Lansing Economic Development Corporation
Board of Director’s Meeting Minutes
Friday, July 12, 2019 – 8:30 AM
LEAP Office
1000 S Washington Ave. Ste. 201
Lansing, MI 48910

Members Present: Calvin Jones, Thomas Donaldson, James Butler III, Brian McGrain, Blake Johnson
Members Absent: Fred Schaible, Kimberly Coleman, Shelley Davis-Boyd (E), Andrea Binoniemi (E)
Temp Members Present: None
Staff Present: Karl Dorshimer, Hannah Bryant, Kris Klein
Guests: Joan Nelson, Jon Lum, James Dow, Judy Kehler

Call to Order

Chair Jones welcomed everyone and called the LEDC Board of Directors meeting to order at 9:09 a.m.

Approval of LEDC Board Meeting Minutes – Friday, May 31, 2019

MOTION: Donaldson moved to approve the LEDC meeting minutes from the Friday, May 31, 2019 LEDC Board of Director’s meeting, as presented. Motion seconded by McGrain.

YEAS: Unanimous. Motion carried.

Allen Place Development Presentation Re: EGLE Grant (Discussion)
Dorshimer introduced Joan Nelson of Allen Neighborhood Center (ANC) to present on the Allen Place Project. Nelson offered an overview of ANC’s history and services. Nelson presented on the proposed Allen Place mixed-use development. Dow discussed how the development will be financed including New Market Tax Credits, a grant from the Department of Environment, Great Lakes and Energy (EGLE), a Community Revitalization Program (CRP) Grant from the Michigan Economic Development Corporation (MEDC), and philanthropic funding, but that proposals to Michigan State Housing Development Authority (MSHDA) tax-credit proposals were denied. Dow added that substantial completion of the project, including the housing units, is scheduled to be completed Quarter 4 of 2020. Jones asked if Michigan State University (MSU) has been engaged on the project. Nelson discussed ANC’s collaboration with MSU and Ingham Intermediate School District (ISD) via agriculture, food systems, and culinary events. Lum discussed ongoing efforts to collaborate with the Ingham ISD, Lansing School District (LSD), and Lansing Community College (LCC) on the new
commercial food space as part of the development. Jones asked why the MSHDA tax-credit proposals were denied. Dow explained the new points system and how it made it difficult to pencil out with the mix of housing. Butler asked if an additional proposal will be submitted to MSHDA. Dow confirmed that they plan to submit again this month. Donaldson inquired how much total investment is planned on the project. Dow explained that the project investment is estimated to be between $10 million and $15 million.

**Approval of First Amendment to the Lowertown Lofts Commercial Term Note (Action)**

Klein discussed the first Amendment to the Lowertown Lofts Commercial Term Note (Note) including the original Note date of June 26, 2012 and original loan amount of $82,500. Klein explained that a final balloon payment was due on June 26, 2019, but that Lowertown Lofts has requested an extension of three months to the length of the Note in order to seek additional financing to pay the approximately $50,000 balance on the Note. Klein added that Lowertown Lofts has been notified that the Note is in an Event of Default as the full final payment was not made on June 26, 2019, but an amendment to extend the term would cure the Default.

**MOTION:** Johnson moved to approve the First Amendment to the Lowertown Lofts Commercial Term Note, as presented. Motion seconded by Donaldson.

**YEAS:** Unanimous. Motion carried.

**Resolution – Bylaw Amendment Re: Officer of Municipality (Discussion)**

No further Action is required on this item.

**Update on Façade Improvement Program**

Bryant presented on the 2018-2019 City of Lansing Façade Improvement Program including the projects that have been completed, in process, and close to commencing construction. Bryant also introduced the opening of the 2019-2020 Façade Improvement Program. McGrain commented on the increased budget and the inclusion of all City of Lansing corridors, including downtown businesses, in the 2019-2020 program.

**Project Updates**

Dorshimer provided the following project updates:

Project Name: Volaris Lansing – 3600 Dunckel Brownfield Redevelopment
Site is prepped and prepared for development. Construction will begin soon on the $52 million 286-unit market rate multifamily apartment community comprised of four 4-story buildings. The project is scheduled to be completed by June 30, 2021.

Project Name: Metro Park Place – (Former YMCA Site)

Second Floor of the project is being constructed. The $25 million project will build a four-story building with 145 loft apartment units and 6,925 sf of commercial and retail space. The development should be completed by March 2020.

Project Name: Former EDS Site – Midwest Self Storage Development

Developer: 930 W Holmes, LLC (Midwest Self Storage)

Interior demolition has occurred along with asbestos abatement and a new roof has been installed. Klein added that the developer has a purchase agreement with a prospective buyer who intends to purchase the completed project and operate under their own self-storage brand. Jones asked for the prospective purchaser to present to the Board at a future Board meeting.

Project Name: Provident Place

2200 East Michigan (Scott Gillespie) – the new mixed-use building is well underway. The framing is completed, and interior work is beginning. The $7 million mixed-use development includes the construction of a 4-story building including 6,000 to 9,500 square feet of office/retail space on the first floor and between 33 and 37 residential units above. The new structure will also include underground parking. The project will be completed later this year.

Project Name: 735 Hazel Street (formerly the Wing)

The Developer has sold the property.

Project Name: Red Cedar Redevelopment Project

The Developer is now going through the approvals process for state incentives from the MEDC. If the state incentives are approved the first phase of the project will begin this fall.

Project Name: Capital City Market

Site preparation almost completed. The construction of the $41.5 million mixed-use development with Hotel, Urban Market and Apartments will begin any day.

Project Name: Redevelopment of former Lake Trust building and 500 block.

The LBRA is still awaiting the Brownfield Plan from Urban Systems.
Project Name: Oliver Towers Redevelopment Project

The Project is well underway. The $14.7 million 8 story building will house 96 apartments and 1,300 sf of retail space downtown. This project is scheduled to be completed by the end of this year (2019).

Project Name: 517 Coffee Co.

517 Coffee has submitted their building plans to the City of Lansing for review. Owners are hopeful that they will open in the coming months.

Project Name: CB Mining

CB Mining – CB Mining is continuing to finalize their financing but has been asked by their bank to provide additional collateral for the loan. CB Mining may request an additional micro-loan from the LEDC Board to assist with cash collateral.

Project Name: Sleepwalker Spirits and Ale

Interior work is nearly complete, and they are running test batches of both food and beer in preparation of opening.

Open Forum for LEDC Board of Directors

Chair Jones opened the floor to LBRA Board Members, no comments were provided.

Other Business

No other Business was presented.

Public Comment

None was provided.

Adjournment

There being no further business, Chair Jones declared the LEDC meeting adjourned at 10:00 a.m.

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