



**Lansing Economic
Development Corporation**

Board of Directors Meeting

Friday, July 12, 2024 – 8:30 AM

Grewal Hall 224 – 224 South Washington Sq. Lansing, MI 48933

AGENDA

- 1) Call to Order
- 2) Approval of LEDC Board Meeting Minutes – Friday, June 07, 2024
- 3) Financial Update
- 4) EGLE Environmental Justice Impact Grant Application (ACTION)
- 5) LEED Initiative: Developer Diversification Technical Assistance Provider
- 6) Corridor Updates
- 7) Project Updates
- 8) Operations Update
- 9) Open Forum for LEDC Board Members
- 10) Other Business
- 11) Public Comment
- 12) Adjournment



Lansing Economic Development Corporation

Board of Directors Meeting

Friday, June 07, 2024 - 8:30 AM

LEDC Office – 401 South Washington Sq. Ste. 101, Lansing, MI 48933

MINUTES

Members Present: Chair - Shelley Davis Boyd, Vice-Chair - Calvin Jones,
Treasurer - Catherine Rathbun, Secretary - Dr. Alane Laws-
Barker, Chaz Carrillo, Sandra Lupien, Rawley Van Fossen

Members Absent: Jordan Sutton, Michael McKissic

Staff Present: Karl Dorshimer, Kris Klein, Brandy Standler, Aurelius
Christian, Alex Watkins, and Chelsea Dowler

Guests:

1) Call to Order/Roll Call

Chair Davis Boyd called the Lansing Economic Development Corporation meeting to order at 8:34 AM.

2) Approval of LEDC Board Meeting Minutes – Friday, May 03, 2024 (ACTION)

MOTION: Member Jones moved to approve the LEDC meeting minutes from the Friday, May 03, 2024, Board of Directors meeting, as presented. Motion seconded by member Carrillo.

YEAS: Unanimous, motion carried.

3) Financial Update

Standler presented the most recent Lansing EDC financial report

4) FY2024/2025 City of Lansing Economic Development Contract (ACTION)

Two continuing annual contracts with the City of Lansing were presented by Kris Klien for consideration: Economic Development services for \$300,00 and Façade Improvement Program

The Lansing EDC's Mission is to improve the Lansing community by fostering economic growth that is strategic, sustainable and equitable.

for \$175,000. Klien commented that the language in each contract was the same as the current contracts.

MOTION: Member Lupien moved to approve the FY2024/2025 City of Lansing Economic Development Contract, as presented. Motion seconded by member Rathbun.

Member Van Fossen recused himself from the vote as the funds flow through his Department at the City.

YEAS: Unanimous, motion carried.

5) FY2024/2025 City of Lansing Façade Program Contract (ACTION)

MOTION: Member Dr. Laws-Barker moved to approve the FY2024/2025 City of Lansing Façade Program Contract, as presented. Motion seconded by member Carrillo.

Member Van Fossen recused himself from the vote as the funds flow through his Department at the City.

YEAS: Unanimous, motion carried.

6) Approval of FY2023/2024 LEDC Budget Amendment (ACTION)
Attached Amended FY2023/2024 LEDC Budget - Highlighted in Orange

Klein covered notable differences in several budget categories that varied based on projections and actual expenses / anticipated expenses through the end of the fiscal year. Those differences such as increases in Brownfield and TIFA admin, interest income were discussed as well as variations in increases and decreases in a few expenses.

MOTION: Member Van Fossen moved to approve the FY2023/2024 LEDC Budget Amendment, as presented. Motion seconded by member Carrillo.

YEAS: Unanimous, motion carried.

7) Approval of FY2024/2025 LEDC Budget (ACTION)
Attached Proposed FY2024/2025 LEDC Budget- Highlighted in Blue

Klein presented the FY 2024/2025 proposed budget.

Increases are anticipated in Brownfield and TIFA admin. There will also be income increases with the SSRP Grant acceptance and decreases projected from annual issuer's fees and interest income. Expense projections include inflationary increases in several categories as well as payroll and benefits, marketing and promotions. Decreases are expected in rent expense and equipment and services.

MOTION: Member Jones moved to approve the FY2024/2025 LEDC Budget, as presented. Motion seconded by member Lupien.

YEAS: Unanimous, motion carried.

Operations Update

Dorshimer informed the board that candidate interviews will begin next week for the Economic Development Finance Specialist open position. Discussion took place regarding a marketing and communications position that will recruited for in approximately six months.

Open Forum for LEDC Board Members

Member Rathbun invited the board to an evening social event at her home. Dorshimer mentioned that printed copies of the Lansing EDC 2023 Annual Report were available to Board members and other interested parties. Dorshimer discussed the potential sale and development of the existing City Hall property.

Other Business

None.

Public Comment

None.

Adjournment

Chair Davis Boyd called the Lansing Economic Development Corporation meeting to adjournment at 9:27 AM.



Karl Dorshimer, President, and CEO

Lansing Economic Development Corporation (LEDC)

Lansing Economic Development Corporation

Statement of Activities - Actual vs. Budget

	Jul '23 - May 24	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
40000 · Contract Income				
40010 · Brownfield Admin	272,633.91	275,594.00	-2,960.09	98.9%
40020 · City of Lansing Contract	300,000.00	300,000.00	0.00	100.0%
40040 · Annual Issuer's Fees	6,293.75	142,944.00	-136,650.25	4.4%
40050 · TIFA Admin	344,060.11	259,182.00	84,878.11	132.7%
40070 · Fund Balance	0.00	31,371.00	-31,371.00	0.0%
40075 · Placemaking-CEDAM	10,000.00	0.00	10,000.00	100.0%
40080 · Facade Grant Contract	175,000.00	175,000.00	0.00	100.0%
40088 · ARPA Contract City of Lansing				
40088.1 · ARPA - Grant Contract	262,020.28	0.00	262,020.28	100.0%
Total 40088 · ARPA Contract City of Lansing	262,020.28	0.00	262,020.28	100.0%
40090 · EGLE Allen Place-Grant Contract				
40090.1 · EGLE Allen Place Grant Contract	1,790.00	0.00	1,790.00	100.0%
40090.2 · EGLE Allen Place Grant Admin.	4,276.23			
Total 40090 · EGLE Allen Place-Grant Contract	6,066.23	0.00	6,066.23	100.0%
Total 40000 · Contract Income	1,376,074.28	1,184,091.00	191,983.28	116.2%
41000 · Loan Interest				
41091 · The 517 Coffee Company Interest	541.15	0.00	541.15	100.0%
41093 · Sweet Encounter Bakery Cafe Int	477.61	0.00	477.61	100.0%
41094 · Irie Smoke Shack-Interest	644.15	0.00	644.15	100.0%
41095 · RBM Properties Interest	4,355.93	0.00	4,355.93	100.0%
41096 · Osteria Vegana Lansing LLC	313.97	0.00	313.97	100.0%
41000 · Loan Interest - Other	0.00	8,169.00	-8,169.00	0.0%
Total 41000 · Loan Interest	6,332.81	8,169.00	-1,836.19	77.5%
42000 · Investments				
42010 · Interest-Savings, Short-term CD	88,603.13	3,000.00	85,603.13	2,953.4%
Total 42000 · Investments	88,603.13	3,000.00	85,603.13	2,953.4%
43000 · Other Types of Income				
43010 · Miscellaneous Revenue	1,667.61	5,000.00	-3,332.39	33.4%
43037 · Application Fees	15,500.00	20,000.00	-4,500.00	77.5%
Total 43000 · Other Types of Income	17,167.61	25,000.00	-7,832.39	68.7%
Total Income	1,488,177.83	1,220,260.00	267,917.83	122.0%
Gross Profit	1,488,177.83	1,220,260.00	267,917.83	122.0%
Expense				
61000 · Contract Services				
61010 · Accounting Fees	41,440.00	0.00	41,440.00	100.0%
61015 · Payroll Fees	2,862.96	0.00	2,862.96	100.0%
61020 · Legal Fees	830.00	0.00	830.00	100.0%
61030 · Outside Contract Services	28,615.72	0.00	28,615.72	100.0%
61000 · Contract Services - Other	0.00	103,636.00	-103,636.00	0.0%
Total 61000 · Contract Services	73,748.68	103,636.00	-29,887.32	71.2%
62000 · Facilities and Equipment				
62010 · Depreciation	10,008.27	0.00	10,008.27	100.0%
62020 · Office Expense	8,858.41	130,466.00	-121,607.59	6.8%
62025 · Equipment	10,574.23	0.00	10,574.23	100.0%
62045 · Utilities	4,739.84	8,718.00	-3,978.16	54.4%
62050 · Rent	58,274.41	51,732.00	6,542.41	112.6%
62055 · Software Subscriptions	10,249.92	0.00	10,249.92	100.0%
62060 · Telephone/Communications	7,013.20	0.00	7,013.20	100.0%
Total 62000 · Facilities and Equipment	109,718.28	190,916.00	-81,197.72	57.5%
63000 · Development				
63050 · Insurance & Bonds	14,488.84	15,462.00	-973.16	93.7%
63055 · Marketing & Promotions	4,124.33	20,000.00	-15,875.67	20.6%
63056 · Travel & Conferences & Training	15,976.79	20,000.00	-4,023.21	79.9%

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

Lansing Economic Development Corporation

Statement of Activities - Actual vs. Budget

	Jul '23 - May 24	Budget	\$ Over Budget	% of Budget
63060 · Operating Expense	8,701.59	4,000.00	4,701.59	217.5%
63080 · Bank Fees	1,254.10	1,200.00	54.10	104.5%
63081 · Bank Fees-2575	280.00	0.00	280.00	100.0%
Total 63000 · Development	44,825.65	60,662.00	-15,836.35	73.9%
65000 · Grant and Program Expenses				
65020 · Facade Grants	93,197.00	175,000.00	-81,803.00	53.3%
65025 · EGLE Allen Place Grant Contract	6,066.23	0.00	6,066.23	100.0%
65088 · ARPA Grant				
65088.1 · ARPA LEED Initiative	161,952.20	0.00	161,952.20	100.0%
65088.2 · ARPA CIA Allocations	18,860.00	0.00	18,860.00	100.0%
65088.3 · ARPA Facade Program	20,000.00	0.00	20,000.00	100.0%
65088.4 · ARPA - LEDC Conversion/Start Up	2,000.00	0.00	2,000.00	100.0%
Total 65088 · ARPA Grant	202,812.20	0.00	202,812.20	100.0%
65095 · Placemaking - CEDAM Exp.	5,500.00	0.00	5,500.00	100.0%
Total 65000 · Grant and Program Expenses	307,575.43	175,000.00	132,575.43	175.8%
66000 · Payroll & Empl Benefit Expenses				
66100 · Payroll Expenses				
66110 · Salaries - Staff	416,306.26	0.00	416,306.26	100.0%
66120 · Taxes-FICA	31,582.59	0.00	31,582.59	100.0%
66125 · Taxes-unemployment	1,913.67	0.00	1,913.67	100.0%
66100 · Payroll Expenses - Other	0.00	602,071.00	-602,071.00	0.0%
Total 66100 · Payroll Expenses	449,802.52	602,071.00	-152,268.48	74.7%
66500 · Employee Benefits				
66510 · Health Insurance-Employees	34,179.83	0.00	34,179.83	100.0%
66515 · Life/Disability Ins - Employees	5,450.16	0.00	5,450.16	100.0%
66520 · Retirement Expense	21,323.14	0.00	21,323.14	100.0%
66525 · Parking-Employees	5,334.20	0.00	5,334.20	100.0%
66530 · Workers Comp Insurance	1,179.28	0.00	1,179.28	100.0%
66500 · Employee Benefits - Other	0.00	87,975.00	-87,975.00	0.0%
Total 66500 · Employee Benefits	67,466.61	87,975.00	-20,508.39	76.7%
Total 66000 · Payroll & Empl Benefit Expenses	517,269.13	690,046.00	-172,776.87	75.0%
Total Expense	1,053,137.17	1,220,260.00	-167,122.83	86.3%
Net Ordinary Income	435,040.66	0.00	435,040.66	100.0%
Other Income/Expense				
Other Income				
80020 · Return of Unused Grant Funds	150,000.00	0.00	150,000.00	100.0%
Total Other Income	150,000.00	0.00	150,000.00	100.0%
Net Other Income	150,000.00	0.00	150,000.00	100.0%
Net Income	585,040.66	0.00	585,040.66	100.0%

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

LANSING ECONOMIC DEVELOPMENT CORPORATION
Certificate of Resolution by Board of Directors

At a regular meeting of the Board of Directors of the Lansing Economic Development Corporation (Lansing EDC) held on Friday, July 12, 2024 at 8:30 a.m., pursuant to notice duly given:

PRESENT: MEMBERS:

ABSENT: MEMBERS:

The following preamble and resolutions were offered by:

MEMBER: , seconded by:

MEMBER:

WHEREAS, the Lansing Economic Development Corporation (Lansing EDC) supports the proposed redevelopment project located at 2215 E Michigan Avenue (Property) in Lansing, Michigan; and

WHEREAS, the City of Lansing Department of Economic Development and Planning has determined the proposed project is consistent with local development and redevelopment plans and zoning ordinances; and

WHEREAS, the 2215 E Michigan Avenue (Project) proposes the rehabilitation of an existing building for a childcare facility; and

WHEREAS, the proposed Project addresses the childcare shortage in the region and neighborhood and will result in significant private investment and create approximately 60 new full-time jobs. The Project will result in community and municipal benefits of increased property and income taxes and improvement to the appearance and aesthetics of the Property in its current state; and

WHEREAS, the Lansing EDC desires to assist the Developer to alleviate the costs of development by applying to the Michigan Department of Environment, Great Lakes, and Energy (EGLE) for an Environmental Justice Impact Grant in the total amount up to \$500,000, dependent on available funding; and

WHEREAS, the Lansing EDC will provide a complete Grant application to EGLE for consideration; and

WHEREAS, if the Lansing EDC is awarded a grant from EGLE the Lansing EDC will enter into agreements with EGLE and the Developer specifying the terms and conditions under which the Grant will be used to assist the Developer with the Project.

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

1. The Lansing Economic Development Corporation (Lansing EDC) supports the application submitted for an Environmental Justice Impact Grant to the Michigan Department of Environment, Great Lakes, and Energy (EGLE), to assist with the redevelopment project located at 2215 E Michigan Avenue in Lansing, Michigan (Attachment A).
2. The Lansing EDC will accept the Grant and is committed to repay the actual expenditures of the Grant, per a grant agreement, if approved by EGLE, up to \$500,000, to be issued to and managed by the Lansing EDC.
3. The Lansing EDC also directs its authorized representative(s) to work with the Lansing EDC's attorney to negotiate and enter on the Lansing EDC's behalf any related Grant agreements to assist the Developer with the project.
4. The Lansing EDC concurs with the City of Lansing Department of Economic Development and Planning that the proposed project is consistent with local development and redevelopment plans and zoning ordinances.
5. Additionally, the Lansing EDC 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.
6. Finally, the Lansing EDC declares that all resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are repealed.

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 regular meeting of the Lansing Economic Development Corporation (Lansing EDC) held on the 12th day of July 2024, 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 this 12th day of July 2024.

Shelley Davis Boyd, Chair