

AGENDA

DOWNTOWN DEVELOPMENT AUTHORITY



Board Members:

Mayor Rosalynn Bliss • Kayem Dunn • Dr. Wendy Falb • Jane Gietzen
Brian Harris • Diana Sieger • Jim Talen • Rick Winn

Friday, January 20, 2016
8:00 a.m. Meeting
29 Pearl Street, NW Suite #1

- | | | |
|---|---------------|------------------|
| 1. Call to order | | |
| 2. Approve Meeting Minutes from December 14, 2017 (8:01)
(enclosure) | | Harris |
| 3. Accept December, 2016 Financial Statements (8:05)
(enclosure) | <i>Motion</i> | Wallace |
| 4. Approve DDA TIF Plan Assurance Resolution and Agreement (8:10)
(enclosure) | <i>Motion</i> | Larson |
| 5. Approve Bond Refunding (8:25)
(enclosure) | <i>Motion</i> | Larson / Wallace |
| 6. Authorize Support for Grand River Restoration (8:35)
(enclosure) | <i>Motion</i> | Larson |
| 7. Approve Amendments to 150 Ottawa Development Agreement (8:45)
(enclosure) | <i>Motion</i> | Larson |
| 8. Authorize Investments for Movies in the Park Seasons 5-7 (9:00)
(enclosure) | <i>Motion</i> | Larson |
| 9. Snow Days Presentation (9:10) | Info Item | Van Driel |
| 10. President & CEO Report (9:20) | Info Item | Larson |
| 11. Public Comment (9:30) | | |
| 12. Board Member Discussion (9:35) | | |
| 13. Adjournment | | |

UNAPPROVED MINUTES

MEETING OF THE DOWNTOWN DEVELOPMENT AUTHORITY

November 9, 2016

1. Call to Order – The meeting was called to order at 8:04am

2. Attendance

Present: Mayor Rosalynn Bliss, Kayem Dunn, Dr. Wendy Falb, Jane Gietzen, Brian Harris, Elissa Hillary, Diana Sieger, Jim Talen, Rick Winn

Absent:

Others Present: Kristopher Larson (Executive Director), Murphy Ackerman (DDA Executive Assistant), Jana Wallace (DDA Treasurer), Bill Kirk, Andy Guy, Annamarie Buller, Tim Kelly, LaTarro Traylor, Jim Harger, George Bayard, Mark DeClerq, Suzanne Schultz

3. Approve Meeting Minutes from November 9, 2016

Motion: Rick Winn, supported by Jane Gietzen, moved approval of the minutes from the November 9, 2016 meeting as presented. Motion carried unanimously.

4. Approve Preliminary November, 2016 Financial Statements

Ms. Wallace presented the November 2016 financial statements. Ms. Wallace said there has been a normal amount of expenditures for the month and no significant changes to report. Ms. Wallace said the quarterly transfer of parking revenues had occurred and is reflected on the statement.

Motion: Jane Gietzen, supported by Rick Winn, moved to approve Statement D: Schedule of November 31, 2016 Expenditures as recommended. Motion carried unanimously.

5. Approve 2017 DDA Meeting Calendar

Mr. Harris introduced the proposed meeting schedule for 2017. Mr. Harris noted that the only irregular meeting date for 2017 would be the upcoming January meeting, which will be held on January 20th. Mr. Harris said he had received no indication from board members to change the cadence of the meeting structure.

Motion: Jane Gietzen, supported by Rick Winn, moved to approve the 2017 meeting calendar. Motion carried unanimously.

6. Approve Floodwall Easements

Mr. Wendt said this was a routine easement process and explained that the easement would allow the City to gain control of the river's edge as it begins to expand and enhance the river trail. Mr. Wendt explained that the DDA owns two river adjacent properties that it would need to approve easements for. Mr. Larson said it will be a multi-year process to gain approval from each of the property owners that own river adjacent property. Ms. Dunn asked if property owners could potentially delay

construction timelines. Mr. Larson said it is impossible to tell at this time if it will be an issue, but is hopeful that the property owners see the benefit that the river enhancements would have on their properties.

Motion: Rick Winn, supported by Jane Gietzen, moved to approve the resolution to support the eventual improvements to the Grand River, flood protection, and adjacent trail access. Motion carried unanimously.

7. Approve Downtown Enhancement Grant Program Guidelines

Mr. Kelly gave an overview of the new Downtown Enhancement Grant Program and the process that the Alliance for Investment has gone through to create the new program. Mr. Kelly said the new program was a result of wanting to ensure that all of DGRI's incentive programs align with the goals outlined in GR Forward. Mr. Kelly explained that this program will streamline the Areaway, Building Reuse, and Streetscape Improvement grant programs. Mr. Kelly said that all of the programs are well utilized but it is important to evaluate whether or not they are driving the goals of the organization. Mr. Kelly said there are not many areaways left to fill or building façades that are eligible for the BRIP program, which makes the realigning of these programs even more of a priority. Mr. Kelly did note that the new program would still allow funds to be distributed for areaways and façade updates, but would no longer be the focus. Mr. Kelly gave an overview of the new program and explained that the goal will be to focus DGRI's dollars on public spaces, where the organization feels it can have the most impact. Mr. Kelly said because the new program is able to simplify the current programs, DGRI will be able to participate on a percentage level per project as opposed to a specific dollar amount cap. Mr. Kelly said this program will also allow DGR to be at the table for early design stages of the project as opposed to giving support after projects have been completed. Mr. Kelly said that projects that receive money from the Development Support program would not be eligible for these funds. Ms. Hillary asked why non-profit organizations are not eligible for these funds. Mr. Kelly said non-profits are generally excluded from participation in these programs because there is not a return on investment because non-profits do not create increment. Mr. Larson said the Board has created exceptions for non-profits in the past, and it will be handled on a case-by-case basis, but historically these dollars are not directed towards non-profit organizations. Mayor Bliss asked if there have been properties identified that could be possible partnership opportunities for this new program. Mr. Kelly said the Alliance has been working to build on the work of GR Forward and identifying streets that would benefit from more activation. Mr. Larson added that there is a Public Realm Improvements line item that works to address areas outside of this program such as the recent Pearl Street Gateway project. Dr. Falb asked if the program changes are a reflection of the changing economy and not needing to help developers with compliance but instead with design elements considered "above and beyond". Mr. Kelly said it has been a long-time goal of the organization to repurpose these programs, and with direct feedback from the developers has been able to recognize the programs weren't helping to make or break projects. Mr. Winn said as a member of the Alliance for Investment he saw an advantage to creating a larger pot of money for developers to go after and therefore make a bigger impact with the DDA's contribution. Mr. Harris noted that this evolution is an example of continued leadership and stewardship of TIF tools. Mr. Kelly gave an overview of the next steps before this program is finalized and noted he has met with developers to ensure that they are aware of the changes in the programs being offered.

Motion: Rick Winn, supported by Elissa Hillary, moved to approve the new Downtown Enhancement Grant program guidelines as recommended by the DGRI Alliance for Investment. Motion carried unanimously.

Mr. Larson said this project helps to demonstrate the evolution of how DGRI invests in the

community. Mr. Larson said over the next few months, staff will work to see what does and does not work with the new program and there will always be the opportunity to make changes to ensure that we are offering the best and highest use of dollars for the public benefit.

8. Authorize Lease for African-American Heritage Museum

Mr. Larson said the opportunity to sub-lease this space to the African-American Heritage Museum is reflective of the intention of GR Forward to create a more welcoming and inclusive Downtown. Mr. Larson thanked Ms. Traylor for her work in helping to identify Mr. Bayard and with the help of City Commissioner Leneer, push to make this effort a reality. Mr. Larson explained that Parking Services previously occupied a property on Monroe Center that the DDA will sublease from the City. Mr. Larson explained that the DDA will then sub-sub-lease the property to Mr. Bayard for the African-American Heritage Museum. Mr. Larson said the two-year length of the lease was intentional in giving the museum time to build a presence and establish themselves before given the option to lease the space themselves. Mr. Larson introduced Mr. Bayard to the Board and thanked him for his leadership on this initiative. Mr. Bayard thanked the DDA for their consideration of this project, and explained that GRAAMA has been looking to move to a downtown location for some time and is excited about the visibility that this space will bring to the museum. Ms. Dunn asked Mr. Bayard if he has any affiliation with the national African-American History Museum. Mr. Bayard said he has been in contact with them and has been working on opportunities for partnership. Ms. Dunn said she is excited to see this museum move downtown especially given the incredible impact and success the national museum has seen. Mayor Bliss noted that the sub-lease between the City and the DDA was already approved at the previous City Commission meeting.

Motion: Kayem Dunn, supported by Dr. Wendy Falb, moved to approve the attached resolutions and authorize the DDA Board Chair to execute the lease and sub-lease agreements between the City of Grand Rapids, the DDA, and GRAAMA. Motion carried unanimously.

9. Authorize Contributions to Michigan St Pedestrian Improvements

Mr. Larson introduced the request from the City for contributions to the Michigan Street pedestrian improvements. Mr. Larson said the intent is to eliminate the bus-only lane that currently extends from Bostwick to Barclay on Michigan Street in order to increase the sidewalk width. Mr. Larson noted that the elimination of the bus lane has been approved by The Rapid. Mr. Larson said this additional sidewalk space will be an opportunity to enhance the area with amenities such as seating and green infrastructure. Ms. Schultz added that the goal of removing the bus-only lane is to not only enhance the pedestrian experience along Michigan Street but also to provide more safety as pedestrians are crossing the busy intersection. Ms. Schultz said that this project has been built on partnership and both the Smartzone and Spectrum are contributing significant amounts of money to the project. Ms. Schultz said the DDA's contribution would be used to enhance and improve the pedestrian experience along Michigan Street.

Motion: Rick Winn, supported by Elissa Hillary moved to approve the request for the DDA's contribution of \$75,000 for Michigan Street pedestrian improvements. Motion carried unanimously.

11. Lyon Square Design Presentation

Mr. Larson gave an overview of the Lyon Square Design Process. Mr. Larson said the project has completed the schematic design phase and is currently identifying private and public funding partners for the next phase, which will include construction documents as well as future implementation. Mr. Larson shared the current designs and highlighted elements and explained that the berm will provide

the flood protection while still allowing accessibility to the river. Mr. Larson highlighted the design of the current gateway at Lyon Street that would include a lighting feature that helps to reimagine the exterior look of the skywalk. Mr. Larson added that the new programmatic approach to the corridor allows Lyon Street to remain useable for the convention center and hotels, but also gives it an opportunity to host a wide variety of events. Mr. Winn shared his excitement for this project and the next stages as it will help to draw people to the area and activate a much-neglected public space.

12. President & CEO Report

DID 9/12/16

- Received updates on DID assessment law from City Attorney & Assessor

MNTIFA (10/12/16)

- Approved support for Accessibility Audit
- Received an update on DDA TIF and Development Plan amendments

DGRI (12/7/16)

- Destination Asset Study Presentation

Alliances:

INVESTMENT (12/13)

- Chair: Nikos Monoyios, Long Range Planner @ The Rapid
- Finalizing incentive program recommendations
- Participating in Sheldon Ave. Design

VIBRANCY (10/19)

- Chair – Brandy Moeller, City of Grand Rapids
- Focus on Winter Event Planning, Valent-ICE

LIVABILITY (11/28)

- Chair: Lynee Wells, Principal @ Williams & Works – Working Group Discussions
- Exploring Public Restroom Concept
- Feedback from Dwelling Place Residential Survey
- Working Group Discussions

DGRI Staff Highlights

Events / Marketing / Communications

- In event planning / partnership develop for Valent-ICE / “Snow Days”
 - Event expanded to include snow board “rail jam”
 - 31 businesses have purchased ice sculptures to date
- Movies NOT in the Park Lineup @ UICA:
 - Nov 5: Batman Returns
 - Nov 12: Home Alone 2
 - Nov 19: Cool Runnings

- Dec 10: The Mighty Ducks
 - Dec 17: Nightmare Before Christmas
- Exploring new technology / set up options for 5th season of MiTP
- Completed GR Forward Thinking Speaker Series
 - Project ñ – Oct 10, 6:30 – 8:30 PM; Loosemore Auditorium
 - Van Jones – Oct 27th, in collaboration with LINC Empowered Communities Conference
 - Dr. Tsemberis – November 16, 6:00 PM; Fountain St. Church
- Held Light Up Downtown / Christmas Tree Event – December 2

Planning / Development

- TIF reform bills will not advance in lame duck. DGRI working with partners & Senator Horn's office to pick up the work at the beginning of the 2017 session.
- Coordinating through challenges associated with new MEDC incentives policy.
- KL & TK participating on Daniel Rose Fellowship project team- Organized by ULI & National League of Cities. Team also includes Mayor Bliss, Kara Wood, and Josh Naramore from City of GR.
- Planning Commission Public Hearing on Downtown Zoning Update – Dec 10
- Calder Plaza Steering Committee – will receive final designs and cost estimates in Jan, 2017.
- Managing Lyon Square Schematic Design – received 100% SD set. Transitioning into fundraising and Design Development (DD).

13. Public Comment
None

14. Board Member Discussion
Mr. Harris took a moment to thank Ms. Hillary as this is her final meeting as a DDA Board member. Mr. Harris thanked Ms. Hillary for not only her years of service, but her many contributions to the organization. Ms. Hillary thanked the Board for the opportunity to serve and explained that her many time commitments no longer allow her to give the time that this Board deserves. Ms. Hillary said she is pleased to have had a part in seeing through the DGRI formation process, and most recently the approval of the GR Forward plan.

Mr. Larson took a moment to recognize Mr. Kirk as this is his final meeting as a DGRI staff member. Mr. Larson thanked Mr. Kirk for his dedication to the team and for his hard work in the many mobility initiatives that have been implemented throughout his tenure at DGRI. Mr. Kirk thanked the Board and staff for the opportunity to be a part of the team.

15. Adjournment
The meeting adjourned at 9:46am

MEMORANDUM

CITY OF GRAND RAPIDS · DOWNTOWN DEVELOPMENT AUTHORITY

**Agenda Item 3.
January 20, 2017
DDA Meeting**

DATE: January 11, 2017

TO: Brian Harris
Chairman

FROM: Jana M. Wallace
Downtown Development Authority Treasurer

SUBJECT: FY2017 Interim Financial Statements as of December 31, 2016

Attached are the DDA's interim financial statements for the first six months of the fiscal year ending June 30, 2017. The attached statements include:

- Statement A: Balance Sheet
- Statement B: Comparison of FY2017 Budget vs Actual Results
- Statement C: Statement of Project Expenditures
- Statement D: Schedule of December, 2016 Expenditures

In December, the City Treasurer distributed winter tax increment revenue captures which were levied on December 1. The Authority has sufficient cash to support budgeted expenditures.

Kris Larson, Dick Wendt, City staff, and I are working with the State of Michigan regarding the potential refunding of the DDA's Series 2009 bonds, which partially refunded the DDA's Series 1994 Van Andel Arena Bonds. Both of these bond issues are considered, "eligible obligations," which allow the DDA to capture school tax increment revenues to pay semi-annual debt service payments. If the Series 2009 Bonds are refunded, debt service savings would be split evenly with the State of Michigan as well as reduce the required amounts of school tax increment revenues to be captured.

Please contact me at 616-456-4514 or jwallace@grcity.us if you have any questions.

Attachments

STATEMENT A

DOWNTOWN DEVELOPMENT AUTHORITY

Balance Sheet As of December 31, 2016

	Non-Tax Funds	Debt Increment	Local Tax Increment	TOTAL
ASSETS				
Pooled Cash and Investments	\$ 4,386,924	\$ 7,707,417	\$ 7,009,226	\$ 19,103,567
Petty Cash	-	-	500	500
Debt Service Reserve Fund	-	5,406,462	-	5,406,462
Tax Increment Receivable	(4,186)	-	4,186	-
Loan Receivable - Project Developer	613,848	-	-	613,848
Loan Receivable - Special Assessments	11,052	-	-	11,052
General Fixed Assets	-	-	90,051,736	90,051,736
Accumulated Depreciation on Fixed Assets	-	-	(50,672,717)	(50,672,717)
Future Tax Increment Revenues Anticipated	-	30,098,727	139,500	30,238,227
TOTAL ASSETS	\$ 5,007,638	\$ 43,212,606	\$ 46,532,431	\$ 94,752,675
LIABILITIES AND FUND EQUITY				
Liabilities				
Current Liabilities	\$ -	\$ -	\$ 58	\$ 58
Parking Revenue Payable	12,705	-	-	12,705
Other Accrued Liabilities	69,620	-	(69,620)	-
Project Increment Due to Developers	-	-	7,373	7,373
Current Year Excess Capture	-	3,789,022	-	3,789,022
Deposit - Area 1 and Area 5 Options to Buy	107,578	-	-	107,578
Net Retiree Health Care Obligation ¹	-	-	(5,720)	(5,720)
Prior Year Property Tax Appeals	-	139,214	77,008	216,222
Deferred Revenue - Developer Loan	613,848	-	-	613,848
Contract Payable	-	-	139,500	139,500
Bonds Payable	-	30,098,727	-	30,098,727
TOTAL LIABILITIES	803,751	34,026,963	148,599	34,979,313
Fund Balance / Equity:				
Investments in General Fixed Assets, net of Accumulated Depreciation	-	-	39,379,019	39,379,019
Non-Tax Increment Reserve	3,664,856	-	-	3,664,856
Reserve for Authorized Projects	-	-	6,604,927	6,604,927
Reserve for Brownfield Series 2012A Bonds	531,071	-	-	531,071
Reserve for Compensated Absences	-	-	7,881	7,881
Reserve for Eligible Obligations	-	9,185,643	-	9,185,643
Reserve for Encumbrances	7,960	-	392,005	399,965
TOTAL FUND EQUITY	4,203,887	9,185,643	46,383,832	59,773,362
TOTAL LIABILITIES & FUND EQUITY	\$ 5,007,638	\$ 43,212,606	\$ 46,532,431	\$ 94,752,675

Note 1: This line is the accumulated amounts of the actuarially determined Annual Required Contributions (ARC) for pre-65 year old retiree health insurance in excess of the "pay as you go" charges disbursed from the Retiree Health Insurance Fund plus interest on the unpaid portion of the prior year liability. The trust fund is currently over-funded which is why the account has a negative balance.

STATEMENT B

DOWNTOWN DEVELOPMENT AUTHORITY Comparison of FY2017 Budget vs Actual Results July 1, 2016 - December 31, 2016

	Non-Tax Funds		Debt Tax Increment		Local Tax Increment	
	Budget	Actual	Budget	Actual	Budget	Actual
REVENUES						
Property Tax Increment - General	\$ -	\$ -	\$ 9,630,568	\$ 9,598,547	\$ 5,107,623	\$ 5,207,454
Property Tax Increment - Transit Millage	-	-	-	-	454,848	454,848
Property Tax Increment - Prior Year Appeals	-	-	(75,000)	-	(75,000)	4,186
Property Tax Increment - Rebates to City / ITP	-	-	-	-	(327,571)	-
Special Assessments - Areaway	15,000	-	-	-	-	-
Brownfield Authority - Grandville Avenue	-	-	-	-	26,180	24,528
Brownfield Authority - Veterans Park	-	-	-	-	606,979	-
Interest on Investments - General	22,171	14,549	5,000	18,936	54,307	30,120
Interest on Investments - Multi-Year Accrual Reversal	-	(50,440) ¹	-	(29,645) ¹	-	(96,254) ¹
Interest on Investments - The Gallery Note	27,623	-	-	-	-	-
Property Rental - DASH Parking Lots	321,332	46,390	-	-	-	-
Property Rentals - YMCA Customer Parking	51,510	-	-	-	-	-
Event Sponsorships and Support	60,000	5,825	-	-	-	-
Principal Repayments - The Gallery on Fulton Note	50,000	-	-	-	-	-
Restricted Contributions - Lyon Square Partners	-	-	-	-	560,000	-
Sale of Parking Area 5	6,550,000	-	-	-	-	-
Series 1994 Debt Service Reserve Fund	-	-	564,160	-	-	-
Reimbursements and Fees - Miscellaneous	600	88	-	-	10,000	-
From / (To) Fund Balance	(3,812,588)	-	(5,000)	-	1,129,984	-
TOTAL REVENUES	\$ 3,285,648	\$ 16,412	\$ 10,119,728	\$ 9,587,838	\$ 7,547,350	\$ 5,624,882
EXPENDITURES						
Investment - Planning and Infrastructure						
Development Incentive Programs	\$ -	\$ -	\$ -	\$ -	\$ 1,225,000	\$ 830,977
Transit Projects - Transit Millage Funded	-	-	-	-	580,000	-
Planning	10,000	10,827	-	-	10,000	3,375
Public Infrastructure	2,051,451	-	-	-	3,089,000	758,918
Investment Total	\$ 2,061,451	\$ 10,827	\$ -	\$ -	\$ 4,904,000	\$ 1,593,270
Livability - Residents / Workers / Neighborhood	412,000	113,188	-	-	870,000	345,484
Vibrancy - Attracting Visitors	555,000	200,234	-	-	295,000	32,461
Miscellaneous	40,000	22,613	-	-	-	-
Total Alliance Projects	\$ 3,068,451	\$ 346,862	\$ -	\$ -	\$ 6,069,000	\$ 1,971,215
Administration	3,200	674	-	-	1,022,863	636,641
Debt Service for Bond Issues	213,997	-	5,809,525	742,513	455,487	49,308
Estimated Capture to be Returned	-	-	4,310,203	-	-	-
TOTAL EXPENDITURES	\$ 3,285,648	\$ 347,536	\$ 10,119,728	\$ 742,513	\$ 7,547,350	\$ 2,657,164
EXCESS / (DEFICIT)	\$ -	\$ (331,124)	\$ -	\$ 8,845,325	\$ -	\$ 2,967,718

Note 1: For efficiency reasons, the City Treasurer does not record interest revenue when earned from multiple year investments. Instead, revenues associated with multiple year investments are accumulated annually, accrued, & then reversed in the following fiscal year.

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STATEMENT C

DOWNTOWN DEVELOPMENT AUTHORITY
Statement of Current Project Expenditures
As of December 31, 2016

Project Title	Project Budgets		EXPENDITURES			Available Budget
	%	Cost	Month	Fiscal Year	All Years	
Areaway Fill Program (ARIP)		70,000 ^{1,2}	-	35,000		35,000
Building Re-use Incentive Program (BRIP)		250,000 ^{1,2}	-	201,658		48,342
Development Project Guidance		80,000 ^{1,2}	1,946	4,692		75,308
Development Project Reimbursements		775,000 ^{1,2}	-	554,627		220,373
Streetscape Improvement Incentive Program		50,000 ^{1,2}	-	35,000		15,000
Investment - Development Incentives Sub-Total	9.52%	\$ 1,225,000	\$ 1,946	\$ 830,977		\$ 394,023
DASH North Shuttle Services		80,000 ^{1,2}	-	-		80,000
New Downtown Circulator Infrastructure		500,000 ²	-	-	-	500,000
Investment - Transit Millage Funded Sub-Total	4.51%	\$ 580,000	\$ -	\$ -		\$ 580,000
Downtown Plan - Community Relations		10,000 ^{1,2}	-	3,375		10,000
Investment - Planning Sub-Total	0.08%	\$ 10,000	\$ -	\$ 3,375		\$ 10,000
Arena South Implementation		636,596 ²	-	-	86,596	550,000
Bridge Street Streetscape Improvs		216,237 ²	53	86	116,323	99,914
Grand River Activation		200,000 ²	-	-	-	200,000
Grandville Ave Area Improvements		850,000 ²	-	144	842,136	7,864
Ionia Avenue Cycletrack		286,000 ²	-	-	-	286,000
Library Area Improvements		250,000 ²	-	-	-	250,000
Lyon Square Improvements		916,882 ²	-	251,624	418,506	498,376
Michigan / Ottawa Gateway		75,000 ²	-	-	-	75,000
Pearl Street Gateway Enhancements		504,280 ²	8,689	283,353	585,079	(80,799)
Rowe Hotel Public Improvements		120,000 ²	-	-	-	120,000
Sheldon Blvd - Weston to Cherry Street		250,000 ²	-	-	-	250,000
State Street & Bostwick Ave Reconstruction		1,575,000 ²	6,169	219,911	818,913	756,087
Streetscape Improvements - various		600,000 ²	-	-	-	600,000
Veterans Park Improvements		894,890 ²	3,800	3,800	148,690	746,200
Weston Street - Sheldon to LaGrave Ave		100,000 ²	-	-	-	100,000
Investment - Public Infrastructure Sub-Total	58.07%	\$ 7,474,885	\$ 18,711	\$ 758,918	\$ 3,016,243	\$ 4,458,642
Downtown Speakers Series		10,000 ^{1,3}	-	10,827		(827)
Investment - Non-Tax Supported Sub-Total	0.08%	\$ 10,000	\$ -	\$ 10,827		\$ (827)
Accessibility and Mobility Repairs		100,000 ^{1,2}	-	-		100,000
Bicycle Friendly Improvements		712,044 ²	-	-	137,044	575,000
Downtown Census		53,000 ²	-	-	23,000	30,000
Heartside Public Restroom Facility		100,000 ²	-	-	-	100,000
Public Realm Improvements		513,536 ²	11,869	190,832	304,368	209,168
Snowmelt System Repairs / Investigation		50,000 ^{1,2}	1,996	4,006		45,994
Tree Well Fill		150,000 ²	100,000	100,000	100,000	50,000
Urban Recreation Plan		264,084 ²	6,250	6,250	60,334	203,750
Wayfinding System Improvements		326,904 ²	-	44,396	116,300	210,604
Livability - Local Tax Supported Sub-Total	17.63%	\$ 2,269,568	\$ 120,115	\$ 345,484	\$ 741,046	\$ 1,524,516
Division Ave Task Force Implemntn		2,500 ^{1,3}	-	-		2,500
Downtown Ambassadors		225,000 ^{1,3}	24,643	99,315		125,685
Educational Partnerships Initiatives		5,000 ^{1,3}	-	-		5,000
Project and Fixed Asset Maintenance		25,000 ^{1,3}	-	-		25,000
Public Realm Improvements		- ^{1,3}	-	5,439		(5,439)
Riverwalk Maintenance		20,000 ^{1,3}	-	-		20,000
Stakeholder Engagement Programs		15,000 ^{1,3}	404	5,291		9,709
Street Trees Maintenance Program		5,000 ^{1,3}	-	-		5,000
Transportation Demand Mmnt Prog		112,500 ^{1,3}	65	3,143		109,357
Winter Avenue Building Lease		2,000 ^{1,3}	-	-		2,000
Livability - Non-Tax Supported Sub-Total	3.20%	\$ 412,000	\$ 25,112	\$ 113,188		\$ 298,812
DGRI Event Production		- ^{1,2}	-	598		(598)
Downtown Marketing & Inclusion		275,000 ^{1,2}	1,415	30,332		244,668
Downtown Workforce Program		- ^{1,2}	-	159		(159)
State of Dntn Event & Annual Reports		20,000 ^{1,2}	-	1,372		18,628
Vibrancy Local Tax Supported Sub-Total	2.29%	\$ 295,000	\$ 1,415	\$ 32,461		\$ 262,539
Bridge Lighting Operations		10,000 ^{1,3}	-	-		10,000
DGRI Event Production		80,000 ^{1,3}	-	43,749		36,251
Diversity / Inclusion Programming		22,500 ^{1,3}	468	7,669		14,831
Downtown Marketing & Inclusion		- ^{1,3}	-	322		(322)
Downtown Workforce Program		35,000 ^{1,3}	-	11,985		23,015
Go-Site Visitor Center at GRAM		7,500 ^{1,3}	-	-		7,500
Holiday Décor Program		65,000 ^{1,3}	-	-		65,000
Major Event Sponsorship		65,000 ^{1,3}	-	-		65,000
Public Space Activation		30,000 ^{1,3}	138	6,505		23,495
Rosa Parks Circle Skating Operations		40,000 ^{1,3}	-	-		40,000
Special Events - Grants		40,000 ^{1,3}	1,000	71,000		(31,000)
Special Events - Office of		75,000 ^{1,3}	25,000	25,000		50,000
Special Events - Training Program		5,000 ^{1,3}	2,377	8,773		(3,773)
Ticketed Events - Police Services		80,000 ^{1,3}	25,231	25,231		54,769
Vibrancy Non-Tax Supported Sub-Total	4.31%	\$ 555,000	\$ 54,214	\$ 200,234		\$ 354,766
Experience - Miscellaneous		40,000 ^{1,3}	357	22,613		17,387
TOTAL	99.69%	\$ 12,871,453	\$ 221,870	\$ 2,318,077		\$ 7,899,858

Note 1: Current year (FY2017) budget only.

Note 2: Paid from local tax increment. Note 3: Paid from non-tax funds.

ddasmts-dec16.xls jmw 01/02/17

STATEMENT D

DOWNTOWN DEVELOPMENT AUTHORITY

Schedule of Expenditures

December, 2016

Source	Date Posted	Vendor	Activity # Purpose / Project	Description	Amount
Local	12/31/2016	Paychex	Administration	DGRI payroll, taxes, 401(k) - December, 2016	\$ 94,158.77
Local	1/3/2017	City Treasurer - City Engineer Dept	Tree Well Fill	Reimburse City of Tree Well Fill - payment 1 of 3	50,000.00
Local	1/3/2017	City Treasurer - City Engineer Dept	Tree Well Fill	Reimburse City of Tree Well Fill - payment 2 of 3	50,000.00
Local	12/27/2016	City Treasurer - Human Resources	Administration	Annual DDA Staff Legacy Cost Payment 3 of 5	37,863.00
Non-Tax	12/27/2016	City Treasurer - Special Events	Special Events - Office of	Office of Special Events Support - payment 1 of 3	25,000.00
Non-Tax	12/21/2016	Mydatt Service Inc	Downtown Ambassadors	Downtown Ambassadors 11/2016	24,510.78
Local	12/5/2016	City Treasurer - Budget Office	Administration	Support services allocation - December 2016	8,391.00
Non-Tax	12/27/2016	City Treasurer - Police Department	Ticketed Events - Police Services	Pedestrian safety - Nov, 2016 at Van Andel Arena	7,057.32
Local	12/21/2016	Design Workshop, Inc.	Public Realm Improvements	Planning/Design Services: Calder Plaza 10/2016	7,037.31
Local	12/21/2016	Adrenaline Games Association (AGA)	Urban Recreation Plan	Event supplies: Rail Jam Snowboard competition	6,250.00
Non-Tax	12/27/2016	City Treasurer - Police Department	Ticketed Events - Police Services	Pedestrian safety - Oct, 2016 at Van Andel Arena	5,714.95
Local	12/19/2016	State of Michigan	State Street & Bostwick Ave Reconstruction	Street reconstruction services	5,448.89
Local	1/3/2017	City Treasurer - City Engineer Dept	Pearl Street Gateway Enhancements	Project services - 7/24-9/17/2016	5,365.38
Non-Tax	12/27/2016	City Treasurer - Police Department	Ticketed Events - Police Services	Pedestrian safety - Oct, 2016 at DeVos Place	4,406.77
Local	12/19/2016	SKO Design Group	Veterans Park Improvements	Construction consulting services	3,800.00
Local	12/2/2016	O'Boyle Cowell Blalock & Assoc	Pearl Street Gateway Enhancements	Construction consulting services	3,323.47
Non-Tax	12/27/2016	City Treasurer - Police Department	Ticketed Events - Police Services	Pedestrian safety - Sept, 2016 at Van Andel Arena	3,183.82
Local	12/21/2016	Rockford Construction Co	Public Realm Improvements	Parklet installation and takedown 2016	2,849.70
Non-Tax	12/27/2016	City Treasurer - Police Department	Ticketed Events - Police Services	Pedestrian safety - Nov, 2016 at DeVos Place	2,568.45
Local	12/14/2016	Dickinson Wright PLLC	Administration	Legal Services: TIF and Development Plan 09/2016	2,408.00
Non-Tax	12/27/2016	City Treasurer - Police Department	Ticketed Events - Police Services	Pedestrian safety - Sept, 2016 at DeVos Place	2,300.12
Local	12/14/2016	Geotech Inc	Snowmelt System Repairs / Investigation	Engineering Svcs: Monroe Center Snowmelt 11/2016	1,996.54
Local	12/21/2016	Fifth Third Bank	Administration	P Card 11/16: Office supplies (DDA Portion)	1,814.28
Local	12/27/2016	City of Grand Rapids	Administration	Staff services - payroll period ended 12/17/2016	1,727.70
Local	12/5/2016	City Treasurer - Risk Management	Administration	General insurance - November 2016	1,727.00
Non-Tax	12/14/2016	Grand Rapids Event Management LLC	Special Events - Training Program	Training Program Dev.: Special Event Mgmt. 11/16	1,500.00
Local	12/21/2016	Studio Wise LLC	Public Realm Improvements	Parklet installation 2016	1,500.00
Local	12/14/2016	Dickinson Wright PLLC	Administration	Legal Services: misc DDA matters 09/2016	1,333.00
Local	12/21/2016	Swift Printing & Communications	Administration	Meeting Supplies: TIF Plan mailers 11/2016	1,312.85
Local	1/6/2017	City of Grand Rapids	Administration	Staff services - payroll period ended 12/31/2016	1,194.17
Local	12/9/2016	City of Grand Rapids	Administration	Staff services - payroll period ended 12/03/2016	1,145.96
Local	12/21/2016	Fifth Third Bank	Administration	P Card 11/16: Travel & Training for Staff	1,139.43
Non-Tax	12/21/2016	Fifth Third Bank	Special Events - Grants	P Card 11/16: Sponsorship (Dntn Mkt Food A'faire)	1,000.00
Local	12/14/2016	Dickinson Wright PLLC	Administration	Legal Services: TIF Legislation 09/2016	967.50
Local	12/19/2016	Dickinson Wright PLLC	Development Project Guidance	Legal Services: TIF District Overlap 10/2016	860.00
Local	12/7/2016	Soil and Materials Engineers Inc	State Street & Bostwick Ave Reconstruction	Construction consulting services	720.34
Local	12/21/2016	Swift Printing & Communications	Downtown Marketing & Inclusion	Event Supplies: Tuesdays on the Town 11/2016	700.43
Non-Tax	12/21/2016	Fifth Third Bank	Special Events - Training Program	P Card 11/16: Event Mmnt Program lunch	669.00
Local	12/19/2016	Dickinson Wright PLLC	Development Project Guidance	Legal Services: TIF District Overlap 09/2016	645.00
Local	12/14/2016	The KR Group, Inc.	Administration	IT security equipment 10/16	530.18
Local	12/27/2016	City Treasurer - Risk Management	Administration	Annual Property Insurance Premium	507.00
Non-Tax	12/21/2016	Fifth Third Bank	Diversity / Inclusion Programming	P Card 11/16: Sponsorship (Sister Cities event)	468.00
Local	12/21/2016	Fifth Third Bank	Downtown Marketing & Inclusion	P Card 11/16: website tech, CRM sub, & Facebk ads	359.87
Non-Tax	12/21/2016	Swift Printing & Communications	Stakeholder Engagement Programs	Event Supplies: Resident Network Event 10/2016	340.00
Local	12/21/2016	Swift Printing & Communications	Public Realm Improvements	Event Supplies: Calder Plaza 11/2016	323.78
Non-Tax	12/14/2016	Rachel Bartels	Experience - Miscellaneous	Event Supplies: Olympic Opening Ceremonies 08/16	317.12
Local	12/19/2016	Dickinson Wright PLLC	Development Project Guidance	Legal Services: TIF District Overlap 08/2016	268.75
Local	12/14/2016	Herald Companies	Administration	Notice of Intent - new money portion of bonds	261.50
Local	12/21/2016	Staples Contract and Commercial Inc.	Administration	Office Supplies 11/2016	252.10
Local	12/21/2016	Mighty Co.	Downtown Marketing & Inclusion	Website care and maintenance 12/2016	250.00
Local	12/9/2016	Cellco Partnership	Administration	Cell Phone Service 10/2016	243.63
Local	12/30/2016	TDS Metrocom	Administration	Phone Service 11/2016	230.06
Local	12/31/2016	Paychex	Administration	DGRI payroll processing fees - December, 2016	223.84
Non-Tax	12/21/2016	Fifth Third Bank	Special Events - Training Program	P Card 11/16: Supplies for Event Mmnt Program	189.13
Local	12/30/2016	GreatAmerica Financial Services Corp	Administration	Copier Lease 12/2016	183.32
Local	12/14/2016	Dickinson Wright PLLC	Development Project Guidance	Legal Services: Area 4/5 09/2016	172.00
Local	12/14/2016	GreatAmerica Financial Services Corp	Administration	Copier Lease 11/2016	162.73
Local	12/21/2016	Fifth Third Bank	Public Realm Improvements	P Card 11/16: Parklet Storage	158.00
Local	12/31/2016	Paychex	Administration	DGRI HRS processing fees - December, 2016	140.00
Local	12/8/2016	PCS Gophers Ltd	Administration	Interoffice mail services	138.05
Local	12/30/2016	PCS Gophers Ltd	Administration	Interoffice mail services	138.05
Non-Tax	12/21/2016	Fifth Third Bank	Administration	P Card 11/16: Local Business Expenses	136.60
Local	12/19/2016	City of Grand Rapids	Administration	Staff services - payroll period ended 12/13/2016	134.16
Local	12/21/2016	Staples Contract and Commercial Inc.	Administration	Office Supplies 11/2016	132.79
Local	12/30/2016	Comcast	Administration	Internet at 29 Pearl St NW 12/07/2016-1/06/2017	118.27
Local	12/21/2016	Fifth Third Bank	Administration	P Card 11/16: K. Larson travel & training	109.94
Local	12/21/2016	Mighty Co.	Downtown Marketing & Inclusion	Website hosting 10-12/2016	105.00

continued on the next page

STATEMENT D - continued
DOWNTOWN DEVELOPMENT AUTHORITY
Schedule of Expenditures
December, 2016

Page 2

Source	Date Posted	Vendor	Activity # Purpose / Project	Description	Amount
<i>continued from previous page</i>					
Local	12/14/2016	Madcap Coffee Company	Administration	Meeting Supplies 11/2016	\$ 90.82
Non-Tax	12/21/2016	Cooperfly Books, Inc	Public Space Activation	Pop up Performer: Puppet performer at Pearl 09/16	87.50
Local	12/21/2016	Staples Contract and Commercial Inc.	Administration	Office Supplies 11/2016	80.11
Local	12/14/2016	Professional Maintenance of Michigan Inc.	Administration	Janitorial Services: Chair Cleaning 10/2016	79.19
Non-Tax	12/22/2016	DTE Energy	Downtown Ambassadors	Share of natural gas - 331 Winter Ave	68.68
Non-Tax	12/9/2016	Cellco Partnership	Transportation Demand Mnmt Prog	Cell Phone Service 10/2016	65.41
Non-Tax	12/9/2016	Swift Printing & Communications	Stakeholder Engagement Programs	Event Supplies: Residents Network event 11/2016	64.50
Local	1/3/2017	City Treasurer - City Engineer Dept	Bridge Street Streetscape Improvemts	Project services - 7/24-9/17/2016	52.79
Non-Tax	12/21/2016	Luke David Jones	Public Space Activation	Performance: Pop up Performer at Flanagan's 11/17/2	50.00
Local	12/21/2016	Staples Contract and Commercial Inc.	Administration	Office Supplies 11/2016	48.03
Non-Tax	12/6/2016	Consumers Energy 1	Downtown Ambassadors	Share of electricity - 331 Winter Ave NW	43.81
Local	12/21/2016	Fifth Third Bank	Administration	P Card 11/16: DDA postage	41.72
Non-Tax	12/21/2016	Fifth Third Bank	Experience - Miscellaneous	P Card 11/16: Event Supplies (Light Up Downtown)	39.45
Local	12/31/2016	JPMorganChase	Administration	DGRI payroll bank fees - December, 2016	38.42
Local	12/14/2016	Gordon Water Systems	Administration	Water Cooler Lease 10/2016	36.43
Local	12/14/2016	Jennifer Kovalcik	Administration	Mileage Reimbursement: J. Kovalcik 10/04-11/30/2016	33.55
Non-Tax	12/19/2016	DTE Energy	Downtown Ambassadors	Share of natural gas - 331 Winter Ave	19.76
Non-Tax	12/21/2016	Fifth Third Bank	Special Events - Training Program	P Card 11/16: Event Mnmt Program event postage	19.05
Local	12/14/2016	Fusion IT LLC	Administration	Network Management 12/2016	9.50
Local	12/21/2016	Staples Contract and Commercial Inc.	Administration	Office Supplies 11/2016	4.91
TOTAL DECEMBER, 2016 EXPENDITURES					\$ 381,158.43

Local - local tax increment funds

Non-tax - non-tax funds

Debt - school tax increment funds

MEMORANDUM

DOWNTOWN
DEVELOPMENT
AUTHORITY



DDA

DATE: January 16, 2017

TO: Downtown Development Authority

FROM: Kristopher Larson, AICP 
President & CEO

Agenda Item #4
January 20, 2017
DDA Meeting

SUBJECT: Approve agreement providing assurances regarding elements of the DDA Plan

On December 6, 2016, the Grand Rapids City Commission approved amendments to the Downtown Development Authority (GR DDA) Tax Increment Finance and Development Plan (Plan). Included in said amendments were provisions to incorporate the vision and specific projects contained within GR Forward into the Plan, opportunities to support affordable housing, minority- and women-owned business enterprise development, and restoration of the Grand River. Further, the Plan update included an updated gainsharing schedule, and commitments to not capture certain voter-approved special millages.

There were also 5 new districts added to the Plan, which triggers an opportunity for affected units of government to opt of tax capture. Previously, Kent County (County) and the Grand Rapids Community College (GRCC) have opted out of new sub-districts F, I, J, and K added to the GR DDA district over the past two decades. In doing so, both the County and GRCC have not been able to participate in the gainsharing provision that provides a portion of the tax increment revenues captured by the DDA back to taxing jurisdictions whose levied taxes are captured by the DDA.

However, through conversations with both the County and GRCC, there is interest to rescind the previous opt outs of sub-districts F, I, J, and K plus not opt out of the new sub-districts L, M, N, O, and P. Fulfilling these actions within 60 days after the Plan's approval on December 6, 2016 would enable both entities to financially benefit from the gainsharing benefit. Additionally, fulfillment of the aforementioned actions would also mean that the GR DDA will not, after December 31, 2024, capture the senior millage levy (the "Senior Millage") and the veterans millage levy (the "Veterans Millage"), both as identified in the Plan, and any renewals thereof. Last, the Plan further provides that the DDA will not capture tax increment revenues from certain voter-approved special millages as defined in the Plan approved by the electors after November 7, 2016, which included the recently approved "Zoo and Museum" millage.

The County has asked for assurance that if it agrees to revoke the prior exemptions for the Prior Exempted Districts and to not exempt County levied taxes from capture in the new districts and future established subdistricts within Development Area No. 1, the Plan will not in the future be amended (i) to reduce or eliminate the County's "gainsharing" benefits as detailed in the Plan, (ii) to provide for the capture of the Senior Millage



DOWNTOWN
GRAND RAPIDS INC.

and Veterans Millage or any renewals thereof after December 31, 2024 or (iii) to provide for the capture of New Special Voted Millages without approval of the County.

Similarly, a request has been received from GRCC indicating its willingness to revoke its prior resolutions electing to exempt the capture by the GR DDA of its levied taxes in the Prior Exempted Districts within 60 days of December 6, 2016, and to not exempt from capture its levied taxes in the new Districts and future established sub-districts within Development Area No. 1, if it is entitled to participate in "gainsharing" as provided in the New Plans and it receives the assurance that the Plan will not in the future be amended (i) to reduce or eliminate GRCC's "gainsharing" benefits in the Plan or (ii) to provide for capture of New Special Voted Millages without approval of GRCC.

Legal counsel representing the City of Grand Rapids, the GR DDA, and the County have collaborated to develop an agreement designed to address the assurances sought by the County and GRCC. That agreement and corresponding resolution are attached.

Recommendation:

Approve the attached resolution and authorize the DDA Executive Director to execute the agreement between the City of Grand Rapids, the GR DDA, and Kent County.

GAINSHARING AND VOTER-DEDICATED MILLAGE PRESERVATION AGREEMENT

This GAINSHARING AND VOTER-DEDICATED MILLAGE PRESERVATION AGREEMENT (Agreement) is made as of _____, 2017, between the County of Kent, a Michigan municipal corporation, the principal business address of which is 300 Monroe Ave. NW, Grand Rapids, Michigan, 49503 Attn.: County Administrator (County), and the City of Grand Rapids, a Michigan municipal corporation, the principal business address of which is 300 Monroe Ave. NW, Grand Rapids, Michigan, 49503 Attn.: City Manager (City), and the City of Grand Rapids Downtown Development Authority, the principal business address of which is 29 Pearl Street NW, Suite 1, Grand Rapids, Michigan 49503 Attn: Executive Director (DDA).

RECITALS

A. The DDA Amended Development Plan and Tax Increment Financing Plan approved by the City on December 6, 2016 (Amended Plans), included gainsharing and provisions that certain voter-dedicated millages, as defined in the Amended Plans, approved by the voters after November 7, 2016 will not be subject to capture by the DDA, and that the Senior Services and Veterans Services millages will not be subject to tax capture after December 31, 2024 if the millages are renewed and the County rescinds prior opt-outs from DDA expansions, and does not exempt its taxes from DDA capture in the future.

B. The County has amended its Economic Development Participation Policy to permit it to determine if it is in the County's best interests to participate and permit its taxes to be captured by the DAA.

C. The County will rescind prior opt-outs from DDA expansions and will not exempt its taxes from DDA capture if the City and DDA enter into this agreement requiring the County to approve any DDA plan amendments that would reduce gainsharing or increase the capture of certain voter dedicated millages, as defined in the Amended Plans, from what is provided in the Amended Plans.

THEREFORE, the County, City, and DDA agree as follows:

1. Purpose. The purpose of this Agreement is to set forth the terms and conditions by which the County will participate in and allow the DDA to capture tax increments from certain County taxes within the DDA Development Area No. 1. This Agreement represents the parties' decision to allow the DDA (a) to capture and share a portion of the revenue derived from the capture of tax increments of certain ad valorem property taxes levied by the County on real and personal property located in the DDA Development Area No. 1 and (b) to forego the capture of certain voter-dedicated millages, as defined in the Amended Plans, approved by the voters after November 7, 2016 and to forego the capture of the Senior Services and Veterans Services millages after December 31, 2024.

2. Authority. This Agreement is made pursuant to the general authority of each of the parties under Michigan statutes granting their respective powers and jurisdiction.

3. Representation and Warranties.

a. The County, acting by and through its County Board of Commissioners, hereby represents and warrants that: (1) the County is authorized to enter into this Agreement; and (2) the County Board of Commissioners has approved this Agreement and authorized the County Board Chair and County Clerk to execute the Agreement on behalf of the County.

b. The City, acting by and through its City Commission, hereby represents and warrants that: (1) the City Commission is authorized to enter into this Agreement; and (2) the City Commission has

approved this Agreement and authorized the Mayor and Clerk to execute the Agreement on behalf of the City.

c. The DDA, acting by and through its Board of Directors, hereby represents and warrants that: (1) the DDA is authorized to enter into this Agreement; and (2) the DDA Board of Directors has approved this Agreement and authorized the DDA Executive Director to execute the Agreement on behalf of the DDA.

4. County Obligations. The County shall rescind resolutions 11-09-95-127 and 1-24-08-13 exempting County property taxes from capture by the DDA, contingent upon the County, City, and DDA entering this Agreement requiring County Board of Commissioner approval of any amendments to the DDA plans that reduce gainsharing or increase the capture of certain voter-dedicated millages, as defined in the Amended Plans, beyond what is permitted the Amended Plans.

5. DDA and City Obligations. The DDA will not recommend and the City will not approve any amendments to the DDA plans that reduce gainsharing or increase the capture of voter-dedicated millages, as defined in the Amended Plans, beyond what is permitted in the Amended Plans without the approval of the County Board of Commissioners.

6. Term. This Agreement shall will remain in effect so long as the DDA captures tax increments of ad valorem property taxes levied by the County on real and personal property located in the DDA Development Area No. 1 and will terminate upon:

- a. dissolution or expiration of the DDA;
- b. the County exempting its taxes from capture by the DDA; or
- c. approval of a written agreement approved by the each of the parties' governing bodies.

7. Notices. Any notice, demand, or communication required, permitted, or desired to be given under this Agreement shall be deemed effectively given when personally delivered or mailed by first class mail addressed to those respective addresses first stated above. A party may, by written notice delivered or mailed to the other parties, designate any further or different address to which subsequent notices, demands, or communications may be given.

8. Remedies. The parties agree that remedies at law are inadequate and both parties shall have the right to all equitable remedies including, without limitation, mandamus, specific performance and injunctive relief. Before a party may undertake any legal or equitable action pursuant to or to enforce any provision of this Agreement, that party shall first notify the other parties of the basis for the claim, including detailed recitations of the facts and the law upon which the claiming party is relying. The parties receiving such claim letter shall, within twenty one (21) days of receiving the claim, respond in writing identifying those issues on which there is agreement and stating in detail the facts and law upon which the responding party is relying. The parties shall schedule a meeting to occur within fourteen (14) days after the date the response is due to discuss and seek to resolve the dispute. These time periods may be adjusted by the written consent of the parties.

9. Miscellaneous.

a. Entire Agreement; Interpretation. This is the entire agreement between the parties with respect to its subject matter. It supersedes and replaces all prior and contemporaneous agreements, whether written or verbal, express or implied. Each of the parties had input into the drafting of this Agreement and had the opportunity to have it reviewed by legal counsel. Therefore, it is to

be construed as if mutually drafted. The captions are for convenience and shall not affect the interpretation of this Agreement. The Recitals, however, form an integral part of this Agreement.

b. Amendment. This Agreement may not be amended except in writing approved by each of the parties' governing bodies.

c. Counterparts. This Agreement may be executed in any number of counterparts and each such counterpart shall be considered a valid original.

IN WITNESS WHEREOF, the County, and the City, and the DDA have executed this Agreement as of the date first written above.

County Of Kent

By: _____
James R. Saalfeld, Chair
Board of County Commissioners

Date: _____, 2017

Attest:

Lisa Posthumus Lyons
County Clerk

Approved as to Form:

Thomas J. Dempsey
Kent County Corporate Counsel

City of Grand Rapids

By: _____
Rosalynn Bliss, Mayor
Grand Rapids City Commission

Date: _____, 2017

By: _____
Darlene O'Neal, City Clerk

Date: _____, 2017

**The City of Grand Rapids Downtown
Development Authority**

By _____
Kristopher Larson, Executive Director

Date: _____, 2017

**CITY OF GRAND RAPIDS
DOWNTOWN DEVELOPMENT AUTHORITY**

**RESOLUTION AUTHORIZING ENTERING INTO AGREEMENTS
WITH KENT COUNTY AND GRAND RAPIDS COMMUNITY COLLEGE
RELATED TO AMENDMENTS TO THE CITY OF GRAND RAPIDS
DOWNTOWN DEVELOPMENT AUTHORITY DEVELOPMENT AREA
NO. 1 AND THE AMENDED DEVELOPMENT PLAN AND TAX
INCREMENT FINANCING PLAN**

Boardmember _____, supported by Boardmember _____,

moved the adoption of the following resolution:

WHEREAS, upon recommendation of the City of Grand Rapids Downtown Development Authority (the “DDA”) Board of Directors, the City of Grand Rapids Commission on December 6, 2016, approved, in accordance with the provisions of Act 197 of the Public Acts of Michigan of 1975, as amended (“Act 197”), (a) the addition of District L, M, N, O and P to DDA Development Area No. 1 (the “New Districts”) and (b) a DDA Amended Development Plan and Tax Increment Financing Plan (the “Amended Plans”); and

WHEREAS, the Amended Plans contain a “gainsharing” provision to share a portion of the tax increment revenues captured by the DDA with taxing jurisdictions whose levied taxes are captured by the DDA; and

WHEREAS, the DDA’s plans effective prior to the Amended Plans (the “Prior Plans”) required as a condition of participating in “gainsharing,” that a taxing jurisdiction not elect to exempt the taxes it levies from capture by the DDA within DDA Development Area No. 1 including all subdistricts therein; and

WHEREAS, when the Prior Plans were in effect both Kent County (the “County”) and Grand Rapids Community College (“GRCC”) elected to exempt its taxes from capture by the DDA in District F, I, J and K (the “Prior Exempted Districts”) pursuant to the provisions of Act 197; and

WHEREAS, the New Plans provide that if the County (i) within 60 days of December 6, 2016, (a) does not adopt a resolution to exempt County levied taxes from capture in the New Districts and (b) adopts a resolution rescinding its prior resolution(s) to exempt the County levied taxes from capture in the Prior Exempted Districts and (ii) does not adopt a future resolution to exempt the County levied taxes from capture in future established subdistricts within Development Area No. 1, (a) the County will participate in “gainsharing” for all subdistricts within Development Area No. 1, (b) the DDA will not, after December 31, 2024, capture the senior millage levy (the “Senior Millage”) and the veterans millage levy (the “Veterans Millage”), both as identified in the New Plans, and any renewals thereof; and

WHEREAS, the New Plans further provide that the DDA will not capture tax increment revenues from certain voter-approved special millages as defined in the New Plans approved by the electors after November 7, 2016 (the “New Special Voted Millages”); and

WHEREAS, the County has asked for assurance that if it agrees to revoke the prior exemptions for the Prior Exempted Districts and to not exempt County levied taxes from capture in the New Districts and future established subdistricts within Development Area No. 1, the New Plans will not in the future be amended (i) to reduce or eliminate the County’s “gainsharing” benefits in the New Plan, (ii) to provide for the capture of the Senior Millage and Veterans Millage or any renewals thereof after December 31, 2024 or (iii) to provide for the capture of New Special Voted Millages; and

WHEREAS, the DDA has received a similar request from GRCC indicating its willingness to revoke its prior resolutions electing to exempt the capture by the DDA of its levied taxes in the Prior Exempted Districts within 60 days of December 6, 2016, and to not exempt from capture its levied taxes in the New Districts and future established subdistricts within Development Area No. 1, if it is entitled to participate in “gainsharing” as provided in the New

Plans and it receives the assurance that the New Plans will not in the future be amended (i) to reduce or eliminate GRCC's "gainsharing" benefits in the New Plans or (ii) to provide for capture of New Special Voted Millages; and

WHEREAS, the DDA is willing to enter into agreements with the County and GRCC (which agreements shall include the City of Grand Rapids as a party) incorporating the above recited provisions and conditions.

NOW, THEREFORE, BE IT RESOLVED:

1. The DDA Executive Director is authorized to execute separate agreements with the County and GRCC, which agreements shall also include the City of Grand Rapids as a party, before February 6, 2017, incorporating the provisions set forth in the above "WHEREAS" clauses.

2. The agreements shall be approved as to substance by the DDA Executive Director and as to form by DDA legal counsel.

3. That all resolutions or parts of resolutions insofar as they conflict with the provisions of this resolution be, and the same are, rescinded.

YEAS: Boardmembers _____

NAYS: Boardmembers _____

ABSTAIN: Boardmembers _____

ABSENT: Boardmembers _____

RESOLUTION DECLARED ADOPTED.

Dated: January 20, 2017

Murphy Ackerman
Recording Secretary

CERTIFICATION

I do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Directors of the City of Grand Rapids Downtown Development Authority at a regular meeting held on January 20, 2017, and that notice of said meeting was given pursuant to, and in compliance with, Act 267 of the Public Acts of Michigan of 1976, as amended.

Dated: January 20, 2017

Murphy Ackerman
Recording Secretary

MEMORANDUM

DOWNTOWN
DEVELOPMENT
AUTHORITY



DDA

DATE: January 16, 2017

TO: Downtown Development Authority

FROM: Kristopher Larson, AICP 
President & CEO

Agenda Item #5
January 20, 2017
DDA Meeting

SUBJECT: Approve Refunding of Bonds

Financial leadership at the City of Grand Rapids as identified a significant opportunity to refund a portion of the debt currently carried by the DDA for the Van Andel Arena. The issuance of these bonds will refund a portion of the outstanding 2009 bonds at a significantly lower interest rate. Since the 2009 bonds involves the use of school tax increment revenues, the State Treasurer has agreed to split the savings in half. For the savings to be realized, they are included in the bond issuance by increasing the Bond principal amount and making it available for other DDA facility projects. The current estimate for the net present value benefit (cash savings) to the DDA is \$852,568.

In order to refund the Series 2009 Bonds and issue the new Series 2017 Bonds to make the Bonds marketable, it is necessary for the City to issue and pledge its limited full faith credit and security. As a condition of Bond Issuance, the City requires that debt service on the new Bonds be paid from school tax increment revenues. Thus, there is no change from the current practice of paying debt service, except for the interest rate savings the debt service payments will decrease. The NPV percentage savings is expected to be 7.033% based on current market conditions.

In summary, for no additional cost to the DDA (actually a reduction in cost because of interest rate savings), the DDA will receive an estimated \$900,000 to spend on DDA public facility projects. For the purpose of the debt issuance, the DDA has generalized these public facility projects to include those that enhance the Downtown Riverwalk or streetscape environments.

Recommendation:

Approve the attached resolution and authorize the DDA Board Chair to execute the attached Bond Payment Agreement.



DOWNTOWN
GRAND RAPIDS, INC.

City of Grand Rapids
County of Kent, State of Michigan
Downtown Development Refunding and Improvement Bonds, Series 2017
(Limited Tax General Obligation)

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City of Grand Rapids
County of Kent, State of Michigan
Downtown Development Refunding and Improvement Bonds, Series 2017
(Limited Tax General Obligation)

Refunding Summary

Dated 03/08/2017 | Delivered 03/08/2017

Sources Of Funds

Par Amount of Bonds.....	\$26,065,000.00
Reoffering Premium.....	1,830,896.25

Total Sources.....	\$27,895,896.25
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Uses Of Funds

Deposit to Net Cash Escrow Fund.....	26,778,553.94
Deposit to City of Grand Rapids.....	852,568.00
Total Underwriter's Discount (0.578%).....	150,655.70
Costs of Issuance.....	110,000.00
Rounding Amount.....	4,118.61

Total Uses.....	\$27,895,896.25
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Flow of Funds Detail

State and Local Government Series (SLGS) rates for.....	1/10/2017
Date of OMP Candidates.....	

Net Cash Escrow Fund Solution Method.....	Net Funded
Total Cost of Investments.....	\$26,778,553.94
Interest Earnings @ 1.220%.....	669,352.31
Total Draws.....	\$27,447,906.25

Issues Refunded And Call Dates

Loc Govt Ln Prog-Downtown-Aseries 2009.....	5/01/2019
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PV Analysis Summary (Net to Net)

Net PV Cashflow Savings @ 1.889%(Bond Yield).....	848,451.04
Contingency or Rounding Amount.....	4,118.61
City of Grand Rapids Project Account.....	852,568.00
Net Present Value Benefit.....	\$1,705,137.65

Net PV Benefit / \$24,245,000 Refunded Principal.....	7.033%
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Bond Statistics

Average Life.....	3.471 Years
Average Coupon.....	4.0000000%

Net Interest Cost (NIC).....	2.1429158%
Bond Yield for Arbitrage Purposes.....	1.8893050%
True Interest Cost (TIC).....	2.0559186%
All Inclusive Cost (AIC).....	2.1783444%

Series 2017 - GR-LTGO-RB | SINGLE PURPOSE | 1/11/2017 | 11:32 AM

City of Grand Rapids
County of Kent, State of Michigan
Downtown Development Refunding and Improvement Bonds, Series 2017
(Limited Tax General Obligation)

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
05/01/2017	Serial Coupon	4.000%	0.900%	455,000.00	100.453%	457,061.15
05/01/2018	Serial Coupon	4.000%	1.180%	3,825,000.00	103.202%	3,947,476.50
05/01/2019	Serial Coupon	4.000%	1.480%	2,250,000.00	105.305%	2,369,362.50
05/01/2020	Serial Coupon	4.000%	1.730%	6,450,000.00	106.922%	6,896,469.00
05/01/2021	Serial Coupon	4.000%	1.920%	6,460,000.00	108.251%	6,993,014.60
05/01/2022	Serial Coupon	4.000%	2.110%	6,625,000.00	109.170%	7,232,512.50
Total	-	-	-	\$26,065,000.00	-	\$27,895,896.25

Bid Information

Par Amount of Bonds.....	\$26,065,000.00
Reoffering Premium or (Discount).....	1,830,896.25
Gross Production.....	\$27,895,896.25
Total Underwriter's Discount (0.578%).....	\$(150,655.70)
Bid (106.446%).....	27,745,240.55
Total Purchase Price.....	\$27,745,240.55
Bond Year Dollars.....	\$90,477.35
Average Life.....	3.471 Years
Average Coupon.....	4.0000000%
Net Interest Cost (NIC).....	2.1429158%
True Interest Cost (TIC).....	2.0559186%

City of Grand Rapids
County of Kent, State of Michigan
Downtown Development Refunding and Improvement Bonds, Series 2017
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Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Existing D/S	Net New D/S	Fiscal Total
03/08/2017	-	-	-	-	-	(4,118.61)	-
05/01/2017	455,000.00	4.000%	153,493.89	608,493.89	431,681.25	1,040,175.14	-
06/30/2017	-	-	-	-	-	-	1,036,056.53
11/01/2017	-	-	512,200.00	512,200.00	95,081.25	607,281.25	-
05/01/2018	3,825,000.00	4.000%	512,200.00	4,337,200.00	440,081.25	4,777,281.25	-
06/30/2018	-	-	-	-	-	-	5,384,562.50
11/01/2018	-	-	435,700.00	435,700.00	87,750.00	523,450.00	-
05/01/2019	2,250,000.00	4.000%	435,700.00	2,685,700.00	3,597,750.00	6,283,450.00	-
06/30/2019	-	-	-	-	-	-	6,806,900.00
11/01/2019	-	-	390,700.00	390,700.00	-	390,700.00	-
05/01/2020	6,450,000.00	4.000%	390,700.00	6,840,700.00	-	6,840,700.00	-
06/30/2020	-	-	-	-	-	-	7,231,400.00
11/01/2020	-	-	261,700.00	261,700.00	-	261,700.00	-
05/01/2021	6,460,000.00	4.000%	261,700.00	6,721,700.00	-	6,721,700.00	-
06/30/2021	-	-	-	-	-	-	6,983,400.00
11/01/2021	-	-	132,500.00	132,500.00	-	132,500.00	-
05/01/2022	6,625,000.00	4.000%	132,500.00	6,757,500.00	-	6,757,500.00	-
06/30/2022	-	-	-	-	-	-	6,890,000.00
Total	\$26,065,000.00	-	\$3,619,093.89	\$29,684,093.89	\$4,652,343.75	\$34,332,319.03	-

City of Grand Rapids
County of Kent, State of Michigan
Downtown Development Refunding and Improvement Bonds, Series 2017
(Limited Tax General Obligation)

Debt Service Comparison

Date	Total P+I	Existing D/S	Net New D/S	Old Net D/S	Savings	Fiscal Total
03/08/2017	-	-	(4,118.61)	-	4,118.61	-
05/01/2017	608,493.89	431,681.25	1,040,175.14	1,072,262.50	32,087.36	-
06/30/2017	-	-	-	-	-	36,205.97
11/01/2017	512,200.00	95,081.25	607,281.25	735,662.50	128,381.25	-
05/01/2018	4,337,200.00	440,081.25	4,777,281.25	1,080,662.50	(3,696,618.75)	-
06/30/2018	-	-	-	-	-	(3,568,237.50)
11/01/2018	435,700.00	87,750.00	523,450.00	728,331.25	204,881.25	-
05/01/2019	2,685,700.00	3,597,750.00	6,283,450.00	4,238,331.25	(2,045,118.75)	-
06/30/2019	-	-	-	-	-	(1,840,237.50)
11/01/2019	390,700.00	-	390,700.00	640,581.25	249,881.25	-
05/01/2020	6,840,700.00	-	6,840,700.00	5,170,581.25	(1,670,118.75)	-
06/30/2020	-	-	-	-	-	(1,420,237.50)
11/01/2020	261,700.00	-	261,700.00	516,006.25	254,306.25	-
05/01/2021	6,721,700.00	-	6,721,700.00	5,291,006.25	(1,430,693.75)	-
06/30/2021	-	-	-	-	-	(1,176,387.50)
11/01/2021	132,500.00	-	132,500.00	396,631.25	264,131.25	-
05/01/2022	6,757,500.00	-	6,757,500.00	5,411,631.25	(1,345,868.75)	-
06/30/2022	-	-	-	-	-	(1,081,737.50)
11/01/2022	-	-	-	271,256.25	271,256.25	-
05/01/2023	-	-	-	5,536,256.25	5,536,256.25	-
06/30/2023	-	-	-	-	-	5,807,512.50
11/01/2023	-	-	-	128,137.50	128,137.50	-
05/01/2024	-	-	-	4,788,137.50	4,788,137.50	-
06/30/2024	-	-	-	-	-	4,916,275.00
Total	\$29,684,093.89	\$4,652,343.75	\$34,332,319.03	\$36,005,475.00	\$1,673,155.97	-

PV Analysis Summary (Net to Net)

Gross PV Debt Service Savings.....	848,451.04
Net PV Cashflow Savings @ 1.889%(Bond Yield).....	848,451.04
Contingency or Rounding Amount.....	4,118.61
Other Benefits.....	852,568.00
Net Present Value Benefit.....	\$1,705,137.65
Net PV Benefit / \$24,245,000 Refunded Principal.....	7.033%

Refunding Bond Information

Refunding Dated Date.....	3/08/2017
Refunding Delivery Date.....	3/08/2017

City of Grand Rapids
County of Kent, State of Michigan
Downtown Development Refunding and Improvement Bonds, Series 2017
(Limited Tax General Obligation)

Coverage Ratio

Date	DDA Dollars Available for D/S & 50% Excess Capture	Total D/S	Coverage
06/30/2017	1,072,262.50	1,040,175.14	1.0308480x
06/30/2018	5,550,702.72	5,384,562.50	1.0308549x
06/30/2019	7,149,084.17	6,806,900.00	1.0502702x
06/30/2020	7,594,662.93	7,231,400.00	1.0502341x
06/30/2021	7,616,033.34	6,983,400.00	1.0905910x
06/30/2022	7,640,220.97	6,890,000.00	1.1088855x
06/30/2023	5,807,512.50	-	-
06/30/2024	4,916,275.00	-	-
Total	\$47,346,754.13	\$34,336,437.64	-

CURRENT STATE

Roll Year	Fiscal Year	Estimated School Tax Increment Revenues ¹	Current Debt Service for Eligible Obligations											Total Eligible Obligations	Estimated Excess SET/GRPS/KISD Captures		
			Series 1994				Series 2009			Series 2017					Annual Excess Captures	Potentially Available for Accelerated Maturities	
			Principal	Interest	Less: DSRF Fds ⁷	Net Total	Principal	Interest	Total	Principal	Interest	Total	Share			Cash	
2015	2016	\$ 7,972,845.00 ²	\$ 857,486.80	\$ 3,137,513.20	\$ -	\$ 3,995,000.00	\$ -	\$ 1,484,525.00	\$ 1,484,525.00	\$ -	\$ -	\$ -		\$ 5,479,525.00	\$ 2,493,320.00		0%
2016	2017	9,516,666.00 ^{3,4}	789,571.80	3,205,428.20	566,461.57	3,428,538.43	330,000	1,484,525.00	1,814,525.00	-	-	-	5,243,063.43	4,273,602.57	50%	2,136,801.29	
2017	2018	9,285,080.43 ^{5,6}	734,600.60	3,260,399.40	3,995,000.00	-	345,000	1,471,325.00	1,816,325.00	-	-	-	1,816,325.00	7,468,755.43	50%	3,734,377.72	
2018	2019	9,331,505.83	144,554.15	700,445.85	845,000.00	-	3,510,000	1,456,662.50	4,966,662.50	-	-	-	4,966,662.50	4,364,843.33	50%	2,182,421.67	
2019	2020	9,378,163.36	-	-	-	-	4,530,000	1,281,162.50	5,811,162.50	-	-	-	5,811,162.50	3,567,000.86	50%	1,783,500.43	
2020	2021	9,425,054.18	-	-	-	-	4,775,000	1,032,012.50	5,807,012.50	-	-	-	5,807,012.50	3,618,041.68	50%	1,809,020.84	
2021	2022	9,472,179.45	-	-	-	-	5,015,000	793,262.50	5,808,262.50	-	-	-	5,808,262.50	3,663,916.95	50%	1,831,958.47	
2022	2023	9,519,540.35	-	-	-	-	5,265,000	542,512.50	5,807,512.50	-	-	-	5,807,512.50	3,712,027.85	50%	1,856,013.92	
2023	2024	9,567,138.05	-	-	-	-	4,660,000	256,275.00	4,916,275.00	-	-	-	4,916,275.00	4,650,863.05	50%	2,325,431.52	
2024	2025	9,614,973.74	-	-	-	-	-	-	-	-	-	-	-	9,614,973.74	100%	9,614,973.74	
TOTAL		\$93,083,146.38	\$ 2,526,213.35	\$ 10,303,786.65	\$ 5,406,461.57	\$ 7,423,538.43	\$ 28,430,000	\$ 9,802,262.50	\$ 38,232,262.50	\$ -	\$ -	\$ -	\$ 45,655,800.93	\$ 47,427,345.45		\$ 29,767,819.60	

FUTURE STATE

Roll Year	Fiscal Year	Estimated School Tax Increment Revenues ¹	Proposed Debt Service for Eligible Obligations											Total Eligible Obligations	Estimated Excess SET/GRPS/KISD Captures		
			Series 1994				Series 2009			Series 2017					Annual Excess Capture	Available to be Reimbursed to Schools	
			Principal	Interest	Less: DSRF Fds ⁷	Net Total	Principal	Interest	Total	Principal	Interest	Total	Share			Cash	
2015	2016	\$ 7,972,845.00 ²	\$ 857,486.80	\$ 3,137,513.20	\$ -	\$ 3,995,000.00	\$ -	\$ 1,484,525.00	\$ 1,484,525.00	\$ -	\$ -	\$ -		\$ 5,479,525.00	\$ 2,493,320.00		n/a
2016	2017	9,516,666.00 ^{3,4}	789,571.80	3,205,428.20	566,461.57	3,428,538.43	330,000	843,943.75	1,173,943.75	455,000	153,493.89	608,493.89	5,210,976.07	4,305,689.93	100%	4,305,689.93	
2017	2018	9,285,080.43 ^{5,6}	734,600.60	3,260,399.40	3,995,000.00	-	345,000	190,162.50	535,162.50	3,825,000	1,024,400.00	4,849,400.00	5,384,562.50	3,900,517.93	100%	3,900,517.93	
2018	2019	9,331,505.83	144,554.15	700,445.85	845,000.00	-	3,510,000	175,500.00	3,685,500.00	2,250,000	871,400.00	3,121,400.00	6,806,900.00	2,524,605.83	100%	2,524,605.83	
2019	2020	9,378,163.36	-	-	-	-	-	-	-	6,450,000	781,400.00	7,231,400.00	7,231,400.00	2,146,763.36	100%	2,146,763.36	
2020	2021	9,425,054.18	-	-	-	-	-	-	-	6,460,000	523,400.00	6,983,400.00	6,983,400.00	2,441,654.18	100%	2,441,654.18	
2021	2022	9,472,179.45	-	-	-	-	-	-	-	6,625,000	265,000.00	6,890,000.00	6,890,000.00	2,582,179.45	100%	2,582,179.45	
2022	2023	9,519,540.35	-	-	-	-	-	-	-	-	-	-	-	9,519,540.35	100%	9,519,540.35	
2023	2024	9,567,138.05	-	-	-	-	-	-	-	-	-	-	-	9,567,138.05	100%	9,567,138.05	
2024	2025	9,614,973.74	-	-	-	-	-	-	-	-	-	-	-	9,614,973.74	100%	9,614,973.74	
TOTAL		\$93,083,146.38	\$2,526,213.35	\$10,303,786.65	\$ 5,406,461.57	\$7,423,538.43	\$ 4,185,000	\$2,694,131.25	\$ 6,879,131.25	\$ 26,065,000	\$3,619,093.89	\$29,684,093.89	\$43,986,763.57	\$ 49,096,382.81		\$49,096,382.81	

Note 1: Net of estimated adjustments for prior year assessment appeals losses. Aside from changes noted below, forecasts assume all currently existing mills will continue through Roll Year 2024.

Note 2: Actual data.

Note 3: Forecast based on March Board of Review captured values and final 2016 millage rates.

Note 4: GRPS debt mill increased from 2.8000 to 4.7500 beginning with Roll Year 2016 / FY2017.

Note 5: Forecasted revenues for FY2018-FY2024 assumes annual growth rates of 0.50%.

Note 6: GRPS did not request voter renewal of its 0.9949 Sinking Fund levy, which expires after Roll Year 2016.

Note 7: Balance as of June 30, 2016.

Series 2017 Bonds
1st interest payment: May 1, 2017
1st principal payment: May 1, 2017

BOND PAYMENT AGREEMENT

THIS BOND PAYMENT AGREEMENT (the “Agreement”) made and entered into _____, 2017, by and between the **CITY OF GRAND RAPIDS DOWNTOWN DEVELOPMENT AUTHORITY**, a Michigan statutory authority created by the City of Grand Rapids pursuant to Act 197 of the Public Acts of 1975, as amended (“Act 197”) (the “DDA”) and the **CITY OF GRAND RAPIDS**, a Michigan municipal corporation (the “City”).

RECITALS

A. Recognizing that there has been a significant reduction in interest rates since the issuance of the City’s Limited Tax General Obligation Downtown Development Refunding and Improvement Bonds, Series 2009 (the “Series 2009 Bonds”) which were issued for the benefit of the DDA and for which the DDA is responsible for the payment of debt service with DDA tax increment revenues, and in order to achieve savings on its debt service payment obligations, the DDA has requested the City to issue its Limited Tax General Obligation Downtown Development Refunding and Improvement Bonds, Series 2017 in a principal amount not to exceed \$30,000,000 (the “Series 2017 Bonds”) to advance refund the Series 2009 Bonds maturing in the years 2020 through 2024 (the “Series 2009 Refunded Bonds”).

B. In order to recognize the savings to be realized by the issuance of the Series 2017 Bonds to refund the Series 2009 Refunded Bonds the DDA has determined to finance, with a portion of the proceeds to the Series 2017 Bonds in an amount not to exceed \$1,500,000, the costs of certain public facilities related to riverwalk improvements along the Grand River and streetscape improvements within public rights-of-way both within the DDA’s Downtown Development Area No. 1.

C. The Series 2017 Bonds constitute an “eligible obligation” and a “qualified refunding obligation” as defined in Act 197, and as such, debt service on the Series 2017 Bonds may be paid for from tax increment revenues received by the DDA, including those tax increment revenues the DDA is entitled to receive and receives from the levy of the State education tax and the local and intermediate school districts.

D. The City has conditioned the issuance of the Series 2017 Bonds upon the DDA agreeing to use DDA tax increment revenues to pay principal of and interest on the Series 2017 Bonds.

NOW, THEREFORE, in consideration of the terms and conditions contained in this Agreement and the benefits mutually derived therefrom, the receipt and sufficiency of which are mutually acknowledged, the Authority and the City agree as follows:

Section 1. Payment of Debt Service of Series 2017 Bonds. The DDA agrees to pay or make available for payment by the City the principal of and interest on the Series 2017 Bonds when due from DDA tax increment revenues it receives, including specifically the tax increment it is entitled to receive and receives from the levy of the State education tax and the local and intermediate school districts.

Section 2. Term of Agreement. The term of this Agreement shall continue and this Agreement shall be effective until (i) all outstanding Series 2017 Bonds have been paid in full or

the Bonds have been defeased and (ii) all amounts required to be paid pursuant to Section 1 hereof have been paid.

Section 3. Binding Effect and Assignment. This Agreement shall bind the parties and their respective successors and assigns. Neither party to this Agreement may assign all or any of its rights or obligations hereunder without the written consent of the other party.

Section 4. Governing Law. This Agreement shall be construed in all respects in accordance with the laws of the State of Michigan.

Section 5. No Third Parties. Nothing in this Agreement, expressed or implied, is intended to confer upon any person, other than the parties hereto, and their respective successors or permitted assigns any rights or remedies whatsoever.

Section 6. Captions. The captions and headings of this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provision or section of this Agreement.

Section 7. Entire Agreement. This Agreement constitutes the entire agreement between the parties and there are no other representations, warranties, promises, guarantees or agreements, oral or written, expressed or implied, between the parties hereto with respect to this Agreement.

Section 8. Amendments. This Agreement may not be amended, changed, modified or altered without the written consent of both the DDA and the City.

Section 9. Effective Date. The effective date of this Agreement shall be the date indicated in the first paragraph hereof.

IN WITNESS WHEREOF, the DDA and the City have caused this Agreement to be signed as of the date and year first written above.

**CITY OF GRAND RAPIDS
DOWNTOWN DEVELOPMENT AUTHORITY**

By: _____
Brian Harris, Chairperson

CITY OF GRAND RAPIDS

By: _____
Scott Buhrer
Deputy City Manager/Chief Financial
Officer

**CITY OF GRAND RAPIDS
DOWNTOWN DEVELOPMENT AUTHORITY**

**RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION
OF BOND PAYMENT AGREEMENT WITH THE CITY OF GRAND
RAPIDS RELATED TO THE ISSUANCE BY THE CITY OF ITS
LIMITED TAX GENERAL OBLIGATION DOWNTOWN
DEVELOPMENT REFUNDING AND IMPROVEMENT BONDS, SERIES
2017**

Boardmember _____, supported by Boardmember _____,

moved the adoption of the following resolution:

WHEREAS, Act 197 of the Public Acts of Michigan of 1975, as amended (“Act 197”), pursuant to which the City of Grand Rapids Downtown Development Authority (the “DDA”) was created, and Act 34 of the Public Acts of Michigan 2001, as amended (“Act 34” and, together with Act 197, the “Acts”) permit the City of Grand Rapids (the “City”) to (i) refund bonds issued under the Acts and (ii) finance certain public facilities as defined in Act 197; and

WHEREAS, in order to achieve savings on its debt service payments on certain outstanding bonds, the DDA has determined that it is in its best interest to advance refund the City’s Limited Tax General Obligation Downtown Development Refunding and Improvement Bonds, Series 2009 maturing in the years 2020 through 2024 in the principal amount of \$24,245,000 (the “Refunded Bonds”) previously issued by the City pursuant to the Acts to currently refund the outstanding \$26,410,000 current interest term bonds comprising a portion of the DDA’s Tax Increment Revenue Bonds, Series 1994 (the “Prior Refunded Bonds”); and

WHEREAS, proceeds of the DDA’s Tax Increment Revenue Bonds, Series 1994 including the Prior Refunded Bonds were used to finance the costs of a multipurpose public arena facility and related infrastructure and appurtenances known as the Van Andel Arena, as identified and described in the DDA’s Tax Increment Financing and Development Plan for the City of Grand Rapids Downtown Development Area No. 1 (the “Plan”); and

WHEREAS, in recognition of the savings to be realized, the DDA has determined to finance the costs of certain additional public facilities related to riverwalk improvements along the Grand River and streetscape improvements within public rights-of-way both within the DDA's Downtown Development Area No. 1 and described in the Plan (the "Improvements") in an estimated amount of not to exceed \$1,500,000 pursuant to Act 197; and

WHEREAS, the cost of refunding the Refunded Bonds and undertaking the Improvements is estimated not to exceed \$30,000,000; and

WHEREAS, in order to maximize savings, the DDA has requested the City to issue its limited tax general obligation bonds in a principal amount of not to exceed \$30,000,000 (the "Bonds") to refund the Refunded Bonds, finance the cost of the Improvements and to pay the costs related to the issuance of the Bonds; and

WHEREAS, the Bonds constitute an "eligible obligation" and a "qualified refunding obligation" as defined in Act 197 and, as such, debt service on the Bonds may be paid for with tax increment revenues received by the DDA, including specifically those tax increment revenues the DDA is entitled to receive and receives from the levy of the State education tax and the local and intermediate school districts; and

WHEREAS, the City has conditioned the issuance of the Bonds upon an agreement between the City and DDA to use DDA tax increment revenues to pay principal of and interest on the Bonds when due.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Bond Payment Agreement (the "Agreement") providing that debt service on the Bonds is to be paid when due with DDA tax increment revenues, is approved, substantially in the form presented at this meeting with such modification not materially adverse to the DDA approved as to content by the DDA Executive Director and as to form by DDA legal counsel.

2. That the Chairperson of the Board of Directors of the DDA is authorized and directed to execute the approved Agreement for and on behalf of the DDA.

3. That all resolutions or parts of resolutions insofar as they conflict with the provisions of this resolution be, and the same are, rescinded.

YEAS: Boardmembers _____

NAYS: Boardmembers _____

ABSTAIN: Boardmembers _____

ABSENT: Boardmembers _____

RESOLUTION DECLARED ADOPTED.

Dated: January 20, 2017

Murphy Ackerman
Recording Secretary

CERTIFICATION

I do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Directors of the City of Grand Rapids Downtown Development Authority at a regular meeting held on January 20, 2017, and that notice of said meeting was given pursuant to, and in compliance with, Act 267 of the Public Acts of Michigan of 1976, as amended.

Dated: January 20, 2017

Murphy Ackerman
Recording Secretary

MEMORANDUM

DOWNTOWN
DEVELOPMENT
AUTHORITY



DATE: January 16, 2017

TO: Downtown Development Authority

FROM: Kristopher Larson, AICP 
President & CEO

Agenda Item #6
January 20, 2017
DDA Meeting

SUBJECT: Authorize Support for River Restoration

Included in the DDA's FY17 Local Tax Increment Priority Plan was a line item entitled Grand River Activation, budgeted at \$100,000, which was intended to support of the costs incurred by Grand Rapids Whitewater (GRWW) associated with restorative planning, engineering, and design for the Grand River. The DDA has twice previously supported GRWW for similar expenditures in an amount totaling \$125K.

Given the adoption of GR Forward by the Grand Rapids City Commission on Dec 15, 2015, the DDA now has a specific plan for coordinating land use with efforts to restore the Grand River. More specifically, GR Forward includes Goal 1: Restore the River as the Draw & Create a Connected and Equitable River Corridor (p.40), and 1.2: Reinforce the Grand Rapids Whitewater Initiative, whereby DGRI is identified as an implementation partner.

Consistent with the DDA's purchasing policy, an expenditure that exceeds \$15,000 requires an action by the DDA Board. GRWW has provided documentation (attached) for expenses that meet the budgeted threshold.

Recommendation:

Authorize the Executive Director to approve a payment in the amount of \$100,000 to Grand Rapids Whitewater to support their efforts to restore the Grand River and implement GR Forward.





Invoice No.

1031

Name Downtown Grand Rapids, Inc.
Attn: Kris Larson
Address 29 Pearl St. NW #1
City Grand Rapids State MI ZIP 49503
Phone 616-719-4610
Email klarson@downtowngr.org

Date 12/1/16

Qty	Description	Unit Price	TOTAL
1	Grand River Revitalization Phase II Engineering; <i>Task 10 Permitting & Coordination, Task 7 Preliminary Design, Task 9 Fundraising, HCP/NEPA Coordination</i>	\$40,734.00	\$40,734.00
1	Grand River Revitalization Adjustable Hydraulic Structure; <i>Final hydraulic analysis,, Obermeyer systems review & design, hydraulic design report & final design report.</i>	\$59,266.00	\$59,266.00
Grand Rapids WhiteWater is a 501 (c) (3) non-profit corp. EIN 27-1009241			
		Sub Total	
		Shipping & Handling	
		TOTAL	\$100,000.00

Mail check to:

Grand Rapids WhiteWater
502 Second St NW; STE 300
Grand Rapids, Michigan 49504

616-710-1753

Office Use Only

email: Matt@grandrapidswhitewater.orgVisit grandrapidswhitewater.org

MEMORANDUM

DOWNTOWN
DEVELOPMENT
AUTHORITY



DDA

DATE: January 17, 2017

TO: Downtown Development Authority

FROM: Kristopher Larson, AICP 
President & CEO

Agenda Item #7
Jan 20, 2017
DDA Meeting

SUBJECT: Amend Development Support for 150 Ottawa Ave.

PROJECT UPDATE:

Since the DDA approved the use of its Development Support Tool in October of 2016, actions by State agencies have resulted in changes to the proposed project at 150 Ottawa, as well as the type of participation available via the Brownfield Tax Increment Finance (TIF) deal via the Michigan Economic Development Corporation (MEDC). Earlier in 2016, the Michigan Strategic Fund (MSF) adopted a new policy regarding the use of Brownfield TIF. In general, the MSF now requires a proportional contribution between local TIF and State Brownfield TIF.

To reach a negotiated form of proportionality for the 150 Ottawa project, the DDA would need to amend the term of its approved development support agreement from 15 to 22 years. In this extended term, the developer would be much more likely to realize complete reimbursement for its eligible activities by helping to control for market cycles and fluctuations in available tax increment generated by the product. With this amendment, the MEDC will recommend a term of 22 years of its State Brownfield TIF, short of the 25 years requested by the developer.

Due to the shortfall in available TIF from the State, the developer has also modified the development project as well. In place of the previously-planned 123-market rate apartments, the development will now offer a 160-key Hyatt Place hotel with a full-service restaurant on the main level. It is expected that the hotel will create approximately 35 jobs. The architecture and massing of the project should not be substantially affected by the program change.

Recommendation:

Amend the term of the Development Support Agreement for 150 Ottawa Ave. NW from 15 to 22 years with a maximum available reimbursement amount of \$4,421,638.



DOWNTOWN
DEVELOPMENT
AUTHORITY

ORIGINAL BACKGROUND MEMO:

150 Ottawa Development, LLC has requested the utilization of the Downtown Development Authority's (DDA) Development Support Program to reimburse Tax-increment finance (TIF) eligible expenses associated with a new mixed-use infill development project proposed at 150 Ottawa Ave., NW (Project). Construction for the Project is planned to begin in the spring of 2017, and conclude within 24 months. It will include two new towers that will be connected by a common first floor, with approximately 13,000 SF of first floor retail space, seven levels of parking (approximately 450 spaces), 120,000 SF of commercial office space, and 123 market-rate residential units. The Project is expected to create 200 new full-time jobs in Downtown Grand Rapids, will be 14-stories tall, and has a project budget of \$63.5M inclusive of construction and softs costs.

Eligible activities within the Project are estimated at \$4.4M. Utilizing the DDA's standard reimbursement percentage (75% reimbursement of TIF capture), the projected contributions toward the project from the DDA's development support tool would yield approximately \$3.7M over the requested 15-year reimbursement period. Under this scenario, the DDA would retain a total of \$1.26M over the 15-year period, and approximately \$270,000 annually following the conclusion of the reimbursement term.

The proposed Project presents continued opportunity to make incremental progress toward achieving the community's goal of achieving critical mass. The addition of these market-rate units will add an estimated \$2.82 M in annual retail spending to the Downtown economy. The Project in total will deliver approximately \$5.75M in annual economic impact to the community according to an internal analysis.

In recognition of the Project's ability to advance the critical mass goal of GR Forward and its substantial contributions to overall economic vitality, staff is recommending use of the Development Support at 75% for requested 15-year reimbursement period.



150 OTTAWA

Grand Rapids, Michigan


Ellis Parking
 COMPANY

 **ORION**
 REAL ESTATE SOLUTIONS


ConceptDesign
 ARCHITECTURE INTERIOR DESIGN



150 OTTAWA

Grand Rapids, Michigan


Ellis Parking
C O M P A N Y

 **ORION**
REAL ESTATE SOLUTIONS


ConceptDesign
ARCHITECTURE INTERIOR DESIGN



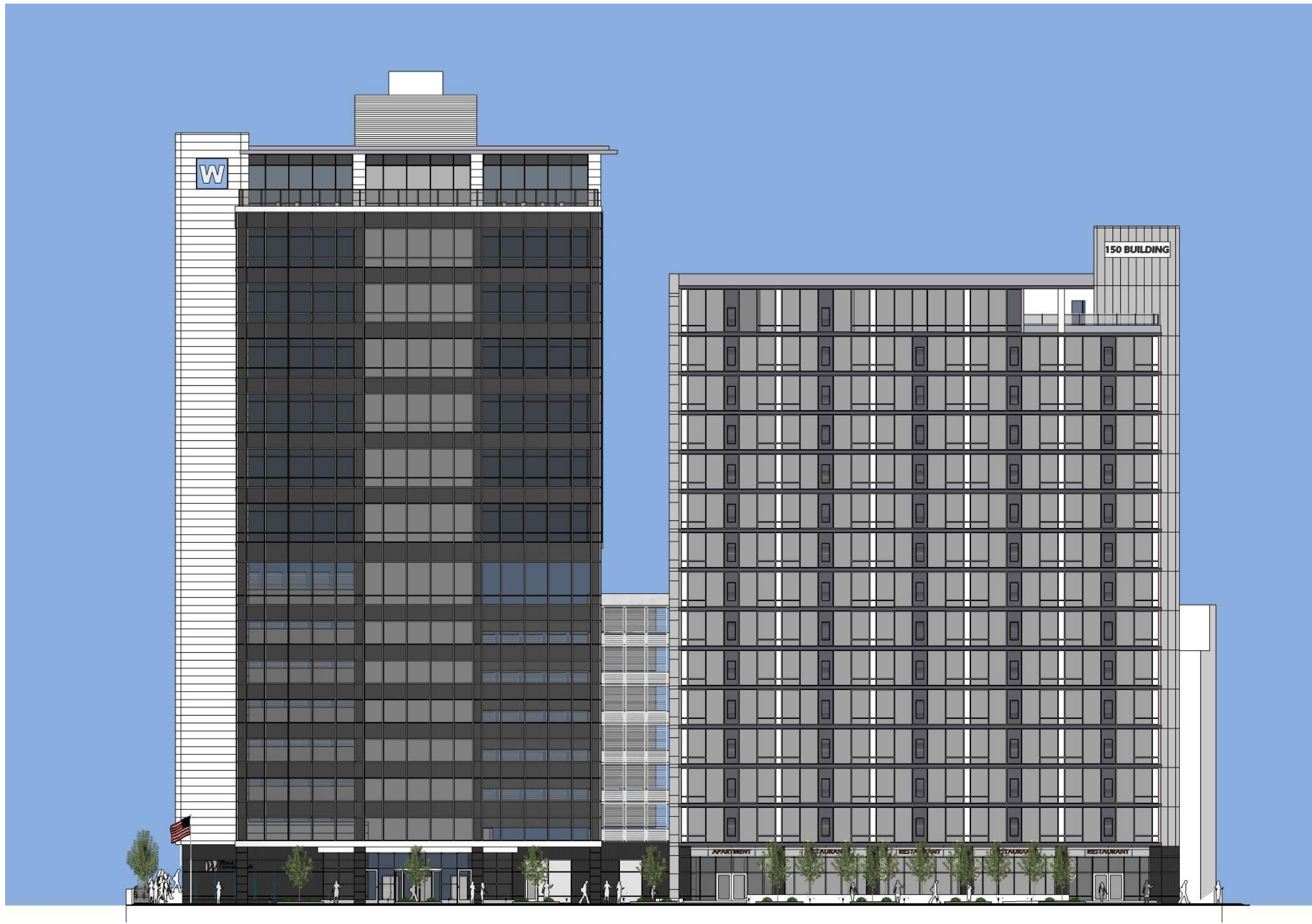
150 OTTAWA

Grand Rapids, Michigan


Ellis Parking
C O M P A N Y

 **ORION**
REAL ESTATE SOLUTIONS


ConceptDesign
ARCHITECTURE INTERIOR DESIGN



150 OTTAWA

Grand Rapids, Michigan

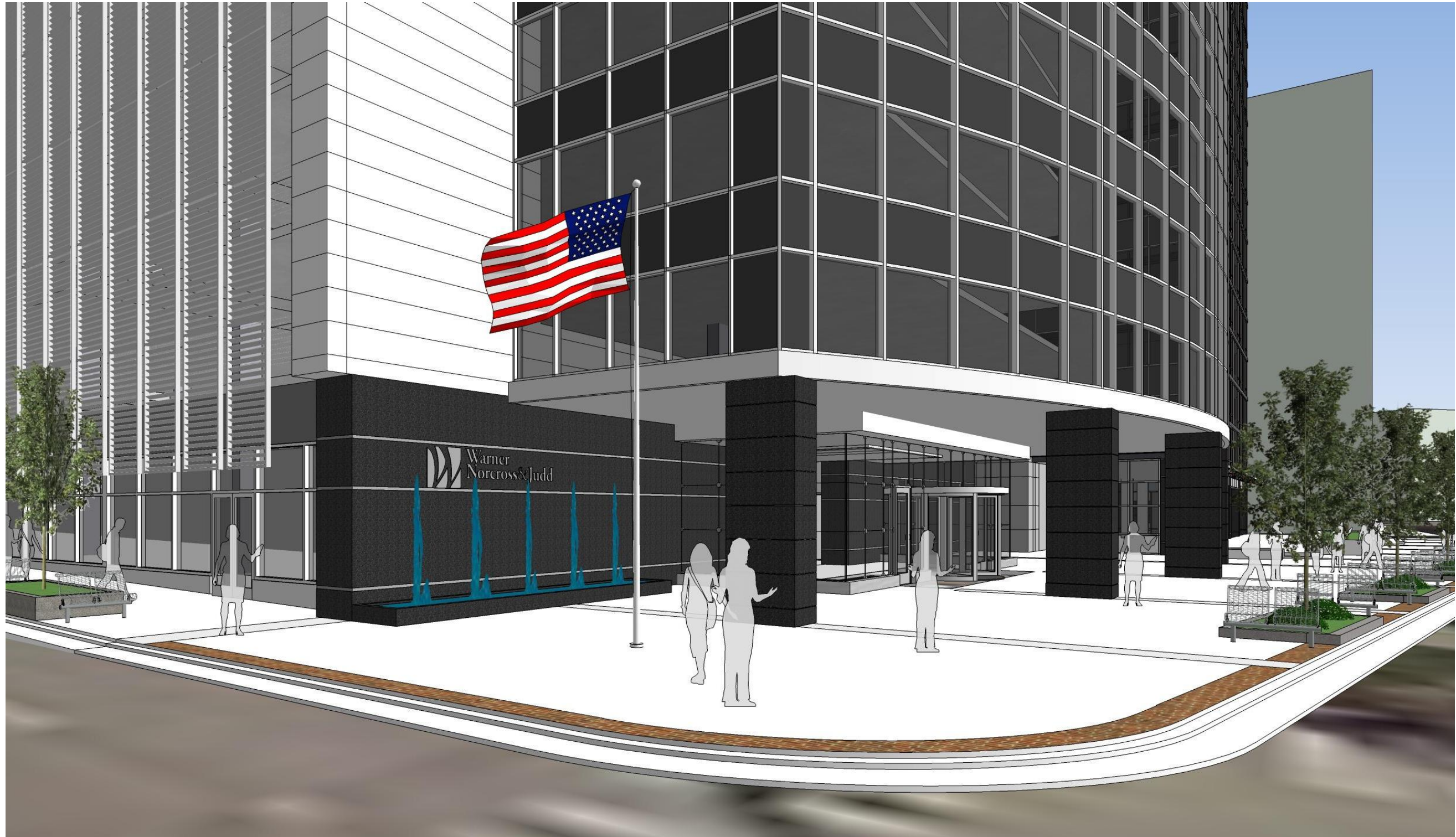

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1407-03

09-22-16



150 OTTAWA

Grand Rapids, Michigan

VIEW 4

1407-03

09-22-16


Ellis Parking
 C O M P A N Y

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 REAL ESTATE SOLUTIONS


ConceptDesign
 ARCHITECTURE INTERIOR DESIGN



150 OTTAWA

Grand Rapids, Michigan



150 Ottawa, LLC	
Public Facility Improvements and Estimated Costs	
Items necessary to comply with the requirements of the Michigan Construction Code to meet the requirements of the Americans with Disabilities Act:	
Elevators - One for Office and One for Residential	\$ 1,847,636
Concrete	\$ 415,000
Masonry	\$ 105,000
Carpentry	\$ 32,850
Thermal and Moisture	\$ 11,000
Cab Flooring	\$ 2,900
Equipment	\$ 901,732
Mechanical	\$ 92,000
Electrical	\$ 287,154
Barrier Free Items in Commercial and Residential Spaces	\$ 1,014,346
Barrier Free Restrooms - Office	\$ 155,793
Barrier Free Drinking Fountains - Office	\$ 15,290
Incremental Costs to Make 5 Residential Units Barrier Free	\$ 542,915
Automatic Entry Doors - Office	\$ 75,260
Automatic Entry Doors - Residential	\$ 29,374
ADA Hardware - Office	\$ 11,623
ADA hardware - Residential	\$ 155,279
ADA Hardware - residential Common Area	\$ 5,927
Ramping	\$ 3,385
Curb cuts and Sidewalks	\$ 19,500
Barrier Free Parking	\$ 112,500
Incremental Costs to Create 10 Barrier Free Parking Spaces	\$ 112,500
Public Infrastructure and Sitework	\$ 168,750
Demo, Excavate and Backfill	\$ 18,500
Concrete Planters	\$ 3,500
Sidewalks	\$ 73,250
Landscaping	\$ 50,000
Site Accessories	\$ 15,000
Ramps and Curbs	\$ 8,500
Total Subcontractor Costs	\$ 3,143,232
Construction Management (5%)	\$ 157,162
Permits and Fees	\$ 16,145
General Conditions	\$ 314,451
Contingency (15%)	\$ 544,648
A/E Fees	\$ 246,000
Total	\$ 4,421,638

MEMORANDUM

DOWNTOWN
DEVELOPMENT
AUTHORITY



DDA

DATE: January 17, 2016

TO: Downtown Development Authority

FROM: Kristopher Larson, AICP 
President & CEO

Agenda Item #8
January 20, 2017
DDA Meeting

SUBJECT: Approve Investment in Movies in the Park

In only four years, DGRI's Movies in the Park (MiTP) event series has become one the most beloved events in Grand Rapids. Recently Experience Grand Rapids named MiTP on of the "Top 17 Must-Experience Activities around Grand Rapids in 2017." Thousands participate annually in surveys to help choose the series lineup. MiTP also levers significant economic impact within the community, inducing an estimated \$445k in 2016 and \$664k in 2015. It is also the most recognizable DGRI program or project within the community-at-large.

With GR Forward's adoption in 2015, DGRI further ramped up its investments and strategies to advance of the community's goal to "integrate more inclusive programming and adopt more intentional marketing efforts designed to attract more communities of color" (p.36). The strategies deployed were discussed in detail at the November, 2016 DDA Board meeting. One key outcome, however, merits repeating: MiTP 2016 drew a total nonwhite attendance of 31%, up from 15% in 2015, a 106% increase year over year. Additionally, the number of both African-American and Hispanic attendees more than doubled.

To date, MiTP has utilized projection equipment that was purchased by the DDA in 2013. While the projection equipment is not functionally obsolete, it does have limitations and increasing concerns about reliability. Additionally, due to the late sunsets in West Michigan, it prevents the screening of films from beginning until 9:30 PM or 10:00 PM. This results in many event nights continuing until as late as 1:00 or 2:00 AM. Feedback to date from the community has long vocalized some degree of displeasure with the late starts, as it limits enjoyment / participation by groups such as younger Grand Rapidsians and the transit-dependent.

For MiTP's fifth season in 2017, staff is recommending the procurement of similar technology used during the multiple World Cup / Olympics-watch events organized by DGRI over the past 3 summers. For these events a back-lit, ultra-high definition LED display has been utilized so that viewing could occur during daytime hours.



DOWNTOWN
GRAND RAPIDS, INC.

For the upcoming series(s), this would enable a number of distinct advantages:

- It would nearly double the number of films that could be played during each annual series, going from 7 to 12, as each night would be a double-feature. Expanding the available film slots would help staff to continue advancing program goals associated with inclusion.
- Earlier starting times for the first films presents the opportunity to include more family-friendly films, which is always the top request received from the community.
- The earlier finish times enables the transit-dependent to better enjoy the event, as most of the movie nights would be complete before the final nightly Rapid bus routes.
- It expands the type of sponsorship sales that can occur to support the event. The LED technology presents the opportunity to sell banner ads that could run along the edges of the outer panels. In 2016, DGRI staff raised \$53,250 to help off-set the organizational costs of the event.
- The vendor would provide turn-key audio- and visual-support, reducing the need for DGRI staff and partners to perform this function and approximately \$20,000 in current costs per event series.
- The addition of five more film annually presents the opportunity to grow the annual attendance by approximately 10,000 people. The average event attendee spends \$19.30 in Downtown per event, resulting in a potential increase of \$193,000 in new economic impact per event series.

DGRI was successful in soliciting 2 bids for the services desired, and negotiated with its preferred vendor (LiveSpace, LLC) discounted pricing for multi-year relationships. The event improvements will cost \$12,500 per event night, or \$75,000 per event series.

Recommendation:

Authorize the DDA Executive Director to enter into a 3-year agreement with LiveSpace, LLC, a Grand Rapids-based company, in terms consistent with the attached quote. The contract shall be drafted or reviewed and approved by DDA legal counsel.

LiveSpace Proposal

4995 Starr St SE Grand Rapids, MI 49546 | lsavl.com 616.929.0191

Client	Venue/Site
Downtown Grand Rapids, Inc. (DGRI) Kristopher Larson 29 Pearl NW, Suite 1 Grand Rapids, MI 49503 Phone: 616.719.4610 klarson@downtowngr.org	Ah-Nab-Awen Park 220 Front Ave. NW Grand Rapids, MI 49504 Phone: 616.456.3232

The following pricing reflects a timed agreement between Downtown Grand Rapids, Inc. (DGRI) and LiveSpace, LLC with the listed conditions:

1. All dates for “*Movies in the Park*” must be scheduled and agreed upon no later than the end of January in the current calendar year. (See #6 regarding additional pop-up dates)
2. All events will be at the Ab-Nab-Awen Park location.
 - a. LiveSpace, LLC will provide the specifications for power and additional ground-support fixtures at Ab-Nab-Awen’s permanently designated location.
3. LiveSpace, LLC will receive access to the designated location between 5:00am (day of show) and 2:00am (following the show) for equipment load-in, load-out.
4. “*Movies in the Park*” will last no longer than 15 minutes from completion of a ‘Double Feature’ event beginning at 5:00pm.
5. LiveSpace, LLC will provide the quoted equipment list and necessary ‘operators’ (technicians) at the rate shown (See attached Quote 17-0228) per the contract/agreement duration:

Length of Agreement	Events/Shows	Discounted Pricing
1-year	8 event minimum	\$16,500 per show
2-year	16 event minimum	\$14,500 per show
3-5 year	8 events annually (minimum)	\$12,500 per show

6. In the event of additional dates/events, LiveSpace will honor the agreement pricing if the following conditions exist:
 - a. LiveSpace, LLC has the necessary equipment in inventory for the date requested (i.e. subject to availability). LiveSpace will be able to procure the gear for the event, however, it may need to be provided at a different rate.
 - b. LiveSpace, LLC has the necessary technicians on hand for the normal crew rate.
 - c. The same quoted equipment list will be used. (Additional Audio, Video, Lighting may be added to the event for a fee.)
 - d. The duration of the event is no longer than 5 hours (similar to “*Movies in the Park*”). If longer, the day rate for Audio, Video and Lighting technicians *may* increase.
7. In the event of inclement weather, DGRI will be required to pay a show advancement fee of no more than 50% of the agreement rate.
8. If an event is scheduled at a different location in the Grand Rapids area (15 mile radius), LiveSpace, LLC will require the same power and support systems in order to honor the agreement pricing. If additional equipment is required to meet the specifications of Ab-Nab-Awen Park, that gear will be billed separately.
9. All payments will be due ‘day of show.’
10. LiveSpace, LLC will receive top-level sponsorship recognition at each event.

This proposal is valid for 45 business days.

LiveSpace Proposal

4995 Starr St SE Grand Rapids, MI 49546 | lsavl.com 616.929.0191

Date

AJ Sweeney, President (LiveSpace, LLC)

QUOTE

DGRI - Movies in the Park

Quote Number 17-0228

Quote Number: 17-0228
 Name: DGRI - Movies in the Park
 Account: Todd Ernst

Ship Date: 6/1/2017 8:00 AM
 Return Date: 6/2/2017 11:00 PM
 Status: Inquiry

Qty	Item Description	Time	Rate	Price	Ext. Price
Audio					
1	APB Audio Mixing Rolling Rack Kit				
2	ISP HDL3112-8 -12" 3-Way Active Line Array Speaker				
2	ISP XMAX415 - 4x15" Active Floor Standing Subwoofer				
4	POWER CON TO MALE EDISON CABLE				
8	POWERCON TO POWERCON CABLE				
8	SHORT ECON-ECON - RJ45 ETHERCON CABLE				
6	CAT-5E W/DATA TUFF CABLE				
6	QSC KW152 15" 1000 Watt Active Loudspeaker				
1	Mic Cable Package				
				Audio Total:	0.00
Power					
1	Motion Labs 200AMP Power Distro 12-Way				
				Power Total:	0.00
Video 26.2' X 14.75' LED WALL					
144	3.9mm outdoor panel				
3	50' L21-30 Power Cable Extension				
3	25' L21-30 Power Cable Extension				
8	JTE Truss 12x18"x10'				
8	Xtreme Steel Truss Floor Base				
	Client to provide Blu-ray and proper Licensing				
3	StageRight 8x8 Deck Kit				
				Video Total:	0.00
Labor, Travel, and Misc					
1	Production Manager				
	6/1/2017 8:00 AM - 6/2/2017 11:00 PM				
1	Audio Engineer - A1				
1	LED Wall Technician				
4	Load-in/Load-out				
	6/1/2017 8:00 AM - 6/2/2017 11:00 PM				

Qty	Item Description	Time	Rate	Price	Ext. Price
1	Box Truck 26' Lift Gate				
				Labor Total:	0.00
				Subtotal:	\$0.00
				Discount:	\$0.00
				Delivery and Pickup:	\$0.00
				Sales Tax:	\$0.00
				Total:	\$0.00
				Total Applied Payments:	\$0.00
				Balance Due:	\$0.00

Rental Agreement



Customer/Renter agrees to comply with the following Terms and Conditions:

1. **RENTAL AGREEMENT:** By signing the acceptance of this proposal or by receiving the personal property described under the attached "LiveSpace Quote" as such description may be modified in writing and agreed upon by both parties, you agree to rent from us such property and any upgrades, replacements, repairs and additions referred to as "Equipment" under the terms of this Agreement. You agree to all of the terms and conditions contained in this Agreement and any related documents, which together are a complete statement of our agreement regarding the Equipment ("Rental Agreement"). The terms of this Rental Agreement supersede any prior agreements relating to such Equipment. The terms of this Rental Agreement may be modified only in writing and not by course of performance.
2. **RATE SCHEDULE:** Customer/Renter agrees to the rates as listed on quote. **ALL SALES AND RENTALS ARE FINAL UPON RECEIPT OF PRODUCT(S).**
3. **LIABILITY:** Customer agrees they have received the following goods and/or services in good and working condition, and will promptly return them in that condition on the Return Date. Customer/Lessee is responsible for loss, theft or damage from any cause whatsoever incurred while in possession of any rental equipment during the term of this contract. Customer/Lessee authorizes LiveSpace to invoice the Customer/Lessee on rental contract for loss or any/all damages. Customer/Lessee agrees to pay for the repair cost of any damaged items, and the replacement cost of any lost or unrepairable items (including any spare or blown lamps not returned). Damage also includes marking or labeling of rental equipment. Failure to return rental equipment per contract terms will result in prosecution in accordance with Michigan state law. Customer/Lessee understands how to operate rented equipment and is responsible for notifying LiveSpace of any equipment malfunction or other operational problems. Notification to LiveSpace must occur at the time of rental to be considered for any price adjustment.
4. **PAYMENT TERMS:** All rentals/services must be paid in accordance with the terms listed within and secured with an agreed upon deposit. Accepted forms of payment include: cashier's check, company check, Visa, MasterCard, & American Express (subject to credit card charging fees). Payment that is outstanding for any reason will be billed to the credit card of record.
5. **CHECKS:** The Customer/Lessee agrees to pay a service charge of **\$25.00** or **5%** of order total, whichever is greater, if any check is returned by Customer/ Lessee's bank.
6. **LATE PAYMENT AND COLLECTIONS:** Customer agrees to pay a **\$30.00** late fee and a service charge of **1.5%** per month/ **18%** annually on the unpaid balance for any charges not paid in full within **30** days of invoice date. In addition, the Customer/Lessee agrees to pay any and all court costs, attorney fees, and any other collection costs incurred by LiveSpace in attempting to collect monies due. Customer additionally agrees that all discounts are offered conditional on payment within the specified terms. **CUSTOMER AGREES THAT ALL DISCOUNTS WILL BE REMOVED AND THE FULL AMOUNT WILL BE CHARGED IF INVOICE IS NOT PAID WITHIN AGREED TERMS.**
7. **RETURN OF EQUIPMENT:** Any item(s) returned to LiveSpace after the agreed upon "return by date/time" as listed on the agreement will incur one additional daily charge for each **24** hour period thereafter. Customer agrees to these terms which can only be performed in a writing signed by an employee of LiveSpa
8. **EXCUSABLE ABSENCE:** LiveSpace shall use its best efforts to perform under this Agreement but it shall not be liable for failure to perform if such failure is caused by conditions beyond its control including, but not limited to, strikes, labor disputes, transportation accidents, fire, illness and Acts of God.
9. **WARRANTIES:** WE MAKE NO WARRANTY THAT THE EQUIPMENT IS FIT FOR A PARTICULAR PURPOSE OR THAT THE EQUIPMENT IS MERCHANTABILITY. YOU AGREE THAT YOU HAVE SELECTED EACH ITEM OF EQUIPMENT BASED UPON YOUR OWN JUDGMENT AND DISCLAIM ANY RELIANCE UPON ANY STATEMENTS OR REPRESENTATIONS MADE BY US. WE DO NOT TAKE RESPONSIBILITY FOR THE INSTALLATION OF THE EQUIPMENT UNLESS WE ALONE DELIVER, INSTALL AND TAKE DOWN SUCH EQUIPMENT AND NO OTHER PARTY ALTERS THE SET-UP OR THE INSTALLED EQUIPMENT. WE WILL VERIFY THAT THE EQUIPMENT IS IN WORKING ORDER WHEN THE EQUIPMENT IS DELIVERED OR TURNED OVER TO YOU, AND THEREAFTER, YOU ARE SOLELY RESPONSIBLE FOR PERFORMANCE OF THE EQUIPMENT. ANY CLAIMS RELATING TO THE CONDITION, QUALITY, PERFORMANCE OR REPAIR (WHETHER UNDER WARRANTY OR NOT) WILL ONLY BE MADE AGAINST THE VENDOR OR MANUFACTURER AND NOT AGAINST US. THE SUPPLIER IS NOT AN AGENT OF OURS AND NOTHING THE SUPPLIER STATES CAN AFFECT YOUR OBLIGATION UNDER THE RENTAL AGREEMENT.
10. **LOSS OR DAMAGE:** You are responsible for the risk of loss or destruction or damage to the Equipment. You agree to use the utmost care and will keep and maintain such Equipment in as good a condition as it was when it was in when you received it, reasonable wear and tear excepted. No loss or damage to the Equipment relieves you from the payment obligations under this Rental Agreement. You agree to promptly notify us in writing of any loss or damage and you will pay to us any remaining unpaid Rental Agreement payments for the Rental Agreement term plus the estimated fair market value of the Equipment at the time the Equipment was rented to you. Any proceeds of insurance will be paid to us and applied against any loss or damage.
11. **COLLATERAL PROTECTION AND INSURANCE:** While the Equipment is in your care, custody or control, you agree to maintain a general public liability insurance policy. You agree to provide us certificates or other evidence of insurance acceptable to us, if requested. If you fail to keep the Equipment insured as required in this paragraph, we have the right to charge you a cost not less than ten percent of the Payment amount as and additional rental fee. **NOTHING IN THIS PARAGRAPH WILL RELIEVE YOU OF YOUR RESPONSIBILITY FOR LIABILITY INSURANCE COVERAGE ON THIS EQUIPMENT.**
12. **INDEMNITY:** We are not responsible for any loss or injuries caused by the use of the Equipment. Unless we are solely responsible for installing and taking down the Equipment, as provided above, we are not responsible for any loss or injuries caused by the installation of the Equipment. You agree to hold us harmless and reimburse us for loss and to defend us against any claim for losses or injury caused by the Equipment, unless we are solely responsible for the loss or injury.
13. **DEFAULT AND REMEDIES:** If 1) you do not pay the Payment, as provided above, or other sum due to us or any other party who may have a right to collect from you under this Rental Agreement when due; 2) you become insolvent or make and assignment for the benefit of creditors; 3) a petition is filed against you under the Bankruptcy Code, or any amendment thereto, or any insolvency law or laws providing for the relief of debtors; 4) if you break any of your promises in this Rental Agreement or any other agreement with us, you will be in default. If any part of the Payment is late, you agree to pay a late charge of 15% of the payment which is late or if less, the maximum charge allowed by law. If you are ever in default, we can terminate or cancel this Rental Agreement and require that you immediately pay (1) any balance owing hereunder in full; (2) the estimated fair market value of the Equipment at the end of the original Rental Agreement term; and/or (3) return the Equipment to us to a location designated by us. We may recover interest on any unpaid balance at the highest rate allowed by law. If we refer this Rental Agreement to an attorney for collection, you agree to pay our actual attorney's fees and actual court costs. If we have to take possession of the Equipment, you agree to pay the cost of repossession. **YOU AGREE THAT WE WILL NOT BE RESPONSIBLE TO PAY YOU ANY CONSEQUENTIAL OR INCIDENTAL DAMAGES FOR ANY DEFAULT BY US UNDER THIS RENTAL AGREEMENT.** You agree that any delay or failure to enforce our rights under this Rental Agreement does not prevent us from enforcing any rights at a later time. It is further agreed that your rights and remedies are governed exclusively by this Rental Agreement and you waive any and all other rights and remedies.
14. **TITLE:** You agree that this document is rental not a sale agreement and title to the Equipment shall remain with us, LiveSpace, at all times.
15. **MISCELLANEOUS:** This Rental Agreement contains the entire agreement between the parties and may not be changed unless agreed in writing and signed by both parties. Facsimile copies of any signatures on this Rental Agreement shall serve as originals. If a provision of this Rental Agreement is declared unenforceable in any jurisdiction, the other provisions herein shall remain in force and affect in that jurisdiction and all others. Any notice intended to be served under this Rental Agreement shall be sufficiently sent if sent by regular mail, postage pre-paid, and addressed to the party at the address contained in this document. This Rental Agreement shall be binding upon the parties, their successors, legal representatives and assigns.
16. **LAW:** THIS RENTAL AGREEMENT WILL BE DEEMED FULLY EXECUTED AND PERFORMED IN THE STATE OF MICHIGAN ONCE YOU SIGN THIS AGREEMENT OR UPON DELIVERY OF THE EQUIPMENT TO YOU. THIS AGREEMENT AND WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH MICHIGAN LAW. YOU AND WE EXPRESSLY CONSENT TO JURISDICTION AND VENUE IN KENT COUNTY.
17. **CANCELLATION POLICY:** If for any reason you cancel a confirmed booking within 24 hours of the scheduled pickup/delivery time, then you are still responsible for 100% payment of the total rental/production cost. If you cancel within 48 hours of the scheduled pickup/delivery time, you are responsible for 50% payment of the total rental/production cost.

Equipment and/or Labor will not be reserved, and services will not be provided until this agreement is signed and returned to LiveSpace.

Client Signature:

Date: