AGENDA

1) Call to Order / Rollcall

2) Approval of LEDC Board Meeting Minutes – Friday, February 7, 2020

3) FY2020-2021 LEDC Budget Update

4) 2017/2018 Arts and Culture Grant Program Contract Amendments (Action)
   a) Contract between City of Lansing and LEDC
   b) Contract between LEDC and Arts Council

5) Microloan Application – Sleepwalker Spirits, 1101 S. Washington, Lansing, MI (Action)

6) Resolution in Support of Michigan Historic Tax Credit (Action)

7) Project Updates

8) Open Forum for LEDC Board Members

9) Other Business

10) Public Comment

11) 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.
Call to Order
Chair Jones welcomed everyone and called the LEDC Board of Directors meeting to order at 3:57 p.m.

Approval of LEDC Board Meeting Minutes – Friday, January 10, 2020

MOTION: Binoniemi moved to approve the LEDC meeting minutes from the Friday, January 10, 2020 LEDC Board of Director’s meeting, as presented. Motion seconded by Schaible.

YEAS: Unanimous. Motion Carried.

LEDC Audited Financial Statements – YE June 30, 2019 (Action)
Chair Jones recognized guests from Rehmann Robson to present the LEDC Audited Financial Statements for year end June 30, 2019. Matz noted how the format of the LEDC financials differ from the LBRA and TiFA because it is set up as a non-profit. Matz provided an overview of the LEDC financials for 2019.

MOTION: Donaldson moved to approve the LEDC Audited Financial Statements – YE June 30, 2019. Motion seconded by Schaible.

YEAS: Unanimous. Motion Carried.

Project Updates – 2019 Annual LEDC Report
Dorshimer provided an overview of the 2019 Annual Report of LEDC projects.

Arts and Culture Grant Program Contract Amendments (Action)
Chair Jones introduced Klein and Rush to describe the Arts and Culture Grant Program Amendments.
a) 2018/2019 Arts and Culture Grant Program Extension
   o Contract between LEDC and City of Lansing
     MOTION: Binoniemi moved to approve the Amendment to the 2018/2019 Arts and Culture Grant Program contract between the LEDC and City of Lansing. Motion seconded by Schaible.
     YEAS: Unanimous. Motion Carried.

   o Contract between Arts Council and LEDC
     MOTION: Schaible moved to approve the Amendment to the 2018/2019 Arts and Culture Grant Program contract between the LEDC and Arts Council of Greater Lansing. Motion seconded by Coleman.
     YEAS: Unanimous. Motion Carried.

b) 2016/2017 Arts and Culture Grant Program Extension
   o Contract between LEDC and City of Lansing
     MOTION: Binoniemi moved to approve the Amendment to the 2016/2017 Arts and Culture Grant Program contract between the LEDC and City of Lansing. Motion seconded by Coleman.
     YEAS: Unanimous. Motion Carried.

   o Contract between Arts Council and LEDC
     MOTION: Coleman moved to approve the Amendment to the 2016/2017 Arts and Culture Grant Program contract between the LEDC and Arts Council of Greater Lansing. Motion seconded by Binoniemi.
     YEAS: Unanimous. Motion Carried.

Open Forum for LEDC Board of Directors
The upcoming Oliver Towers Ribbon Cutting was discussed.

Other Business
None was provided.

Public Comment
None was provided.

Adjournment
There being no further business, Chair Jones declared the LEDC meeting adjourned at 4:10 p.m.

Karl Dorshimer, Director of Economic Development
Lansing Economic Area Partnership (LEAP)
This first Amendment expands the terms and conditions of the City of Lansing’s 2017/2018 Arts and Culture Contract (herein called “Contract”) dated June 30, 2017 between the City of Lansing (herein called “City”) and Lansing Economic Development Corporation (herein called “LEDC”), whose address is 1000 S. Washington Avenue, Suite 201, Lansing, Michigan 48910.

WHEREAS, the LEDC is meeting its goals under the Contract to provide artistic and technical support by utilizing funds from the City for direct infusion into the cultural arts community through the 2017-2018 Arts and Culture Grant Program (herein called “Grant Program”); and

WHEREAS, nearly all projects under the Grant Program have been completed except for the Project Grant awarded to Capital City Film Festival for a video production called “Lansing’s Story” and the installation of equipment to project the video in downtown Lansing, with the project to debut at its annual event in April 2020; and

WHEREAS, the City and LEDC desire to extend the Time of Performance available for completion of the Grant Program and all program goals and objectives to be fulfilled under the Contract.

NOW THEREFORE, the City and LEDC agree as follows:

1. Extension of Time of Performance. The Time of Performance previously agreed to under the Contract as June 30, 2018, shall now be June 1, 2020.

2. No Other Changes. Except as otherwise expressly provided in this First Amendment, all of the other terms and Conditions of the Contract remain unchanged and in full force and effect.

3. Effective Date. This First Amendment to the Contract shall be effective as of June 30, 2018.
IN WITNESS THEREOF, the parties to this Amendment through their duly authorized representatives have executed this Amendment to the Contract between the City and LEDC, on the days and dates set forth in this document, and certify that they have read, understood, and agreed to the terms and conditions of this Amendment as set forth herein.

**LANSONG ECONOMIC DEVELOPMENT CORPORATION**

BY: ______________________________
    Karl Dorshimer

Its: Authorized Representative

**CITY OF LANSING**

BY: ______________________________
    Andy Schor

Its: Mayor

BY: ______________________________
    Chris Swope

Its: City Clerk

Approved as to form only:

__________________________________
City Attorney
FIRST AMENDMENT
TO CONTRACT BETWEEN
LANSPING ECONOMIC DEVELOPMENT CORPORATION
AND
THE ARTS COUNCIL OF GREATER LANSING
FOR
CITY OF LANSING’S ARTS AND CULTURE GRANT PROGRAM

This first Amendment expands the terms and conditions of the City of Lansing’s 2017/2018 First Impressions/Arts and Culture Contract dated August 17, 2017 by and between Lansing Economic Development Corporation (herein called “EDC”), whose address is 1000 S. Washington Avenue, Suite 201, Lansing, Michigan 48910, and the Arts Council of Greater Lansing, a nonprofit organization, organized and existing under the laws of the State of Michigan, hereinafter call the “Contractor”.

WHEREAS, the Contractor is meeting its goals under the contract with the EDC dated August 17, 2017 (herein called “Contract”), to provide artistic and technical support as directed by the EDC in utilizing funds from the City of Lansing for direct infusion into the cultural arts community through the 2017-2018 Arts and Culture Grant Program (herein called “Grant Program”); and

WHEREAS, nearly all projects under the Grant Program have been completed except for the Project Grant awarded to Capital City Film Festival for a video production called “Lansing’s Story” and the installation of equipment to project the video in downtown Lansing, with the project to debut at its annual event in April 2020; and

WHEREAS, the EDC and Contractor desire to extend the Time of Performance available for completion of the Grant Program and all program goals and objectives to be fulfilled by the Contractor as described under the Contract.

NOW THEREFORE, the EDC and Contractor agree as follows:

1. **Extension of Time of Performance.** The Time of Performance previously agreed to under the Contract as November 30, 2018, shall now be June 1, 2020.

2. **Program Reporting.** The due date of the Final Report previously agreed to under the Contract as November 30, 2018, shall now be June 1, 2020.

3. **No Other Changes.** Except as otherwise expressly provided in this First Amendment, all of the other terms and Conditions of the Contract remain unchanged and in full force and effect.

4. **Effective Date.** This First Amendment to the Contract shall be effective as of November 30, 2018.

[Signature page follows.]
IN WITNESS THEREOF, the parties to this Amendment through their duly authorized representatives have executed this Amendment to the Contract between the EDC and Contractor, on the days and dates set forth in this document, and certify that they have read, understood, and agreed to the terms and conditions of this Amendment as set forth herein.

LANSONG ECONOMIC DEVELOPMENT CORPORATION

BY: ______________________________
   Karl Dorshimer
Its: Authorized Representative

ARTS COUNCIL OF GREATER LANSING, a nonprofit organization

By: ______________________________
   Meghan Martin
Its: Executive Director
MEMORANDUM

DATE: Friday, February 28, 2020

TO: LEDC Board of Directors

FROM: Kris Klein, Economic Development Specialist - on Behalf of the Lansing Economic Development Corporation Loan Committee

Subject: Request approval of Micro-Loan from the Lansing Economic Development Corporation Business Loan Program for Sleepwalker Spirits & Ale

On Thursday, February 27, 2020, the Lansing Economic Development Corporation (LEDC) Loan Committee met to review and discuss an application for a Micro-Loan to Sleepwalker Spirits & Ale, through the LEDC Business Loan Program. This request is an extension to the existing $25,000 LEDC micro-loan approved for Sleepwalker in 2017. The original loan amount has been paid down to a balance of approximately $18,000 and the request is to reestablish the loan to the original amount and terms, resulting in new loan proceeds of $7,000 to be repaid over 48 months.

Sleepwalker Spirits & Ale opened their REO Town location in October of 2019 and is quickly becoming a popular destination known for their delicious pizza and variety of craft beverages including beer, wine, seltzer and cider.

The original investment in the business, kitchen, and unique dining space was over $220,000 and Sleepwalker has additional investments planned for the building façade and a new outdoor patio space. Additional loan proceeds would support the buildout of the patio, including fencing and furniture, as well as providing working capital.

After discussing the project, loan application, diligent payment history, and plan for additional loan funds the Loan Committee recommended consideration and approval of the loan application by the LEDC Board of Directors at their Friday, March 6, 2020 meeting.

Appended is a summary of the project and the draft loan terms recommended by the Loan Committee.
Sleepwalkers Spirits & Ale
LEDC Micro Loan Term Sheet
(2020)

Project: Sleepwalker Spirits & Ale

Location: 1101 South Washington Avenue, Lansing, MI 48910

Applicant: Jeremy Sprague (Owner); Ryan Wert (Investor)

Economic Development Program: Lansing Economic Development Corporation Micro Loan Program

Background Information: Sleepwalker Spirits & Ale opened in REO Town in October 2019 and serves high end pizzas, grilled paninis, fresh salads, as well as a variety of craft beverages including beer, wine, seltzer and cider.

Project Description: The applicant is proposing additional investment in the buildout of a new outdoor patio, including fencing and furniture. Loan proceeds will support the patio as well as providing working capital for business operations.

Level of Investment: Total project cost is estimated to be $231,033.

Terms of the Loan: Term: 48 months
Loan Amount: $25,000 (approx. $7,000 in new proceeds)
Interest Rate: 3.25%
Payments: Monthly ($556.12, Principal and Interest)
Fees: $250.00 loan fee
Loan Structure: Secondary to senior lender
Security: Guaranty from both Jeremy Sprague and Ryan Wert
LANSING ECONOMIC DEVELOPMENT CORPORATION BUSINESS FINANCING
ASSISTANCE PROGRAM APPLICATION

Step I - Application

1. Name and contact info: Jeremy Sprague, 221 Orchard St East Lansing, MI 48823 j Jeremy@drinksleepwalker.com Phone: 517.719.7563
2. Project name and address of project: Sleepwalker Spirits and Ale, Inc. 1101 S Washington Ave Lansing, MI 48910
3. Owner of project property: Ryan Wert SuperFancy Too, LLC.
4. Project description - Please include a thorough description of the new or expanded business activities that will be possible as a result of the project. Also include an explanation of how the project will stimulate business development and create positive economic benefits in the City of Lansing. Sleepwalker is a licensed Microbrewery, Wine Premises and Pizzeria Restaurant located on the corner of S Washington Ave and Elm St in REO Town on the first floor of 1101 S Washington Ave. After being open just four months, Sleepwalker is quickly becoming a destination and purveyor of delicious food and an array of craft beverages including beer, wine, craft seltzer and cider. Sleepwalker stands as a testament to urban revitalization in the REO Town corridor of Lansing. Sleepwalker is committed to aid and promote the efforts of community leaders to revitalize the local economy and culture through its products and pub atmosphere. The Sleepwalker fresh food menu is a delicious journey of high end pizzas, grilled paninis and fresh salads. Sleepwalker has also engaged GrubHub, DoorDash while maintaining a fresh online menu on it’s own website. The Sleepwalker kitchen is now delving into the freshest Sunday brunch in downtown Lansing with a line of customers by 11 am every week. With a facade grant in the approval stage and applications in place for outdoor seating with the City of Lansing and Michigan Liquor Control Commission, Sleepwalker is poised to become an anchor tenant and gathering place for customers in and around greater Lansing and across the state helping Lansing’s place-making efforts.
5. Collateral-Kitchen and Bar Equipment valued at $25,000 to be purchased with loan proceeds.
6. Estimated sources and uses of funds - Provide a DETAILED itemized budget in a spreadsheet format as shown below. Use as many line item categories as possible.
<table>
<thead>
<tr>
<th>Line item categories</th>
<th>Funds Provided by applicant</th>
<th>LEDC Loan</th>
<th>SBA Loan Dart Bank</th>
<th>Requested BFA Program Funds</th>
<th>Total</th>
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</thead>
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<tr>
<td>Leasehold Improvements</td>
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<tr>
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</table>
At a meeting of the Board of Directors of the Economic Development Corporation of the City of Lansing, Michigan held on the 6th day of March at 8:30 a.m., pursuant to notice duly given:

PRESENT: Members:

ABSENT: Members:

The following preamble and resolution was offered by:

Member: , and supported by:

Member:

WHEREAS, the historic buildings, neighborhoods and places in Michigan villages, towns and cities distinguish each community and provide character and a sense of place that contribute significantly to the quality of life and the economic benefits enjoyed in and by each community; and

WHEREAS, the preservation and rehabilitation of historic buildings, places and neighborhoods contributes to the beauty, character, and economic vitality of Michigan communities; and

WHEREAS, the labor-intensive nature of historic rehabilitation creates jobs and investment in local businesses and has been proven to generate more economic activity than equivalent investment in new construction; and

WHEREAS, demolition or destruction of historic buildings creates costs to Michigan and its communities by destroying the often-irreplaceable construction and ornamental materials of each structure and by adding significantly to landfills, whose makeup is estimated to be more than 40 percent building materials and waste; and

WHEREAS, there are many financial barriers to the preservation, renovation and rehabilitation of historic buildings; and

WHEREAS, the former Michigan Historic Tax Credit programs between their enactment in 1999 and their elimination in 2011 provided significant positive direct impacts on the revitalization of neighborhoods and communities, the preservation and creation of housing, the creation of skilled local jobs, and the subsequent private investment in areas surrounding tax-credit-driven revitalization projects; and

WHEREAS, the Michigan Legislature is presently considering Senate Bill 54 and House Bill 4100 that would reinstate an up-to-25 percent investment tax credit for owners of historic residential and commercial properties who substantially rehabilitate their properties;
NOW, THEREFORE, BE IT RESOLVED that the Economic Development Corporation of the City of Lansing endorses and supports the intent of both Senate Bill 54 and House Bill 4100 and calls upon the Michigan Legislature to pass this important legislation and Governor Whitmer to sign it, in order to stimulate appropriate development and redevelopment and protect the historic character and quality of life of our communities.

YEAS:   ( )

NAYS:   ( )

ABSTENTIONS: ( )

ABSENT:  ( )

PREAMBLE AND RESOLUTIONS DECLARED ADOPTED.

STATE OF MICHIGAN )
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 Economic Development Corporation of the City of Lansing held on the 6th day of March 2020, 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 Bylaws.

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

Calvin Jones, Chair
LEDC Board of Directors