

**LOCAL DEVELOPMENT FINANCE AUTHORITY (LDFA)**
**City of Lansing, City of East Lansing & Ingham County**

**Quarterly Meeting Minutes**
Thursday, April 29th, 2021– 11:00 AM
Via Zoom

**Attendees:**  Luke Hackney, James Tischler, Ben Bakken, Brian McGrain, Dave Washburn, Jessy Gregg, Thomas Fehrenbach

**Absent:** Charles Hasemann, Derrell Slaughter

**Guests:** Jeff Smith (MSU Foundation), Gabriela Allum (MSU Foundation), Adam Cummins (City of East Lansing), LeTasha Peebles (MEDC), Karri Christie (MSU Foundation), Amber Clark (Meridian Township), Beka Skrzyniarz (MSU Foundation),

**Staff:**  Joe Carr, Anum Mughal, Karl Dorshimer, Jennifer Abood Morris, Bob Trezise,

**Recorded by:** Joe Carr of LEAP

* **Call to Order & Roll Call**

Chair Hackney called the meeting to order at 11:01 AM. Carr conducted roll call. Luke Hackney, James Tischler, Ben Bakken, Brian McGrain, Dave Washburn, Jessy Gregg, Thomas Fehrenbach present. Charles Hasemann, Derrell Slaughter absent.

* **Approval of LDFA Minutes - March 17, 2021**

**MOTION:** Brian McGrain moved, seconded by James Tischler, to approve the LDFA meeting minutes of March 17, 2021. All in Favor. Motion passed unanimously.

* **Approval of LDFA Financials**

Abood Morris presented draft financials through March 31, 2021. Total assets increased, no red flags or concerns to report.

**MOTION:** Ben Bakken moved, seconded by Tom Fehrenbach, to approve the LDFA draft financials as presented. All in Favor. Motion passed unanimously.

* **Budget discussion**

Trezise presented a history of the SmartZone, an overview of our current financial picture, and a set of four budget frameworks. Trezise noted with the majority of the revenue coming from the City of East Lansing, they should receive the majority of services from the SmartZone. Each framework is sustainable for the next 5 years, while spending down the fund balance. There are different staffing options presented, to make sure the City of East Lansing receives appropriate staffing services.

Bakken requested that the language in question that is driving the need for this meeting be shared with the members, at which time it was emailed during the meeting for review. Fehrenbach added additional context after his review of several LDFA documents. The budget needs to be approved by both the City of Lansing and East Lansing, presumably their respective portion, prior to approval of the budget by the LDFA. The board members discussed the current budget and the needs of the upcoming fiscal year’s budget, as well as the TIF renewal process.

Support for a staff person was voiced, however the board discussed various solutions as to where that staff member would be employed as well as the regional mission of the board. Discussion occurred around the mechanism through which a contractual arrangement could allow for the staff person. There was some concern about the staff person being employed by a member of the LDFA board, however the focus of activity in East Lansing was supported.

It was pointed out that the recent strategic plan included next steps and that could be integrated into the budget and activity in the next fiscal year. The board suggested identifying points of agreement, such as increasing staffing and supporting local entrepreneurs, as well as making programming accessible to the entire region.

 **MOTION:** Tischler moves to have the board direct staff to prepare a revised preliminary budget outline and narrative which identifies an increase in staff through LEAP to provide dedicated services in part to the City of East Lansing with other service offerings, present that budget and narrative to the board for review at a meeting to be conducted as soon as possible, provide communication notice to the two city councils that such activity is under way.

Seconded by Bakken.

Discussion ensued regarding where the staff person would be employed in the future.

**MOTION**: Fehrenbach moves an amendment to the motion to subtract the words “within LEAP”. Seconded by Gregg.

Hackney requested a roll call vote.

Roll call vote:

Luke Hackney, Yes

James Tischler, No

Ben Bakken, Yes

Brian McGrain, Yes

Jessy Gregg, Yes

Thomas Fehrenbach, Yes

David Washburn, Yes

Motion passes, 6-1.

Tischler calls the question on the amended motion that is still open.

**AMENDED MOTION:** Tischler moves to have the board direct staff to prepare a revised preliminary budget outline and narrative which identifies an increase in staff through LEAP to provide dedicated services in part to the City of East Lansing with other service offerings, present that budget and narrative to the board for review at a meeting to be conducted as soon as possible, provide communication notice to the two city councils that such activity is under way.

Seconded by Bakken.

Roll call vote:

Luke Hackney, Yes

James Tischler, Yes

Ben Bakken, Yes

Brian McGrain, Yes

Jessy Gregg, Yes

Thomas Fehrenbach, Yes

David Washburn, Yes

All in favor, motion passes.

**MOTION**: Bakken moves for a preliminary FYE22 budget that mirrors the FYE21 budget with following changes, new line item for staffing $100,00, 2021 TIF plan reduced to $0, New programming fund increase to $205,000, for balanced budget. Add new line item in programming section for fund balance spenddown $100,000.

Motion withdrawn by Bakken.

* **LEAP to draft budget to be shared with City Councils**

The board inquired what revenue figures should be included in the proposed budget. Hackney offered to assist in the development of the budget. The process for submitting a proposed budget was discussed.

* **Other Business:** No further business was discussed.
* **Public Comment:** There was no public comment.
* **Adjournment:** Chair Hackney adjourned the meeting at 12:58 PM.

**Joe Carr**
Vice President, Entrepreneurship & Innovation Team
Lansing Economic Area Partnership (LEAP)