Board of Directors Meeting
Friday, February 03, 2023 – 8:30 AM
Lansing EDC Office
230 N. Washington Square, 2nd Floor Boardroom, Ste. 209
Lansing, MI 48933

AGENDA

1) Call to Order/Roll Call
2) Approval of LEDC Board Meeting Minutes – Friday, January 13, 2023
3) Update on Financials
4) LEDC Audited Financial Statements – YE June 30, 2022 (ACTION)
5) Approval of ARPA Spending Policy Resolution (ACTION)
6) Memorandum of Understanding with CIA Boards for ARPA Funds (ACTION)
7) Memorandum of Understanding - Michigan Ave. CIA Façade Program (ACTION)
8) LEED Initiative Update
9) Update on Marketing and Branding Effort
10) Projects Update
11) Open Forum for LEDC Board Members
12) Other Business
13) Public Comment
14) Adjournment

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

Board of Directors Meeting

Friday, January 13, 2023 – 8:30 AM

Lansing EDC Office - 230 N. Washington Sq., Lansing, MI 48933

MINUTES

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

Members Absent: Shelley Davis Boyd, Michael McKissic

Staff Present: Karl Dorshimer, Kris Klein, Brandy Standler, Aurelius Christian, Simon Verghese

Guests: Julie, Durham (Public Sector Consultant), Peter Dewan (Lyman & Sheets Insurance Agency)

Call to Order/Roll Call

Chair Binoniemi called the Lansing Economic Development Corporation meeting to order at 8:33 AM.

Approval of LEDC Board Meeting Minutes – Friday December 16, 2022 (ACTION)

MOTION: Member McGrain moved to approve the LEDC meeting minutes from the Friday, December 16, 2022, Board of Directors meeting, as presented. Motion seconded by member Jones.

YEAS: Unanimous, motion carried.

Update on Financials
Nelson updated the board concerning regular increases on expenses.

Update on Insurance Coverage
Guest Peter Dewan (Lyman & Sheets) addressed the board regarding General Liability policy (Auto Owners) (on premise property damage and personal injury), workers comp coverage (Accident Fund). Directors and Officers policy covers any wrongful act by. Employment practices liability (typical claims employee discrimination, etc.). Professional liability policy (somewhat miscellaneous) designed due to complexity. Cyber-crime insurance is recommended as it can incur large losses.

ERRD Final Report and Approval of Performance Funding (ACTION)
Economic Resources Refunding Developer. Contacted with Public Sector Consultants. $100,000 agreement. Report provided by Julie Durham of PSC. Grants were sought and awarded for the improvements at the Capital Regional Airport plus $5 million for the Ovation project.

<u>MOTION</u>: Moved by member Jones to issue the performance payment to Public Sector Consultants. Supported by member Dr. Alane Laws-Barker.

<u>YEAS</u>: Unanimous, motion carried. Member McGrain abstained.

Approval to Open Bank Account for ARPA Contract Funds (ACTION)
Standler asked for the approval for President and CEO Karl Dorshimer to open a new account with PNC bank for the purpose of maintaining a segregation of funds for the ARPA funds deposit.

<u>MOTION</u>: Moved by member Rathbun to approve President and CEO Karl Dorshimer the opening of a bank account for ARPA Contract funds. Supported by member Dr. Alane Laws-Barker

<u>YEAS</u>: Unanimous, motion carried.

LEED Initiative Update
Christian discussed the Enhanced One and All Program as well as the Façade Program.

Update on Marketing and Branding Effort
Dorshimer discussed the M3 schedule and the status of the project.

Projects Update

Klein discussed the status of projects. Mentioned that the annual report is in process. Lansing Shuffle is close to opening. Hall 224 work continues with hopeful opening in April. Moneyball project construction is underway. Pedway is getting close to completion. Stadium North Lofts was now underway. N. Grand Gateway CIA is getting some traction. CEDUM fellow application was submitted and LEDC was selected. Discussion.

Approval of 2023 LEDC/LBRA/TIFA Board Meeting Schedule (ACTION)

MOTION: Moved by member McGrain to approve the FY2022/2023 2023 LEDC/LBRA/TIFA Board Meeting Schedule. Supported by member Rathbun.

YEAS: Unanimous, motion carried.

2023 Election of Officers (ACTION)

Klein revealed the slate of officers. It was presented that Jones was nominated at Chair, Shelley Davis Boyd as Vice Chair, and Dr. Alane Laws-Barker as Secretary. Special board election can take place when/if there is a need to elect a Treasurer. Discussion took place regarding the treasurer position. Member Rathbun nominated herself for the position of Treasurer. With the addition of Member Rathbun as Treasurer the Board Slate of Officers as complete.

Member McGrain moved approval of the full slate of directors. Motion supported by member Sutton.

YEAS: Unanimous, motion carried.

Open Forum for LEDC Board Members

Member McGrain thanked Chair Binoniemi the staff, and the board. Member Jones followed suit in thanking the Chair, board members, and staff.

Other Business

None

Public Comment

None

Adjournment

Chair Binoniemi called the Lansing Economic Development Corporation meeting to adjournment at 10:01 AM.

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Karl Dorshimer, President, and CEO
Lansing Economic Development Corporation (LEDC)

MEMORANDUM OF UNDERSTANDING
BETWEEN
LANSING ECONOMIC DEVELOPMENT CORPORATION
AND
_______________________ CORRIDOR IMPROVEMENT AUTHORITY
FOR POTENTIAL SUBAWARD GRANTS UNDER THE
AMERICAN RESCUE PLAN ACT

THIS MEMORANDUM OF UNDERSTANDING (this "MOU") is entered into between the **Lansing Economic Development Corporation** (the "LEDC") and the _______________________ Corridor Improvement Authority (the "Authority"), which is a corridor improvement authority created under the Recodified Tax Increment Financing Act, P.A. 57 of 2018 (the "Act").

> **WHEREAS,** the LEDC has entered into a subrecipient grant agreement with the City of Lansing (the "City Contract") under the City of Lansing's agreement with the U.S. Department of Treasury for the execution of projects and activities under the American Rescue Plan Act and its implementing regulations, **31 CFR Part 35** ("ARPA");
>
> **WHEREAS**, the City Contract awarded ARPA program funds to the LEDC for subaward grants and use in approved ARPA categories (the "ARPA Funding");
>
> **WHEREAS,** the City of Lansing and LEDC have allocated $100,000 of the ARPA Funding for potential subaward grants to the Authority (the "Potential ARPA Financing") to finance one or more development programs within the Authority's development area that are eligible for ARPA Financing (an "Eligible Project"); and
>
> **WHEREAS,** the LEDC and Authority enter into this MOU to guide the process for identifying, approving, contracting, and financing Eligible Projects from the Potential ARPA Financing;

NOW, THEREFORE, the parties agree to the following:

I. Eligible Projects

To be eligible for a subaward grant from the Potential ARPA Financing, an Eligible Project must: (a) be approved by the Authority and satisfy the requirements of the Act and the other relevant requirements that apply to the Authority's development projects, (b) be eligible for ARPA Funding, and (c) be approved by the LEDC and, if required, the City of Lansing. ARPA Financing will also be subject to the other requirements of the City Contract and ARPA, including that all expenditures associate with an Eligible Project must be expended or incurred and encumbered by December 31, 2024, and that the LEDC may require that the Authority maintain certain minimum insurance coverages naming the LEDC as an additional insured.

II. Grant Application

The Authority will propose Eligible Projects for evaluation by the LEDC. The Authority will provide a budget as well as all information and documentation regarding the proposed project that the LEDC requests. The LEDC will provide feedback to the Authority on each proposed project and its budget, including whether the project is likely to qualify as an Eligible Project and receive approval for ARPA Funding. The parties will collaborate to determine the Eligible Projects to be submitted for approval for Potential ARPA Financing and the application contents. Before submitting an application for an Eligible Project, the Authority's Board must have approved the Eligible Project for submission and confirmed that the Eligible Project will satisfy the requirements of the Act and other applicable requirements. The LEDC will direct the Authority regarding the required form and necessary supporting documentation for each application for ARPA Funding, and may require that the Authority revise or supplement an application. The authority's applications for Potential ARPA Financing must be received by the LEDC in final form by _____________, 2023.

III. Approval and Documentation

An Eligible Project and its ARPA Financing will require formal approval by the LEDC's Board, and may require the approval of the City of Lansing. Each body retains discretion to approve or reject an application for any reason. Following approval, the LEDC will provide a Subrecipient Grant Agreement for review and execution between the LEDC and the Authority. The Subrecipient Grant Agreement will pass-through all of the applicable requirements of ARPA and the City Contract, and will otherwise including all requirements applicable to the ARPA Financing and include other provisions required by the LEDC and the City of Lansing. ARPA Financing will be distributed on a reimbursement basis, unless the Subrecipient Grant Agreement provides otherwise.

IV. LEDC Support

The LEDC intends to support the Authority's selection of Eligible Projects, application for Potential ARPA Financing, administration of Eligible Projects, and compliance with the recordkeeping, reporting, close-out, and other requirements of ARPA Funding and the Subrecipient Grant Agreement, in each case as requested and necessary. The parties will estimate the LEDC's expected out-of-pocket costs and overhead allocated to this support, and evaluate whether to provide for their reimbursement in the Subrecipient Grant Agreement.

V. Termination

Either the LEDC or the Authority may terminate this MOU at any time as to Potential ARPA Financing that is not subject to a Subrecipient Grant Agreement. This MOU will be superseded by an executed Subrecipient Grant Agreement to the extent of the Potential ARPA Financing approved in it. This MOU will expire as to Potential ARPA Financing that is not subject to a final application by the deadline above or that is subject to an application that is denied after that deadline.

VI. Miscellaneous

This MOU expresses the parties' intent for Potential ARPA Financing, but is not legally binding. The parties will not have legally binding obligations with respect to an Eligible Project or its ARPA Funding until the LEDC and the Authority execute a Subrecipient Grant Agreement with respect to it. This MOU will be interpreted and governed under the laws of the State of Michigan and applicable federal law. Any litigation with respect to this Agreement must be brought before a court in Lansing, Michigan. This MOU is not assignable, and may not be amended except in a writing signed by both parties. This MOU may be executed in counterpart, including by electronic transmission, and the counterparts will constitute a single original document when combined.

_______________________ CORRIDOR IMPROVEMENT AUTHORITY

Signature: _________________________________ Date: ____________________

Signatory Name and Title: ____

LANSING ECONOMIC DEVELOPMENT CORPORATION

Signature: _________________________________ Date: ____________________

Signatory Name and Title: ____

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

At a scheduled meeting of the Board of Directors of the Economic Development Corporation of the City of Lansing held on Friday, February 3, 2023 at 8:30 a.m., pursuant to notice duly given:

PRESENT: Members:

ABSENT: Members:

The following preamble and resolution was offered by;

Member: , and seconded by:

Member:

WHEREAS, the City of Lansing has received an allocation of Coronavirus State and Local Fiscal Recovery Funds under the American Rescue Plan Act (ARPA), to support local response efforts and recovery from the COVID-19 public health emergency; and

WHEREAS, ARPA allocations may be used to fund certain programs and activities that address the negative economic impacts or disproportionate impacts of the pandemic; and

WHEREAS, on July 25, 2022, the Lansing City Council designated the use of its ARPA allocation including an award of $2,675,000 (“ARPA Funds”) to the Lansing Economic Development Corporation (“LEDC”) for programming including the LEED Initiative, façade improvement grants, Corridor Improvement Authority support, and LEDC conversion and start-up; and

WHEREAS, on December 16, 2022, LEDC Board approved entering into a Sub-Recipient Agreement (“Agreement”) with the City of Lansing Finance Department in the amount of $2,675,000 for the purpose of implementing the aforementioned programming and activities; and

WHEREAS, per the Agreement $400,000 of the ARPA Funds awarded to the LEDC are to be utilized in equal portions of $100,000 each by the four existing Corridor Improvement Authorities (CIAs) in the City of Lansing, which are Michigan Avenue CIA, Saginaw Street CIA, S. Martin Luther King Junior Blvd. CIA, and Lansing Gateway/N. Grand River CIA, for the purpose of funding efforts allowable under ARPA that support the objectives and functions of each CIA; and

WHEREAS, the LEDC and CIAs acknowledge the need to establish procedures for identifying, approving, contracting, and financing eligible uses of the ARPA Funds allocated to each CIA.

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

1. Lansing Economic Development Corporation ("LEDC") approves entering into a Memorandum of Understanding ("MOU") with each of the four existing Corridor Improvement Authorities (CIAs) in the City of Lansing, which are Michigan Avenue CIA, Saginaw Street CIA, S. Martin Luther King Junior Blvd. CIA, and Lansing Gateway/N. Grand River CIA to establish procedures for use of ARPA Funding.

2. The LEDC Board directs its Chair, legal counsel, and authorized representative(s) to finalize the MOU to the satisfaction of the LEDC Chair.

3. The LEDC Board further Directs its Chair to execute the final MOU on the Corporation's behalf, once each Corridor Improvement Authority Board has approved entering into the MOU and has provided an executed copy of the MOU.

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

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

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

YEAS:

NAYS:

ABSTENTIONS:

ABSENT:

PREAMBLE AND RESOLUTIONS DECLARED ADOPTED.

STATE OF MICHIGAN)
) ss.
COUNTY OF INGHAM)

I hereby certify that the foregoing is a true and a complete copy of a preamble and resolutions adopted at a re-scheduled meeting of the Economic Development Corporation of the City of Lansing held on the 3rd day of February 2023, and said preamble and resolutions are on file in the office of the Economic Development Corporation of the City of Lansing and are available to the public. Public notice of the meeting was given pursuant to and in compliance with Act No. 267, Public Acts of Michigan 1976, including in the case of a special or re-scheduled meeting, notice by publication or posting of at least eighteen (18) hours prior to the time set for the meeting. In addition, the meeting was held in full compliance with the Board's By-Laws.

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

____
Calvin L. Jones, Chair
LEDC Board of Directors

Lansing Economic Development Corporation
Office: 230 N. Washington Sq. Ste. 210, Lansing, MI 48933
Mailing Address: PO Box 15157, Lansing MI, 48901-5157

LEED Initiative Spending Policy

The guidelines below will be used to guide how and in what way the funds received from the allocation of Coronavirus State and Local Fiscal Recovery Funds under the American Rescue Plan Act (ARPA) from the City of Lansing that are programmed for the LEED Initiative will be spent. The policy is in line with requirements of the American Rescue Plan Act (ARPA), 31 CFR Part 35.

For Program Expenses up to $10,000:

1. The Program Administrator may authorize purchases except if the purchase item exceeds the budget line item, which then requires a majority vote of approval from the Lansing EDC LEED Committee to proceed.

For Program Expenses $10,000 & Over:

1. The LEED Committee at its' discretion, may request the Program Manager to seek formal written Bids and/or issue a Request for Qualifications and Proposals ensuring compliance with the City of Lansing's procurement procedures.
2. The Program Administrator has discretion to approve expenses and procure services under the ARPA Programming with review from the LEED Committee. A majority vote of approval from committee members is required to proceed.

For Program Budget Line Item Adjustments

1. The Program Administrator may authorize adjustments to the budgeted line items up to $10,000.
2. Budget line item adjustments of $10,000 & over require a majority vote of approval from LEED Committee members.

The LEED Committee may request the Program Administrator to present program expenses to the LEDC Board for approval in cases where the LEED Committee desires additional consideration.

Process for Payment

1. The Lansing EDC Board of Directors grants the authority for the Program Administrator to pay for services and other expenses associated with the LEED Initiative directly from the dedicated account.

2. A payment request will be issued by the Program Manager to the Finance Official for review.
3. Upon review, the Finance Official will submit the payment request to the Program Administrator for authorization of payment.
4. The Finance Official will then issue payment of the approved expense.

ECONOMIC DEVELOPMENT CORPORATION
OF THE CITY OF LANSING
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ABSENT: Members:

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Member: , and seconded by:

Member:

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WHEREAS, ARPA allocations may be used to fund certain programs and activities that address the negative economic impacts or disproportionate impacts of the pandemic; and

WHEREAS, on July 25, 2022, the Lansing City Council designated the use of its ARPA allocation including an award of $2,675,000 (“ARPA Funds”) to the Lansing Economic Development Corporation (“LEDC”) for programming including the LEED Initiative, façade improvement grants, Corridor Improvement Authority support, and LEDC conversion and start-up; and

WHEREAS, on December 16, 2022, LEDC Board approved entering into a Sub-Recipient Agreement (“Agreement”) with the City of Lansing Finance Department in the amount of $2,675,000 for the purpose of implementing the aforementioned programming and activities; and

WHEREAS, the LEDC acknowledges the need to establish policy and procedures that govern the expending of ARPA Funds for the purpose of implementing the LEED Initiative; and

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

1. Lansing Economic Development Corporation (“LEDC”) Lansing Economic Development Corporation (LEDC) approves the ARPA Spending Policy (“Policy”).

2. The LEDC Board authorizes the Board Chair to create a LEED Committee (Committee) and select individuals to serve on the Committee, which shall be comprised of three (3) LEDC Board Members and two (2) or more members representing the City of Lansing’s BIPOC-owned business community.

3. The LEDC Board directs the Committee to supervise the development of programming for the LEED Initiative, review and evaluate service proposals and grant applications, and to make final selections of grant recipients and service providers.

4. The LEDC Board authorizes the LEDC President & CEO to negotiate and enter into any Service Agreements or Grant Agreements with selected parties as directed by the Committee on the LEDC’s behalf.

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

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

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

YEAS:

NAYS:

ABSTENTIONS:

ABSENT:

PREAMBLE AND RESOLUTIONS DECLARED ADOPTED.

STATE OF MICHIGAN)
) ss.
COUNTY OF INGHAM)

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

Calvin L. Jones, Chair
LEDC Board of Directors