

SPECIAL MEETING OF THE CITY COUNCIL
OF THE CITY OF LANSING, MICHIGAN
CITY COUNCIL CHAMBERS, 10TH FLOOR
LANSING CITY HALL
124 W. MICHIGAN AVENUE



AGENDA FOR FEBRUARY 10, 2021 AT 4:30 P.M.

TO THE HON. MAYOR AND MEMBERS OF THE CITY COUNCIL:

Pursuant to Section 3-202.1 of the City Charter, Council Members Spadafore and Hussain have called a special meeting of the City Council on February 10, 2021 at 4:30 p.m. Due to public safety concerns resulting from the COVID-19 Pandemic(1), this meeting will be conducted via Zoom Conferencing using Meeting ID 859 4003 6219

- I. ROLL CALL
- II. MEDITATION AND PLEDGE OF ALLEGIANCE
- III. SPEAKER REGISTRATION FOR PUBLIC COMMENT ON LEGISLATIVE MATTERS
- IV. PUBLIC COMMENT ON AGENDA ITEMS The public may comment for up to three minutes. **Those wishing to make public comments will need to raise their hands:**¹
To Raise Your Hand:
On the phone: Dial *9
On a mac: Option Y
Windows: Alt Y
- V. COUNCIL CONSIDERATION OF LEGISLATIVE MATTERS
 - A. RESOLUTIONS FOR ACTION
 1. Second Amendment to the Stadium License, Lease, and Service Agreement (PEND-2252)
- VI. MOTION OF EXCUSED ABSENCE
- VII. REMARKS BY COUNCIL MEMBERS
- VII. REMARKS BY THE MAYOR OR EXECUTIVE ASSISTANT

1. Lansing City Council Resolution #2020-055 suspended the Council rule requiring physical presence at meetings for the duration of the declared state of emergency. Michigan Executive Order 2020-15 provides temporary authorization of remote participation in public meetings and hearings. See attached Public Participation Notes

IX. ADJOURNMENT



CHRIS SWOPE, CITY CLERK

Persons with disabilities who need an accommodation to fully participate in this meeting should contact the City Clerk's Office at (517) 483-4131 (TDD (517) 483-4479). 24 hour notice may be needed for certain accommodations. An attempt will be made to grant all reasonable accommodation requests.

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Public Participation Notes

Just want to watch the meeting? Here are the best options:

- CityTV live station on cable TV
- CityTV live webcast (<http://www.ustream.tv/channel/gov-tv-city-of-lansing-s-city-tv-station>)

Want to make Public Comment?

Join Zoom Meeting from Computer

<https://us02web.zoom.us/j/85940036219> (Note: this option requires downloading Zoom software. If you have not already installed the software, this may take a few minutes.)

Meeting ID: 895 4081 9781

Dial from your phone:

646 876 9923 -or-

312 626 6799

Meeting ID: 859 4003 6219

Written public comments may be submitted to city.clerk@lansingmi.gov by the end of the public period.

Maybe want to make Public Comments?

You can watch the meeting on CityTV on cable or webcast, and then call in with the phone option during the Public Comment portion of the agenda.

Accessibility

Closed Captioning will be available on the Zoom meeting, CityTV cable broadcast, and CityTV webcast.

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RESOLUTION # _____
BY THE COMMITTEE _____
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, the City Council of the City of Lansing previously approved the Stadium License, Lease, and Service Agreement (the "Agreement") between the City of Lansing and Take Me Out to the Ballgame, LLC ("TMO"), in Resolution 2014-164, passed on June 9, 2014; and

WHEREAS, the Agreement was amended substantively by a First Amendment, which was also approved by City Council on December 8, 2014 in Resolution 2014-321; and

WHEREAS, the circumstances surrounding two (2) once in a century events, the COVID-19 pandemic which has had devastating short term impacts with the loss of the 2020 baseball season and likely a significant portion of the 2021 baseball season, and the uncertainty of the long term impact of the changing relationship between Major League Baseball and Minor League Baseball have materially changed the business model established between the City and TMO in 2014; and

WHEREAS, a certain Second Amendment to the Agreement has been proposed that contains substantive changes to the consideration, duties, and obligations of both parties, including: an extension of the lease term, changes to the revenue sharing structure between the City and TMO, and minor adjustments in the definitions and minimum home-game requirements per year; and

WHEREAS, the Second Amendment to the Agreement shall contain the following terms:

- For 2020, the City waives the Minimum Guaranteed Payment due to a force majeure event;
- No overall changes to DGR, except that for 2021 – 2031, the City excludes the 5% annual payment of Sponsorship Revenue (excluding naming rights);
- In 2032, the annual 5% annual payment of Sponsorship Revenue (excluding naming rights) will reconvene;
- In the event that the current Naming Rights Agreement expires or is terminated, TMO shall pay either \$150,000 annually, or one-half the gross revenue, less the costs to execute the package (not including marketing and sales costs);
- The City shall facilitate the refinancing of the principal balance of the 2015 Installment Purchase Agreement
 - TMO shall pay 50% of the actual, final annual debt service
 - TMO shall pay 100% of the actual, final debt service associated with any termination fee and costs of insurance
 - TMO's payments are due thirty (30) days before the payment date of the refinancing 2015 IPA;
- The City shall facilitate the financing of an Installment Purchase Agreement in an amount not to exceed \$1,250,000 to provide additional financing for stadium improvements;
- For 2020, TMO shall pay the \$125,000 Additional Cash Payment according to the following schedule:
 - Payments spread over a ten (10) year period, beginning in 2021
 - Level, semi-annual principal and interest payments at 2.35%

- Payments shall be made thirty (30) days before the principal and interest payment date;
- TMO shall preserve and present the City Finance Director and the Internal Auditor financial information contained in the Agreement;
- TMO shall provide to the City copies of any and all financial audits produced by and for TMO;
- Capital Improvement Payments shall be the following minimum and maximum amounts:

Year	Minimum	Maximum
2021	\$0	\$0
2022	\$0	\$0
2023	\$37,500	\$50,000
2024	\$37,500	\$50,000
2025	\$50,000	\$52,500
2026	\$50,000	\$55,000
2027	\$50,000	\$57,500
2028	\$50,000	\$60,000
2029	\$50,000	\$62,500
2030	\$50,000	\$65,000
2031	\$50,000	\$67,500
2032	\$50,000	\$70,000
2033	\$50,000	\$72,500
2034	\$50,000	\$75,000
2035	\$50,000	\$77,500
2036	\$50,000	\$80,000
2037	\$50,000	\$82,500
2038	\$50,000	\$85,000

WHEREAS, the Second Amendment to the Agreement includes an extension of the term of the agreement which is less than five (5) years. As such, the Second Amendment to the Agreement may be considered and approved by Lansing City Council without placement on file with the Clerk's office for thirty (30) days prior; and

NOW, THEREFORE BE IT RESOLVED, that the Lansing City Council hereby approves a Second Amendment to the Stadium License, Lease, and Service Agreement by and between the City of Lansing and TMO for use of the Stadium property that contains the following terms:

- For 2020, the City waives the Minimum Guaranteed Payment due to a force majeure event;
- No overall changes to DGR, except that for 2021 – 2031, the City excludes the 5% annual payment of Sponsorship Revenue (excluding naming rights);
- In 2032, the annual 5% annual payment of Sponsorship Revenue (excluding naming rights) will reconvene;
- In the event that the current Naming Rights Agreement expires or is terminated, TMO shall pay either \$150,000 annually, or one-half the gross revenue, less the costs to execute the package (not including marketing and sales costs);
- The City shall facilitate the refinancing of the principal balance of the 2015 Installment

Purchase Agreement

- o TMO shall pay 50% of the actual, final annual debt service
- o TMO shall pay 100% of the actual, final debt service associated with any termination fee and costs of insurance
- o TMO's payments are due thirty (30) days before the payment date of the refinancing 2015 IPA;
- The City shall facilitate the financing of an Installment Purchase Agreement in an amount not to exceed \$1,250,000 to provide additional financing for stadium improvements;
- For 2020, TMO shall pay the \$125,000 Additional Cash Payment according to the following schedule:
 - o Payments spread over a ten (10) year period, beginning in 2021
 - o Level, semi-annual principal and interest payments at 2.35%
 - o Payments shall be made thirty (30) days before the principal and interest payment date;
- TMO shall preserve and present the City Finance Director and the Internal Auditor financial information contained in the Agreement;
- TMO shall provide to the City copies of any and all financial audits produced by and for TMO;
- Capital Improvement Payments shall be the following minimum and maximum amounts:

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2021	\$0	\$0
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2034	\$50,000	\$75,000
2035	\$50,000	\$77,500
2036	\$50,000	\$80,000
2037	\$50,000	\$82,500
2038	\$50,000	\$85,000

BE IT FINALLY RESOLVED, that the Mayor, on behalf of the City, is hereby authorized to sign and execute the Second Amendment to the Agreement, subject to its prior approval as to content and form by the City Attorney.