



**OFFICIAL PROCEEDINGS OF  
THE CITY COUNCIL  
CITY OF LANSING  
FEBRUARY 10, 2021**

Via Zoom Conferencing Meeting ID 859 4003 6219.

The City Council of the City of Lansing met in special session and was called to order at 4:31 p.m. by President Spadafore.

**PRESENT:** Council Members Garza (remotely from Lansing, MI), Hussain (remotely from Lansing, MI), Jackson (remotely from Lansing, MI), Spadafore (remotely from Lansing, MI), Spitzley (remotely from Lansing, MI), Wood (remotely from Lansing, MI)

**ABSENT:** Council Member Betz

A quorum was present.

City Clerk Swope let the Council know that he was unable to deliver the notice of the special meeting to Council Member Betz because he no longer lives at the address that is on file according to the person who answered the door at 215 Horton Street.

The Council observed a moment of meditation followed by the Pledge of Allegiance led by President Spadafore.

**SPEAKER REGISTRATION FOR  
PUBLIC COMMENT ON LEGISLATIVE MATTERS**

City Clerk Swope announced that the public needed to electronically "raise their hand" in order to speak during public comment period.

**PUBLIC COMMENT ON LEGISLATIVE MATTERS**

Deb Parish spoke about the Stadium License, Lease, and Service Agreement.

**LEGISLATIVE MATTERS**

**RESOLUTIONS**

**RESOLUTION 2021-041**

BY THE COMMITTEE OF THE WHOLE  
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

- 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:

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);
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  - 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;
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  - 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;
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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.

By Vice President Hussain to adopt the resolution as substituted

Motion Carried by the following roll call vote:

YEAS: Council Members Garza, Hussain, Jackson, Spadafore, Spitzley

NAYS: Council Member Wood

**MOTION OF EXCUSED ABSENCE**

By Council Member Jackson to excuse Council Member Betz from tonight's proceedings.

Motion Failed by the following roll call vote:

Yeas: Council Members Jackson, Spadafore, Dunbar

Nays: Council Members Garza, Spitzley, Wood, Hussain

**REMARKS BY COUNCIL MEMBERS**

Mayor Schor expressed his thanks for everyone in the meeting for their analysis and hard work.

**ADJOURNED TIME 5:40 P.M.**

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**CHRIS SWOPE, CITY CLERK**