

**Lansing Tax Increment Finance Authority
Board of Directors Special Meeting
Friday, January 11, 2019 – 8:30 AM
LEAP Office
1000 S Washington Avenue
Lansing, Michigan 48910**

AGENDA

- 1) Call to Order
- 2) Approval of TIFA Board Meeting Minutes – Friday, December 7, 2018
- 3) Resolution Authorizing the Release and Substitution of Property in Accordance with the Contract of Lease with the City of Lansing (Action)
- 4) Open Forum for TIFA Board Members
- 5) Other Business
- 6) Public Comment
- 7) Adjournment

**Tax Increment Finance Authority
Board of Directors Special Meeting Minutes
Friday, January 11, 2019 - 8:30 a.m.
LEAP Office- Executive Boardroom
100 S Washington Avenue, Suite #201
Lansing, MI 48910**

Members Present: Andrea Ragan, Calvin Jones, Blake Johnson, James Butler III, Mayor Andy Schor, Shelley Boyd, Fred Schaible, Kimberly Coleman, Thomas Donaldson

Members Absent: None

Temp Members Present: None

Staff Present: Karl Dorshimer, Marchelle Smith, Kris Klein, Anum Mughal

Guests: Steven Owen, Foster & Swift
Jim Smiertka, City of Lansing

Public Present: None

Recorded by: Tedi R. Parsons, LEAP

Call to Order

Chair Ragan welcomed everyone and called the TIFA Board of Directors Special Meeting to order at 8:34 a.m.

Parsons provided an update to the Friday, December 7, 2018 TIFA Board Meeting Minutes noting that he had to change members who were present, but noted not as present.

Approval of TIFA Board Meeting Minutes – Friday, December 7, 2018

MOTION: Butler moved to approve the TIFA meeting minutes from the Friday, December 7, 2018 TIFA Board of Director's Meeting Minutes with changes noted by Parsons as presented. Motion seconded by Johnson.

YEAS: Unanimous. Motion carried.

Resolution Authorizing the Release and Substitution of Property in Accordance with the Contract of Lease with the City of Lansing (Action)

Dorshimer advised that the TIFA Board is being asked to approve a Resolution for the amendment of the lease contract with the City of Lansing that will authorize the Release and Substitution of Property for the Townsend parking ramp.

Mayor Schor advised the Michigan Senate approached the City of Lansing to purchase the Townsend Street parking ramp. He advised the monies from the sale of the Townsend Parking ramp will be used to pay on the TIFA debt.

Jim Smiertka, City Attorney, advised that this is the first of many steps taking place until the sale is finalized. The contract amendment will not be signed until approved by Lansing City Council.

Owen noted that he, as LEDC's attorney, has carefully reviewed the amendment and the Resolution presented at today's meeting. He noted that the approval process today is contingent on the final approval by the Lansing City Council. Owen advised that there are still a few small items that need to be revised which were provided in today's meeting packet. Discussion ensued.

MOTION: Jones moved to approve the amended the Contract of Lease with the City of Lansing - Authorizing the Release and Substitution of Property of the Townsend Parking Ramp as presented. Motion seconded by Coleman.

YEAS: Unanimous. Motion carried.

Open Forum for TIFA Board Members & Other Business

Chair Ragan opened the floor to the TIFA Board Members, who provided the following announcements/updates:

None were provided.

Public Comment

None was presented.

Adjournment

There being no further business, Chair Ragan declared the TIFA Board of Directors meeting adjourned at 8:47 a.m.



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

**Tax Increment Finance Authority
Board of Director's & Annual Meeting Minutes
Friday, December 7, 2018 - 8:30 a.m.
LEAP Office- Executive Boardroom
100 S Washington Avenue, Suite #201
Lansing, MI 48910**

Members Present: Andrea Ragan, Calvin Jones, Shelley Boyd, Fred Schaible, Mayor Andy Schor, Thomas Donaldson
Members Absent: Blake Johnson, James Butler III, Kimberly Coleman
Temp Members Present: None
Staff Present: Karl Dorshimer, Marchelle Smith, Kris Klein, Anum Mughal
Guests: Paul Matz, Rehmann Robson
Will Love, Rehmann Robson
Angela Bennett, City of Lansing
Public Present: None
Recorded by: Tedi R. Parsons, LEAP

Call to Order

Chair Ragan welcomed everyone and called the TIFA Board of Directors meeting to order at 9:00 a.m.

TIFA Audited Financial Statements –YE June 30, 2018 (ACTION)

Chair Ragan introduced Paul Matz, Rehmann Robson who provided an overview of the TIFA Audited Financial Statements Year-End June 30, 2018. He noted the following during his presentation. The following was noted during the presentation:

- Overview of the Independent Auditors' Report (Page 3 – 4)
- Overview of the Management Discussions & Analysis (Page 5 – 8)
- Overview of the Basic Financial Statements (Page 10 – 15)
- Overview of the Balance Sheet (Page 12)
- Overview of Statement of Revenues, Expenditures and Changes in Fund Balance (Page 14)
- Overview of Long-Term Debt under Notes to Financial Statements (Page 24)
- Overview of the Independent Auditors' Report on Internal Controls (Page 29 – 30) h

Angela Bennett noted the City of Lansing's refinancing of the TIFA advising this has resulted in financial savings. She advised the City will continue to evaluate possible refinancing.

MOTION: Donaldson moved to approve the TIFA Audited Financial Statements – YE June 30, 2018, as presented and placed on file. Motion seconded by Schaible.

YEAS: Unanimous. Motion carried.

Approval of TIFA Board Meeting Minutes – Friday, November 2, 2018

MOTION: Boyd moved to approve the TIFA meeting minutes from the Friday, November 2, 2018 LEDC Board of Director's meeting as presented. Motion seconded by Schaible.

YEAS: Unanimous. Motion carried.

Open Forum for TIFA Board Members & Other Business

Chair Ragan opened the floor to the TIFA Board Members, who provided the following announcements/updates:


None were provided.

Public Comment

None.

Adjournment

There being no further business, Chair Ragan declared the TIFA Board of Directors meeting adjourned at 9:09 a.m.



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

LANSGING TAX INCREMENT FINANCE AUTHORITY

RESOLUTION AUTHORIZING SUBSTITUTION OF PROPERTY
UNDER CONTRACT WITH TAX INCREMENT FINANCE AUTHORITY

Resolution to approve substitution of property under the Contract of Lease with the City of Lansing dated December 20, 1994, as Amended.

At a special meeting of the Board of Directors of the Tax Increment Finance Authority of Lansing, Lansing, Michigan, held on Friday, January 11, 2019, at 8:30 a.m. EST, pursuant to notice duly given:

PRESENT MEMBERS: Andrea Ragan, James Butler III, Christopher 'Blake' Johnson, Calvin Jones, Mayor Andy Schor, Shelley Boyd, Kimberly Coleman, Thomas Donaldson, Frederick Schaible

ABSENT MEMBERS: None

The following preamble and resolution was offered by:

MEMBER: Jones, and supported by:

MEMBER: Coleman

WHEREAS, the City of Lansing Michigan (the "City") has previously created the Tax Increment Finance Authority of the City of Lansing (the "Authority") under and in pursuance of the provisions of Act 450, Public Acts of Michigan, 1980, as amended (the "TIFA Act"); and

WHEREAS, pursuant to the TIFA Act, the Authority has prepared its amended Development Plan and Tax Increment Financing Plan for the Phase III - Lansing Convention/ Exhibition Center and Associated Facilities and Parking System Project (such Plan, as it may be amended or supplemented in the future, is referred to herein as the "Plan"); and

WHEREAS, in order to implement the Plan, the Authority leases various automobile parking structures and lots (the "Project") from the City pursuant to a Contract of Lease dated December 20, 1994 (the "Contract"); and

WHEREAS, under Section 10 of the Contract, the Authority may agree to release a portion of the Project and substitute other property of value equal to or greater than the value of the property being released; and

WHEREAS, the City wishes to release the portion of the Project described on Exhibit A of this resolution (the "Released Property") from the Contract; and

WHEREAS, the City wishes to substitute the property described on Exhibit B of this resolution (the "Substituted Property") for the Released Property; and

WHEREAS, the City has determined that the value of the Project, after the consummation of such substitution of property, is equal to or greater than the value of the Project prior to the substitution; and

WHEREAS, pursuant to Section 10 of the Contract, the Authority has received an adequate legal description of that portion of the Project being released and of property to be substituted therefor, together with a survey thereof, attached as Exhibit C; and

WHEREAS, pursuant to Section 10 of the Contract, the Authority has received an opinion from the Office of the City Attorney that the conveyances are in compliance with the City Charter and applicable State law and City ordinances, with additional confirmation that the substitution is in compliance with the Plan, and that the Contract is and remains an "other protected obligation" under the TIFA Act, attached as Exhibit D;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Authority hereby accepts the Substituted Property as a portion of the Project subject to the Contract, and in exchange therefor the Authority releases the Released Property from the terms of the Contract.
2. The Authority acknowledges that the release from the Contract of the Released Property for the Substituted Property will not abate or diminish the Cash Rentals (as defined in the Contract) or other obligations payable under the Contract. The Authority hereby determines that the purpose of the substitution is permitted under the Plan and will not adversely affect the obligations of the Authority under the Contract.
3. The Authority hereby approves Amendment No. 6 to Contract of Lease in substantially the form on file with the Secretary of the Authority, with such changes or revisions as may be necessary or advisable as approved by the Authority's Designated Officer, Chairperson, or Secretary.
4. Upon receipt of a copy of a resolution adopted by City Council, pursuant to Section 10 of the Contract, the Chairperson and the Secretary are hereby authorized to execute Amendment No. 6 and deliver it to the City.

5. The Authority's Designated Officer, Chairperson, Secretary, and other officers, administrators, agents and attorneys of the Authority are authorized and directed to execute such documentation and take all other actions necessary and convenient to facilitate the transactions authorized by this resolution.
6. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

YEAS: Nine (9)

NAYS: Zero (0)

ABSTENTIONS: Zero (0)

ABSENT: Zero (0)

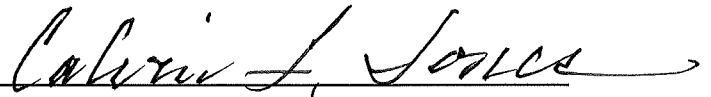
RESOLUTION DECLARED ADOPTED.

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STATE OF MICHIGAN)
) SS.
COUNTY OF INGHAM)

I hereby certify that the foregoing is a true and complete copy of a resolution adopted at a special meeting of the Lansing Tax Increment Finance Authority held on January 11, 2019 and said resolution is on file in the office of the Lansing Tax Increment Finance Authority 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 Board's By-Laws. The members of the Board present at the meeting constitute a quorum of the Board.

IN WITNESS WHEREOF, I have hereunto affixed my official signature this 11th day of January 2019.



Calvin Jones, Secretary

Friday, January 11, 2019

Date

EXHIBIT A

Description of the Portion of the Project to be Released

Townsend Ramp

Lots 7, 8, 9, and 10, ALSO that part of Lot 11 described as beginning at a point on the East line of Lot 11 a distance of 104.04 feet Southerly from the Northeast corner of Lot 12; thence Southerly along the East line of Lot 11 to the Southeast corner of Lot 11; thence Westerly along the South line of Lot 11 to the Southwest corner of Lot 11; thence Northerly along the West line of Lot 11 to a point on the West line of Lot 11 a distance of 104.33 feet Southerly from the Northwest corner of Lot 12; thence Easterly to the point of beginning of Block 116, of the Original Plat of the City of Lansing, according to the recorded Plat as thereof recorded in Liber 2 of Plats, Page 36, Ingham County Records.

Subject to easements, encumbrances, and restrictions of record.

EXHIBIT B

Description of the Portion of the Project
to be Substituted

North Capitol Ramp – N. Capitol & Shiawassee

W 125 FT OF LOTS 7 THRU 12 INCL BLOCK 83
ORIG PLAT

and

South Capitol Ramp – S. Capitol & Kalamazoo

LOTS 3 THRU 6 INCL, LOTS 9 & 10, E 49.5 FT LOT 7, LOT 8 EXC
S 25.75 FT OF W 115.5 FT, ALSO LOT 11 EXC E 55 FT BLOCK 127
ORIG PLAT

EXHIBIT C

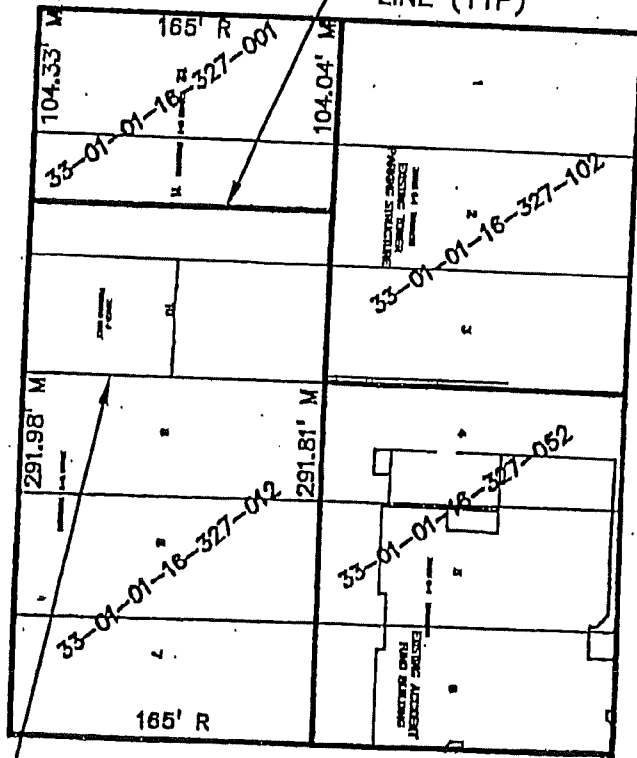
Surveys with Legal Descriptions
of Portions of the Project to be Released and Substituted

PROPOSED PARKING FACILITY PROPERTY DESCRIPTION (33-01-01-16-327-012): LOTS 7 THROUGH 10 INCLUSIVE ALSO THAT PART OF LOT 11 DESCRIBED AS BEGINNING AT A POINT ON THE EAST LINE OF LOT 11 A DISTANCE OF 104.04 FEET SOUTHERLY FROM THE NORTHEAST CORNER OF LOT 12; THENCE SOUTHERLY ALONG THE EAST LINE OF LOT 11 TO THE SOUTHEAST CORNER OF LOT 11; THENCE WESTERLY ALONG THE SOUTH LINE OF LOT 11 TO THE WEST LINE OF LOT 11 TO THE WEST LINE OF LOT 11; THENCE NORTHERLY ALONG THE WEST LINE OF LOT 11 TO A POINT ON THE WEST LINE OF LOT 11 A DISTANCE OF 104.33 FEET SOUTHERLY FROM THE NORTHWEST CORNER OF LOT 12; THENCE EASTERLY TO THE POINT OF BEGINNING, BLOCK 118 OF THE ORIGINAL PLAT OF THE CITY OF LANSING, APPROXIMATELY 1.10 ACRES.



ALLEGAN ST. ONE WAY

PROPOSED PROPERTY LINE (TYP)



15' DASHED

DARTON AVE

FORMER PROPERTY LINE (TYP)

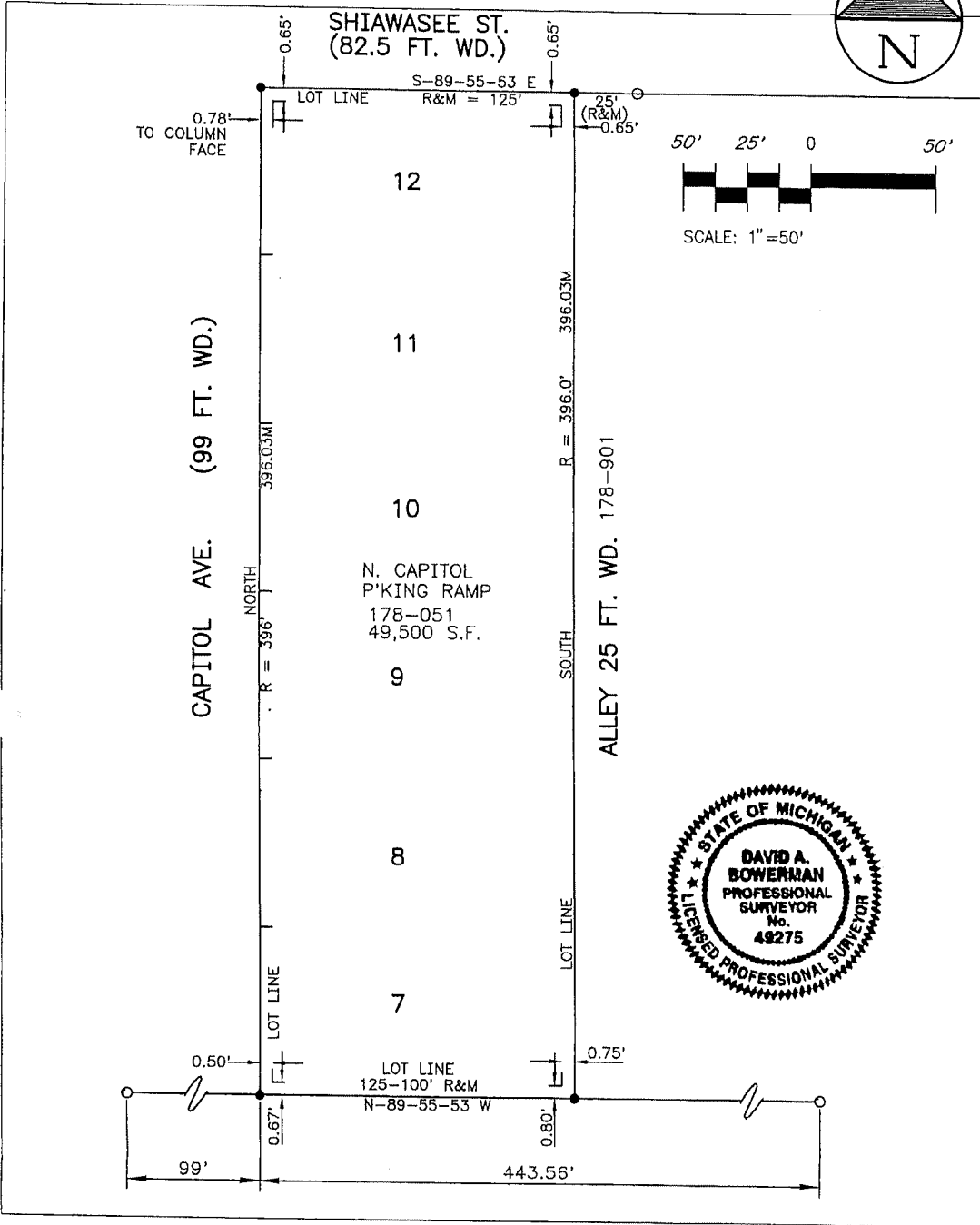
WASHTENAW ST.

CERTIFICATE OF SURVEY

LEGAL DESCRIPTION:

SHEET 1 OF 1

W 125 FT OF LOTS 7 THRU 12 INCL BLOCK 83 OF ORIGINAL PLAT, CITY OF MICHIGAN (NOW LANSING), INGHAM COUNTY, MICHIGAN



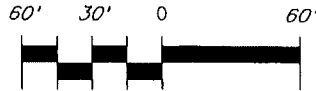
Bearing system is assumed

<p>I hereby certify that I have surveyed and mapped the land above platted and or described on <u>DEC. 2002</u> and that field ratio of closure on the unadjusted field observations was <u>1:50,000</u> or better and that all requirements of P.A. 132, 1970, as amended have been complied with.</p> <p style="text-align: right;"><i>David A. Bowerman</i> R.L.S. No. 49275</p>	<p>LEGEND</p> <p>○ Set Iron ● Found Iron R = Recorded M = Measured</p>	<p>NORTH CAPITOL RAMP</p> <p>TT TETRA TECH MPS</p> <p>710 AVIS DRIVE, ANN ARBOR, MI. 48108</p>
<p>Survey Job No. 2002186 Field Book No. 617-Q</p>		

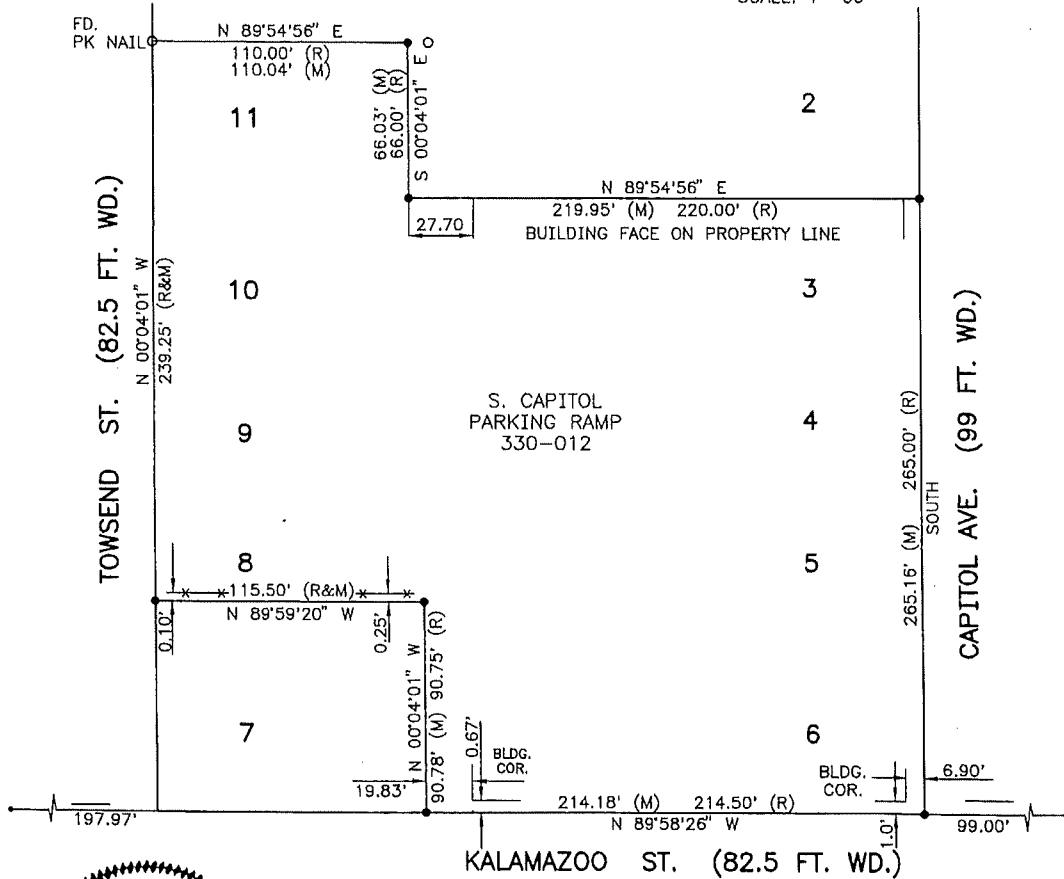
LEGAL DESCRIPTION:

SHEET 1 OF 1

LOTS 3 THRU 6 INCL LOTS 9 & 10, E 49.5 FT LOT 7, LOT 8 EXC S 25.75 FT OF W 115.5 FT, ALSO LOT 11 EXC E 55 FT BLOCK 127 ORIG PLAT, CITY OF MICHIGAN (NOW LANSING), INGHAM COUNTY, MICHIGAN



SCALE: 1" = 60'



Bearing system is assumed

I hereby certify that I have surveyed and mapped the land above platted and or described on DEC. 2002 and that field ratio of closure on the unadjusted field observations was 1:50,000 or better and that all requirements of P.A. 132, 1970, as amended have been complied with.

David A. Bowerman
R.L.S. No. 49275

- LEGEND**
- Set Iron
 - Found Iron
 - R = Recorded
 - M = Measured

SOUTH CAPITOL RAMP



Survey Job No. 2002186 | Field Book No. 617-Q

710 AVIS DRIVE, ANN ARBOR, MI. 48108

EXHIBIT D

Opinion from the Office of the City Attorney



City of Lansing

OFFICE OF THE CITY ATTORNEY

James D. Smiertka, City Attorney

January 10, 2019

Tax Increment Finance Authority
City of Lansing, MI

Dear Authority Members:

As a Special Assistant City Attorney and Bond Counsel for the City of Lansing, I reviewed the below-referenced conveyances as release and substitution of property, pursuant to Section 10 of the Contract of Lease between the City of Lansing and the Tax Increment Finance Authority, dated December 20, 1994.

General and Legal Description of Released Property, contained in Exhibit A, attached to your Resolution Authorizing Substitution of Property.

General and Legal Description of Substituted Property, contained in Exhibit B, attached to your Resolution Authorizing Substitution of Property.

It is my opinion that these conveyances are in compliance with the City Charter and applicable State law and City ordinances. Additionally, it is my opinion that the substitution is in compliance with the TIFA Plan, and that the 1994 Contract of Lease is and remains an "other protected obligation" under the TIFA Act.

Sincerely,


William J. Danhof

Special Assistant City Attorney, Bond Counsel

Miller, Canfield, Paddock and Stone, P.L.C.

One Michigan Avenue, Suite 900
Lansing, MI 48933