Bonds to the Transfer Agent. Notwithstanding the foregoing, if the Bonds are held in book-entry form by DTC, payment shall be made in the manner prescribed by DTC.

The Authorized Officer is hereby authorized to appoint a bank or trust company to act as bond registrar, paying agent and transfer agent (the "Transfer Agent") for the Bonds. The Authorized Officer is hereby authorized to execute one or more agreements with the Transfer Agent on behalf of the City. The City reserves the right to replace the Transfer Agent at any time, provided written notice of such replacement is given to the registered owners of record of the Bonds not less than sixty (60) days prior to an interest payment date.

ARTICLE III
AUTHORIZATION; PLEDGE; SECURITY; DESIGNATIONS; REDEMPTION OF THE BONDS

Section 301. Limited Tax Pledge; Security. (a) The City hereby irrevocably pledges its limited tax full faith and credit for the prompt payment of the Bonds. The Bonds will be a first budget obligation of the City, payable from the general funds of the City including the collection of ad valorem taxes on all taxable property in the City subject to applicable constitutional, statutory and charter tax rate limitations. The City shall levy annually ad valorem taxes on all the taxable property in the City which, taking into consideration estimated delinquencies in tax collections, shall be fully sufficient to pay the principal and interest on the Bonds; provided, however, that if at the time of making any such tax levy there shall be other legally available funds for the payment of principal of and interest on the Bonds, then credit therefor may be taken against the levy for payment of the Bonds. The rights or remedies of Bondholders may be affected by bankruptcy, insolvency, fraudulent conveyance or other laws affecting creditors' rights generally now existing or hereafter enacted and by the application of general principles of equity including those relating to equitable subordination.

(b) Each Authorized officer is authorized to further contract for or otherwise obligate the PEG Fees toward payment of the Bonds

(c) Each Authorized Officer is hereby authorized to negotiate and execute any indenture or indentures, or agreements as shall be deemed necessary by an Authorized Officer and confirmed in a Sale Order for and on behalf of the City, to provide for the pledge of security and otherwise to secure payment of the Bonds.

Section 302. Tax-Exempt Bonds; Taxable Bonds. The Authorized Officers are each hereby authorized and directed to determine whether all or any portion of the Bonds shall be sold as: (i) Bonds the interest on which is excluded from gross income for federal income tax purposes ("Tax-Exempt Bonds"), or (ii) taxable Bonds the interest on which, if any, is included in gross income for federal income tax purposes under the Code ("Taxable Bonds"), or any combination thereof.

Section 303. Designations, Dates, Interest Rates, Maturities, Redemption and Other Terms of the Bonds.

(a) The Bonds shall be issued in one or more series to be designated as "LIMITED TAX GENERAL OBLIGATION BONDS", or such other designation determined by an Authorized Officer. The Bonds shall further bear a series designation corresponding to the year of issuance and other necessary identifying information as shall be provided in the Sale Order; shall be issued in fully registered form as serial bonds, term bonds, a combination thereof, or as a single instrument bond, as provided in the Sale Order. Each series of Bonds shall be dated and issued in authorized denominations all as determined in the Sale Order.

(b) In making the determinations set forth in this Resolution with respect to the Sale Order, the Authorized Officers shall be limited to the parameters as follow:

(1) The first maturity date or mandatory sinking fund redemption date for each series of the Bonds shall not be later than five (5) years from the date of issuance; and the final maturity dates for the Bonds shall not be later than the earlier of (i) the last year of the weighted average estimated period of usefulness of the Capital Improvements or (ii) 30 years.

(2) To the extent permitted by applicable law, the Bonds may be sold with an original issue premium or original issue discount in an amount as determined by an Authorized Officer.

(3) The maximum rate of interest on the Bonds shall not exceed the Bonds Maximum Interest Rate.

(c) The Bonds shall mature on such dates and shall bear interest at such rates on a fixed and/or variable and tax-exempt or taxable basis not in excess of the legal limit, and payable on such dates (each an “Interest Payment Date”), all as shall be provided in a Sale Order. Unless otherwise provided by an Authorized Officer in a Sale Order, interest on the Bonds shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. The Bonds shall be payable as to principal and interest in lawful money of the United States of America.

(d) Except as may be otherwise provided by an Authorized Officer in a Sale Order, interest on the Bonds shall be payable on each Interest Payment Date to the Registered Owner of record as of the 15th day of the month, whether or not a Business Day (a “Regular Record Date”), prior to each Interest Payment Date. Interest on the Bonds shall be payable to such Registered Owners by check or draft drawn on the Transfer Agent on each Interest Payment Date and mailed by first class mail or, upon the written request of the Owner of $1,000,000 or more in aggregate principal amount of Bonds (with complete wiring instructions no later than the Regular Record Date for such Interest Payment Date), by wire transfer by the Transfer Agent to such Owner. Such a request may provide that it will remain in effect with respect to subsequent Interest Payment Dates unless and until changed or revoked at any time prior to a Regular Record Date by subsequent written notice to the Transfer Agent.

(e) The principal of the Bonds shall be payable to the Owners of the Bonds upon the presentation of the Bonds to the Transfer Agent at the principal corporate trust office of the Transfer Agent. If the Bonds are held in book-entry form by the Depository Trust Company in New York, New York (“DTC”), payment shall be made in the manner prescribed by DTC

(f) The Bonds may be subject to redemption and/or tender for purchase prior to maturity or shall not be subject thereto, upon such terms and conditions as shall be provided by an Authorized Officer in the Sale Order delivered in connection with the Bonds.

Unless waived by any Registered Owner of the Bonds to be redeemed, official notice of redemption shall be given by the Transfer Agent on behalf of the City. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates, CUSIP numbers, if any; certificate numbers, and in the case of partial redemption, the called amounts of each certificate; the redemption date; the redemption price or premium; the place where the Bonds called for redemption are to be surrendered for payment; and that interest on the Bonds or portions thereof called for redemption shall cease to accrue from and after the redemption date.

In addition, further notice shall be given by the Transfer Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

(g) An Authorized Officer, after consultation with Bond Counsel and the Municipal Advisor, may designate and issue the Bonds as “qualified tax-exempt obligations" for purposes of interest expense by financial institutions as defined in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

Section 304. Execution, Authentication and Delivery of Bonds. The Bonds shall be executed in the name of the City by the manual or facsimile signatures of the Authorized Officers and authenticated by the Transfer Agent, or a trustee if an indenture is executed in connection with the issuance of the Bonds, and the seal of the City (or a facsimile thereof), if applicable, shall be impressed or imprinted on the Bonds. After the Bonds have been executed and authenticated for delivery to the original purchaser thereof, they shall be delivered to the purchasers thereof upon receipt of the purchase price. If the Bonds are not authenticated, then at least one signature on the Bonds shall be a manual signature. The Bonds shall be delivered to the Transfer Agent for authentication and be delivered by the Transfer Agent to the purchaser or other person in accordance with instructions from the Authorized Officer.

Section 305. Mutilated, Destroyed, Stolen or Lost Bonds. (a) Subject to the provisions of Act 354, Public Acts of Michigan, 1972, as amended, and any other applicable law, if (i) any mutilated Bond is surrendered to the City, and the City receives evidence to its satisfaction of the destruction, loss or theft of any Bond and (ii) there is delivered to the City such security or indemnity as may be required by it to save the City harmless, then, in the absence of notice to the City that such Bond has been acquired by a bona fide purchaser, the City shall execute and deliver in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding.

(b) If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the City in its discretion may, instead of issuing a new Bond, pay such Bond.

(c) Any new Bond issued pursuant to this section in substitution for a Bond alleged to be mutilated, destroyed, stolen or lost shall constitute an original additional contractual obligation on the part of the City, and shall be equally secured by and entitled to equal proportionate benefits with all other Bonds of like tenor issued under this Resolution.

Section 306. Form of the Bonds. The Bonds shall be in substantially the following form with such insertions, omissions, substitutions and other variations as shall not be inconsistent with this Resolution or permitted by the Sale Order or as approved by an Authorized Officer and Bond Counsel:

[Remainder of page intentionally left blank]

[Form of Bond]

United States of America
State of Michigan
Counties of Ingham and Eaton

CITY OF LANSING
[2022/2023] LIMITED TAX GENERAL OBLIGATION BOND

Interest Rate	Date of Maturity	Date of Original Issue	CUSIP

Registered Owner:

Principal Amount: ___________ Dollars ($__________)

The CITY OF LANSING, Counties of Ingham and Eaton, State of Michigan (the "City"), acknowledges itself to owe and for value received hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America, on the Date of Maturity specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon (computed on the basis of a 360-day year consisting of twelve 30-day months) from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on _________ 1, 20__ and semiannually thereafter. Principal of this bond is payable at the corporate trust office of ______________________, ___________, __________, or such other transfer agent as the City may hereafter designate by notice mailed to the registered owner not less than sixty (60) days prior to any interest payment date (the "Transfer Agent"). Interest on this bond is payable to the registered owner of record as of the fifteenth (15th) day of the month preceding the interest payment date as shown on the registration books of the City kept by the Transfer Agent by check or draft mailed to the registered owner of record at the registered address.

The limited tax full faith, credit and resources of the City are pledged for the payment of the Bonds of this issue, and the City has pledged that it shall pay the principal of and interest on the Bonds of this issue as they mature as a first budget obligation from its general fund and, after taking into account funds which the City may have legally available for payment of principal of and interest on the Bonds of this issue, shall levy annually ad valorem taxes on all taxable property in the City sufficient to pay the principal of and interest on the Bonds of this issue subject to applicable constitutional, statutory, and charter tax rate limitations.

Additionally, the City has committed certain public, education and government access facilities and services fees ("PEG Fees") it receives as a franchising entity pursuant to 2006 Michigan Public Act 480 (the Uniform Video Services Local Franchise Act) toward payment of the principal of and interest on the Bonds, to the extent such funds continue to be available.

[This bond is one of a series of [2022/2033] Limited Tax General Obligation Bonds (the "Bonds") aggregating the principal sum of $______________, issued for the purpose of acquiring, constructing and installing within the City certain capital improvements, including a public media and performing arts center, with parking and other necessary appurtenances and infrastructure (collectively, the "Capital Improvements"), [paying capitalized interest] and paying costs incidental to the issuance of the Bonds.]

Bonds of this issue maturing in the years 20_ to __________, inclusive, shall not be subject to redemption prior to maturity. Bonds or portions of bonds of this issue in multiples of $[5,000] maturing in the year ______ and thereafter shall be subject to redemption prior to maturity, at the option of the City, in any order of maturity and by lot within any maturity, on any date on or after ________ 1, _______, at par and accrued interest to the date fixed for redemption.

[Insert any term bond provisions, if applicable]

In case less than the full amount of an outstanding bond is called for redemption, the Transfer Agent, upon presentation of the bond called in part for redemption, shall register, authenticate and deliver to the registered owner of record a new bond in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given by the Transfer Agent to the registered owner of any bond or portion thereof called for redemption by mailing of such notice not less than thirty (30) days prior to the date fixed for redemption to the registered address of the registered owner of record. A bond or portion thereof so called for redemption shall not bear interest after the date fixed for redemption provided funds are on hand with the Transfer Agent to redeem said bond or portion thereof. Bonds shall be called for redemption in multiples of $5,000, and bonds of denominations of more than $5,000 shall be treated as representing the number of bonds obtained by dividing the denomination of the bonds by $5,000, and such bonds may be redeemed in part. The notice of redemption for bonds redeemed in part shall state that, upon surrender of the bond to be redeemed, a new bond or bonds in the same aggregate principal amount equal to the unredeemed portion of the bonds surrendered shall be issued to the registered owner thereof with the same interest rate and maturity. No further interest on bonds or portions of bonds called for redemption shall accrue after the date fixed for redemption, whether the bonds have been presented for redemption or not, provided funds are on hand with the Transfer Agent to redeem the bonds or portion thereof.]

This bond is transferable only upon the registration books of the City kept by the Transfer Agent by the registered owner of record in person, or by the registered owner's attorney duly authorized in writing, upon the surrender of this bond together with a written instrument of transfer satisfactory to the Transfer Agent duly executed by the registered owner or the registered owner's attorney duly authorized in writing, and thereupon a new registered bond or bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the resolution authorizing this bond and upon the payment of the charges, if any, therein prescribed. The Transfer Agent shall require the bondholder requesting the transfer to pay any tax or other governmental charge required to be paid with respect to the transfer. [The Transfer Agent shall not be required to issue, register the transfer of, or exchange any bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of bonds selected for redemption and ending at the close of business on the day of that mailing.]

This bond, including the interest thereon, is payable as a first budget obligation of the City from the general funds of the City including the collection of ad valorem taxes on all taxable property in the City subject to applicable constitutional, statutory and charter tax rate limitations.

It is hereby certified and recited that all acts, conditions and things required by law to be done, precedent to and in the issuance of this bond and the series of bonds of which this is one, exist and have been done and performed in regular and due form and time as required by law, and that the total indebtedness of the City, including this bond, does not exceed any constitutional, statutory or charter debt limitation.

This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.

IN WITNESS WHEREOF, the City of Lansing by authority of its City Council, has caused this bond to be signed for and on its behalf and in its name by the manual or facsimile signatures of the Mayor and Clerk of the City, and the official seal of the City or a facsimile thereof to be impressed or printed hereon, all as of the Date of Original Issue.

CITY OF LANSING
Counties of Ingham and Eaton
State of Michigan

By___________________________________

Its Mayor

(SEAL)

Countersigned:

By___________________________________

Its City Clerk

Certificate of Authentication

This bond is one of the bonds described in the within-mentioned resolution.

____
________________, Michigan
Transfer Agent

By____
Its: Authorized Signature

Date of Authentication: _________________, [2022/2023]

Section 311. Sale of Bonds to Underwriters or Direct Purchaser. Any series of Bonds may, if deemed appropriate by an Authorized Officer, be sold to (i) the Underwriters pursuant to a Bond Purchase Agreement or (ii) a bank or other financial institution qualified by law to purchase and take delivery of such Bonds for its own investment, pursuant to a purchase contract, in which case (A) such purchaser shall deliver an investor letter in a form acceptable to an Authorized Officer and (B) the City's obligations hereunder relating to the Preliminary Official Statement, Official Statement and Undertaking (as defined below) may not apply.

ARTICLE IV
SPECIAL COVENANTS

Section 401. Reimbursement. For the purposes of complying with the reimbursement rules of Treasury Regulations 1.150-2 pursuant to the Code, the City reasonably expect to reimburse itself for expenditures for the costs of the Capital Improvements with proceeds of Bonds.

Section 402. Tax Exemption Covenant for Tax-Exempt Bonds. The City covenants that it will not take any action, or fail to take any action required to be taken, if taking such action or failing to take such action would adversely affect the general exclusion from gross income of interest on any Tax-Exempt Bonds, from federal income taxation under the Code.

Section 403. Arbitrage Covenant. (a) The City will not directly or indirectly (1) use or permit the use of any proceeds of any Tax-Exempt Bonds or other funds of the City or (2) take or omit to take any action required by Section 148(a) of the Code in order to maintain the exclusion from gross income of the interest on any Tax-Exempt Bonds for federal income tax purposes. To that end, the City will comply with all requirements of Section 148 of the Code to the extent applicable to the Bonds and the requirements set forth in the Non-Arbitrage and Tax Compliance Certificate of the City.

(b) Without limiting the generality of subsection (a), above, the City agrees that there shall be paid by the City from time to time all amounts, if any, required to be rebated to the United States pursuant to Section 148(f) of the Code. This covenant shall survive payment in full or defeasance of the Tax-Exempt Bonds.

(c) Notwithstanding any provision of this Section, if the City obtains an opinion of Bond Counsel to the effect that any action required under this Section is no longer required, or that some further action is required, to maintain the exclusion from gross income of the interest of any Tax-Exempt Bonds for federal income tax purposes pursuant to Section 103 of the Code, the City may conclusively rely on such opinion in complying with the provisions hereof.

ARTICLE V
BONDS FUNDS AND ACCOUNTS; DISPOSITION OF BONDS PROCEEDS

Section 501. Establishment of Accounts and Funds. (a) Each Authorized Officer is hereby authorized to establish such accounts, subaccounts or other funds as shall be required for the payment of the Bonds, and for the payment of the Capital Improvements, including but not limited to, with such modifications or additions to facilitate the identification of such accounts, subaccounts or other funds:

A. Debt Retirement Fund; and
B. Capital Improvement Fund.

Each Authorized Officer is hereby authorized to establish such accounts, subaccounts or funds as shall be required for the issuance and delivery of the Bonds, if any, to accommodate the requirements of such series of Bonds, including, but not limited to, such accounts, subaccounts or funds necessary to facilitate the purchase and payment of variable rate bonds. Each Authorized Officer is hereby authorized to allocate any net original issue premium, if any, received upon the sale of the Bonds to such accounts and in such amounts as permitted by applicable law.

Section 502. Debt Retirement Fund. An Authorized Officer is authorized and directed to open a separate depository or trust account with a bank or trust company to be designated as the [2022/2023] CAPITAL IMPROVEMENT BONDS (LIMITED TAX GENERAL OBLIGATION) DEBT RETIREMENT FUND (the "Debt Retirement Fund"). The Debt Retirement Fund may be pooled or combined with other debt retirement funds for issues of bonds of like character as provided by Act 34 or other state law. An amount sufficient to assure timely payment of the principal of and interest on the Bonds shall be transferred each year into the Debt Retirement Fund from the general fund of the City or other funds legally available therefor. The moneys deposited in the fund shall be used solely for the purpose of paying the principal of and interest on the Bonds and, as may be necessary, to rebate arbitrage earnings, if any, to the United States Department of Treasury as required by the Internal Revenue Code of 1986, as amended. The accrued interest and premium, if any, received upon delivery of the Bonds shall also be deposited in the Debt Retirement Fund.

The City may provide for the payment of principal of any of the Bonds issued as term bonds through the purchase of municipal securities in the open market at a price not greater than that payable on the next redemption date in order to satisfy all or part of the next succeeding scheduled mandatory redemption.

Section 503. Capital Improvement Fund. The City Treasurer is authorized and directed to create a fund designated as the [2022/2023] CAPITAL IMPROVEMENT BONDS (LIMITED TAX GENERAL OBLIGATION) CAPITAL IMPROVEMENT FUND (the "Capital Improvement Fund"). The City Treasurer shall deposit the proceeds of the Bonds into the Capital Improvement Fund, less accrued interest and premium, if any, which shall be deposited into the Debt Retirement Fund. The moneys in the Capital Improvement Fund shall be used to pay the costs of the Capital Improvements and to pay the costs of issuance of the Bonds. Moneys remaining in the Capital Improvement Fund after completion of the Capital Improvements may be used for any purpose permitted by law.

Section 504. Investment of Monies in the Bonds Funds and Accounts. (a) An Authorized Officer shall direct the investment of monies on deposit in the funds and accounts established hereunder, and the Transfer Agent, upon written direction or upon oral direction promptly confirmed in writing by an Authorized Officer, shall use its best efforts to invest monies on deposit in the funds and accounts in accordance with such direction.

(b) Monies on deposit in the funds and accounts established under this Article V may be invested in such investments and to the extent permitted by applicable law.

ARTICLE VI
DEFEASANCE

Section 601. Defeasance. Bonds shall be deemed to be paid in full upon the deposit in trust of cash or direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, or any combination thereof, not redeemable at the option of the issuer thereof, the principal and interest payments upon which, without reinvestment thereof, will come due at such times and in such amounts, as to be fully sufficient to pay when due, the principal of such Bonds and interest to accrue thereon, as confirmed by a verification report prepared by an independent certified public accountant. Such cash and securities representing such obligations shall be deposited with a bank or trust company and held for the exclusive benefit of the Owners of such Bonds. After such deposit, such Bonds shall no longer be entitled to the benefits of this Resolution (except for any rights of transfer or exchange of Bonds as therein or herein provided for) and shall be payable solely from the funds deposited for such purpose and investment earnings, if any, thereon, and the lien of this Resolution for the benefit of such Bonds shall be discharged.

ARTICLE VII
OTHER PROVISIONS OF GENERAL APPLICATION

Section 701. Credit Enhancement. There is hereby authorized to be obtained a Municipal Bond Insurance Policy or other credit enhancement or a combination thereof to secure the payment of all or part of the Bonds, if, and provided that, it shall be determined by an Authorized Officer that such cost of such Municipal Bond Insurance Policy or other credit enhancement or a combination thereof is less than the interest rate savings therefrom or otherwise that it is in the best interest of the City. In the event a commitment for a Municipal Bond Insurance Policy is obtained or a commitment for other credit enhancement is obtained, each Authorized Officer is hereby authorized to approve the terms, perform such acts and execute such instruments that shall be required, necessary or desirable to effectuate the terms of such commitment and the transactions described therein and in this Resolution and the Sale Order provided that such terms are not materially adverse to the City.

Section 702. Approval of Other Documents and Actions; Treasury Approval. The Authorized Officers and any other officers or employees of the City are hereby authorized and directed on behalf of the City to take any and all other actions, perform any and all acts, including causing the publication of the Notice of Intent, and execute any and all documents that shall be required, necessary or desirable to implement this Resolution. The Bonds shall neither be sold nor issued unless and only so long as the issuance of the Bonds as provided herein shall have been authorized and approved in accordance with the applicable provisions of Act 34 and Act 279.

Each Authorized Officer is hereby authorized to do and perform any and all acts and things with respect to the Bonds which are necessary and appropriate, consistent with this Resolution, including to pay the related fees, if any, to the Michigan Department of Treasury (the "Department") at his or her discretion under Act 34 for an Order or Orders of Approval to issue all or a portion of the Bonds; to file applications with the Department for a waiver of the investment grade rating requirement; to enter into one or more dealer-manager agreements, remarketing agreements, indentures, letters of credit and reimbursement agreements, to seek such waivers or other Department approvals as necessary to implement the sale, delivery and security for the Bonds, and as required by the Department and Act 34; to pay any post-closing filing fees required by Act 34 to the Department or other specified agency, as a cost of issuance or from other legally available funds; to secure ratings by bond rating agencies, if cost effective; to negotiate and acquire a Municipal Bond Insurance Policy and/or other credit enhancement, if any, to further secure the Bonds or any portions thereof; to acquire an irrevocable surety bond to fulfill the City's obligation to fund any reserve account; and to incur and pay reasonable fees, costs and expenses incidental to the foregoing and other costs of issuance of the Bonds including, but not limited to fees and expenses of Bond Counsel, the Municipal Advisor, accountants and others, from Bond proceeds or other available funds, for and on behalf of the City.

Section 703. Continuing Disclosure Undertaking. If the Bonds are sold pursuant to a negotiated or public/competitive sale, or as otherwise required, the City shall enter into a continuing disclosure undertaking pursuant to Rule 15c2-12 promulgated by the Securities and Exchange Commission (the "Rule") for the benefit of the holders and beneficial owners of the Bonds as to which the Rule is applicable, as more specifically set forth in Exhibit A hereto (the "Undertaking"); provided, however, that the terms of the Undertaking are subject to completion and modification prior to delivery of the Bonds to such extent as an Authorized Officer shall deem necessary to comply with law or market requirements of the Underwriters. Each Authorized Officer is hereby authorized to execute and deliver the Undertaking after completion and modification as provided in this Resolution and the Sale Order.

Section 704. Delegation to Authorized Officers. (a) Prior to the sale date or dates for the Bonds, an Authorized Officer may cause the preparation and approve the form and distribution of necessary City disclosure for any Preliminary Official Statement or Official Statement and other offering materials to be used in conjunction with the sale or offering of the Bonds, and an Authorized Officer may deem the City's disclosure "final" for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

(b) Pursuant to the authority of Section 315(1)(d) of Act 34, each Authorized Officer is hereby authorized to make the following determinations with respect to the Bonds within the parameters of this Resolution: (i) to determine the principal amounts of the Bonds to be issued on a fixed or variable interest rate basis and tax exempt or taxable basis; (ii) to determine the interest rate provisions, tender and other requirements for Bonds issued on a variable rate basis; (iii) to negotiate the terms for the sale of the Bonds to the Underwriters or other purchasers; (iv) to cause the Preliminary Official Statement and the final Official Statement for the Bonds to be prepared and circulated; and (v) to take such other actions and make such other determinations as may be necessary to accomplish the sale and delivery of the Bonds and the transactions contemplated by this Resolution, as shall be confirmed in the Sale Order.

(c) Except as otherwise provided herein, all determinations and decisions of an Authorized Officer with respect to the issuance and sale of the Bonds as permitted or required by this Resolution shall be confirmed in a Sale Order or Sale Orders, and such confirmations shall constitute determinations that any conditions precedent to such determinations and decisions of any Authorized Officer have been fulfilled.

Section 705. Approving Legal Opinions with Respect to the Bonds. The sale of the Bonds shall be conditioned upon receiving, at the time of delivery, the approving opinion of Bond Counsel, approving legality of the Bonds and, with respect to Bonds determined by an Authorized Officer to be issued as Tax-Exempt Bonds, the exclusion from gross income of the interest paid thereon from federal and State income taxation only.

Section 706. Method of Sale; Award. (a) The Bonds shall be sold at a negotiated sale described in subsection (b) below, or shall be sold at a public sale following the publication of an Official Notice of Sale as described in (c), below, all as shall be determined by an Authorized Officer to be in the best interests of the City based on the recommendation of Bond Counsel and the Municipal Advisor.

(b) *Negotiated Sale*. In order to optimize the interest rate upon the issuance of the Bonds and in order to provide flexibility with respect to the sale date for the Bonds, the Bonds are authorized to be sold via a negotiated sale or private placement, based on recommendations of Bond Counsel and the Municipal Advisor.

(c) *Public Sale*. If an Authorized Officer, based on recommendations of Bond Counsel and the Municipal Advisor, determines that it is in the best interests of the City to sell the Bonds at a public sale, then each Authorized Officer is authorized and directed to fix the date of sale of the Bonds and to publish an Official Notice of Sale relating to the Bonds in substantially the form attached as Exhibit C (the "Official Notice of Sale"), in accordance with law, once in either The Bond Buyer or other newspaper of general circulation at least seven days prior to the date fixed for receipt of bids for the purchase of the Bonds. The Authorized Officers, and each of them individually, are hereby authorized to act for and on behalf of the City to receive bids for the purchase of the Bonds and to take all other steps necessary in connection with the sale, award and delivery thereof.

Section 707. Delivery of Bonds. Subject to the provisions of the Sale Order, each Authorized Officer is hereby authorized to deliver the Bonds to the Underwriters upon receiving the purchase price therefor in lawful money of the United States.

Section 708. Official Statement. Each Authorized Officer is hereby authorized to execute the Official Statement or other offering materials with respect to the Bonds in the form approved by an Authorized Officer with such changes as an Authorized Officer may authorize. Such Official Statement or other offering materials to be used in conjunction with the sale or offering of the Bonds are hereby authorized to be printed and used by the Underwriters in connection with the sale of the Bonds to the public. Circulation of the Preliminary Official Statement, if any, or other preliminary offering materials by the Underwriters is hereby approved.

Section 709. Appointment of Bond Counsel, Municipal Advisor; Engagement of Other Parties. The appointment of the law firm of Dykema Gossett PLLC of Lansing, Michigan, as Bond Counsel for the Bonds is hereby ratified and confirmed, notwithstanding the periodic representation by Dykema Gossett PLLC in unrelated matters of other parties and potential parties to the issuance of the Bonds. The fees and expenses of Bond Counsel and other accumulated bond-related fees and expenses shall be payable as a cost of issuance from proceeds of the Bonds or other available funds in accordance with the letter of such firm on file with the City.

The appointment of Robert W. Baird & Co. Incorporated as Municipal Advisor for the Bonds is hereby ratified and confirmed. The fees and expenses of the Municipal Advisor and other accumulated bond related fees and expenses shall be payable as a cost of issuance from proceeds of the Bonds or other available funds in accordance with the letter of such firm on file with the City.

Each Authorized Officer is hereby authorized to engage other necessary professionals as he or she deems necessary and appropriate in connection with the sale, issuance and delivery of the Bonds and to pay the fees and expenses thereof from the proceeds of the Bonds or other available funds.

Section 710. No Recourse Under Resolution. All covenants, agreements and obligations of the City contained in this Resolution shall be deemed to be the covenants, agreements and obligations of the City and not of any councilperson, member, officer or employee of the City in his or her individual capacity, and no recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this Resolution against any councilperson, member, officer or employee of the City or any person executing the Bonds in his or her official individual capacity.

Section 711. Severability. If any one or more sections, clauses or provisions of this Resolution shall be determined by a court of competent jurisdiction to be invalid or ineffective for any reason, such determination shall in no way affect the validity and effectiveness of the remaining sections, clauses and provisions hereof.

Section 712. Cover Page, Table of Contents and Article and Section Headings. The cover page, table of contents and Article and Section headings hereof are solely for convenience of reference and do not constitute a part of this Resolution, and none of them shall affect its meaning, construction or effect.

Section 713. Conflict. All resolutions or parts of resolutions or other proceedings of the City in conflict herewith shall be and the same hereby are repealed insofar as such conflict exists.

Section 714. Governing Law and Jurisdiction. This Resolution shall be governed by and construed in accordance with the laws of the State.

Section 715. Resolution and Sale Order are a Contract. The provisions of this Resolution and the Sale Order shall constitute a contract between the City, the Bondholders and the Bond Insurer, if any.

Section 716. Effective Date. This Resolution shall take effect immediately upon its adoption by the Council.

YEAS:
NAYS:
ABSTENTIONS:
ABSENT:

RESOLUTION DECLARED ADOPTED.

STATE OF MICHIGAN) ss.

COUNTIES OF INGHAM AND EATON)

I hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regularly scheduled meeting of the City Council of the City of Lansing, Michigan held on the ____ day of __________, 2022 and said resolution is on file in the office of the City of Lansing and is available to the public. Public notice of the said 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, said meeting was held in full compliance with the City's Charter. The members of the City Council present at the meeting constituted a quorum.

IN WITNESS WHEREOF, I have hereunto affixed my official signature this ____ day of __________, 2022

____
Chris Swope, City Clerk
City of Lansing, Michigan

EXHIBIT A

FORM OF CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the "Undertaking") is executed and delivered by the City of Lansing, Counties of Ingham and Eaton, State of Michigan (the "City") in connection with the issuance of its [______________________] (the "Bonds"). The City covenants and agrees for the benefit of the Bondholders, as hereinafter defined, as follows:

(a) *Definitions*. The following terms used herein shall have the following meanings:

"Audited Financial Statements" means the City's audited financial statements prepared by an individual or firm of independent certified public accountants as required by Act 2, Public Acts of Michigan, 1968, as amended, which presently requires preparation in accordance with generally accepted accounting principles.

"Bondholders" shall mean the registered owner of any Bond or any person (a) with the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bond (including any person holding a Bond through a nominee, depository or other intermediary) or (b) treated as the owner of any Bond for federal income tax purposes.

"City" means the City of Lansing, Counties of Ingham and Eaton, State of Michigan.

"Disclosure Representative" means the Finance Director of the City or her designee, or such other officer, employee, or agent as the City shall designate from time to time in writing.

"EMMA" shall mean the MSRB's Electronic Municipal Market Access System.

"MSRB" means the Municipal Securities Rulemaking Board.

"Rule" means Rule 15c2-12 promulgated by the SEC pursuant to the Securities Exchange Act of 1934, as amended.

"SEC" means the United States Securities and Exchange Commission.

"Unaudited Financial Statements" means the same as Audited Financial Statements, except that they shall not have been audited by an individual or firm of independent certified public accountants.

(b) *Continuing Disclosure*. The City hereby agrees, in accordance with the provisions of the Rule, to provide or cause to be provided to the MSRB through EMMA, on or before the last day of the sixth (6^{th}) month following the end of the fiscal year of the City, commencing with the fiscal year ended June 30, 2019, in an electronic format as prescribed by the MSRB:

(1) Certain annual financial information and operating data reasonably available to the City in form and substance similar to the information appearing in the sections or tables in the [Main Body and Appendix #] of the Official Statement relating to the Bonds as described below:

[*TO BE CONFORMED TO HEADINGS USED IN APPLICABLE OFFICIAL STATEMENT]*

a. Appendix A - GENERAL FINANCIAL INFORMATION - Property Valuations - Historical Valuation;

b. Appendix A - GENERAL FINANCIAL INFORMATION - Major Taxpayers;

c. Appendix A - GENERAL FINANCIAL INFORMATION - Tax Rates (Per $1,000 of Valuation);

d. Appendix A - GENERAL FINANCIAL INFORMATION - Tax Levies and Collections;

e. Appendix A - GENERAL FINANCIAL INFORMATION - City Income Tax;

f. Appendix A - GENERAL FINANCIAL INFORMATION - Revenues From the State of Michigan;

g. Appendix A - GENERAL FINANCIAL INFORMATION - Labor Force;

h. Appendix A - GENERAL FINANCIAL INFORMATION - Pension Fund;

i. Appendix A - GENERAL FINANCIAL INFORMATION - Debt Statement - Direct Debt; and

j. Appendix B - General Fund Budget Summary.

(2) The Audited Financial Statements. Provided, however, that if the Audited Financial Statements are not available by the date specified above, they shall be provided when available and unaudited financial statements will be filed by such date and the Audited Financial Statements will be filed as soon as available.

(3) Such additional financial information or operating data as may be determined by the City and its advisors as desirable or necessary to comply with the Rule.

Such annual financial information and operating data described above are expected to be provided directly by the City or by specific reference to other documents available to the public through EMMA or filed with the SEC, including official statements of debt issues of the City or related public entities.

If the fiscal year of the City is changed, the City shall send notice of such change to the MSRB through EMMA prior to the earlier of the ending date of the fiscal year prior to such change or the ending date of the fiscal year as changed.

(c) *Notice of Failure to Disclose*. The City agrees to provide or cause to be provided, in a timely manner, to the MSRB through EMMA, notice of a failure by the City to provide the Annual Financial Information with respect to the City described in subsection (b) above on or prior to the dates set forth in subsection (b) above.

(d) *Occurrence of Events.* The City agrees to provide or cause to be provided in a timely manner to the MSRB through EMMA, notice of the occurrence of any of the following events listed in (b)(5)(i)(C) of the Rule with respect to the Bonds, if applicable, if material (each a "Material Event"):

(1) principal and interest payment delinquencies;
(2) non-payment related defaults;
(3) unscheduled draws on debt service reserves reflecting financial difficulties;
(4) unscheduled draws on credit enhancements reflecting financial difficulties;
(5) substitution of credit or liquidity providers, or their failure to perform;
(6) adverse tax opinions or events affecting the tax-exempt status of the Bonds;
(7) modifications to rights of holders of the Bonds;
(8) Bond calls;
(9) defeasances;
(10) release, substitution, or sale of property securing repayment of the Bonds; and
(11) rating changes;
(12) bankruptcy, insolvency, receivership or similar event of the Issuer, which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer;
(13) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
(14) appointment of a successor or additional trustee or the change of name of a trustee, if material.

(15) incurrence of a financial obligation of the issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material; and

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the issuer or obligated person, any of which reflect financial difficulties.

(e) Materiality Determined Under Federal Securities Laws. The City agrees that its determination of whether any event listed in subsection (d) is material shall be made in accordance with federal securities laws.

(f) Termination of Reporting Obligation. The obligation of the City to provide Annual Financial Information and notices of Material Events, as set forth above, shall be terminated if and when the City no longer remains an “obligated person” with respect to the Bonds within the meaning of the Rule, including upon legal defeasance of all Bonds.

(g) Benefit of Bondholders. The City agrees that its undertaking pursuant to the Rule set forth in this Section is intended to be for the benefit of the Bondholders and shall be enforceable by any Bondholder; provided that, the right to enforce the provisions of this Undertaking shall be limited to a right to obtain specific enforcement of the City’s obligations hereunder and any failure by the City to comply with the provisions of this Undertaking shall not constitute a default or an event of default with respect to the Bonds or under the Resolution.

(h) Amendments to the Undertaking. Amendments may be made in the specific types of information provided or the format of the presentation of such information to the extent deemed necessary or appropriate in the judgment of the Disclosure Representative on behalf of the City, provided that the City agrees that any such amendment will be adopted procedurally and substantively in a manner consistent with the Rule, including, any interpretations thereof by the SEC, which, to the extent applicable, are incorporated herein by reference. Such interpretations currently include the requirements that (a) the amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the City or the type of activities conducted thereby, (b) the undertaking, as amended, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, and (c) the amendment does not materially impair the interests of Bondholders, as determined by parties unaffiliated with the City (such as independent legal counsel), but such interpretations may be changed in the future. If the accounting principles to be followed by the City in preparing the Audited Financial Statements are modified, the Annual Financial Information for the year in which the change is made shall present a comparison between the financial statements as prepared on the prior basis and the statements as prepared on the new basis, and otherwise shall comply with the requirements of the Rule, in order to provide information to investors to enable them to evaluate the ability of the

City to meet its obligations. A notice of the change in accounting principles shall be sent to the MSRB through EMMA.

(i) *Additional Information*. Nothing in this Undertaking shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Undertaking or any other means of communication, or including any other information in any Annual Financial Information or notice of occurrence of a Material Event, in addition to that which is required by this Undertaking.

(j) [*Municipal Advisory Council of Michigan.* The City shall also file by electronic or other means any information or notice required to be filed with the MSRB through EMMA pursuant to this Undertaking in a timely manner with the Municipal Advisory Council of Michigan.]

(k) *Governing Law*. This Undertaking shall be construed and interpreted in accordance with the laws of the State of Michigan (the "State"), and any suits and actions arising out of this Undertaking shall be instituted in a court of competent jurisdiction in the State; *provided*, that to the extent this Undertaking addresses matters of federal securities laws, including the Rule, this Undertaking shall be construed in accordance with such federal securities laws and official interpretations thereof.

IN WITNESS WHEREOF, the City has caused this Undertaking to be executed by its authorized officer.

CITY OF LANSING
Counties of Ingham and Eaton
State of Michigan

By__________________________________

Its

Dated: ____________________

EXHIBIT B
FORM NOTICE OF INTENT

NOTICE OF INTENTION OF THE CITY OF LANSING TO ISSUE GENERAL OBLIGATION CAPITAL IMPROVEMENT BONDS AND OF RIGHT TO PETITION FOR REFERENDUM THEREON

TO ALL ELECTORS AND TAXPAYERS OF THE CITY OF LANSING:

PLEASE TAKE NOTICE that the City Council of the City of Lansing, Counties of Ingham and Eaton, Michigan (the "City"), intends to issue and sell the City's General Obligation Capital Improvement Bonds, pursuant to Act 34, Public Acts of Michigan, 2001, as amended, in an aggregate principal amount not to exceed ____________________ Dollars ($__________) (the "Bonds"), for the purpose of acquiring, constructing and installing within the City certain capital improvements, including a public media and performing arts center, with parking and other necessary appurtenances and infrastructure (collectively, the "Capital Improvements").

SAID BONDS will be payable in annual installments, not to exceed thirty (30) in number, and will bear interest at the rate or rates to be determined at public or negotiated sale, but in no event shall the net interest cost exceed 6.00% per annum for Bonds issued on a tax-exempt basis or 9.00% per annum for Bonds issued on a taxable basis, with regard to the balance of the Bonds from time to time remaining unpaid. Payment of principal of and interest on the Bonds will be secured by the City's limited tax general obligation pledge as described below.

FULL FAITH AND CREDIT AND TAXING POWER OF THE CITY OF LANSING WILL BE PLEDGED

NOTICE IS FURTHER GIVEN that the Bonds will be general obligation bonds of the City. The full faith and credit of the City will be pledged to the payment of principal of and interest on the Bonds. Pursuant to such pledge of its full faith and credit, the City will be obligated to levy such ad valorem taxes upon all taxable property in the City as shall be necessary to make such payments of principal and interest, which taxes, however, will be subject to applicable statutory, constitutional and charter limitations on the taxing power of the City.

RIGHT TO PETITION FOR REFERENDUM

NOTICE IS FURTHER GIVEN to the electors and taxpayers of the City of Lansing to inform them of their right to petition for a referendum on the question of issuance of the Bonds. The City intends to issue the Bonds without a vote of the electors thereon, but the Bonds shall not be issued until 45 days after publication of this notice and until final approval by the City Council. If, within such 45-day period, a petition for referendum requesting an election on the issuance of the Bonds, signed by not less than 10% or 15,000 of the registered electors of the City, whichever is less, has been filed with the City Clerk, the Bonds shall not be issued unless and until approved by a majority of the electors of the City voting thereon at a general or special election.

This notice is given by order of the City Council. Further information may be obtained at the office of the City Clerk, 124 W. Michigan Avenue, 9th Floor, Lansing, Michigan 48933.

Chris Swope

City Clerk, City of Lansing

EXHIBIT C
FORM OF OFFICIAL NOTICE OF SALE

$__________
CITY OF LANSING

Counties of Ingham and Eaton, State of Michigan
[2022/2023] CAPITAL IMPROVEMENT BONDS
(LIMITED TAX GENERAL OBLIGATION)

BID OPENING: Bids for the purchase of the above bonds (the “Bonds”) will be publicly opened and read by an agent of the City of Lansing on [date], until [time] Eastern Time.

SEALED BIDS for the purchase of the Bonds will be received at the office of the Municipal Advisory Council of Michigan, 26211 Central Park Blvd, Ste 508, Southfield, Michigan 48076.

FAXED BIDS, signed by the bidder, may be submitted by members of the Municipal Advisory Council of Michigan to MAC at fax number (313) 963-0943 or by any bidder to the City at fax (517) [fax number], Attention: Chief Strategy and Financial Officer; provided that faxed bids must arrive before the time of sale and the bidder bears all risks of transmission failure.

ELECTRONIC BIDS: Electronic bids will be received by Bidcomp/Parity as agent of the undersigned. Further information about Bidcomp/Parity, including any fee charged, may be obtained from Bidcomp/Parity, Anthony Leyden or Client Services, 1359 Broadway, Second Floor, New York, New York 10018, (212) 849-5021. If any provision of this Official Notice of Sale shall conflict with information provided by Bidcomp/Parity, as the approved provider of electronic bidding services, this Official Notice of Sale shall control. No change of the dated date will be allowed for the computation of the winning bid.

Bidders may choose any means to present bids but a bidder may not present a bid by more than one means. The City will award or reject bids on the date of the bid opening.

BOND DETAILS: The Bonds will be registered bonds of the denomination of $5,000 or integral multiples thereof up to the amount of that maturity, originally dated as of the date of delivery thereof (currently anticipated to be [date]), and will bear interest from their date payable on November 1, ____, and semiannually thereafter.

The Bonds will mature on May 1 of each year, as follows:

YEAR PRINCIPAL AMOUNT

Year	Amount		Year	Amount

2023			2028	
2024			2029	
2025			2030	
2026			2031	
2027			2032	

[Additional years to incorporate the useful life of the Capital Improvements]

INTEREST RATE AND BIDDING DETAILS: The Bonds shall bear interest at a rate or rates such that the net interest cost shall not exceed 6.00% per annum, if issued on a tax-exempt basis, or 9.00% per annum, if issued on a taxable basis, to be fixed by the bids therefor, expressed in multiples of 1/8 or 1/20 of 1%, or both. The interest on any one Bond shall be at one rate only and all Bonds maturing in any one year must carry the same interest rate. The difference between the highest and lowest interest rate on the Bonds shall not exceed 1.00% per annum. THE INTEREST RATE BORNE BY BONDS MATURING IN ANY ONE YEAR SHALL NOT BE LESS THAN THE INTEREST RATE BORNE BY BONDS MATURING IN THE RESPECTIVE PRECEDING YEAR. No proposal for the purchase of less than all of the Bonds or at a price less than 97% or more than 120% of their par value will be considered. In submitting a bid for the Bonds, the bidder agrees to the representation of the City by Dykema Gossett PLLC as bond counsel.

TERM BOND OPTION: Bidders shall have the option of designating the Bonds as term bonds or serial bonds or both. The bid must designate whether each of the principal amounts shown above represent a serial maturity or a mandatory redemption requirement for a term bond maturity. In any event, the above principal amount schedule shall be represented by either serial bond maturities or mandatory redemption requirements, or a combination of both. Any such designation must be made at the time bids are submitted. If the term bond option is selected, then the principal amount of the term bonds of a maturity to be redeemed on the dates set forth above may be reduced by the principal amount of the term bonds of the same maturity which have been previously redeemed or called for redemption (other than as a result of a mandatory redemption) or purchased or acquired by the City and delivered to the transfer agent. The City may satisfy mandatory redemption requirements by the purchase and surrender of term bonds in lieu of the calling of such term bonds for redemption.

Notice of mandatory redemption of any Bond or portion thereof shall be given by the transfer agent at least thirty (30) days prior to the date fixed for redemption by mail to the registered owner at the registered address shown on the registration books kept by the transfer agent. No further interest on a Bond or portion thereof called for redemption shall accrue after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the transfer agent to redeem the Bond or portion thereof. In case less than the full amount of an outstanding Bond is called for redemption, the transfer agent, upon presentation of the Bond called for redemption, shall register, authenticate and deliver to the registered owner of record a new Bond in the principal amount of the portion of the original Bond not called for redemption.

[NO] OPTIONAL REDEMPTION: The bonds [are/are not] subject to optional redemption prior to maturity.

ADJUSTMENT IN PRINCIPAL AMOUNT: Following receipt of bids and prior to final award, the College reserves the right to increase or decrease the principal amount of the bonds. Such adjustment, if necessary, will be made in increments of $5,000, and may be made in one or more maturities. The purchase price will be adjusted proportionately to the adjustment in the principal amount of the bonds, but the interest rates specified by the successful bidder will not change. The successful bidder may not withdraw its bid as a result of any changes made as provided in this paragraph.

AWARD OF BONDS - TRUE INTEREST COST: The Bonds will be awarded to the bidder whose bid produces the lowest true interest cost determined in the following manner: the lowest true interest cost will be the single interest rate (compounded on May 1, 2023 and semiannually thereafter) necessary to discount the debt service payments from their respective payment date to [date], [2022/2023] in an amount equal to the price bid. [date], [2022/2023] is the anticipated date of delivery of the Bonds. In the event there is an election to exercise the Term Bond option, true interest cost shall be calculated by applying the interest rate of such Term Bonds to each mandatory sinking fund redemption for such Term Bonds.

BOOK-ENTRY-ONLY OPTION: At the option of the purchaser of the Bonds, the Bonds will be issued in book-entry-only form as one fully registered Bond per maturity and will be registered in the name of Cede & Co., as bondholder and nominee for The Depository Trust Company ("DTC"), New York, New York. If this option is selected, then an authorized agent of DTC will act as securities depository for the Bonds, purchase of the Bonds will be made in book-entry only form, in the denomination of $5,000 or any integral multiple of $5,000, and bondholders will not receive certificates representing their interest in Bonds purchased. The book-entry-only system is described further in the preliminary Official Statement for the Bonds. It will be the responsibility of the purchaser to obtain DTC eligibility. Failure of the purchaser to obtain DTC eligibility shall not constitute cause for a failure or refusal by the purchaser to accept delivery of and pay for the Bonds.

TRANSFER AGENT AND REGISTRATION: Principal and interest shall be payable to the registered owner of the Bonds at the designated office of a bank or trust company qualified to carry out such duties under the laws of the State of Michigan to be designated as transfer agent by the City. If the purchaser chooses the book-entry-only option, then as long as The Depository Trust Company or its nominee, Cede & Co., is the bondholder, payments will be made directly to DTC. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursement of such payments to the beneficial owners of the Bonds is the responsibility of the DTC Participants and Indirect Participants as described in the preliminary official statement for the Bonds. Interest shall be paid by check or draft mailed to the registered owner of record as shown on the registration books kept by the transfer agent as of the 15th day of the month prior to an interest payment date. The Bonds will be transferred only upon the registration books of the City kept by the transfer agent.

PURPOSE AND SECURITY: The Bonds are issued pursuant to Act 34, Public Acts of Michigan, 2001, as amended, and a resolution of the City Council for the purpose of acquiring, constructing and installing within the City certain capital improvements, including a public media and performing arts center, with parking and other necessary appurtenances and infrastructure. The Bonds will pledge the limited tax full faith and credit of the City for payment of the principal and interest thereon, and will be payable as a first budget obligation from the general fund of the City, and from ad valorem taxes, which may be levied against all taxable property in the City, subject to applicable constitutional, statutory, and charter tax rate limitations. The rights or remedies of bondholders may be affected by bankruptcy, insolvency, fraudulent conveyance or other laws affecting creditors' rights generally, now existing or hereafter enacted, and by the application of general principles of equity including those relating to equitable subordination.

GOOD FAITH: A good faith deposit in the form of a certified or cashier's check drawn upon an incorporated bank or trust company, or wire transfer, in the amount of $_______ payable to the order of the City Treasurer, will be required of the successful bidder. THE SUCCESSFUL BIDDER IS REQUIRED TO SUBMIT ITS GOOD FAITH DEPOSIT TO THE CITY AS INSTRUCTED BY THE CITY OR THE MUNICIPAL ADVISOR NOT LATER THAN NOON, EASTERN TIME, ON THE NEXT BUSINESS DAY FOLLOWING THE SALE. The good faith deposit will be applied to the purchase price of the Bonds. In the event the purchaser fails to honor its accepted bid, the good faith deposit will be retained by the City. No interest shall be allowed on the good faith check. The good faith check of the successful bidder will be cashed and payment for the balance of the purchase price of the Bonds shall be made at the closing.

[TAX MATTERS: In the opinion of Dykema Gossett PLLC, bond counsel, under existing law, assuming compliance with certain covenants, interest on the Bonds is excludable from gross income for federal income tax purposes as described in the opinion, and the Bonds and interest thereon are exempt from all taxation by the State of Michigan or by any taxing authority within the State of Michigan except inheritance and estate taxes and taxes on gains realized from the sale, payment or other disposition thereof.]

[NOT] BANK QUALIFIED: The Bonds have [not] been designated as qualified tax exempt obligations for purposes of deduction of interest expense by financial institutions pursuant to the Internal Revenue Code.

[ISSUE PRICE CERTIFICATE: The successful bidder will be required to furnish, prior to the delivery of the Bonds, a certificate in a form acceptable to bond counsel as to the "issue price" of the Bonds within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended. Such certificate will include (i) for those maturities where 10% of each such maturity of the Bonds has been sold to members of the general public (excluding underwriters, brokers and dealers) prior to delivery of the Bonds, the price at which the first 10% of each such maturity was sold to members of the general public, and (ii) for those maturities where 10% of such maturity has not been sold to members of the general public (excluding underwriters, brokers and dealers) prior to delivery of the

Bonds, an agreement by the successful bidder to provide bond counsel with the prices at which the first 10% of each such maturity is ultimately sold to members of the general public.]

LEGAL OPINION: Bids shall be conditioned upon the approving opinion of Dykema Gossett PLLC, attorneys of Lansing and Detroit, Michigan. The opinion will be furnished without expense to the purchaser of the Bonds at the delivery thereof. The fees of Dykema Gossett PLLC, for services rendered in connection with such approving opinion are expected to be paid from Bond proceeds. Except to the extent necessary to issue its approving opinion as to the validity of the Bonds, Dykema Gossett PLLC has not been requested to examine or review and has not examined or reviewed any financial documents, statements or materials that have been or may be furnished in connection with the authorization, issuance or marketing of the Bonds, and accordingly will not express any opinion with respect to the accuracy or completeness of any such financial documents, statements or materials.

DELIVERY OF BONDS: The City will furnish executed Bonds to be delivered at its expense to an authorized agent of DTC or such other place to be agreed upon. The usual closing documents, including a certificate that no litigation is pending affecting the issuance of the Bonds, will be delivered at the time of delivery of the Bonds. If the Bonds are not tendered for delivery by twelve o'clock noon, Eastern Time, on the 45th day following the date of sale, or the first business day thereafter if said 45th day is not a business day, the successful bidder may on that day, or any time thereafter until delivery of the Bonds, withdraw its proposal by serving notice of cancellation, in writing, on the undersigned in which event the City shall promptly return the good faith deposit. Payment for the Bonds shall be made in immediately available funds.

BOND INSURANCE AT PURCHASER'S OPTION: If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the bidder/purchaser, the purchase of any such insurance policy or the issuance of any such commitment shall be at the option and expense of the purchaser of the Bonds. Any increased costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the purchaser, except that, if the City has requested and received a rating on the Bonds from a rating agency, the City will pay for the requested rating. Any other rating agency fees shall be the responsibility of the purchaser of the insurance. FAILURE OF THE MUNICIPAL BOND INSURER TO ISSUE THE POLICY AFTER THE BONDS HAVE BEEN AWARDED TO THE PURCHASER SHALL NOT CONSTITUTE CAUSE FOR FAILURE OR REFUSAL BY THE PURCHASER TO ACCEPT DELIVERY OF THE BONDS FROM THE CITY.

CUSIP NUMBERS: CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds. The CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid for by the [City of Lansing, Michigan/purchaser of the Bonds].

OFFICIAL STATEMENT: A preliminary Official Statement that the City deems to be final as of its date, except for the omission of information permitted to be omitted by Rule 15c2-12 of the Securities and Exchange Commission, has been prepared and may be obtained from the City's Municipal Advisor, Robert W. Baird & Co. Incorporated at the address and telephone listed under MUNICIPAL ADVISOR below. The City will provide the winning bidder with a reasonable number of final Official Statements within 7 business days from the date of sale so as to permit the underwriter to comply with Rule 15c2-12. Additional copies of the Official Statement will be supplied by Robert W. Baird & Co. Incorporated upon request and agreement by the purchaser of the Bonds to pay the cost of additional copies. Requests for additional copies should be made to Robert W. Baird & Co. Incorporated within 24 hours of the date of sale.

CONTINUING DISCLOSURE: As described more fully in the Official Statement, the City will execute and deliver prior to delivery of the Bonds a written continuing disclosure undertaking in order to enable the underwriters of the Bonds to comply with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

MUNICIPAL ADVISOR: Additional information may be obtained from the City's Municipal Advisor, Robert W. Baird & Co. Incorporated, attention: Brian J. Lefler, 124 West Allegan Street, Suite 2200, Lansing, Michigan 48933, telephone (517) 371-2607.

In submitting a bid for the Bonds, the bidder represents that it is not an "Iran linked business" within the meaning of the Iran Economic Sanctions Act, Act 517 of the Public Acts of Michigan of 2012.

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.

ENVELOPES containing the bids should be plainly marked "Proposal for [2022/2023] Capital Improvement Bonds."

Chris Swope, City Clerk
City of Lansing, Michigan

076492.000040 4861-6848-7733.3

Consumers Energy
New Lansing Service Center

Brad Krabel &
Jessica Tramontana
11/14/2022

Consumers Energy
Count on Us®

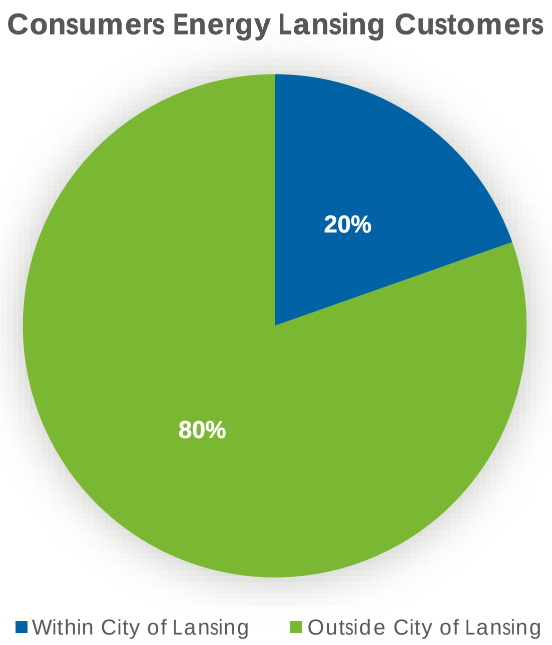
The Customers We Serve

CE serves 233,899 customers in Ingham, Eaton, and Clinton counties from the Lansing Service Center

- 43,889 customers within the City of Lansing
- 180,010 customers outside the City of Lansing

CE serves both gas and electric customers from this facility

- 98,697 customers within the electric service territory
- 125,202 customers within the gas service territory



History of Willow Street

CE PURCHASED
MANUFACTURED GAS PLANT

1925

MANUFACTURED GAS PLANT
DISMANTLED

1945 -1956

LANSING SERVICE CENTER
CONSTRUCTED

1957-1960

Decision to Move

Willow St Concerns

- Age of existing facility
- Number of needed updates
- Travel time through residential neighborhoods
- No future expansion opportunity with 20 acres

New Facility Benefits

- Improving response times for outage areas
- Easy access to expressways and customer service areas
- Opportunity for expansion with 77 acres

425 Agreement

Consumers Energy Benefits

- The 425 agreement will allow CE access to water from Lansing Board of Water and Light for the new facility in Windsor Township
- The associated 328 agreement will help offset costs of the water line extension
- CE values our relationship with the City of Lansing and looks forward to our continued partnership

City of Lansing Benefits

- Agreement will protect revenues for the City
- City of Lansing will tax real and personal property within the 425 area at the normal millage rate of 19.44 mills. (City will remit 3.8 mills to Windsor Township per 425 agreement)
- CE employees who report to the new service center in Windsor Township will continue to pay income tax to the City

Existing Lansing Service Center Redevelopment

Following new service center completion, CE will begin remediation work at Willow St.

Clean-up will take approximately 5 years after building/ grounds are vacated.

Remediation budgeted & funded by CE

CE will retain rights for gas facilities currently located on property

Redevelopment of property is subject to receiving NFA from EGLE

Redevelopment uses could include (but not limited to) Commercial Entity, Community Center or Park

CE to work with the City to explore redevelopment opportunities

RESOLUTION #___________
BY THE COMMITTEE OF THE WHOLE
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, the City of Lansing (City) and the Charter Township of Windsor (Township) are considering entry into an agreement for the conditional transfer of property pursuant to 1984 PA 425 (Act 425 Agreement) from the Township to the City; and

WHEREAS, the legal description of the property being considered for conditional transfer is:

A parcel of land in the North 1/2 of the Northwest 1/4 of Section 10, Township 3 North, Range 3 West, Windsor Township, Eaton County, Michigan described as follows: Beginning at the North 1/4 corner of said Section; thence South 00 degrees 44 minutes 21 seconds East, on the North & South 1/4 line of said Section, 1332.08 feet to the North 1/8 line of said Section; thence North 89 degrees 46 minutes 39 seconds West, on said North 1/8 line, 2646.67 feet to the West line of said Section; thence North 00 degrees 13 minutes 11 seconds West, on said West Section line, 325.28 feet; thence North 89 degrees 46 minutes 49 seconds East, perpendicular to said West Section line, 60.00 feet; thence North 00 degrees 13 minutes 11 seconds West, parallel with said West Section line, 459.79 feet to a point of curvature; thence 246.15 feet on a curve to the left, having a radius of 878.51 feet, a central angle of 16 degrees 03 minutes 13 seconds, and a long chord which bears North 08 degrees 14 minutes 47 seconds West, 245.35 feet to the beginning of an existing Limited Access Right of Way; thence North 23 degrees 05 minutes 11 seconds East, on said Limited Access Right of Way line, 127.96 feet; thence North 64 degrees 59 minutes 25 seconds East, on said Limited Access Right of Way line, 66.86 feet to the end of said Limited Access Right of Way; thence continuing North 64 degrees 59 minutes 25 seconds East, 45.87 feet to a point of curvature; thence 332.12 feet on a curve to the right, having a radius of 758.51 feet, a central angle of 25 degrees 05 minutes 15 seconds, and a long chord which bears North 77 degrees 32 minutes 03 seconds East, 329.47 feet; thence North 00 degrees 04 minutes 40 seconds East, perpendicular to the North line of said Section, 60.00 feet to said North Section line; thence South 89 degrees 55 minutes 20 seconds East, on said North Section line, 2133.55 feet to the point of beginning.

Parcel Number 080-010-100-010-01

Commonly Known as 7000 N. Canal Rd, Dimondale, MI 48821;

and

WHEREAS, the Act 425 Agreement is being considered the purpose of the transferred area development by Consumers Energy for a new service center project; and

WHEREAS, a copy of the proposed Act 425 Agreement was placed on file with the City Clerk on November 14, 2022, and is publicly available for viewing.

NOW THEREFORE BE IT RESOLVED that a public hearing be held on ___________________________, at 7:00 p.m. in the City Council Chambers, 10th Floor, Lansing City Hall, 124 W. Michigan Avenue, Lansing, Michigan.

BE IT FINALLY RESOLVED that the City Clerk give notice of he hearing as required by Public Act 425 of 1984 and in compliance with the Michigan Open Meetings Act.

RESOLUTION #__________
BY THE COMMITTEE OF THE WHOLE
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, the City of Lansing (City) and the Charter Township of Windsor (Township) are "local units" as defined by Public Act 425 of 1984, as amended, (Act 425), (MCL 124.21 et seq); and

WHEREAS, Act 425 enables two local units of government to conditionally transfer property by written agreement for the purpose of economic development projects; and

WHEREAS, the City and Township propose that certain property be conditionally transferred from the Township to the City pursuant to Act 425; and

WHEREAS, a proposed Agreement provides, among other things, for the conditional transfer of property in the Township to the City, the providing of governmental utilities and services, zoning, taxation, revenue sharing, charging for services and ordinance application and enforcement, and mutually benefits the City and Township; and

WHEREAS, a proposed draft of the Agreement was placed on file with the City Clerk on November 14, 2022; and

WHEREAS, the City held a public hearing on ________________, 20__ at the regularly scheduled Council meeting regarding the proposed Agreement, preceded by notice in accordance with the requirements of Michigan's Open Meetings Act; and

WHEREAS, the proposed Agreement has been presented to Council for review and approval;

NOW, THEREFORE, BE IT RESOLVED the City finds that the conditional transfer of property from the Township to the City pursuant to the Agreement on file with the City Clerk will provide for the division of municipal powers, functions and responsibilities to allow for the joint administration of the transferred area and will assist economic development and be beneficial to the residents of the City and the Township, and will work to prevent conditions of unemployment.

BE IT FURTHER RESOLVED, pursuant to and in compliance with Act 425, the Mayor is hereby authorized to execute the Agreement for Conditional Transfer of Property Pursuant to 1984 PA 425, subject to the City Attorney's prior approval and correction of non-material technical modifications, as necessary, for the property more particularly described as:

> A parcel of land in the North 1/2 of the Northwest 1/4 of Section 10, Township 3 North, Range 3 West, Windsor Township, Eaton County, Michigan described as follows: Beginning at the North 1/4 corner of said Section; thence South 00 degrees 44 minutes 21 seconds East, on the North & South 1/4 line of said Section, 1332.08 feet to the North 1/8 line of said Section; thence North 89 degrees 46

minutes 39 seconds West, on said North 1/8 line, 2646.67 feet to the West line of said Section; thence North 00 degrees 13 minutes 11 seconds West, on said West Section line, 325.28 feet; thence North 89 degrees 46 minutes 49 seconds East, perpendicular to said West Section line, 60.00 feet; thence North 00 degrees 13 minutes 11 seconds West, parallel with said West Section line, 459.79 feet to a point of curvature; thence 246.15 feet on a curve to the left, having a radius of 878.51 feet, a central angle of 16 degrees 03 minutes 13 seconds, and a long chord which bears North 08 degrees 14 minutes 47 seconds West, 245.35 feet to the beginning of an existing Limited Access Right of Way; thence North 23 degrees 05 minutes 11 seconds East, on said Limited Access Right of Way line, 127.96 feet; thence North 64 degrees 59 minutes 25 seconds East, on said Limited Access Right of Way line, 66.86 feet to the end of said Limited Access Right of Way; thence continuing North 64 degrees 59 minutes 25 seconds East, 45.87 feet to a point of curvature; thence 332.12 feet on a curve to the right, having a radius of 758.51 feet, a central angle of 25 degrees 05 minutes 15 seconds, and a long chord which bears North 77 degrees 32 minutes 03 seconds East, 329.47 feet; thence North 00 degrees 04 minutes 40 seconds East, perpendicular to the North line of said Section, 60.00 feet to said North Section line; thence South 89 degrees 55 minutes 20 seconds East, on said North Section line, 2133.55 feet to the point of beginning.

Parcel Number 080-010-100-010-01

Commonly Known as 7000 N. Canal Rd, Dimondale, MI 48821

AGREEMENT FOR CONDITIONAL TRANSFER

OF PROPERTY PURSUANT TO 1984 P.A. 425

This Agreement is made on the _______ day of ________, 2022, between the **CITY OF LANSING** (City), a Michigan municipal corporation, and the **CHARTER TOWNSHIP OF WINDSOR** (Township), a Michigan municipal corporation, each a "Party" and collectively, the "Parties".

Recital of Facts

The City and the Township are "local units" as defined by Public Act 425 of 1984, as amended, (Act 425), (MCL 124.21 *et seq.*). Act 425 enables two local units of government to conditionally transfer property by written agreement for the purpose of economic development projects.

The City and the Township have proposed that certain property be conditionally transferred from the Township to the City pursuant to Act 425 to promote economic development and secure certain public improvements and infrastructure necessary for the development of the properties (described in this Agreement as the "Transferred Area"), including water service to the properties included in the district for development, as set forth in this Agreement, and the Transferred Area. Pursuant to Act 425, the Township before signing this Agreement held a public hearing on _________________ regarding this Agreement, and the City Council held a public hearing on _______________ regarding this Agreement, both preceded by notice in accordance with the requirements of Michigan's Open Meetings Act. As consideration and further benefit to the City by agreeing to enter into this Agreement, the City will retain substantial revenue from the real, personal and income taxes generated from the Transferred Area. The City, through its Board of Water and Light (BWL), will further preserve its existing revenue obtained through water rates and capital charges imposed onto users of its water service.

The City and the Township find that the conditional transfer of the Transferred Area from the Township to the City pursuant to this Agreement, will assist economic development and benefit the residents of the City and the Township, including revenue that will support the economic development.

NOW THEREFORE, pursuant to Act 425, the Parties agree as follows:

ARTICLE I
DEFINITIONS AND REPRESENTATIONS

Section 1.1 **Definitions.**

A. "Agreement" means this Agreement for Conditional Transfer of Property.

B. "BWL" mean the Lansing Board of Water and Light, a City owned municipal utility supplier.

C. "Transferred Area" means that portion of the Township legally described in **Exhibit A**, containing approximately 77 acres, as depicted in **Exhibit B**.

D. "Water Service" means water production, transmission, and distribution, or any part thereof. This does not include wastewater sewage service or electric service.

Section 1.2 **Representations.** The City and the Township represent that before entering into this Agreement the following factors were considered:

A. The composition of the population; population density; land areas and land uses; assessed valuation; topography; natural boundaries and drainage basins; and past and probable future growth, including population increase and business and commercial development in the area and the comparative data for the Township and the portion of the Township remaining after the transfer of the Transferred Area.

B. The need for organized community services; the present costs and adequacy of governmental services in the Transferred Area; the practicality of supplying such services to the Transferred Area; the probable effect of the transfer and of the alternative courses of action on the costs and adequacy of services in the Transferred Area and on the remaining portion of the Township; the probable change in taxes and tax rate in the Transferred Area in relation to the benefits expected to accrue from such transfer; and the financial ability of the Township and the City to provide and maintain municipal Water Service, including supply and distribution, and other governmental services in the Transferred Area.

C. General effect upon the Parties of the transfer and the relationship of the transfer to applicable land use plans.

ARTICLE II
AREA AND JURISDICTION TRANSFERRED

Section 2.1 **<u>Conditional Transfer of Property</u>.** The Transferred Area shall be conditionally transferred from the jurisdiction of the Township to the jurisdiction of the City solely for the purposes specified in this Agreement.

Section 2.2 **<u>Jurisdiction After Reversion, Termination, Expiration, Non-Renewal, or Non-Ownership.</u>**

A. *Reversion of Transferred Area*. Upon the termination, expiration, or non-renewal of this Agreement, the Transferred Area shall for all purposes be automatically and unconditionally reverted and returned to the sole jurisdiction of the Township and shall thereafter be treated as within the corporate limits of the Township.

B. *Transfer upon Consumers' Lack of Ownership*. If Consumers Energy or its parent, subsidiary, and affiliate entities, now in existence and hereafter formed, or their corporate successors in interest (collectively referred to as "Consumers") ceases to own all of the Transferred Area, the Transferred Area shall automatically revert back to the Township and shall thereafter be treated as within the corporate limits of the Township.

C. *Transfer upon City Failure to Provide Water Service.* If the City fails to construct or authorize construction, which shall not be unreasonably withheld, delayed, or not authorized, of the infrastructure necessary to provide Water Service to the Transferred Area or fails to otherwise provide such Water Service to the Transferred Area, the Transferred Area shall automatically revert back to the Township and shall thereafter be treated as within the corporate limits of the Township.

D. *City Rights After Termination.* Regardless of the method of transfer or termination under this Agreement, nothing herein shall be considered as transferring ownership of the Water System to the Township from the ownership of the City or BWL.

E. *Continuation of Utilities*. After termination of this Agreement, the City, through its BWL, shall have the right and shall have a continued obligation to provide Water Service to the Transferred Area as permitted under this Agreement, at the City's customary rates and fees and subject to the same requirements and conditions for customers within the boundaries of the City for Water Service.

Section 2.3 **<u>Jurisdiction—Governmental Services</u>.**

A. *Transferred Area Considered within the City*. Immediately upon this Agreement becoming effective, the Transferred Area shall be treated as being within the corporate limits of the City and subject to the City ordinances, rules, and regulations enacted now and during the Term of this Agreement or any Renewal Term (as defined hereinafter) thereof as identified in Section 2.3.D of this Agreement, provided such ordinances, rules and regulations do not conflict with this Agreement. City shall be responsible for enforcing its applicable ordinances, rules, and regulations. The Township shall enforce its ordinances, rules, and regulations, which shall be under the jurisdiction of, and enforced by, the Township. Nothing in this Agreement shall be construed to limit the discretion of any police officer, fire official, or building code official with appropriate jurisdiction to enforce statutes of the State of Michigan.

i. For violations of the applicable Lansing City Code of Ordinances, venue shall be in the 54-A Judicial District Court, with any such ordinance appeal being to the Ingham County Circuit Court.

ii. For violation of the applicable Township ordinances and Michigan misdemeanors and felonies, venue shall be in the 56-A Judicial District Court and Eaton County Circuit Court.

B. *Water Distribution within the Transferred Area.* Water Service for the Transferred Area shall be provided by the City, which includes but is not limited to construction of at least a 16-inch water line to the Transferred Area. The Township consents to the use of public roads, rights-of-way and easements throughout the Township for purposes of Water Service infrastructure from the City to the Transferred Area. The Township agrees to support acquisition and/or permitting that may be needed to effectuate this provision. The Transferred Area shall be considered as being within the corporate limits and jurisdiction of the City for the purpose of constructing service lines and laterals on public property for connection with the City's water distribution system and the conduct of a Water Service utility business therein.

C. *Township Governmental Services.* In the Transferred Area, fire, ambulance and police protection and enforcement, including but not limited to the Michigan Fire Prevention Code, the Michigan Vehicle Code, and the Uniform Traffic Code; library services; zoning or planning, including but not limited to site plan review, re-zoning, zoning inspections, permits, and fees; and any other services relating to ordinances, rules, and regulations not otherwise expressly assumed in Sections 2.3(C) and (D) of this Agreement, shall be provided by and under the jurisdiction of the Township. It is further understood and agreed that authority over the grant of an electrical utility franchise and jurisdiction over electrical utility services for the Transferred Area is expressly reserved to the Township, and notwithstanding any City ordinance specified within Section 2.3(D), ordinances of the Township pertaining to electrical utility service franchise authority or jurisdiction shall solely apply to the Transferred Area. Nothing contained herein shall abrogate, limit, or impair, any franchise validly granted by the Township to BWL or Consumers for the purpose of transacting electrical utility service within the Township outside of the Transferred Area. The Township shall retain all fees pertaining to the services provided for by the Township. The Township shall also provide for wastewater collection.

D. *City Governmental Services.* In the Transferred Area, the City hereby assumes the responsibility for the administration and enforcement of only the following City Code Sections: Chapter 257 Board of Review, Chapter 297 Human Rights, Chapter 880 Taxation Generally, Chapter 882 Uniform City Income Tax, Chapter 1026 Special Assessments, and Chapter 1050 Utilities Generally, except not as to any portion of these Sections that relate to any utility service or other service or matter otherwise reserved under other jurisdictions as referenced in this Agreement.

E. *Governmental Services not Provided by the City or the Township*. Street and road maintenance and repair within the Transferred Area shall be provided by the Eaton County Road Commission. Storm water regulation and control and soil erosion and sedimentation control shall be as required by the Eaton County Drain Commissioner, consistent with properties within the Township's jurisdiction. Administration and enforcement of the State Construction Code pursuant to the Stille-DeRossett-Hale Single State Construction Code Act, Act 230 of 1972, consisting of the Michigan Building Code, the Michigan Electrical Code, the Michigan Mechanical code, and the Michigan Plumbing code (collectively the Construction Code), shall be provided by Eaton County Building and Planning Department, its successor county agency or other agency approved by the State of Michigan to administer and enforce the Construction Code within the Township's jurisdiction. The County or applicable enforcing agency shall charge, collect, and retain all fees pertaining to Construction Code inspections, reviews and approvals.

F. *No Impact on Other Agreements*. Nothing in this Section shall be construed to terminate or modify the terms of any other governmental agreement to which the City or the Township is a party.

Section 2.4 **<u>Jurisdiction—Special Assessments</u>.** The Transferred Area shall be treated as being within the corporate limits and jurisdiction of the City for purposes of special assessments except as follows:

A. No special assessments for Water Service shall be applied to the Transferred Area or services the City does not otherwise provide to the Transferred Area, except for any special assessments related to connection fees, construction costs and any other payments pursuant to Section 2.6;

B. Storm drain assessments shall be permitted only by the Eaton County Drain Commissioner; and

C. Special assessments for services provided by the Township under this Agreement and as permitted by the Township under Michigan law.

Section 2.5 **<u>City Water Service Provided</u>.**

A. *Sewage Disposal Services in the Transferred Area.* The Dimondale-Windsor Wastewater Treatment Plant shall provide sewage disposal services in the Transferred Area.

B. *New Water Services Outside of the Transferred Area.* The City agrees to provide water service connections and extensions to properties neighboring the Transferred Area from the to-be existing water distribution infrastructure constructed pursuant to this Agreement, if otherwise permitted under all applicable BWL standards, rules and regulations for Water Service and the Master Retail Water Service Agreement between the Township and the BWL. The landowner or developer of each neighboring property shall be individually responsible for the cost of service connections or extensions to their property. The City's failure to enter into a separate written agreement for extensions or service installations for neighboring properties outside of the Transferred Area upon request by the Township, landowners or developers shall not constitute a breach of this Section so long as the City acts in good-faith. If the City (including BWL) denies a request for water system connections or extensions, the Township may request and the City must provide the Township with the reason(s) for denial. The Township shall have thirty (30) days to, at its discretion, request reconsideration or otherwise respond.

C. *Rates*. All rates, tariffs, charges, and fees (collectively "rates"), not otherwise specifically specified in this Agreement, for Water Service, including hydrants, shall be calculated, levied and collected by the City (including BWL) in accordance with the rates and ordinances applicable to property in the corporate limits of the City and as may be adjusted by the City pursuant to its rate-making authority.

D. *Connection Fees.* Connection fees and capital charges for Water Service connections both within and outside the Transferred Area shall be at the rates normally charged by the City within the City and connection fees for such Services shall belong to the City and be at the rates normally charged by the City and BWL for customers within Lansing.

E. *Liens by City*. Liens for Water Service made against real property in and outside the Transferred Area may be created and remain in full force and effect as if the properties were within the corporate limits of the City.

Section 2.6 **<u>Water Service Franchise and Construction</u>.**

A. *Franchise*. The Township consents and grants the right, power and authority to the City and BWL, a municipal utility, its successors and assigns to construct, set, string, lay, operate, repair, maintain and use public water lines, consisting of pipes, valves, gauges, hydrants, and other public water appliances, on, along, over, under, through, and across Township rights of way for the purpose of providing Water Service to the Transferred Area. Provided however, that the Township shall grant written approval under Section 2.6(C) prior to doing so.

B. *Standard of Utility Construction*. All City utility infrastructure to be erected under, at, or on street crossings, highway crossings or railroad crossings shall be in full compliance as to construction as required by the laws of the State of Michigan and subject to the City's policies, procedures, and rules and regulations.

C. *Place of Utilities within Township*. The Township agrees to work cooperatively with BWL on the City's placement of any water utility infrastructure necessary for the purpose of providing Water Service to the Transferred Area, provided such placement shall be approved by the Township prior to construction.

D. *Costs.* By entering into this Agreement, the City, Township, and BWL agree that between the Parties, BWL shall be responsible for, any costs associated with the construction of infrastructure necessary for the purpose of providing Water Service to the Transferred Area as provided in this Agreement, including but not limited to the construction of at least a 16 inch water line to the Transferred Area. "Infrastructure," may include, but is not limited to water lines, pipes, valves, gauges, hydrants, water storage or re-pumping facilities, or any other public water appliance. This Section 2.6.D shall not restrict or prohibit BWL from charging Consumers or other customers in the Township BWL's customary construction costs and expenses and other payments pursuant to BWL Service Agreements for Water Extension/Service Installation, Domestic Water and Fire Service (BWL Service Installation Agreements). If Consumers and BWL do not execute BWL Service Installation Agreements, BWL will not be required to provide such services or install any Water Service.

E. *Construction Deadline.* Subject to Force Majeure, as defined in Section 6.8 of this Agreement and the execution of any applicable BWL Service Agreements, the City (through BWL) shall complete construction of infrastructure necessary for the purpose of providing Water Service to the Transferred Area and provide such Water Service to the Transferred Area within two (2) years of the Effective Date of this Agreement. The City, the Township and BWL may extend this deadline through written mutual agreement, which shall not be unreasonably withheld.

Section 2.7 **Voting.** Any qualified electors residing in the Transferred Area shall for voting purposes be considered qualified electors of the Township entitled to vote on all Township, state, and federal matters.

ARTICLE III
TAXES AND OTHER REVENUE

Section 3.1 **Taxing Jurisdiction.**

A. *Taxing of Transferred Area*. Except as otherwise provided:

i. As of the Effective Date of this Agreement and for the remaining Term of this Agreement and any Renewal Term, for the purposes of real and personal property taxation (including without limitation the granting of any exemptions under 1998 PA 328 or 1974 PA 198) and City income taxes, both corporate and individual, the Transferred Area shall be considered as being within the corporate limits and jurisdiction of the City.

ii. The assessing of real and personal property within the Transferred Area will be by the Lansing City Assessor. The Taxable Value of the Transferred Area real and personal property shall be determined by the Assessor in accordance with the tax laws and tax manuals of the State of Michigan, and property tax appeals shall be heard and decided by the Lansing Tax Board of Review. The City shall appear and defend all tax assessment appeals filed by property owners within the Transferred Area.

iii. The City shall collect all taxes on all real and personal property and income within the Transferred Area. The City may collect and retain the one percent (1%) property tax administration fee on all taxes collected for property within the district as authorized pursuant to MCL 211.44 and for income tax as authorized by statute now and in the future.

iv. The City agrees to diligently and in good faith enforce all property and income tax laws and defend against any appeals to the Michigan Tax Tribunal.

B. *Tax Abatements*. The Transferred Area may be designated by the City as an Industrial Development District pursuant to 1974 PA 198, as amended, or 1998 PA 328. The Transferred Area shall not be made part of any tax increment financing area, authority, or similar taxing jurisdiction during the Term or any Renewal Term of this Agreement. Except as otherwise provided in Section 3.2 for personal property, any tax abatements, incentives, or other similar city or statutory mechanisms that impact the collection of taxes for the City shall have no bearing on the amount of taxes due and owing to the Township under Section 3.2.

C. *Township Special Assessments*. For the purposes of any special assessment assessed by the Township pursuant this Agreement, the Township retains taxing jurisdiction and shall assess, levy, collect, and defend its own special assessments.

Section 3.2 **<u>Tax Payments to the Township</u>.**

A. *Township Tax Payments*. As of the Effective Date of this Agreement for the Term of this Agreement and any Renewal Term, the City agrees to make annual real property tax sharing payments to the Township equivalent to the tax revenue the Township would otherwise receive levying its real property millage on the Transferred Area ("Real Property Tax Payment"). In addition, the City shall make annual personal property tax sharing payments to the Township in the years personal property in the Transferred Area is not otherwise exempt from personal property taxation. The Personal Property Tax Payment shall be equivalent to the tax revenue the Township would otherwise receive levying its personal property millage on the Transferred Area ("Personal Property Tax Payment").

B. *Township Tax Payment Due Date*. The City shall pay the Township each annual Tax Payment in two equal installments, which shall be paid as follows: the first installment will be paid no later than November 30 of the tax year and the second installment will be paid no later than May 31 the following year. If the City fails to pay the Township within seven (7) days of the aforesaid dates, this Agreement may be terminated by the Township pursuant to Section 4.2(D) of this Agreement. The Township also retains all rights and recourse to seek any legal remedies regarding any unpaid balance. The Parties both acknowledge that timely payment is of the essence.

C. *No Change in Tax Payment*. The Real Property Tax Payment and Personal Property Tax Payment shall be paid to the Township annually as provided herein irrespective of nonpayment of taxes, except no Personal Property Tax Payment shall be required in the year(s) personal property is otherwise lawfully exempt from taxation. The Township agrees to not offer tax or other economic incentives to business or property owners located on the Transferred Area while under the jurisdiction of the City.

Section 3.3 **<u>Other Revenue</u>.** The Eaton County Road Commission is entitled to apply for, receive, and retain all funds paid by the state of Michigan related to public roads and rights-of-way under its jurisdiction in the Transferred Area as if the Transferred Area was within the corporate limits and jurisdiction of the Township. Any calculation or formula for receipt of such revenues shall assume the Transferred Area is within the corporate limits of the Township for such purposes.

Section 3.4 **<u>Gifts, Grants, Etc</u>.** All gifts, grants, assistance funds, bequests, or other funds from any private or public source given with respect to the services within the City's jurisdiction over the Transferred Area, and activity performed upon or within the Transferred Area within the City's jurisdiction, shall belong to the City.

ARTICLE IV
TERM AND TERMINATION

Section 4.1 **<u>Term</u>.** The term ("Term") of this Agreement shall be for twenty-five (25) years commencing January 1, 2023 following the filing with the Secretary of State in the Michigan Office of the Great Seal required by 1984 Public Act 425. The City and the Township may renew this Agreement for a second term of twenty-five (25) years (the "Renewal Term"). To be effective, the Renewal Term must be approved by the Parties in the manner provided in Section 2 of the Act; MCL 124.22. The Renewal Term shall be on the same terms and conditions as stated in this Agreement unless the Parties agree otherwise in writing in a document amending this Agreement in compliance with 1984 PA 425.

Section 4.2 **<u>Termination</u>.** This Agreement may be terminated:

A. By the expiration of the Term or Renewal Term of this Agreement; or

B. By mutual written agreement of the Parties; or

C. By operation of law should a court of competent jurisdiction order the termination of this Agreement; or

D. By a written "Notice of Material Default" provided by one Party to the other specifying a default of a material condition of this Agreement by the defaulting Party and the failure to cure such material default by the defaulting Party within forty-five days of delivery of such Notice of Material Default, except as otherwise provided within the Agreement, or

E. By either Party if Consumers (a) does not within one (1) year of the Effective Date of this Agreement become the owner of all the Transferred Area; or (b) does not within four (4) months of obtaining ownership as described in subsection (a), enter into applicable BWL Service Installation Agreements with BWL.

Section 4.3 **<u>Prohibition of Annexation</u>.** While the Agreement is in effect, the City is prohibited from annexing any portion of the Township, including but not limited to the Transferred Area, and the City shall not sponsor or encourage annexation of any portion of the Township. The Parties recognize that private individuals may have statutory rights to file for annexation. The City may, in accordance with the Freedom of Information Act, provide information to property owners or residents of the Transferred Area upon their request. The City shall have the right to participate in any legal proceedings regarding annexation brought on behalf of its property owners or residents, and to express its position upon any proposed annexation or transfer related to other areas within the Township. This Agreement shall also not set any binding precedent, policy, or custom as to whether future developments within the Township which seek water service from the City's BWL, consistent with Section 2.5(B) above, require execution of an agreement similar to this Agreement for conditional transfer of jurisdiction over the property proposed for development.

ARTICLE V
ENFORCEMENT

Section 5.1 **<u>Enforcement</u>.**

A. In the event of a dispute between the Parties arising under this Agreement, this Agreement may be enforced by either Party in an action commenced in the Eaton County Circuit Court and under Michigan law.

B. The Parties reserve the right to extend any date or deadline included in this Agreement upon mutual written agreement, except the termination date other than by a Renewal Term. This right of extension shall also be available to the Parties if the Agreement, or any part thereof, is enjoined or stayed by a court of competent jurisdiction.

ARTICLE VI
MISCELLANEOUS

Section 6.1 **<u>Employees and Liabilities</u>.** The City shall be solely responsible for the manner of employing, engaging, compensating, transferring or discharging any employees, independent contractors or other personnel with respect to the government services the City shall provide under this Agreement. The Township shall be solely responsible for the manner of employing, engaging, compensating, transferring or discharging any employees, independent contractors or other personnel with respect to the governmental services the Township shall provide under this Agreement. The City and the Township shall each be responsible for such liabilities as may be incurred through their respective provision of governmental services and other performance of this Agreement and shall respond to and provide for such potential liabilities on the same basis as the City and the Township do generally.

Section 6.2 **<u>Notices</u>.** Any notice, demand, or communication required, permitted, or desired to be given under this Agreement shall be deemed effectively given when personally delivered or mailed by first class or certified mail addressed as follows:

If to the City:	If to the Township:
City of Lansing	Windsor Charter Township

c/o City Clerk	c/o Township Clerk
124 W. Michigan Ave., 9th Fl.	405 W. Jefferson Street
Lansing, MI 48933;	Dimondale, Michigan 48821;
AND	AND
Lansing City Attorney	Windsor Charter Township Attorney
124 W. Michigan Ave., 5th Fl.	Fahey Schultz Burzych Rhodes PLC
Lansing, MI 48933	4151 Okemos Road
	Okemos, MI 48862

Any notice, demand, or communication required, permitted, or desired to be given under this Agreement shall be deemed effectively delivered on the day such notice, demand, or communication is personally delivered, or three (3) business days after such notice, demand, or communication is mailed by first class or certified mail. The Parties may, by written notice, designate any further or different address to which subsequent notices, demands, or communications may be given.

Section 6.3 **Michigan Right to Farm Act.** The Transferred Area may be located within the vicinity of farmland or a farm operation. Generally accepted agricultural and management practices which may generate noise, dust, odors, and other associated conditions may be used and are protected by the Michigan Right to Farm Act.

Section 6.4 **Governing Law.** This Agreement has been executed and delivered and it shall be interpreted, construed, and enforced pursuant to and in accordance with the laws of the State of Michigan. The venue for any litigation arising from this Agreement shall be Eaton County, Michigan. The Parties agree that this Agreement was mutually drafted and cannot be construed against either the City or the Township upon the basis that one was the scrivener of this Agreement.

Section 6.5 **Binding Effect.** This Agreement shall be binding upon the Parties hereto, their successors, and assigns.

Section 6.6 **Assignment.** No assignment of this Agreement or any of the rights and obligations thereunder shall be valid without the specific written consent of both Parties hereto.

Section 6.7 **Severability.** In the event any provision of this Agreement is held to be unenforceable or any portion of the Transferred Area is held to be invalidly transferred for any reason, the unenforceability or invalidity thereof shall not affect the remainder of this Agreement, which shall remain in full force and effect and enforceable in accordance with its terms, except, in the event this Agreement is held to be void in its entirety, the Transferred Area shall return to the Township's complete jurisdiction, except for the City's jurisdiction over the Water Service within the Transferred Area. If, because of the invalidity of any part of this Agreement, either Party determines that the purpose and intent of the Agreement has failed, the Parties shall renegotiate in good faith to amend the Agreement to make it valid and satisfactory to both Parties.

Section 6.8 **Force Majeure.** Notwithstanding anything contained in this Agreement to the contrary, each Party shall be excused from performing any obligation hereunder, and any delay in the performance of any obligation hereunder shall be excused, while and so long as the performance of the obligation is prevented, delayed or otherwise hindered by acts of God, fire, earthquake, flood, explosion, actions of the elements, epidemic, pandemic, war, riots, mob violence, or inability to procure or a general shortage of labor, equipment, facilities, materials or supplies in the open market as a result of acts of God, fire, earthquake, flood, explosion, actions of the elements, epidemic, pandemic, war, riots, mob violence, or condemnation, court orders, laws, regulations or orders of governmental or military authorities.

Section 6.9 **Articles and Other Headings.** The articles and other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 6.10 **Counterparts.** This Agreement may be executed in any number of counterparts and each such counterpart shall be considered a valid original.

Section 6.11 **Entire Agreement.** This Agreement supersedes all previous and contemporaneous contracts and constitutes the entire agreement between the Parties. Neither Party shall be entitled to benefits other than those specified in this Agreement. No oral statements or prior or contemporaneous written material not specifically incorporated or referenced herein shall be of any force and effect, and both Parties specifically acknowledge in entering into and executing this Agreement they rely solely upon the representations and agreements contained in this Agreement, and in the other contracts specified herein.

Section 6.12 **Allocation of Cost of Litigation.** In the event a lawsuit or action is filed by any citizen or governmental entity, other than the City and the Township, challenging this Agreement, the costs of defending this Agreement, including attorneys' fees, shall be borne by both Parties, provided the Township's costs shall be capped at no more than the total amount of mileage revenue that it is entitled to collect in the tax year(s) challenged and such costs are proportionally shared based on the taxes levied by the City and amount the Township is entitled to collect from the Transferred Area. If, after conclusion of the lower court proceedings, one of the Parties desires to further proceed on appeal, and the other Party declines, the Party desiring to proceed shall bear all remaining costs and attorney fees. Settlement of any dispute filed concerning this Agreement shall be approved by both the City Council and the Township Board. This allocation of cost of litigation shall not apply to a suit between the City and the Township over this Agreement, the attorney fees for which shall be the responsibility of each Party unless otherwise ordered by a court a competent of jurisdiction.

Section 6.13 **Filing and Effective Date.** In accordance with Act 425, following the execution of this Agreement by the City and the Township, a duplicate original of the Agreement shall be filed with the Clerk of Ingham County, Clerk of Eaton County, and with the Michigan Secretary of State. This Agreement, certified by the Ingham County Clerk or Secretary of State, shall be prima facie evidence of the conditional transfer of the Transferred Area. This Agreement shall be effective January 1, 2023 following the filing with the Ingham County Clerk and Secretary of State ("Effective Date").

Section 6.14 **Referendum.** If a petition signed by twenty percent (20%) or more of the registered electors residing on the Transferred Area or, if no registered electors reside therein, signed by persons owning fifty percent (50%) or more the Transferred Area is filed with the Clerk of the Township within thirty (30) days after the last of the foregoing public hearings having been held, a referendum election shall be held within the Township on whether or not the Agreement should be executed by the Township. The results of such election shall govern the execution of the Agreement by the Township. If no such petition is filed, the Agreement may be executed by the Parties thereto.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date first written above by authority of the respective City Council and Township Board.

Witnesses: **CITY OF LANSING**

_____________________________ By: ____

Andy Schor, Mayor

Witnesses: **BOARD OF WATER AND LIGHT**

____________________________________ By: ____

, Representative

Witnesses:

CHARTER TOWNSHIP OF WINDSOR

____

By: ______________________________________
, Supervisor

Approved as to form only:

I hereby certify that funds are available
in Account No. _______________________

____
Lansing City Attorney

____
Finance Director, City of Lansing

EXHIBIT A:
Legal Description of Transferred Parcel

A parcel of land in the North 1/2 of the Northwest 1/4 of Section 10, Township 3 North, Range 3 West, Windsor Township, Eaton County, Michigan described as follows: Beginning at the North 1/4 corner of said Section; thence South 00 degrees 44 minutes 21 seconds East, on the North & South 1/4 line of said Section, 1332.08 feet to the North 1/8 line of said Section; thence North 89 degrees 46 minutes 39 seconds West, on said North 1/8 line, 2646.67 feet to the West line of said Section; thence North 00 degrees 13 minutes 11 seconds West, on said West Section line, 325.28 feet; thence North 89 degrees 46 minutes 49 seconds East, perpendicular to said West Section line, 60.00 feet; thence North 00 degrees 13 minutes 11 seconds West, parallel with said West Section line, 459.79 feet to a point of curvature; thence 246.15 feet on a curve to the left, having a radius of 878.51 feet, a central angle of 16 degrees 03 minutes 13 seconds, and a long chord which bears North 08 degrees 14 minutes 47 seconds West, 245.35 feet to the beginning of an existing Limited Access Right of Way; thence North 23 degrees 05 minutes 11 seconds East, on said Limited Access Right of Way line, 127.96 feet; thence North 64 degrees 59 minutes 25 seconds East, on said Limited Access Right of Way line, 66.86 feet to the end of said Limited Access Right of Way; thence continuing North 64 degrees 59 minutes 25 seconds East, 45.87 feet to a point of curvature; thence 332.12 feet on a curve to the right, having a radius of 758.51 feet, a central angle of 25 degrees 05 minutes 15 seconds, and a long chord which bears North 77 degrees 32 minutes 03 seconds East, 329.47 feet; thence North 00 degrees 04 minutes 40 seconds East, perpendicular to the North line of said Section, 60.00 feet to said North Section line; thence South 89 degrees 55 minutes 20 seconds East, on said North Section line, 2133.55 feet to the point of beginning.

Parcel Number 080-010-100-010-01

Commonly Known as 7000 N. Canal Rd, Dimondale, MI 48821

EXHIBIT B:
Depiction of Transferred Property

Application for Fireworks Display

Instructions | **Application Information** | Display Information | Attachments | Approvals

Annual non-refundable License fee: $150.00

Application for a license required by this section shall be made in writing to the City Clerk at least 30 business days before the proposed date of the use or display unless application within a shorter period of time is approved by the Fire Marshal. Fill out and submit this form. Bring the materials listed below to the City Clerk's office to complete the application process.

Materials

1. Non-Refundable License fee of $150
2. Proof of an insurance policy naming the City as co-insured, available for the payment of any damages arising out of an act or omission of the licensee or his agents, employees, or subcontractors, covering the following: (a) At least $500,000.00 for property damage; and (b) at least $500,000.00 for injury to one person and $1,000,000.00 for injury to two or more persons resulting from the same occurrence.
3. Copies of State issued identification for each person who will operate the display.
4. If the applicant is a nonresident person, written appointment of a resident agent to serve as legal representative upon whom all process in an action or proceeding against the person may be served.

(City Codified Ordinances - Chapter 1615.01-1615-06)

http://mi-lansing.civicplus.com/171/'Business-Licenses

Applicant Information

Applicant Name* Matthew Jenca

Address*

Street Address
9700 Burmeister Rd

Address Line 2

City
Saline

State / Province / Region
MI

Postal / Zip Code
48176

Country
USA

Phone (517) 331-1171 **Email*** jenca911@gmail.com

Business Information

Business Name* ACE Pyro, LLC

Same Address as above?* ◉ Yes ○ No

Business Owner Information

Same as Applicant?* ○ Yes ◉ No

Business Owner Name* Aaron Enzer

Address*

Street Address
9700 Burmeister Rd

Address Line 2

City
Saline

State / Province / Region
MI

Postal / Zip Code
48176

Country
USA

Phone (734) 428-0900 **Email*** aaron@ace-e.com

Business Owner Date of Birth* [redacted]/1973

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Comments

Application for Fireworks Display

Instructions | Application Information | **Display Information** | Attachments | Approvals

Liability Information

Bond or Insurance (at least one required) *

☐ Bond ☑ Insurance

Insured by (Documentation Attached) *

The Partners Group Ltd

Insurance Amount * $ 10,000,000.00

Expiration Date * 11/1/2022

Event Information

Date of Display * 11/18/2022

Start Time of Display * 11:00:00 PM

Exact Location of Display *

Behind the State Capital Building at 100 N. Capital Ave in Lansing, MI

Type and Quantity of Fireworks to be used in Display *

Multiple - 2.5" - 5" Display Shells
Multiple - Multi Shot Display Cakes

Manner and location of the storage of the fireworks prior to the display *

None, fireworks product will be brought from company storage in time for display setup.

Operators

List all Persons who will Operate the Display

Name*	Age*	Description of Relevant Experience*
Matthew Jenca	[redacted]	10+ years of experience working with professional fireworks.

* Has the applicant, any person with an ownership interest in the applicant, or any person who will operate the display had any citation or conviction for, or guilty plea to, a violation of the laws of the United States, any State, or any local unit of government regulating the sale, use, or possssion of fireworks? If yes, please include details

○ Yes ◉ No

Electronic Signature Agreement*

By checking the "I agree" box below, you agree and acknowledge that 1) your application will not be signed in the sense of a traditional paper document, 2) by signing in this alternate manner, you authorize your electronic signature to be valid and binding upon you to the same force and effect as a handwritten signature, and 3) you may still be required to provide a traditional signature at a later date.

☑ I agree

Signature

I certify that neither the Applicant nor any person with ownership interest is in default to the City of Lansing. By my signature, I swear or affirm that all information provided in this application is true. I understand that a false statement on this application may result in either a denial of this application or subsequent revocation if the license is granted.

Matthew Jenca

Date Submitted 9/27/2022

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Comments

Application for Fireworks Display

Instructions | Application Information | Display Information | **Attachments** | Approvals

Attach your completed Treasury form using the **Attach** button, below. If you do not have one, you may download it **here.**

Treasury Form *

Attach

[redacted] 131.39KB

Certificate of Insurance *

Attach

[redacted] [redacted]

Insurance Endorsement Pages *

Attach

[redacted] 219.52KB

Initials

I confirm that the City of Lansing is named as an Additional Insured Party on BOTH the Insurance Endorsement AND the Certificate of Insurance documentation.

MJ

Copy of ID *

Attach

[redacted] 2.16MB

Copy of Photo ID

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Comments

Application for Fireworks Display

Instructions | Application Information | Display Information | Attachments | **Approvals**

Please choose your approval decision on the appropriate line and click **Submit**. If you deny, please provide a comment as to why.

License Desk*	(selected) Approved	Denied
Attorney	Approved	(selected) Denied
Police	(selected) Approved	Denied
Fire_Marshal	(selected) Approved	Denied
Treasury	(selected) Approved	Denied
Treasurer Approval	(selected) Approved	Denied
City Clerk	Approved	Denied

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Approvals

Please choose your approval decision on the appropriate line and click **Submit**. If you deny, please provide a comment as to why.

License Desk	(●) Approved	( ) Denied
Attorney	(●) Approved	( ) Denied
Police	(●) Approved	( ) Denied
Fire_Marshal	(●) Approved	( ) Denied
Treasury	(●) Approved	( ) Denied
Treasurer Approval	(●) Approved	( ) Denied
City Clerk*	(●) Approved	( ) Denied

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 11/2/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
The Partners Group Ltd
1111 Lake Washington Blvd N.
Suite 400
Renton WA 98056

CONTACT NAME: Janet Nau
PHONE (A/C, No, Ext): 425-455-5640 FAX (A/C, No): 425-455-6727
E-MAIL ADDRESS: jnau@tpgrp.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : James River Insurance Co	12203
INSURER B : Everest Denali Insurance Company	16044
INSURER C : AXIS Surplus Lines Insurance Company	26620
INSURER D : Arch Specialty Insurance Company	21199
INSURER E :	
INSURER F :	

INSURED 14372
Ace Pyro, LLC
13001 E. Austin Rd
Manchester MI 48158

COVERAGES **CERTIFICATE NUMBER:** 744141510 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	**GENERAL LIABILITY** X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY X PRO-JECT LOC	Y		001367790	11/1/2022	11/1/2023	EACH OCCURRENCE	$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 100,000
							MED EXP (Any one person)	$ 5,000
							PERSONAL & ADV INJURY	$ 1,000,000
							GENERAL AGGREGATE	$ 5,000,000
							PRODUCTS - COMP/OP AGG	$ 2,000,000
								$
B	**AUTOMOBILE LIABILITY** X ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS X HIRED AUTOS X NON-OWNED AUTOS			SI8CA00266221	11/1/2022	11/1/2023	COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
							BODILY INJURY (Per person)	$
							BODILY INJURY (Per accident)	$
							PROPERTY DAMAGE (Per accident)	$
								$
C	**UMBRELLA LIAB** X OCCUR X **EXCESS LIAB** CLAIMS-MADE DED RETENTION $			P00100083992002	11/1/2022	11/1/2023	EACH OCCURRENCE	$ 4,000,000
							AGGREGATE	$ 4,000,000
								$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A					WC STATU-TORY LIMITS / OTH-ER	
							E.L. EACH ACCIDENT	$
							E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$
D	Excess Liability - Occurrence			UXP104824701	11/1/2022	11/1/2023	Each Occurrence Aggregate	$5,000,000 $5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
The following are included as Additional Insured on General Liability as their interest may appear as respects operations performed by or on behalf of the Named Insured, as required by written contract:
Silver Bells in the City, LEPFA, Lansing Center, Groesbeck Golf Course, Lansing Entertainment & Public Facilities Authority, State of Michigan, City of Lansing, 124 W. Michigan Ave. Lansing, MI 48933
Event Date: 11/18/2022
Event Location: Behind the State Capital Building at 100 N. Capital Ave in Lansing, MI.

CERTIFICATE HOLDER
Silver Bells in the City
333 E. Michigan Ave.
Lansing MI 48933

CANCELLATION
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

BY THE COMMITTEE OF THE WHOLE
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, the City Clerk has forwarded an application for a City License, which has been routinely processed without objection, and is ready for final action by this Council; and,

WHEREAS, all required signatures have been obtained supporting the application for a fireworks display license.

NOW, THEREFORE, BE IT RESOLVED, the Lansing City Council, hereby, approves the application for a City License as follows:

FIREWORKS DISPLAY LICENSE:

ACE Pyro, LLC for a public display of fireworks in the City of Lansing on the West of the State Capitol Building at 100 N. Capital Ave. to be held on November 18, 2022.

INTRODUCTION OF ORDINANCE

The Committee of the Whole introduced:

> An Ordinance of the City of Lansing, Michigan to amend the Lansing Codified Ordinances by Adding Chapter 291, Sections 291.01-291.04, to establish a conflict of interest policy and regulations for U.S. Department of Housing and Urban Development (HUD) Programs and Funding; including, but not limited to, Continuum of Care (24 CFR 578.95); Emergency Services Grants (24 CFR 576.404); and CDBG (24 CFR 570.611, 24 CFR 578.95, 24 CFR 576.404); and to provide penalties for any violations of the provisions of this ordinance.

The Ordinance is read a first time by its title and referred to the Committee of the Whole.

BY THE COMMITTEE OF THE WHOLE
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Lansing that a public hearing be set for Monday, December 5, 2022 at 7:00 p.m. in the Tony Benavides Lansing City Council Chambers, Tenth Floor, Lansing City Hall, 124 West Michigan Avenue, Lansing, Michigan, for the purpose of supporting and/or opposing:

An Ordinance of the City of Lansing, Michigan to amend the Lansing Codified Ordinances by Adding Chapter 291, Sections 291.01-291.04, to establish a conflict of interest policy and regulations for U.S. Department of Housing and Urban Development (HUD) Programs and Funding; including, but not limited to, Continuum of Care (24 CFR 578.95); Emergency Services Grants (24 CFR 576.404); and CDBG (24 CFR 570.611, 24 CFR 578.95, 24 CFR 576.404); and to provide penalties for any violations of the provisions of this ordinance.

CITY OF LANSING
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a Public Hearing will be held on Monday, December 5, 2022 at 7:00 p.m. in the Tony Benavides Lansing City Council Chambers, 10th Floor Lansing City Hall, 124 W. Michigan Ave., Lansing, MI for the purpose of considering:

> An Ordinance of the City of Lansing, Michigan to amend the Lansing Codified Ordinances by Adding Chapter 291, Sections 291.01-291.04, to establish a conflict of interest policy and regulations for U.S. Department of Housing and Urban Development (HUD) Programs and Funding; including, but not limited to, Continuum of Care (24 CFR 578.95); Emergency Services Grants (24 CFR 576.404); and CDBG (24 CFR 570.611, 24 CFR 578.95, 24 CFR 576.404); and to provide penalties for any violations of the provisions of this ordinance.

Persons with disabilities who need an accommodation to fully participate in these meetings should contact the City Council Office at 517-483-4177 (TDD (517) 483-4479) 24 hour notice may be needed for certain accommodations. An attempt will be made to grant all reasonable accommodation requests.

For more information, please call 517-483-4177. If you are interested in this matter, please attend the public hearing or send a representative. Written comments will be accepted between 8 a.m. and 5 p.m. on City business days if received before 5 p.m., on the day of the Public Hearing at the City Clerk's Office, Ninth Floor, City Hall, 124 West Michigan Ave., Lansing, MI 48933 or email city.clerk@lansingmi.gov.

Chris Swope, Lansing City Clerk, MMC/MiPMC
www.lansingmi.gov/Clerk
www.facebook.com/LansingClerkSwope

September 14, 2022

ORDINANCE NO. ____________

An Ordinance of the City of Lansing, Michigan to amend the Lansing Codified Ordinances by Adding Chapter 291, Sections 291.01-291.04, to establish a conflict of interest policy and regulations for U.S. Department of Housing and Urban Development (HUD) Programs and Funding; including, but not limited to, Continuum of Care (24 CFR 578.95); Emergency Services Grants (24 CFR 576.404); and CDBG (24 CFR 570.611, 24 CFR 578.95, 24 CFR 576.404); and to provide penalties for any violations of the provisions of this ordinance.

The City of Lansing Ordains:

Section 1. That the Code of Ordinances of Lansing, MI be and is hereby amended by adding Chapter 291, Sections 291.01-291.04 and shall read as follows:

291.01 – Establishment

This Ordinance adopts a Conflict of Interest Policy, including regulations, for U.S. Housing and Urban Development (HUD) programs administered by the City of Lansing (City).The purpose of this policy is to adopt the process and regulations by which the City of Lansing ("City") administers the use of HUD funds for the administration, including financial administration, of any program established and funded by HUD, including, but not limited to, Continuum of Care, (24 CFR 578.95); Emergency Services Grants, (24CFR576.404); Community Development Block Grant (24 CFR 570.611);, and the HOME Investment Partnership Program, (24 CFR 92.356) and of 2 CFR 200.318 to prevent any real or perceived conflict of interest with regard to the use of these funds. A conflict of interest exists where there is an actual or perceived potential gain or bias by an

employee of the City. An apparent conflict of interest arises when a City employee is involved in a particular matter and the circumstances are such that a reasonable person with knowledge of the relevant facts would question the impartiality of the employee in the matter. Family member, for purposes of this policy, is defined as any person related by blood or adoption as detailed in the City Personnel Policy.

In addition, the federal procurement standards found at 2 CFR 200.318 are incorporated by reference into this policy as regulations.

(a) Conflict of Interest Application. Conflict of interest provisions are applicable to any person or entity including any benefitting business, utility provider, or other third-party entity that is receiving assistance, directly or indirectly, under a contract or award from the City pursuant to a HUD-funded activity or program, or that is required to complete some or all work under the contract that might potentially receive benefits from Lansing from the HUD-funded activity or contract.

(b) Conflicts Prohibited. Except for the use of HUD funds to pay salaries and other related administrative or personnel costs as allowable, the general rule is that no persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to HUD supported activities, or who are in a position to participate in a decision making process or to gain inside and/or confidential information with regard to such activities, may obtain a financial interest or benefit from a HUD assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a HUD assisted activity, or with respect to the proceeds of the HUD assisted activity, either for themselves or those

with who they have family or business ties and/or associations, during their tenure or for one year thereafter.

(c) Persons Covered. The conflict-of-interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient, or of any designated public agencies, or subrecipients which are receiving HUD funds. This Ordinance shall also apply to: City employees and/or their family members; to City oversight boards; subrecipients of grants and funding; and organizations that request assistance in the form of grants, payments, or loans funded by HUD and administered by the City; or other activities funded by HUD and administered through City programs.

291.02. Scope and application of this policy.

As per 24CFR 570.611 (CDBG) this Ordinance shall apply in the procurement of supplies, equipment, construction, and services by the City and its subrecipients, subgrantees and subawardees. As per 24 CFR 92.356 (HOME) this Ordinance shall apply in the procurement of property and services by the City (the Participating Jurisdiction), its subrecipients and developers. This Ordinance also applies to the procurement of goods and services under Emergency Service Grants (24CFR576.404).

In the administration and potential award of HUD funds for employees and for subrecipients, the following conflict of interest provisions shall apply:

No employee, officer, agent, consultant, or elected/appointed official of the recipient City, or of any designated public agencies, or of subrecipients that are receiving funds under any of the HUD-funded grant programs cited in this Ordinance may participate in the

selection, award, or administration of a contract or grant supported by a Federal HUD award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract or grant. The officers, employees, and agents of the non-Federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontractors or parties to subcontracts in connection with any of the programs cited in this Ordinance.

Exceptions to any of the provisions of this Ordinance can only be permitted by HUD.

291.03. Process.

Disclosure of a potential conflict of interest must be made by a City Employee, Oversight Board Member, or potential subrecipient of HUD funding before the commencement of the administration, or application for, any HUD funding whatsoever by such persons or entities or before an employee gains any financial interest in any project or contract to be assisted with HUD funds. Disclosure shall be made on the Statement of Financial Interest and Personal Interest Form described in Chapter 290.08 and shall apply to those persons covered by Chapter 291.01(c). The Statement of Financial Interest and Person Interest form shall be filed with the City Clerk who shall transmit to the City Finance Director and the City Attorney. In addition, The Finance Department and the Human Resources Department shall review each potential award, grant or contract utilizing HUD funds of any nature, including a review of: any filed Statement of Personal

Interest and Financial Interest Forms; Verification of legal status, including Articles, Bylaws, Annual Reports; Business Filings; and Officer/Director filings with regulatory agencies for potential conflicts of interest. A current Board roster signed by the Board Chair shall accompany all non-profit submissions and shall be compared with current public documents on file with the applicable regulatory agency.

291.04. Penalties.

A violation of any provision of this Ordinance shall constitute a misdemeanor and subject the offender to a $500 fine and/or 90 days imprisonment.

Section 2. All ordinances, resolutions or rules, parts of ordinances, resolutions or rules inconsistent with the provisions herein are repealed.

Section 3. Should any section, clause or phrase of this ordinance be declared to be invalid, the same shall not affect the validity of the ordinance as a whole, or any part thereof other than the part so declared to be invalid.

Section 4. This ordinance shall take effect on the 30th day after enactment, unless given immediate effect by City Council and shall expire December 31, 2031.

Approved as to form:

____

City Attorney

Dated: ____________________________

BY THE COMMITTEE OF THE WHOLE
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, City Clerk Chris Swope submitted a recommended list of dates for the Lansing City Council meetings for 2023 to the Lansing City Council; and

WHEREAS, the Committee of the Whole will meet at 5:30 p.m. or at another time or date as determined by the Council President, before all Monday Council meetings listed below; and

WHEREAS, the Committee of the Whole will meet at 5:30 p.m. on Tuesday, January 3, 2023; and

WHEREAS, the Lansing City Charter requires the City Council to meet at least 26 times each year; and

WHEREAS, the Committee of the Whole reviewed the City Clerk's recommendations for the meeting dates for 2023.

NOW, THEREFORE, BE IT RESOLVED the Lansing City Council hereby approves the Lansing City Council meeting dates for 2023 as follows:

Tuesday, January 3, 2023; Annual Organizational - 1st meeting of year
Monday, January 9, 2023
Monday, January 23, 2023
Monday, February 13, 2023
Monday, February 27, 2023; Board List - prior to first meeting in March
Monday, March 13, 2023
Monday, March 27, 2023; Mayor's Budget - on or before 4th Monday in March
Monday, April 10, 2023
Monday, April 24, 2023; Mayor's Board Appointments - prior to first meeting in May
Monday, May 8, 2023
Monday, May 15, 2023 Adopt Budget - not later than 3rd Monday in May
Monday, May 22, 2023;
Monday, June 12, 2023; Council Act on Appointments - at or before 1st meeting in June
Monday, June 26, 2023
Monday, July 10, 2023
Monday, July 24, 2023
Monday, August 14, 2023
Monday, August 28, 2023
Monday, September 11, 2023
Monday, September 18, 2023; Budget Priorities - no later than October 1
Monday, October 2, 2023
Monday, October 16, 2023
Monday, October 30, 2023
Monday, November 13, 2023
Monday, November 27, 2023

Monday, December 11, 2023

All meetings will be on Monday at 7:00 p.m. in one of the following meeting locations, the Tony Benavides Lansing City Council Chambers, 10th Floor City Hall, South Washington Office Complex, 2500 S. Washington, Lansing MI 48910 or virtual webinar. The meeting location (or, if virtual, the meeting ID and instructions for access) will be posted on the notice of the public meeting in accordance with state statute.

BY THE COMMITTEE OF THE WHOLE
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, the City of Lansing and the Capitol City Labor Program Inc., Supervisory Unit have negotiated a collective bargaining agreement (the “CBA”) for the period covering July 1, 2022 through June 30, 2026, which is summarized in the Tentative Agreement Document approved by the parties (“Tentative Agreement”) and which contains the changes to the prior CBA; and

WHEREAS, the Union membership ratified this agreement on November 13, 2022; and

WHEREAS, the Mayor recommends the CBA, as summarized in the Tentative Agreement, be approved;

NOW, THEREFORE BE IT RESOLVED, that the City Council hereby ratifies the Tentative Agreement of the parties for the CBA between the City of Lansing and the Union, Capitol City Labor Program Inc., Supervisory Unit for the period covering July 1, 2022 through June 30, 2026.