



**AGENDA**  
**Committee of the Whole**  
**Monday, November 28, 2016 – 5:30 p.m.**  
**City Council Chambers, City Hall 10<sup>th</sup> Floor**

Councilmember Judi Brown Clarke, Chair  
Councilmember Jessica Yorke, Vice Chair

1. **Call to Order**
2. **Roll Call**
3. **Minutes**  
  
November 14, 2016
4. **Public Comment on Agenda Items**
5. **Discussion/Action:**
  - A.) RESOLUTION – Operating Agreement between the City of Lansing and Lansing Entertainment and Public Facilities Authority (LEPFA)
  - B.) FY 2017 First Quarter General Fund Status Report
  - C.) RESOLUTION – City Council 2017 Regular Meeting Schedule
6. **Other**
7. **Adjourn**

The City of Lansing's Mission is to ensure quality of life by:

- I. Promoting a vibrant, safe, healthy and inclusive community that provides opportunity for personal and economic growth for residents, businesses and visitors
- II. Securing short and long term financial stability through prudent management of city resources.
- III. Providing reliable, efficient and quality services that are responsive to the needs of residents and businesses.
- IV. Adopting sustainable practices that protect and enhance our cultural, natural and historical resources.
- V. Facilitating regional collaboration and connecting communities



**MINUTES**  
**Committee of the Whole**  
**Monday, November 14, 2016 @ 5:30 p.m.**  
**City Council Chambers**

**CALL TO ORDER**

The meeting was called to order at 5:30 p.m.

**PRESENT**

Councilmember Judi Brown Clarke  
Councilmember Jessica Yorke- excused  
Councilmember Patricia Spitzley  
Councilmember Adam Hussain  
Councilmember Kathie Dunbar- arrived at 5:34 p.m.  
Councilmember Carol Wood  
Councilmember Jody Washington  
Councilmember Tina Houghton-arrived at 5:34 p.m.

**OTHERS PRESENT**

Sherrie Boak, Council Office Manager  
Jim Smiertka, City Attorney  
Angela Bennett, Finance Director  
Eric Brewer, Internal Auditor  
Randy Hannan, Mayor's Executive Assistant  
Mary Riley, HR Director  
Elizabeth Mayes, HR  
Sue Graham, HR

**Minutes**

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE MINUTES FROM OCTOBER 24, 2016 AS PRESENTED. MOTION CARRIED 5-0.

**Public Comment**

No public comment.

**Presentation**

**Legacy Cost Study Update**

Ms. Bennett outlined the study on City pension and health care obligations. There is an impact on future obligations through a partnership with the unions, but the City is still facing challenges. The City has to continue to make increased contributions and the trend lines are projected to go up taking into account changes that have to be made. The idea is to get out in

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front of the issue instead of waiting for a crisis. In conjunction with the FHT a RFP was let earlier this year, and the State is participating with the cost sharing funding of the study. Based on the RFP the contract was awarded to Siegel Group based out of Michigan and Chicago offices. Up until this time they have been gathering information and that now is concluded. Their research reviewed health care structure, health care plans, and will conclude in a few more weeks. Preliminary recommendations will be done after the 1<sup>st</sup> of the year. Council Member Brown Clarke asked what the preliminary recommendation would look like, what the process is and if it will be the first draft. Ms. Bennett stated they will look at preliminary recommendations and look into further studies which are in conjunction with the actuary's. Council Member Hussain asked what the total price of the study was, and Ms. Bennett answered it was \$200,000 total including the State costs.

Council Member Brown Clarke asked for a scope of the project. Ms. Bennett explained there are 2 items being studied; pension and retiree health care. Siegel Group has experts in each field. In the terms of the retiree health care, Siegel is looking at health plan structure and projections in the future, along with option possibly for cheaper cost and other recommendations. The pension review side is more constrained and pension benefits computed by formula.

Council Member Spitzley asked about the next steps after the preliminary report is released in January, and what the deliverables will be. Lastly what the timeline is from the preliminary to the final product. Ms. Bennett noted the final product from Siegel is the process being completed but it is ongoing. Some recommendations could be done immediately, others might be long term. As for a timeline, when decisions are made, it could be a couple months. Council Member Spitzley asked again what type of product will be available for review by the public. Ms. Bennett stated that shortly after preliminary is when the public dialogue begins and there will be public review of the document. Council Member Wood asked who those deliverables will go to. Ms. Bennett agreed that it will be given to everyone involved which include Council, FHT, the public and the Administration. Council Member Wood asked that Council, since they approved budgeted dollar for the study, to receive the documents the same time or before the FHT and any presentation.

Council Member Wood noted that during union preliminary discussions and recommendations, they continue to ratify contracts and negotiations. The question was asked if those discussions have been included in the recommendations. Ms. Bennett confirmed.

**{CLOSED SESSION}**

MOTION BY COUNCIL MEMBER WOOD TO ADJOURN INTO CLOSED SESSION AT 5:50 P.M. ROLL CALL VOTE TAKEN, MOTION CARRIED 7-0.

Ratification of the Tentative Agreement of the parties for the CBA between the City of Lansing & Teamsters Local 243 Clerical, Technical Professional Unit

Ratification of the Tentative Agreement of the parties for the CBA between the City of Lansing & Teamsters Local 243 Supervisory Unit

**RECONVENE**

Committee meeting called back to order at 6:41 p.m.

Present

Council Member Brown Clarke  
Council Member Hussain

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Council Member Spitzley  
Council Member Washington  
Council Member Wood

**Discussion/Action:**

RESOLUTION – Ratification of the Tentative Agreement of the parties for the CBA between the City of Lansing & Teamsters Local 243 Clerical, Technical Professional Unit

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE RESOLUTION FOR RATIFICATION OF THE TENTATIVE AGREEMENT FOR CBA BETWEEN THE CITY OF LANSING AND TEAMSTERS LOCAL 243 CLERICAL, TECHNICAL PROFESSIONAL UNIT. MOTION CARRIED 5-0.

RESOLUTION – Ratification of the Tentative Agreement of the parties for the CBA between the City of Lansing & Teamsters Local 243 Supervisory Unit

Council Member Dunbar arrived at 6:41 p.m.

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE RESOLUTION FOR RATIFICATION OF THE TENTATIVE AGREEMENT FOR CBA BETWEEN THE CITY OF LANSING AND TEAMSTERS 242 SUPERVISORY UNIT. MOTION CARRIED 6-0.

**ADJOURN**

The meeting was adjourned at 6:42 p.m.

Respectfully Submitted by,  
Sherrie Boak

Officer Manager, Lansing City Council

Approved by the Committee on



# City of Lansing

OFFICE OF THE CITY ATTORNEY

James D. Smiertka, City Attorney

October 13, 2016

City Council President Judi Brown Clarke

Re: *Proposed Operating Agreement Between LEPFA and City of Lansing*

Dear Honorable President Judi Brown Clarke:

Forwarded herewith is a proposed operating agreement between LEPFA and the City Of Lansing. It has a 10 year term and needs City Council approval.

Also being forwarded is a proposed Resolution to set a public hearing on this matter.

It is hoped that the City Council on October 24<sup>th</sup> will set a public hearing for November 14<sup>th</sup> because the current agreement expires at the end of the year.

Anything you can do with regard to this matter will be appreciated.

Sincerely,

James D. Smiertka  
City Attorney

AGREEMENT  
FOR OPERATING DOWNTOWN  
FACILITIES

THIS AGREEMENT FOR OPERATING DOWNTOWN FACILITIES, made and Entered into as of the 10<sup>th</sup> day of October, 2016, by and between the CITY OF LANSING, Ingham County, Michigan, a municipal corporation organized and existing under the Constitution and laws of the State of Michigan, (hereinafter referred to as the “City”), and the LANSING ENTERTAINMENT AND PUBLIC FACILITIES AUTHORITY, a public corporation organized and existing under Act No. 31, Michigan Public Acts of 1948 (First Extra Session), as amended, (herein after referred to as the “Authority”);

WITNESSETH:

WHEREAS, the Authority has been incorporated by the City under and pursuant to Act. No. 31, Michigan Public Acts of 1948 (First Extra Session), as amended, for the purpose and with the power, among others, of operating and maintaining the Lansing Center, the City Market, Cooley Law School Stadium (Lansing Minor League stadium), Riverfront Amphitheater, and any ancillary facilities related thereto (the “Downtown Facilities”), as provided in the Articles of Incorporation of the Authority; and

WHEREAS, the City is the owner of the Downtown Facilities but recognizes that in order to achieve maximum revenues and operating efficiencies from the operations of the facilities using sound business principles, it is desirable to transfer management of the facilities to a separately incorporated authority established under state law; and

WHEREAS, based upon the aforesaid premises the City wishes to engage the services of the Authority for operating and maintaining the Downtown Facilities and the Authority is willing to accept such undertaking and has authority to do so pursuant to its Articles of Incorporation;

THEREFORE, in consideration of the premises hereinabove set forth and the Mutual undertakings and agreements hereinafter set forth,

IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO, as follows:

1. All undertakings in this agreement and in the fulfillment of this Agreement are and shall be subject to the regulations and limitations contained in the Constitution and Statutes of the State of Michigan, the bond ordinances and resolutions of the City and the Articles of Incorporation as to the Authority,
2. To the extent necessary to carry out the intent and purposes of this Agreement, and in exchange for good and valuable consideration as contained in the parties' respective obligations hereunder, the City grants the Authority an exclusive license to use all of the Downtown Facilities during the continuation of this Agreement, subject to licenses granted to others prior hereto; provided, the granting of this license and the utilization thereof are subject to the regulations and restrictions contained in this Agreement; and provided further the Authority is hereby empowered to grant licenses to others for the use of all or parts of that portion of the Downtown Facilities that have been licensed to the Authority by this Agreement. The Downtown Facilities are described in Appendix A hereto.
3. The Authority accepts full responsibility of operating and maintaining the Downtown Facilities, in all respects and in so doing, the Authority will abide by all of the provisions of this Agreement, including, but not limited to, the following:
  - A. The Authority shall have the exclusive right and authority to negotiate and issue license agreements for use of the Downtown

Facilities during the life of this Agreement and to schedule such licensed events and to establish the fees for such licenses as it believes are necessary to effectively manage the Downtown Facilities in the best interests of the City and to preserve the integrity of the Act 99 financing and bond issues that have heretofore been issued to finance the construction of portions of the Downtown Facilities.

- B. The Authority shall have the responsibility, exclusive right and authority to hire, contract for, or otherwise secure the services of appropriate management staff, supporting clerical staff, maintenance, and operating personnel necessary to efficiently and effectively carry out its responsibilities as set forth in this Agreement and in so doing the Authority shall establish the salaries and wages, fringe benefits, job descriptions, conditions of employment and all other personnel administration rules and procedures therefore. To the extent legally permissible, and financially prudent, the Authority shall encourage the procurement of services from entities that are physically located within the City of Lansing and employ personnel who reside within the City of Lansing wherever such procurement will fulfill the service and employment needs of the Authority in this Agreement as least as well as non-resident entities or personnel. The Authority shall operate, manage, employ and provide services under this Agreement in a manner so as not to discriminate on the basis of race, sex, age, height, weight, marital status, religion, handicap, sexual orientation or any other basis prohibited by State or Federal law and shall not enter into any contract, lease, license or agreement that does not similarly provide.
- C. Subject to the provisions of the current Stadium License, Lease and

Service Agreement between the City and Take Me Out to the Ballgame, L.L.C. (the “TMO Agreement”), the Authority shall have the exclusive right and authority to contract for, or otherwise secure the services of all concessionaires, security personnel, and other vendors necessary to efficiently and effectively carry out the responsibilities for the operations of the Downtown Facilities and to establish or negotiate such fees, license charges, or division of receipts as required to effectively manage the facilities. When feasible, the Authority shall practice competitive bidding in the procurement of goods and services as well as, to the extent legally permissible, encourage contracts with local and minority vendors. A record of all sole source purchases, including the necessity thereof, shall be maintained by the Authority and available for inspection by City officials.

- D. City retains the right to control and schedule the City Hosts Suite and Promotion Tickets granted City pursuant to the TMO Agreement subject to the City of Lansing Promotion Ticket Policy as the same has been adopted by the City as amended from time to time.
- E. The Authority shall be the City’s designee for the purpose of administering the TMO Agreement on behalf of the City in its sole discretion. Any legal interpretation of the TMO Agreement by the Authority will be made in consultation with the City Attorney, acting as legal counsel for the Authority in this regard. Amendments to the TMO may only be made by the City.
- F. The Authority shall develop and adopt a written policy that encour-

ages and facilitates the use of the Downtown Facilities by community based groups for community functions.

- G. The Authority will solicit input from the City Market Vendor's Association regarding policies and procedures applicable to the City Market.
4. The Authority shall maintain or cause to be maintained complete liability insurance coverage naming both the City and the Authority as insureds so as to protect the City and the Authority in all undertakings pursuant to this Agreement provided, such insurance coverage may be included within other coverage obtained by the City or the Authority, in which event it will not be necessary to duplicate coverage through the acquisition of additional coverage under this Agreement, however, it is the responsibility of the Authority to see to it that such insurance coverage does exist. The dollar limits of such liability coverage shall be as set forth in Appendix C or in such amounts and types of coverage as are determined jointly by the City and Authority from time to time.
5. A. In managing and operating the Downtown Facilities pursuant to this Agreement, the Authority shall, prior to the beginning of each fiscal year, adopt an Authority Budget for such fiscal year; provided, however, Authority shall review the proposed Budget with the Mayor and City Council prior to its adoption. The Authority shall present to the City Council expected revenues and expenditures contained in the Budget shall include, but not be limited to those items as set forth in Appendix D. The City agrees in good faith, based upon City Council's agreement with the Budget presented by Authority, to appropriate a lump sum operating contribution to Authority. To the extent legally

permissible, such lump sum contribution, once established in any fiscal year, shall be paid on a mutually agreed upon schedule and shall not be reduced by City during that same fiscal year, unless mutually agreed to by City and Authority and approved by Authority Board.

The Authority shall make every effort to maintain a balanced budget and shall not exceed the total expenditure limitations set forth in the Budget without approval of the City. In developing and administering the Authority Budget and for carrying out its obligations under this Agreement, except as otherwise provided in this paragraph 5, and subject to the TMO Agreement, the Authority shall be entitled to receive and retain all revenues, and shall pay all expenses attributable to the Operation and maintenance of the Downtown Facilities

- C. B. The City shall provide funds annually for capital improvements to Downtown Facilities as agreed to in the adopted budget for each fiscal year. The minimum shall be \$50,000 annually, unless otherwise stated in the lease with TMO, for the Lansing Center and additional dollars as needed for other facilities revenues from the TMO agreement shall be paid directly to the Authority. The Authority shall pass through such revenues to the City within seven (7) days of their receipt. It is understood that revenues collected by the Municipal Parking system, the Lansing Building Authority, or related to the stadium naming rights agreement will be paid directly to and retained by the City.
- D. Other net revenue related to non-baseball, non-TMO events that

are held at Cooley Law School Stadium shall be received by the Authority and passed through to the City. For future years, the City and the Authority shall negotiate an amount subject to City approval to be reserved for the Cooley Law School Stadium event development fund prior to distributing net revenues to the City. The amount capped for this fund shall be approved by the City.

- E. For future years, the City and the Authority shall work collectively toward a resolution of parking facilities management as it relates to parking facilities surrounding the Downtown Facilities.
6. In the event the City shall desire to transfer additional facilities or assign additional duties or responsibilities to the Authority, such transfer or assignment will occur only upon the mutual agreement of the parties, in which case the Authority's budget and City contribution shall be amended to reflect such transfer or assignment.
  7. All officers and employees of the Authority, involved in any way in fulfilling the undertakings of this Agreement, and who have any responsibilities pertaining to the granting of licenses, the hiring of personnel, the contracting for services, the contracting for concessions, the establishment and maintenance of accounts relative to the receipt of revenues and the disbursements of funds, the handling and/or safeguarding of the funds derived pursuant to this Agreement and the disbursement thereof, or the bookkeeping and accounting systems pertaining thereto, shall have their honesty and correctness of performance covered by one or more Public Employee Blanket Bonds, including Faithful Performance of Duty Coverage, or as may be from time to time mutually agreed upon by the City and the Authority, said bonds to be secured by the Authority. The beneficiary of said

bonds shall be the Authority. Copies thereof shall be placed on file with the Clerk of the City of Lansing.

8. The Authority, in exercising its responsibilities and authority to grant licenses and enter into concession agreements or other types of contracts in fulfilling its undertakings under this Agreement, is hereby empowered to enter into such license agreements, concession agreements and contracts for terms that may extend beyond the termination point of this Agreement between the City and the Authority, in accord with the following restrictions:
  - A. The grant of all license agreements for competitive sporting events, including but not limited to license agreements for private boxes, shall be for a term not to exceed five (5) years, unless prior approval is obtained from the City Council for a greater term of years.
  - B. All agreements for the hiring of services by the Authority shall be for an initial term not to exceed five (5) years with no renewals totaling more years than were stated in the initial term unless prior approval from the City Council is obtained to allow for a greater period of time.
  
9. All of the accounts of the Authority shall be subject to audit annually by an independent auditing firm mutually selected by the City and Authority. The cost of such audit shall be borne on the Authority. Copies of such audit shall be furnished to both the Authority and the City. The City's Internal Auditor and Finance Director shall have reasonable access to all records maintained by the Authority in the accomplishment of the provisions of the Agreement upon a written request to the Authority and shall be permitted to make such reviews as are deemed necessary to verify adequate internal control.

The Authority shall furnish to the Mayor and City Council a financial operating statement covering the Downtown Facilities operations no less than quarterly. Such report shall be delivered within thirty (30) days of the end of the calendar quarter. The Authority, through its authorized representatives shall make a presentation of each quarterly operating statement to the City Council Ways and Means Committee at their request.

10. The City and Authority mutually agree that they shall not commence suit against any officer, Commissioner, Councilperson, Mayor or employee of the City or of the Board of the Authority, under or upon act, omission, obligation, covenant, or clause of the City Charter or the Authority's Articles of Incorporation or Bylaws except that recourse may be sought for those acts or omissions that involve known violations of the governing documents, fraud, embezzlement, dishonesty, gross negligence, self-dealing which constitutes a violation of law, or willful violations of civil rights by the individual involved, if any such recourse is permitted bylaw. In any case, where recourse is sought, all defenses or counterclaims available may be asserted notwithstanding the provisions of this section. This limitation shall apply whether the officer, Commissioner, Councilperson, Mayor or employee of the City or of the Board of the Authority is a past, present or future officer, Commissioner, Councilperson, Mayor or employee of the City or Authority. The employees, designees, and officers of the Authority shall not be deemed employees, designees and officers of the City. Further, termination of this Agreement shall in no way impair the continuation of any liability insurance coverage for directors and officers of the Authority. The City agrees that in the event of

termination of this Agreement, the obligations of paragraph 4 shall continue to the extent necessary to secure such liability insurance as is necessary to reasonably protect the directors and officers of the Authority.

11. In the event of damage to or destruction of any of the Downtown Facilities or Downtown Facilities Parking Areas by fire or other casualty, the Authority will give the City immediate notice thereof and will, if the damage is to an extent that is less than 25% of the fair market value of the premises damaged and if insurance proceeds are sufficient for the purpose, repair, restore, or rebuild the same so that upon completion of such repairs, restoration or rebuilding, the fair market value of the premises shall be equal to or more than the fair market value immediately prior to the occurrence of such fire or other casualty. If the damage or destruction is to an extent that is equal to or more than 25% of the fair market value of the premises damaged, the Authority and the City shall repair, restore or rebuild the damaged premises to the extent of their mutual agreement. All insurance proceeds received by the City and Authority shall be applied to any reconstruction, repair, or restoration as required or agreed upon. If the insurance proceeds are insufficient to repair, restore or rebuild any premises damaged or destroyed by fire or other casualty, or if the City and Authority shall not agree to such repairs, restoration or rebuilding, then the insurance proceeds shall first be applied to such repair, restoration or rebuilding as is agreed to by the parties or if not agreed to, to pay off any indebtedness of the City for such premises and thereafter any indebtedness of the Authority or its Board and then to the parties as their interests appear.
12. The City warrants that there are no suits, actions, demands, or claims

presently pending related to the Downtown Facilities. The Authority shall not be deemed a successor or alter ego to the City. The City shall be responsible for any defense and any obligation, expense, cost or damage that may be imposed upon it or the Authority due to the suits, actions, demands and claims.

13. The term of this Agreement for operating the Downtown Facilities and Downtown Facilities Parking Areas shall be irrevocable for a period of ten (10) years from the date first above written, unless just cause for termination of this Agreement shall be established, in which case either party may terminate this Agreement by giving the other party eighteen (18) months written notice of its intent to terminate this Agreement at the end of such time. This Agreement may also be terminated at an earlier time by mutual consent. If the Authority or City shall default in complying with any of the terms of this Agreement and such default shall continue for thirty (30) days after written notice thereof by the other party, the other party may terminate this Agreement or obtain enforcement in an appropriate court. In the alternative, the City or Authority may take such action as is necessary to cure the default, either with or without process of law, and the cost thereof shall be paid by the defaulting party through addition or subtraction of funds to be paid by or to the Authority. Upon termination by either party an audit of all accounts and assets of the Authority, which pertain to the fulfillment of this Agreement, shall be made by the same auditors that audit the accounts of the Authority, following which all funds and assets to which the City shall be entitled as determined by the audit shall be forthwith transferred and delivered to the City, including but not limited to, monies, furnishings and fixtures, contracts, concession agreements, and license agreements.

14. The Authority will adopt a code of ethics relative to its business operation.
15. The Authority and City agree that the Authority Board and City Council may conduct a joint meeting each calendar year to mutually discuss Authority operations, pursuant to this Agreement as requested.
16. Any warranties inuring to the benefit of either party under any contract or other agreement related to the Downtown Facilities or Downtown Facilities Parking Areas shall be enforceable by either party to the extent permitted. The parties mutually agree that they shall cooperate with each other in any respect necessary to enforce any such warranties.
  - A. Any notice necessary or proper to be given to either of the parties hereto shall be deemed to have been given when mailed by first class mail, postage prepaid to the following individuals:
    1. If to the Authority, by delivering the same to the Chairman thereof at such address as the Authority shall have furnished in writing to the City and to the Chief Executive Officer of the Authority at the Authority general office.
    2. If to the City, by delivering the same to the Mayor and the City Attorney of the City, 9<sup>th</sup> Floor, City Hall, 124 W. Michigan Avenue, Lansing, Michigan, 48933.
17. This Agreement contains all the terms and conditions of the Agreement between the parties and any representatives, warranties, or statements, whether oral or in writing, not contained herein shall not be binding on either party.
18. The terms, conditions or provisions of this Agreement shall not be

changed, waived, modified, altered, discharged or terminated unless in writing and signed by the party against which enforcement of such change, waiver, discharge, or termination is sought. Whenever the consent by either party is required under this Agreement, it shall be in writing signed by the executive officer of the party consent.

IN WITNESS WHEREOF, the City of Lansing, Michigan, by its City Council, and the Lansing Entertainment and Public Facilities Authority, by its Commission, have respectively caused this Agreement for Operating Downtown Facilities to be executed in their names by their duly authorized officers and their corporate seals to be affixed hereto as of the date and year first-above-written.

WITNESSES:

\_\_\_\_\_  
  
\_\_\_\_\_

WITNESSES:

\_\_\_\_\_  
  
\_\_\_\_\_

CITY OF LANSING

By: \_\_\_\_\_

Virg Bernero, Mayor

By: \_\_\_\_\_

Chris Swope, City Clerk

(Seal of City)

LANSING ENTERTAINMENT  
AND PUBLIC FACILITIES  
AUTHORITY

By: \_\_\_\_\_

Tim Kaltenbach

Chairperson of its Commission

By: \_\_\_\_\_

Cynthia Bowen

Secretary/Treasurer of its

Commission

(Seal of Authority)

Approved as to form:

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James D. Smiertka  
City Attorney

I hereby certify that funds have been  
appropriated for the performance of  
this Agreement in Account No.

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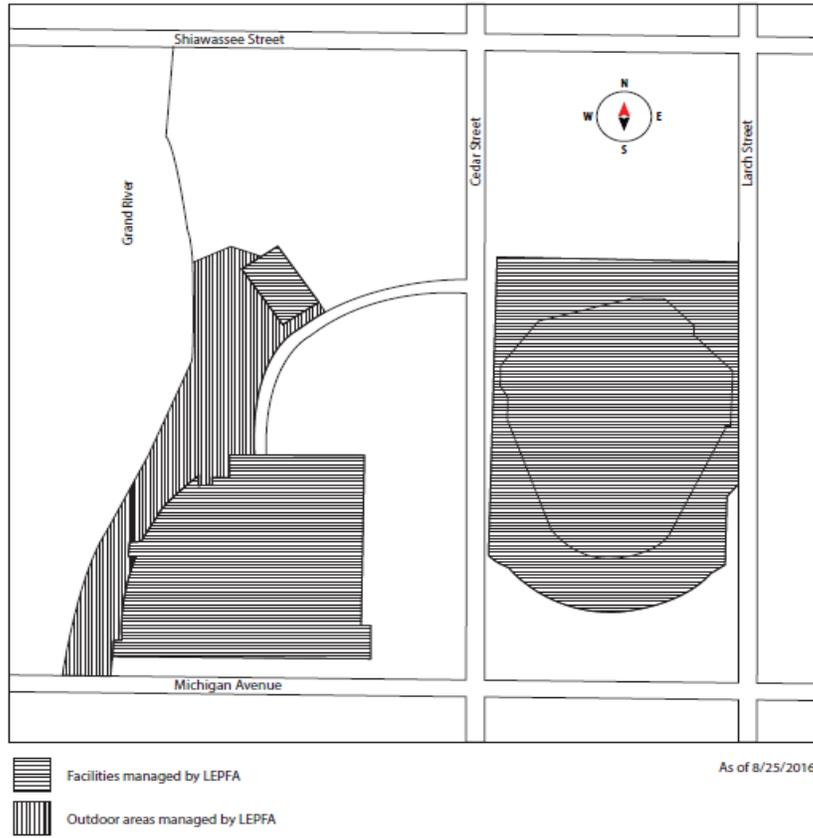
Angela Bennett, Finance Director

APPENDIX A  
DOWNTOWN FACILITIES

Lansing Center  
City Market  
Cooley Law School Stadium  
Riverfront Amphitheater  
(See attached illustrations for boundary descriptions.)

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# LEPFA Operating Agreement



## APPENDIX C

### INSURANCE COVERAGES

The insurance coverage for the Lansing Center (including Riverfront Amphitheater), Cooley Law School Stadium, and the Lansing City Market are carried by the Lansing Entertainment and Public Facilities Authority. The current levels of insurance maintained are stated below:

#### Each Facility:

Property	Replacement Cost*
General Liability	
General Aggregate	\$3 Mil
Each Occurrence	\$1 Mil
Products/Completed Operations	\$3 Mil
Personal and Advertising Injury	\$1 Mil
Medical Expense (Each Occurrence)	Excluded

#### General (covers all facilities):

Differences in Conditions (Earthquake/Flood)	\$242,000
Umbrella (applies to General & Liquor Liability)	
General Aggregate	\$6 Mil
Liquor Liability	\$1 Mil
Public Officials E & O	\$1 Mil

\*Replacement costs are:

Lansing Center	\$62,957,671
Cooley Law School Stadium	\$31,980,866
Lansing City Market	\$ 1,679,073

The Lansing Center is the only facility which owns automobiles. The Lansing Center has Auto Liability at \$ 1 Mil. limit (umbrella coverage goes over the underlying coverage) For Cooley Law School Stadium and the City Market, hired and non-owned autos are covered under the General Liability for each of these facilities.

#### Blanket Bonds:

Employee bonds/insurance (theft and dishonesty)	\$ 300,000
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## APPENDIX D

### AUTHORITY BUDGET

The Authority Budget shall include, but not be limited to, the following funds, accounts and line items:

1. OPERATING REVENUES shall include any and all monies derived from the Downtown Facilities and Downtown Facilities Parking Areas, including but not limited to:
  - \* Rental Revenues
  - \* Concessions Revenues
  - \* Merchandise
  - \* Sales Revenues
  - \* Advertising Sales Revenues
  - \* Equipment Rental Fees
  - \* Utility Income
  - \* Box Office Income
  - \* Miscellaneous Operating Income
  - \* Interest Income
  - \* Reimbursable Event Expenses
  - \* Parking Revenues
  - \* Video Broadcast Revenue
  - \* Cooley Law School Stadium Logo Revenues
  - \* Ticket Revenues
  
2. Operating expenses shall consist of any and all expenses deemed necessary by the Authority to operate and manage the Downtown Facilities and Downtown Facilities Parking Areas, including but not limited to:
  - \* Payroll, Authority employee benefits, (including any approved Authority employee bonus, payable only upon completion of the annual audit) and related costs.
  - \* Purchase of operating supplies
  - \* Advertising costs
  - \* Cleaning expenses
  - \* Data processing costs
  - \* Business related dues, subscriptions and membership costs
  - \* Insurance costs and performance bond
  - \* Professional fees
  - \* Printing and stationery costs
  - \* Postage and freight costs
  - \* Equipment rental
  - \* Repairs and maintenance costs
  - \* Security expenses
  - \* Cost of office supplies
  - \* Utility and telephone charges
  - \* Travel expenses

- \* Entertainment expenses
- \* Cost of employee uniforms
  
- \* Exterminator and trash removal costs
- \* Concessionaire expense and profit
- \* Relocation expenses
- \* Principal shopping district assessment

Operating expenses shall not include deductions for depreciation, interest or debt service, real estate taxes or capital expenditures, in excess of the amounts provided within this agreement. In the event the Authority requests a capital expenditure, the City will give reasonable consideration to such request in the Authority's Budget in light of competing municipal considerations.

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

WHEREAS, a certain Agreement For Operating Downtown Facilities between the Lansing Entertainment And Public Facilities Authority and the City Of Lansing ("Agreement") has been presented for approval; and

WHEREAS, the Agreement was placed on file with the City Clerk on October 12, 2016, for public inspection and has remained on file for the period of time required by the City Charter and Codified Ordinances; and

WHEREAS, a public hearing was duly noticed and held on November 14, 2016, during which the public was presented with the opportunity to address the City Council and comment on the Agreement;

NOW THEREFORE, BE IT RESOLVED that the Agreement is hereby approved and the Mayor and City Clerk are authorized to execute the document on behalf of the City of Lansing.

APPROVED AS TO FORM:

A handwritten signature in black ink, appearing to read "James D. Smethers". The signature is written in a cursive style with a long horizontal flourish extending to the right.

City Attorney - November 22, 2016



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Chris Swope  
Lansing City Clerk

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November 10, 2016

City Council President and Lansing City Council Members  
10th Floor City Hall  
Lansing, MI 48933

Dear President and Council Members:

Pursuant to Section 7-110 of the Lansing City Charter, on October 31, 2016 the Mayor's Office placed on file with my office:

FY 2017 1st Quarter General Fund Status Report

This document is available for review at the office of the City Clerk and on the City Clerk's website ([www.lansingmi.gov/clerk](http://www.lansingmi.gov/clerk)).

Sincerely,

A handwritten signature in cursive script that reads "Chris Swope".

Chris Swope, CMC  
Lansing City Clerk



**OFFICE OF THE MAYOR**

9th Floor, City Hall  
124 W. Michigan Avenue  
Lansing, Michigan 48933-1694  
(517) 483-4141 (voice)  
(517) 483-4479 (TDD)  
(517) 483-6066 (Fax)

Virg Bernero, Mayor

TO: City Clerk Chris Swope  
FROM: Mayor Virg Bernero  
DATE: October 31, 2016  
RE: FY 2017 1st Quarter General Fund Status Report

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Pursuant to Section 7-110 of the City Charter, attached please find the General Fund Status Report for the first quarter of Fiscal Year 2017.

RECEIVED  
2016 OCT 31 PM 4:01  
LANSING CITY CLERK

## General Fund Status Report – FY 2017 1st Quarter

Please see accompanying summary detail (page 3)

### Revenues

In total, General Fund revenues collected in the first quarter of Fiscal Year 2017 (July – September) were slightly less than the average of the past three years' first quarter collection rates, as a percentage of year-end amounts, at 35.9% compared to 36.6%.

- The vast majority of **Property Taxes** are collected in the first month of the fiscal year. At the end of the first quarter this year, they were slightly below, as a percentage of budget, to the average of the past three year's first quarter collection rates due to State changes in personal property tax. FY 2017 is the first-year phase-out of personal property tax for parcels exceeding \$80,000. Where the majority of personal property taxes were previously collected in the first quarter of the year, State reimbursement for the phase-out will not be received until later in the year. It should be noted that property tax collections exceed budget at this time of year, but are subject to tax appeals and other adjustments throughout the year.
- As a percentage of budget, **Income Tax** collections were higher than the average collection rate for the past three years, at 9.6% of budget, compared to 9.4%. It should be noted that income tax revenues fluctuate from previous trends due to timing differences in remittances; however, the trend is consistent with that of the past several quarters.
- **State Revenue Sharing** and Fire Protection/Bad Driver Fees were on target for the first quarter.
- **Charges for Services** were somewhat lower than collection rates from the average of the same period for the last three years, at 17.3% of budget compared to 20.5% in prior years due lower code compliance administration fee receipts.
- In total, **Licenses and Permits** revenues were also on par with the average collection rate of the same period for the last three years as a percentage of year-end totals, at 2.5% of budget, compared to 2.2%. Licenses and permits make up only 1.5% of General Fund revenues.
- Collection rates for **Fines and Forfeiture** for the first quarter were higher as a percentage of year-end totals for the average of the last three years, at 15.4% of the budget compared to 11.8%, due mainly to penal case revenues.
- The City's **Return on Equity** payment from the Board of Water and Light (BWL), which accounts for 18% of General Fund revenues, is not collected until later in the year.
- As a category, **Interest and Rents** were behind previous years' trends due to timing of cell tower revenue payments. Interest revenue is posted as investments mature, the timing of which varies from year-to- year.
- **Other Revenues** were slightly lower as of the first quarter-end due to timing of interfund transfers.

(continued)

### Expenditures

In total, taking into account the vacancy factor, expenditures for General Fund operating departments (excluding debt service and transfers to other funds) were within the budgetary target -- at 21.6% as of September 30, compared to a budgetary target (taking into account the timing of payroll dates) of 22.8%. All departments were within budgetary targets as of September 30<sup>th</sup>, with the exception of Human Relations & Community Services, resulting from work involved from the announcement of the closing of the Magnuson Hotel.

### Summary

For the first quarter, total General Fund revenues and expenditures were close to budgetary expectations, taking into account changes in personal property taxation and reimbursement.

## General Fund Status Report – FY 2017 (as of September 30, 2016)

Revenues	Annual	Actual	Percent	Avg. Percent
	<u>Budget</u>	<u>as of 09/30/16</u>	<u>of Budget</u>	of Year-End Actuals as of September 30 FY 2014 - 2016
Property Taxes	\$ 38,952,000	\$ 38,690,130	99.3%	100.6%
Income Taxes	33,150,000	3,183,295	9.6%	9.4%
Revenue Sharing	15,655,900	70,209	0.4%	0.5%
Licenses & Permits	1,652,500	40,540	2.5%	2.2%
Charges for Services	9,153,500	1,581,342	17.3%	20.5%
Fines & Forfeitures	2,960,100	454,386	15.4%	11.8%
Interest & Rent	38,500	16,464	42.8%	52.4%
Return on Equity	22,000,000	300,000	1.4%	1.4%
Other Revenue	437,500	119,748	27.4%	29.4%
<b>Total Revenues</b>	<b>\$ 124,000,000</b>	<b>\$ 44,456,114 <sup>(1)</sup></b>	<b>35.9%</b>	<b>36.6%</b>
Less: Addition to Reserves	(500,000)			
	<b>\$ 123,500,000</b>			

Expenditures	Annual	Actual	Percent	09/30/16
	<u>Budget</u>	<u>as of 09/30/16</u>	<u>of Budget</u>	<u>Budgetary Target</u>
Council	\$ 675,800	\$ 132,830	19.7%	22.0%
Internal Audit	202,200	28,364	14.0%	23.9%
Courts	6,247,400	1,309,520	21.0%	23.3%
Mayor's Office	1,050,200	237,085	22.6%	23.5%
Media Center	415,600	87,781	21.1%	24.1%
Financial Empowerment Center	182,100	28,802	15.7%	24.6%
Clerk's Office	1,018,700	255,758	25.1%	26.7%
Planning & Neighborhood Development	1,091,500	240,627	22.0%	25.8%
Finance	5,063,800	951,318	18.8%	23.2%
Human Resources	2,139,000	506,715	23.7%	23.5%
Attorney's Office	1,880,700	392,744	20.9%	23.1%
Vacancy Factor	(800,000)	-		
Police	38,952,900	8,195,227	21.0%	22.0%
Fire	33,612,300	7,523,533	22.4%	22.4%
Public Service	10,867,100	2,167,227	19.9%	24.9%
Human Relations & Community Service	1,249,200	364,954	29.2%	23.2%
Parks & Recreation	7,893,900	1,715,143	21.7%	24.0%
<b>Subtotal - Departmental Budgets</b>	<b>\$ 111,742,400</b>	<b>\$ 24,137,427</b>	<b>21.6%</b>	<b>22.8%</b>
Human Services & City Supported Agencies	\$ 1,868,900	\$ 348,070	18.6%	
Library Lease	165,000	23,610	14.3%	
Debt Service	1,045,200	- <sup>(2)</sup>	0.0%	
Transfers	8,678,500	7,575,072	87.3%	
<b>Subtotal - Non-departmental Budgets</b>	<b>11,757,600</b>	<b>7,946,751</b>		
<b>Total General Fund</b>	<b>\$ 123,500,000</b>	<b>\$ 32,084,178 <sup>(1)</sup></b>		

Please see Pages 1 and 2 for an explanation of revenues and expenditures.

<sup>(1)</sup> Note: Year-to-date revenue is always greater than expenditures at this time of year, as property taxes, accounting for 31% of General Fund revenues, are collected at the beginning of the year. Property taxes include delinquent amounts that will be reimbursed by the counties upon settlement. Property tax collections exceed budget at this time of year, but are subject to tax appeals and other adjustments throughout the year.

<sup>(2)</sup> No debt service payments were due as of September 30.

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 2017 to the Lansing City Council; and

WHEREAS, the Committee of the Whole will meet at 5:30 p.m. before all Monday Council meetings listed below; 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 has reviewed the City Clerk's recommendations and concurs with the list of recommended meeting dates for 2017.

NOW, THEREFORE, BE IT RESOLVED the Lansing City Council hereby approves the recommendations of City Clerk Chris Swope for Lansing City Council meeting dates for 2017 as follows:

Tuesday, January 03, 2017	Annual Organizational - 1st meeting of year
Monday, January 09, 2017	
Monday, January 30, 2017	
Monday, February 13, 2017	
Monday, February 27, 2017	Board List - prior to first meeting in March
Monday, March 13, 2017	
Monday, March 27, 2017	Mayor's Budget - on or before 4th Monday in March
Monday, April 10, 2017	
Monday, April 24, 2017	Mayor's Board Appointments - prior to first meeting in May
Monday, May 08, 2017	Budget Public Hearing;
Monday, May 15 <sup>th</sup> , 2017	Adopt Budget- no later than 3 <sup>rd</sup> Monday in May
Monday, May 22, 2017	
Monday, June 12, 2017	Council Act on Appointments - at or before 1st meeting in June
Monday, June 26, 2017	
Monday, July 10, 2017	
Monday, July 24, 2017	
Monday, July 31, 2017	
Monday, August 14, 2017	
Monday, August 28, 2017	
Monday, September 11, 2017	
Monday, September 25, 2017	Budget Priorities – no later than October 1 <sup>st</sup>
Monday, October 09, 2017	
Monday, October 23, 2017	
Monday, October 30, 2017	
Monday, November 13, 2017	
Monday, November 27, 2017	
Monday, December 11, 2017	

Except as otherwise noted, all meetings will be on a Monday at 7:00 p.m. in the Lansing City Council Chambers, 10th Floor City Hall.

BE IT FURTHER RESOLVED that the Council shall meet as a Committee of the Whole on Tuesday, January 3, 2017 at 5:30 p.m.