

Agenda

Board of Directors

Friday, August 23, 2024

**** 8:30 a.m. ****

**Kent County Administration Building
300 Monroe, NW • Grand Rapids, MI 49503**

- | | | |
|----|---|--------------|
| 1. | Call to Order | Richard Winn |
| 2. | Minutes of June 7, 2024 | Action |
| 3. | Committee Reports | |
| | A. Operations Committee | |
| | i. Experience Grand Rapids Report | Mary Manier |
| | B. Finance Committee | |
| | i. Consolidated Financial Statements for Period Ending
June 30, 2024 | Action |
| 4. | Renewal of Directors' and Officers' Insurance | Action |
| 5. | Resolution Approving Memorandum of Understanding Between the City of
Grand Rapids, the Grand Rapids – Kent County Convention/Arena Authority,
City of Grand Rapids Downtown Development Authority | Action |
| 6. | Public Comment | |
| 7. | Board Member Comments | |
| 8. | Adjournment | |

****Please note that the start time is approximate. The CAA Finance Committee meeting started at 8:00AM, followed by the CAA Board meeting. Timing for the CAA Board meeting varies based on how long the Committee meeting takes.****

**MINUTES OF THE GRAND RAPIDS-KENT COUNTY
CONVENTION/ARENA AUTHORITY
JOINT MEETING OF
BOARD OF DIRECTORS AND COMMITTEES
DEVOS PLACE® | 303 MONROE, NW | GRAND RAPIDS, MI
FRIDAY, JUNE 7, 2024**

Attendance

Board Members: Richard Winn, Chairperson
Rosalynn Bliss
Lew Chamberlin
Krista Flynn
Birgit Klohs
Stan Stek

Absent: Michael Verhulst

Finance Committee: Tricia Chapman
Jeff Dood
Robert Herr
Joe Jones
Marvin Van Nortwick

Absent: Jill Ferris
Jay Preston
Jana Wallace

Operations Committee: Tim Bradshaw
Glenn Del Vecchio
John Van Fossen

Absent: Jim Conner
Peter D'Arienzo
Darius Quinn

Liaison Committee: Carol Hennessy

Absent: David Hildenbrand
Jennifer Merchant
Jon O'Connor

Community Inclusion Group: Omar Cuevas
Cesar Gonzalez
Joe Jones

Absent: Mercedes Barragan
Connie Dang
Jordoun Eatman
Kristian Grant
Minnie Morey
Evette Pittman

Darius Quinn
Darel Ross
Adrian Sotelo
Robert Womack

Staff/Others:	Andrea Anderson	City of Grand Rapids
	Chris Anderson	ASM Global
	Scott Atchison	Michigan Flashcard
	Dawn Baker	ShowSpan
	Kathy Bart	ASM Global
	Kate Carlson	<i>Crain's Grand Rapids</i>
	Hilarie Carpenter	ASM Global
	Bill Culhane	Progressive Companies
	Meghan Distel	Broadway Grand Rapids
	Kate Dubridge	Kent County
	Mike Guswiler	West Michigan Sports Commission
	Steve Jbara	Grand Rapids Gold
	Todd Johnson	ASM Global
	Deandre Jones	Jump Ahead L3C
	Jennifer Kasper	City of Grand Rapids
	Chris Machuta	ASM Global
	Rich MacKeigan	ASM Global
	Mary Manier	Experience Grand Rapids
	Cheri McConomy	McConomy Properties LLC
	Brian McVicar	<i>MLive/The Grand Rapids Press</i>
	Jackie Morse	ASM Global
	Marcus Scott	ASM Global
	Doug Small	Experience Grand Rapids
	Eddie Tadlock	ASM Global
	Brad Thomas	Progressive Companies
	John Van Houten	Progressive Companies
	Al Vanderberg	Kent County
	Susan Waddell	CAA
	Mark Washington	City of Grand Rapids
	Tim Wondergem	Integrated Issues Advisors
	Jessica Wood	Dickinson Wright
	Kara Wood	Grand Action 2.0
	Paul Ymker	Bluewater Technologies

1. Call to Order

Richard Winn, Chairperson, called the meeting to order at 8:09 a.m. Staff recorded the meeting minutes. Joint Convention/Arena Authority (CAA) Board and Committee meetings are held in June and in December of each year. Chair Winn recognized Steve Jbara, Founder and President of the Grand Rapids Gold, who was awarded the NBA G-League President's Choice Award and 2023-2024 G-League Executive of the Year.

2. Oath of Office

The oath of office was administered to Stan Stek, Kent County Board Chairperson, who replaced Mandy Bolter and whose term will expire December 31, 2026.

3. Minutes of May 3, 2024

Motion by Ms. Bliss, supported by Ms. Flynn, to approve the May 3, 2024, Board minutes. Motion approved.

4. Amphitheater and Soccer Stadium Update

Kara Wood, Grand Action 2.0, and Bill Culhane, Progressive Companies, attended the meeting to present updates on the new Acrisure Amphitheater and the soccer stadium. The amphitheater will have a 12,000+ seat capacity, will hold 54 ticketed events per season, and will attract 300,000 visitors per season. Accomplishments to date include pre-design and site selection, proof of concept, community engagement, concept design, special land use approval, schematic design and estimate, greenway coordination, construction documents, contractor engagement, and outreach events. Part of a planned 31-acre urban riverfront development, the project is expected to spur economic development, bringing more jobs, businesses, and development to the area. A joint venture between Pioneer Construction and Barton Marlow held a groundbreaking ceremony on May 22 to kick off construction, with 200 business, government, and community leaders attending. Next steps are to secure final capital, an EGLE grant, and public bond financing. The first concert is scheduled for May 2026.

Universal design principles are being employed on both projects, creating an equitable experience for people of all levels of mobility. The soccer stadium initially will have an 8,500-seat capacity with room to grow, 17 professional matches plus 56 other events, and 164,350 guests per season. Accomplishments to date are pre-design and site selection; proof of concept; community engagement; concept design; special land use approval; schematic design and estimate; design development and estimate; land acquisition, assembly, and access agreements; contractor engagement and outreach events; and construction documents. Next steps include private fundraising, August 6 Kent County election, and securing public capital needed through bonds. Vote “Yes” on Destination Kent lodging proposal, the tax that you don’t pay. In response to a question from Carol Hennessy regarding citizen questions and concerns, Kara Wood responded that Bill Culhane and the team will continue to communicate with residents. As part of community engagements, the team collected email addresses. Birgit Klohs asked about specific efforts to engage with entrepreneurs of color and microenterprises. Kara Wood responded that the construction manager conducted several events to encourage and engage with a variety of different participants that could take part in these projects. Based on the inclusion plan, it is expected that there will be a significant amount of participation by minority-, women-, and veteran-owned, as well as micro-local business enterprises.

5. Committee Reports

A. Operations Committee

i. Report from Experience Grand Rapids

Mary Manier provided an overview of the CVB’s recent bookings, sales activities, marketing efforts, and major bid presentations. April saw a 14.5% increase in hotel room revenue over the record year of 2023. May is anticipated to trend in the same direction. In May, staff held two client events in Washington, DC and was the lead sponsor of the Association of Meeting Planners golf outing. Sales staff attended the Helms Briscoe annual partner conference and met with 48 of their associates about Grand Rapids as a destination. The team met with 13 Customer Advisory Board members to discuss trends, hot topics, and perceptions of the city. Staff hosted 10 site visits and one group planned its 2025 conference. Staff are seeing interest in smaller cities that have great venues like Grand Rapids.

B. Finance Committee

i. Acceptance of April 2024 Consolidated Financial Statements

Cheri McConomy presented the consolidated financial report for the period ending April 30, 2024. A review of the dashboard shows that operating income is trending \$3.6 million ahead of budget, a majority coming from the Van Andel Arena®. Chris Machuta stated that both facilities look strong in both the May and June forecasts. Broadway Grand Rapids just completed a three-week run of Wicked selling 54,000 tickets. April was a strong month for Broadway, as well, with a sold-out run of To Kill a Mockingbird. Although April was a bit slow at the Van Andel Arena®, May and June are looking strong. Capital projects are still ongoing with a handful of projects being carried over to FY 2025.

Motion by Mr. Herr, supported by Ms. Bliss, to accept the April 2024 Consolidated Financial Statements. Motion approved unanimously.

ii. ASM Global Financial Statements for Period Ending April 30, 2024 – DeVos Place® and Van Andel Arena®

The ASM Global Financial Statements were included as information items.

6. FY 2025 Budgets

Ms. McConomy stated that the proposed FY 2025 budgets were presented at the May meeting and summarized the major updates between the original and current budget request: revised parking revenue and related expense budgets for rate increases, modified interest revenue, adjustment of three capital projects totaling \$180K, as well as carry forward of approximately \$2.4M for FY24 projects, and \$5M for new facility capital improvements, respectively.

Motion by Ms. Klohs, supported by Mr. Chamberlin, for approval of A) the proposed FY 2025 ASM - DeVos Place® and Van Andel Arena® facilities budget; B) the proposed FY 2025 capital budget; C) the proposed FY 2025 facility parking rates; and D) the proposed FY 2025 Consolidated Operating/Capital Budget. Motion approved unanimously.

7. DeVos Place® Rate Sheets: FY 2025- FY 2029

Motion by Mr. Chamberlin, supported by Ms. Bliss, to approve the FY 2025-FY 2029 DeVos Place® rate sheets. Motion approved unanimously.

8. Resolution Requesting and Authorizing ASM Global (FKA SMG)(Together, ASM) to Initiate Discussions with the West Michigan Sports Commission in Order to Develop a Booking Policy for a Public Soccer Stadium

Boardmember Lew Chamberlin, supported by Boardmember Krista Flynn, moved the adoption of the following resolution:

***WHEREAS**, the Grand Rapids-Kent County Convention/Arena Authority (the “CAA”) is an authority created by the City of Grand Rapids (the “City”) and the County of Kent (the “County”) pursuant to Act 203 of the Public Acts of Michigan of 1999, as amended, (the “Act”), for the purpose, in part, of the development and operation of certain public entertainment, convention, sports, and other types of permitted facilities to benefit the community, as authorized by the Act; and*

WHEREAS, the CAA and ASM entered into a Management Agreement (the “Agreement”) dated and effective as of July 1, 2018, as twice amended, for ASM to promote, operate, maintain, market and manage certain CAA facilities, as an independent contractor pursuant to the terms of the Agreement; and

WHEREAS, subject to certain contingencies being met as set forth in the Memorandum of Understanding Relating to Public Soccer Stadium adopted by the City and the County, it is anticipated that the Operating Agreement and the scope of CAA facilities will be amended to include a public soccer stadium (the “Stadium”); and

WHEREAS, in an effort to prepare for that development, the CAA believes that it is in its best interest to develop a booking policy for the Stadium so that such policy is ready for implementation as soon as necessary; and

WHEREAS, the CAA believes that ASM is in the best position to begin that process.

RESOLVED:

1. That the CAA hereby requests that ASM promptly initiate discussions with the West Michigan Sports Commission and begin the development of a booking policy reflecting best practices for the Stadium.

2. That all prior resolutions or parts thereof in conflict with the provisions of this resolution are, to the extent of such conflict, hereby rescinded.

RESOLUTION DECLARED ADOPTED.

9. Resolution Authorizing the Execution of Agreement for Investment Advisory Services and Management

Boardmember Krista Flynn, supported by Boardmember Lew Chamberlin, moved the adoption of the following resolution:

WHEREAS, the Grand Rapids-Kent County Convention/Arena Authority (the “CAA”) is an authority created by the City of Grand Rapids (the “City”) and the County of Kent (the “County”) pursuant to Act 203 of the Public Acts of Michigan of 1999, as amended, (the “Act”), for the purpose, in part, of the development and operation of certain public entertainment, convention, sports, and other types of permitted facilities to benefit the community, as authorized by the Act; and

WHEREAS, the CAA Board previously created an investment policy task force consisting of the CAA Finance Committee Chair, the CAA Finance Officer, the CAA Board Chair, and others, (the “Investment Committee”), to begin the creation and development of a request for proposals for investment advisory services and management, with such services to include writing a new investment policy and to ensure compliance with the Investment of Surplus Funds of Political Subdivisions, Public Act 20 of 1943, as amended, and other applicable laws related to investments (the “Investment Services”), and to research options that would best serve the CAA’s economic interests; and

WHEREAS, the Investment Committee has undertaken and continues to do that work and will ultimately make a recommendation or recommendations related to an agreement for such Investment Services; and

***WHEREAS,** time is of the essence with regard to finalizing an agreement related to the Investment Services in order to protect and maximize the CAA’s financial returns based upon the Investment Committee’s research and ultimate recommendation.*

RESOLVED:

1. *That the creation of the Investment Committee and its work undertaken to date are hereby ratified and affirmed.*
2. *That the CAA Board Chair is authorized and directed, in conjunction with the Investment Committee’s input and recommendation(s), to finalize and execute an agreement or agreements for Investment Services, for and on behalf of the CAA, approved as to substance by the CAA Board Chair and as to form by CAA legal counsel.*
3. *That all prior resolutions or parts thereof in conflict with the provisions of this resolution are, to the extent of such conflict, hereby rescinded.*

RESOLUTION DECLARED ADOPTED.

10 Application to Liquor Control Commission for Special License

Mr. MacKeigan requested approval to apply to the Michigan Liquor Control Commission for special liquor licenses in conjunction with the International Wine, Beer & Food Festival that will be held November 21-23, 2024.

Motion by Mr. Chamberlin, supported by Ms. Bliss, to approve an application to the Michigan Liquor Control Commission for special liquor licenses in conjunction with the International Wine, Beer & Food Festival. Motion carried.

11. ASM Global Report

Mr. MacKeigan provided a comparison of the venues from FY 2023 to FY 2024. All three venues (DeVos Place, DeVos Performance Hall, and the Van Andel Arena) increased from FY 2023 in all categories of event days, event attendance, and event income. *Billboard* magazine’s 2023 year-end chart ranked the Van Andel Arena® as the #6 venue in North America and #13 worldwide for all venues with a capacity range of 10,0001-15,000. Event highlights included Snoop Dogg, Zach Bryan, Lauren Daigle, Billy Strings, Great Lakes, Invitational, the Griffins, Gold, and Rise sports teams. For year-end 2023, *Billboard* magazine ranked DeVos Performance Hall #13 worldwide for all venues with a capacity range of 5,000 or less. Event highlights included Broadway’s Frozen, Symphony’s Elf in Concert, Ballet’s Nutcracker, Opera’s La Boheme, Ringo Starr, and Intocable. Event highlights at the convention center include the US Open Chess Championship, GrandCon gaming convention, AQS Quiltweek, Tattoo Festival, Comic-Con, Home and Garden Show, and International Wine, Beer & Food Festival. The venues partner with local groups to provide complimentary tickets and concessions to kids and their families, to raise money for local nonprofits, and to offer local vendors catering opportunities. Savor...Grand Rapids offers fundraising opportunities to local nonprofits to work concession stands at the Van Andel Arena®. Currently, 20 nonprofit organizations participate, and \$1.3M was donated in calendar year 2023. Facility upgrades include replacement of emergency exit doors at the Van Andel Arena®, new LED light fixtures at DeVos Place®, new carpet in the skywalk from the Amway Grand Plaza to the Grand Gallery at the convention center, new storage space at the Van Andel Arena®, new hearing assistance devices at the Van Andel Arena®, and work on all 5 chillers at DeVos Place®.

12. ASM Calendar Update

Jackie Morse announced an Alan Jackson concert date in August and provided an update on events occurring at the venues through the end of the fiscal year. The Van Andel Arena will welcome Styx/Foreigner, A Day to Remember, Stevie Nicks, Nate Bargatze, and Luke Bryan. The Youth Art and Regional Arts exhibition has been installed throughout the DeVos Place® skywalk and is open for viewing through June 14. The Performance Hall will host Donny Osmond and two Leanne Morgan dates. The convention center plays host to 2024 Dino Adventures, JaFax, and the 2024 Chaldean Catholic International Conference.

13. Public Comment

Scott Atchison, Michigan Flashcard, spoke in support of a downtown 24/7 information system kiosk that is updated every day.

Deandre “D” Jones, Jump Ahead L3C, stated that, although he was disappointed that the UEL esports competition was not held at DeVos Place® on June 8, the organization plans to bring the esports final on December 28. “D” is encouraged that the school district is investing funds in infrastructure to develop esports labs across GRPS.

Meghan Distel, Broadway Grand Rapids, reiterated that Wicked sold 54,000 tickets and it ends Broadway’s 35th anniversary. Grand Rapids has set a record of 171,000 attendees since July 1, 2023. Ms. Distel thanked the CAA for changing the booking policy to give Broadway Grand Rapids the opportunity to grow its program and make an impact on the community.

14. Adjournment

The meeting adjourned at 9:21 a.m.

Susan M. Waddell, Recording Secretary



**Consolidated Financial Report
30-Jun-24**

UNAUDITED

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GRAND RAPIDS-KENT COUNTY

CONVENTION / ARENA AUTHORITY

Financial Dashboard
Year-To-Date (12 Months)
June 30, 2024

Van Andel Arena®						
	All Events			Concert		
	Prior Year	Budget	Actual	Prior Year	Budget	Actual
Events	129	112	170	25	26	40
Attendance	685,389	627,500	872,148	215,271	210,000	343,822
Event Income	\$ 9,129,475	\$ 7,106,161	\$ 11,292,425	\$ 3,738,381	\$ 2,623,589	\$ 5,720,892
DeVos Place®						
	All Events			Convention/Trade		
	Prior Year	Budget	Actual	Prior Year	Budget	Actual
Events	458	428	527	146	128	184
Attendance	597,700	657,520	666,282	139,199	126,620	142,322
Event Income	\$ 8,492,700	\$ 7,983,737	\$ 10,021,296	\$ 2,525,555	\$ 2,805,415	\$ 2,887,110
				Prior Year	Budget	Actual
Operating Income (Loss)				\$ 6,700,182	\$ 2,712,148	\$ 8,818,063
Capital/Repair/Replacement				(4,291,394)	(5,758,278)	(6,476,298)
Net - To/(From) on Fund Balance				\$ 2,408,788	\$ (3,046,130)	\$ 2,341,765

***NOTES:**

(1) Unrestricted Fund Balance - 6/30/23 \$27,438,982
(audited)

Grand Rapids-Kent County Convention/Arena Authority

Summary by Facility/Other

Fiscal Year Ending June 30, 2024

FY 2024

	<u>7/1 - 6/30/24</u>			
	<u>Year-to-Date</u>	<u>Roll</u>	<u>Estimate⁽¹⁾</u>	<u>Budget</u>
Van Andel Arena				
Operating - Revenues	\$ 11,292,425	\$ -	\$ 11,292,425	\$ 7,106,175
- Expenses - Facilities	(5,508,875)	(1)	(5,508,876)	(5,157,882)
- Base Management Fees	(197,061)	-	(197,061)	(197,061)
- Incentive Fee	-	(208,249)	(208,249)	(93,069)
Net Operating Income (Loss)	5,586,489	(208,250)	5,378,239	1,658,163
Parking	418,442	(29,104)	389,338	384,500
Pedestrian Safety	(134,399)	7,988	(126,411)	(70,000)
Net Proceeds (Cost) of VAA	5,870,532	(229,366)	5,641,166	1,972,663
DeVos Place Convention Center				
Operating - Revenues	10,021,296	-	10,021,296	7,983,737
- Expenses - Facilities	(8,986,714)	-	(8,986,714)	(7,793,196)
- Base Management Fees	(197,061)	-	(197,061)	(197,061)
- Incentive Fee	-	(185,873)	(185,873)	(301,053)
Net Operating Income (Loss)	837,521	(185,873)	651,648	(307,573)
Parking	1,843,892	(115,107)	1,728,785	1,689,020
Pedestrian Safety	-	-	-	-
Net Proceeds (Cost) of DVP	2,681,413	(300,980)	2,380,433	1,381,447
Other				
Revenues	1,422,068	77,932	1,500,000	637,750
Expenses	(1,155,950)	(117,993)	(1,273,943)	(1,279,683)
Net Other	266,118	(40,061)	226,057	(641,933)
Total Net Proceeds/Operating	8,818,063	(570,408)	8,247,656	2,712,177
Capital/Repair Expenditures	(6,476,298)	(524,565)	(7,000,863)	(15,190,672) ⁽²⁾
Results Net of Capital/Repair Expenditures	\$ 2,341,765	\$ (1,094,972)	\$ 1,246,793⁽³⁾	\$ (12,478,495)

Notes:

(1) Estimates compiled quarterly through third quarter (March 31) and monthly thereafter.

(2) See detailed Capital Replacement/Improvement Budget schedule on following page (tab)

(3) At fiscal year end, estimated Unrestricted Fund Balance will total approximately Page 11 of 27 28,685,775

**Grand Rapids-Kent County Convention/Arena Authority
Administrative - Operating / Capital Replacement Budget
FY 2024 Budget**

FY 2023 Eligible Projects:		Budget	Actual 7/1-6/30/24	Roll	Appropriation Lapse	Requested Carryover
Van Andel Arena®						
	Emergency Exit Door Replacement	\$ 95,000	\$ 83,680		\$ 11,320	
	Ice Plant Compressor Change	190,000	4,170		185,830	
	Video/Scoreboard	1,200,000	557,674			642,326
	Fencing	150,000	\$ 265	129,800	(63,000)	82,935
	Zamboni	150,000	25,000			125,000
	Floor Seating Replacement	290,000	229,650		60,350	
	New Storage Room (Sports Tenants)	400,000	\$ 113,790		286,210	
	Food and Beverage POS System	410,000 (2)	\$ 342,497		67,503	
	Volleyball Court, Equipment & Install	150,000 (2)	113,475		36,525	
	Air Handler Motor Refurbishment	50,000	42,459		7,541	
	Total VAA	3,085,000	1,512,660	129,800	592,280	850,261
DeVos Place®						
	Parking Control Equipment & Software	254,000	262,420		(8,420)	
	Grand Gallery Beam Detector	50,000			17,000	33,000
	Chiller Rebuild	300,000	303,415		(3,415)	
	Michigan Street Dock Doors	100,000				100,000
	Fiber/Switch Upgrades & Replacement	160,000	194,691		(34,691)	
	Performance Hall Sound Board	250,000				250,000
	Skywalk Carpeting	150,000	85,195		64,805	
	Convention Center Public Space Furniture	95,000	84,872		10,128	
	Ballroom Lighting & Controls	3,100,000 (2)	2,886,487	213,513		
	Westside Ballroom HVAC Repair	120,000 (2)	78,825		41,175	
	Performance Hall Seating/Box Seating					
	Additional Needs	30,000	35,535	21,617	(27,152)	
	Total DVP	4,609,000	3,931,440	235,130	59,430	383,000
Both Venues						
	Concrete	100,000	64,510	9,849	25,641	
	Surveillance	500,000	88,937	83,192	55,312	272,559
	Total Both Venues	600,000	153,447	93,041	80,953	272,559
Carryover Projects						
Both	Radio System Upgrade	100,000 (1)	39,506		(60,000)	120,494
Both	Small Motor Equipment	19,338 (1)	10,765	8,239	334	
DVP	Ballroom Lighting & Controls	362,297 (1)	362,297			
DVP	Projection Theater Upgrades	250,000				250,000
DVP	Performance Hall LED	50,000	46,622	4,267	(889)	
DVP	Performance Hall Seating	347,450	347,450			
DVP	Performance Hall Box Seating	47,475	47,475			
VAA	Suite Refresher	720,112	24,636	54,088	45,912	595,476
	Total Carryover	1,896,672	878,751	66,594	(14,643)	965,970
	Total Van Andel Arena® & DeVos Place®	10,190,672	6,476,298	524,565	718,020	2,471,789
Amphitheater						
	Land Advance Closing Payment	5,000,000 (2)				5,000,000
	Total FY 2023 Capital Budget	\$ 15,190,672	\$ 6,476,298	\$ 524,565	\$ 718,020	\$ 7,471,789

Note: The FY2024 budget, as adopted, included \$8,029,037 for capital repair/replacement projects

(1) Request to re-appropriate a total of \$481,635 for previous year projects that could not be completed for supply issues approved at August 25th BOD meeting

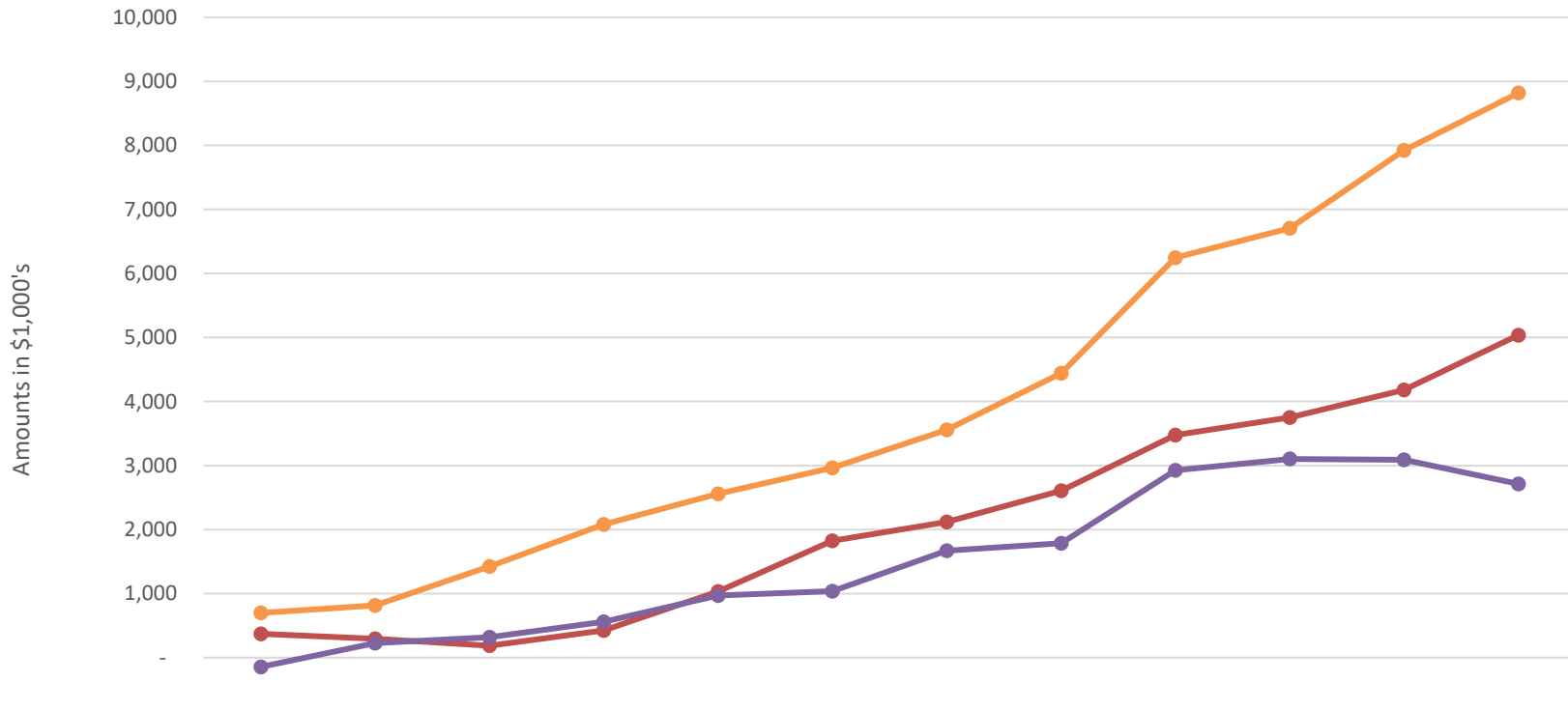
(2) The August monthly financial report included a request to fund the Amphitheater site Advance Closing Payment of \$5M, pull-forward \$1,000,000 for project work previously planned for FY25 as well as three additional projects totaling \$680,000 - see memo dated 10/3/23 and related BOD minutes for budget amendment approval

Grand Rapids-Kent County Convention/Arena Authority
Budget Summary by Facility/Other
Financial Trends for Year Ending June 30, 2024

	Annual			Year-To-Date		
	FY 2023 Audited	FY 2024 Budget	Change Positive (Negative)	FY 2023 7/1/22-6/30/23	FY 2024 7/1/23-6/30/24	Change Positive (Negative)
Van Andel Arena						
Operating - Revenues	\$ 9,129,475	\$ 7,106,175	-22.2%	\$ 9,129,475	\$ 11,292,425	23.7%
- Expenses - Facilities	(5,332,037)	(5,157,882)	3.3%	(5,332,037)	(5,508,875)	3.3%
- Base Management Fees	(191,321)	(197,061)	-3.0%	(191,321)	(197,061)	3.0%
- Incentive Fee	(189,217)	(93,069)	-	-	-	-
Net Operating Income (Loss)	3,416,900	1,658,163	51.5%	3,606,117	5,586,489	54.9%
Parking	383,002	384,500	0.4%	383,002	418,442	9.3%
Pedestrian Safety	(95,167)	(70,000)	-100.0%	(95,167)	(134,399)	0.0%
Net Proceeds (Cost) of VAA	3,704,735	1,972,663	-87.8%	3,893,952	5,870,532	50.8%
DeVos Place Convention Center						
Operating - Revenues	8,492,699	7,983,737	-6.0%	8,492,700	10,021,296	18.0%
- Expenses - Facilities	(8,118,292)	(7,793,196)	4.0%	(8,118,296)	(8,986,714)	10.7%
- Base Management Fees	(191,321)	(197,061)	-3.0%	(191,321)	(197,061)	3.0%
- Incentive Fee	(193,425)	(301,053)	-	-	-	0.0%
Net Operating Income (Loss)	(10,339)	(307,573)	-2874.9%	183,083	837,521	-357.5%
Parking	1,427,969	1,689,020	18.3%	1,427,969	1,843,892	29.1%
Pedestrian Safety	-	-	0.0%	-	-	0.0%
Net Proceeds (Cost) of DVP	1,417,630	1,381,447	-2.6%	1,611,052	2,681,413	-66.4%
Other						
Revenues	2,188,671	637,750	-70.9%	2,188,671	1,422,068	-35.0%
Expenses	(993,493)	(1,279,683)	-28.8%	(993,493)	(1,155,950)	16.4%
Net Other	1,195,178	(641,933)	-81.0%	1,195,178	266,118	-77.7%
Total Net Proceeds/Operating	6,317,543	2,712,177	78.0%	6,700,182	8,818,063	31.6%
Capital/Repair Expenditures	(4,291,394)	(15,190,672)	52.0%	(4,291,394)	(6,476,298)	-50.9%
Results Net of Capital Expenditures	\$ 2,026,149	\$ (12,478,495)	71.0%	\$ 2,408,788	\$ 2,341,765	-2.8%

NOTES: Combined net operating income of VAA & DVP is just over \$2.2 million improvement over same point prior fiscal year.

CAA Trends Monthly Net Operating Proceeds through June 2024



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
● FY23 Actual	372	293	186	423	1,034	1,823	2,119	2,608	3,478	3,752	4,182	5,037
● FY24 Budget	(144)	226	319	561	968	1,039	1,668	1,785	2,924	3,102	3,092	2,712
● FY24 Actual	698	818	1,425	2,080	2,558	2,965	3,560	4,440	6,245	6,707	7,922	8,818

Accumulative Net Proceeds by Month

Grand Rapids-Kent County Convention/Arena Authority
Administrative Accounts
Net Other Detail
June 30, 2024

	<u>Annual</u>			<u>Actual</u>		
	<u>FY 2023</u> <u>Audited</u>	<u>FY 2024</u> <u>Budget</u>	<u>Change</u> <u>Positive</u> <u>(Negative)</u>	<u>FY 2023</u> <u>7/1/22-6/30/23</u>	<u>FY 2024</u> <u>7/1/23-6/30/24</u>	<u>Change</u> <u>Positive</u> <u>(Negative)</u>
Other						
Revenues						
Interest/Capital Contr.	\$ 2,101,294	\$ 569,750	-72.9%	\$ 2,101,294 ⁽²⁾	\$ 1,380,418	-34.3%
Miscellaneous	87,377	68,000	-22.2%	87,377	41,651	-52.3%
	<u>2,188,671</u>	<u>637,750</u>	<u>-70.9%</u>	<u>2,188,671</u>	<u>1,422,068</u>	<u>-35.0%</u>
Expenses						
Recognition/New Venue Awareness	66,225	200,000 ⁽³⁾	-100.0%	66,225	282,624	-326.8%
Marketing (CVB/Sports)	200,000	200,000	0.0%	200,000	200,000	0.0%
Diversity Initiative	100,349	200,000	-99.3%	100,349	80,224	20.1%
Wages/Benefits	99,508	113,982	-14.5%	99,508	112,112	-12.7%
Professional Services	164,714	139,852	15.1%	164,714	134,169	18.5%
DID Assessment	66,646	67,692	-1.6%	66,646	70,169	-5.3%
Food & Beverage Repairs	46,042	45,000	2.3%	46,042	41,048	10.8%
Consulting Services	135,857	200,000 ⁽¹⁾	-47.2%	135,857	118,651	12.7%
Landscaping	38,413	47,615	-24.0%	38,413	40,255	-4.8%
Procurement of Art	25,283	30,000	-100.0%	25,283	20,422	19.2%
Insurance	19,797	25,542	-29.0%	19,797	26,208	-32.4%
Supplies/Other	30,658	10,000	67.4%	30,658	30,069	1.9%
	<u>993,493</u>	<u>1,279,683</u>	<u>-28.8%</u>	<u>993,493</u>	<u>1,155,950</u>	<u>-16.4%</u>
Net Proceeds - Operating	<u>\$ 1,195,178</u>	<u>\$ (641,933)</u>	<u>153.7%</u>	<u>\$ 1,195,178</u>	<u>\$ 266,118</u>	<u>77.7%</u>

Notes:

⁽¹⁾ SMG - \$58,880; Potomac Strategic Development - \$36,000; Progressive AE - \$50,000; \$55,120 Hotel Study

⁽²⁾ Excludes \$15M and \$5M first installments received from MEDC and Kent County respectively, for Amphitheater project

⁽³⁾ Includes \$150,000 contribution for ArtPrize events

Grand Rapids-Kent County Convention/Arena Authority
Special Accounts
Downtown Amphitheater Project
Grant Period: 10/1/22 to 12/31/26
Revenues/Expenses
June 30, 2024

Michigan Economic Development Corporation Grant and Contribution from Kent County

	Budget	Receipts / Expenditures
Revenues:		
State Grant	\$ 30,000,000	\$ 15,000,000
Contribution from Kent County	15,000,000	5,000,000
Expenses:		
Architecture and Construction costs	(30,000,000)	
Paid in FY 2023		(1,397,848)
Paid in September, 2023		(83,870)
Paid in November, 2023		(1,185,241)
Paid in December, 2023		(604,507)
Paid in January, 2024		(476,595)
Paid in March, 2024		(1,781,077)
Paid in April, 2024		(623,492)
Paid in June, 2024		(2,352,079)
Deferred Revenue Balance @ 6/30/24	\$ 15,000,000	\$ 11,495,293

NOTES:

- Grant Agreement Signed February 9, 2023
- First installment of \$15M received from MEDC and deposited @ LMCU 3/7/23 (deferred - revenue recognized as costs incurred)
- \$13M of grant proceeds transferred to County Investment Pool 5/5/23
- CAA Board - Memorandum of Understanding with Grand Action Foundation 2.0 (GA2.0) for reimbursement of Amphitheater architecture and construction costs approved
- Agreement regarding payment terms and closing date for Amphitheater site executed in July 2023.
- \$5M Advance Closing Payment placed in Escrow account July 31, 2023 - see 10/3/23 Capital Budget Amendment Request Memo
- First installment of \$5M billed 2/7/24, received from Kent County and deposited @ LMCU 3/1/24 (deferred - revenue recognized as costs incurred)
- Timing Limitation - All Grant Funds Must Be Spent on or Before 12/31/2026

Memorandum

To: CAA Board Members
From: Brittany DeVos, Executive Administrator
Date: August 23, 2024
Re: Directors' & Officers' Insurance Renewal

The CAA current insurance policy expires today, on August 23, 2023, and we recently received the renewal coverage proposal. Below is a summary of the renewal proposal:

Insurer: Michigan Municipal Risk Management Authority (MMRMA)

2024 Expiring premium:	\$18,256
2023 Renewal premium:	\$16,293
Total Change	- 1,963
% Change (+ -)	-10.8%

The attached Limits sheet is an itemization of the CAA coverages. The attached comparison sheet lists the net asset and loss funds distributions to the CAA since 2006. This year's Net Asset Distribution of \$5,042, along with an additional \$1,233 from the State Pool Loss Fund Distribution, equates to a total distribution of \$6,264 to be received after this renewal is processed.

Action Requested: Approve MMRMA insurance renewal proposal.

Community:
Renewal period:

Grand Rapids-Kent Co CAA
August 23, 2024 to August 23, 2025

Reasons for Premium Change

	2023	2024	% Change
Ratable Expenditures:			
Full Time	1	1	0.0%
Part Time	1	1	0.0%
Sesonal PT	0	0	0.0%
Property Values:	\$10,000	\$10,000	0.0%
Vehicles:	2	2	0.0%
Coverages	No Sewer Backup \$15M Pool w/ \$1,000 Property deductible		
Other:	2023-24: 1.0% 2022-23: -1.1% 2021-22: 0.4% 2020-21: 3.1% 2019-20: 1.7% 2018-19: 0.5% 2017-18: -3.0% 2016-17: -4.6%		

	<u>Total Contribution</u>	<u>Property Totals</u>
Last Year	\$18,256	\$10,000
This Year	\$16,293	\$10,000
Total Change	-\$1,963	\$0
% Change (+ -)	-10.8%	0.0%

NO RAP Grant:

	<u>Net Asset Distribution</u>	<u>Loss Fund Distribution</u>	<u>Total</u>	
2006 MMRMA Distribution:	\$0		\$0	
2007 MMRMA Distribution:	\$0		\$0	
2008 MMRMA Distribution:	\$223		\$223	
2010 MMRMA Distribution:	\$474		\$474	
2011 MMRMA Distribution:	\$2,558		\$2,558	
2012 MMRMA Distribution:	\$4,816		\$4,816	
2013 MMRMA Distribution:	\$1,958		\$1,958	KD
2014 MMRMA Distribution:	\$5,577		\$5,577	KD
2015 MMRMA Distribution:	\$6,760	\$2,606	\$9,366	KE
2016 MMRMA Distribution:	\$4,257	\$1,254	\$5,511	KE
2017 MMRMA Distribution:	\$2,405	\$1,419	\$3,824	MR
2018 MMRMA Distribution:	\$4,422	\$2,125	\$6,547	KE
2019 MMRMA Distribution:	\$3,879	\$2,157	\$6,036	MR
2020 MMRMA Distribution:	\$4,784	\$1,463	\$6,247	LZ
2021 MMRMA Distribution:	\$3,187	\$1,039	\$4,226	MR
2022 MMRMA Distribution:	\$4,684	\$999	\$5,683	MR
2023 MMRMA Distribution:	\$4,400	\$1,345	\$5,745	MR
2024 MMRMA Distribution:	\$5,031	\$1,233	\$6,264	MR
	\$59,415	\$15,640	\$75,055	

Table II
Limits of Coverage

Liability and Motor Vehicle Physical Damage	Limits of Coverage Per Occurrence		Annual Aggregate	
	Member	All Members	Member	All Members
1 Liability	15,000,000	N/A	N/A	N/A
2 Judicial Tenure	N/A	N/A	N/A	N/A
3 Sewage System Overflows	0	N/A	0	N/A
4 Volunteer Medical Payments	25,000	N/A	N/A	N/A
5 First Aid	2,000	N/A	N/A	N/A
6 Vehicle Physical Damage	1,500,000	N/A	N/A	N/A
7 Uninsured/Underinsured Motorist Coverage (per person)	100,000	N/A	N/A	N/A
Uninsured/Underinsured Motorist Coverage (per occurrence)	250,000	N/A	N/A	N/A
8 Michigan No-Fault	Per Statute	N/A	N/A	N/A
9 Terrorism	5,000,000	N/A	N/A	5,000,000

Property and Crime	Limits of Coverage Per Occurrence		Annual Aggregate	
	Member	All Members	Member	All Members
1 Buildings and Personal Property	1,010,000	350,000,000	N/A	N/A
2 Personal Property in Transit	2,000,000	N/A	N/A	N/A
3 Unreported Property	5,000,000	N/A	N/A	N/A
4 Member's Newly Acquired or Constructed Property	10,000,000	N/A	N/A	N/A
5 Fine Arts	2,000,000	N/A	N/A	N/A
6 Debris Removal (25% of Insured direct loss plus)	25,000	N/A	N/A	N/A
7 Money and Securities	1,000,000	N/A	N/A	N/A
8 Accounts Receivable	2,000,000	N/A	N/A	N/A
9 Fire Protection Vehicles, Emergency Vehicles, and Mobile Equipment (Per Unit)	5,000,000	10,000,000	N/A	N/A
10 Fire and Emergency Vehicle Rental (12 week limit)	2,000 per week	N/A	N/A	N/A
11 Structures Other Than a Building	15,000,000	N/A	N/A	N/A
12 Dam/Dam Structures/Lake Level Controls	0	N/A	N/A	N/A
13 Transformers	0	N/A	N/A	N/A
14 Storm or Sanitary Sewer Back-Up	1,000,000	N/A	N/A	N/A
15 Marine Property	1,000,000	N/A	N/A	N/A
16 Other Covered Property	20,000	N/A	N/A	N/A
17 Income and Extra Expense	5,000,000	N/A	N/A	N/A
18 Blanket Employee Fidelity	1,000,000	N/A	N/A	N/A
19 Faithful Performance	Per Statute	N/A	N/A	N/A
20 Earthquake	5,000,000	N/A	5,000,000	100,000,000
21 Flood	5,000,000	N/A	5,000,000	100,000,000
22 Terrorism	50,000,000	50,000,000	N/A	N/A

GRAND RAPIDS-KENT COUNTY CONVENTION/ARENA AUTHORITY

**RESOLUTION APPROVING
MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF GRAND RAPIDS,
THE GRAND RAPIDS-KENT COUNTY CONVENTION/ARENA AUTHORITY, AND
CITY OF GRAND RAPIDS DOWNTOWN DEVELOPMENT AUTHORITY**

Boardmember _____, supported by Boardmember _____,

moved the adoption of the following resolution:

WHEREAS, the City of Grand Rapids (the “City”) is a Michigan Municipal Corporation and Home Rule City, created and operating pursuant to the Home Rule City Act, Act 279 of 1909, as amended; and

WHEREAS, the Grand Rapids-Kent County Convention/Arena Authority (the “CAA”) is an authority created by the City and Kent County, Michigan (the “County”) pursuant to Act 203 of the Public Acts of Michigan of 1998, as amended (“Act 203”), for the purpose of acquiring land and the development of certain facilities including entertainment and sports facilities; and

WHEREAS, the City of Grand Rapids Downtown Development Authority (the “DDA”) is an authority created by the City pursuant to Act 197 of the Public Acts of Michigan of 1975, as recodified in Part 2 of Act 57 of 2018, as amended, for the purposes of halting property value deterioration, increasing property tax valuation and promoting economic growth within the City; and

WHEREAS, the CAA, together with the support of the City, the County, Grand Action 2.0, and other public and private partners, has determined to cause the construction of, own, and operate an approximately 12,000 person capacity amphitheater facility located at or in the vicinity of 201 Market Avenue, S.W. within the City (the “Acrisure Amphitheater”); and

WHEREAS, pursuant to Section 517 of Act 34, Public Acts of Michigan, 2001 as amended, the City issued its \$72,770,000 Limited Tax General Obligation Bonds, Series 2024 (the “Bond”), dated June 11, 2024, of which, Twenty Million Five Hundred Thousand Dollars (\$20,500,000) is intended for the Project, as defined below, the debt service to be paid for with DDA revenues (the “DDA Portion of Bonds”); and

WHEREAS, the parties agree to enter into a Memorandum of Understanding (“MOU”) for the purpose of outlining their respective roles relating to the development, financing, construction, ownership, and operation of the Acrisure Amphitheater in downtown Grand Rapids (the “Project”).

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. That the MOU, in substantially the form attached, which the CAA has caused to be prepared, with such modifications not materially adverse to the CAA approved as to form by CAA Legal Counsel and as to substance by the CAA Board Chair, is hereby approved.

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

3. That the CAA Board Chair, Executive Director, and Contracted Finance Officer are authorized and directed to work with Grand Action 2.0, the DDA, and the City to determine and ensure the lawful use of the DDA Portion of Bonds.

4. That all resolutions or parts of resolutions in conflict herewith shall be, and the same are hereby, rescinded.

YEAS: Boardmembers _____

NAYS: Boardmembers _____

ABSTAIN: Boardmembers _____

ABSENT: Boardmembers _____

RESOLUTION DECLARED ADOPTED.

Dated: _____, 2024

Rick Winn
Chairperson

CERTIFICATION

I, the undersigned duly qualified and acting Recording Secretary of the Grand Rapids-Kent County Convention/Arena Authority (the "CAA"), do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Directors of the CAA at a regular meeting held on August 23, 2024, and that public 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: August 23, 2024

Recording Secretary

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING is entered into on the ____ day of _____ between the **CITY OF GRAND RAPIDS**, the **GRAND RAPIDS-KENT COUNTY CONVENTION/ARENA AUTHORITY**, and the **CITY OF GRAND RAPIDS DOWNTOWN DEVELOPMENT AUTHORITY**

RECITALS

A. The City of Grand Rapids (the “City”) is a Michigan Municipal Corporation and Home Rule City, created and operating pursuant to the Home Rule City Act, Act 279 of 1909, as amended.

B. The Grand Rapids-Kent County Convention/Arena Authority (the “CAA”) is an authority created by the City and Kent County, Michigan (the “County”) pursuant to Act 203 of the Public Acts of Michigan of 1998, as amended (“Act 203”), for the purpose of acquiring land and the development of certain facilities including entertainment and sports facilities.

C. The City of Grand Rapids Downtown Development Authority (the “DDA”) is an authority created by the City pursuant to Act 197 of the Public Acts of Michigan of 1975, as recodified in Part 2 of Act 57 of 2018, as amended, for the purposes of halting property value deterioration, increasing property tax valuation and promoting economic growth within the City.

D. Pursuant to Section 517 of Act 34, Public Acts of Michigan, 2001 as amended, the City issued its \$72,770,000 Limited Tax General Obligation Bonds, Series 2024 (the “Bond”), dated June 11, 2024, of which, Twenty Million Five Hundred Thousand Dollars (\$20,500,000) is intended for the Project, the debt service to be paid for with DDA revenues (the “DDA Portion of Bonds”).

E. The Parties have entered into this Memorandum of Understanding (“MOU”) for the purpose of reaching an agreement regarding their respective roles relating to the development, financing, construction, ownership, and operation of the Acrisure Amphitheater in downtown Grand Rapids (the “Project”).

UNDERSTANDING

1. Ownership and Operation. Subject to the terms and conditions of this MOU, the CAA shall develop, construct, own and operate the Acrisure Amphitheater in accordance with Act 203, and the CAA’s Articles of Organization and Operating Agreement, both dated March 29, 2000, as have been and shall be amended.

2. DDA Portion of Bonds proceeds; Expenditures. The DDA Portion of Bonds in the not-to-exceed amount of Twenty Million Five Hundred Thousand Dollars (\$20,500,000) including any interest thereon, shall serve as a portion of the public contribution to the Project, and shall only be used for public tax-exempt purposes in accordance with the financing

documents related to the Bond issuance, including but not limited to, the Resolution Authorizing Limited Tax General Obligation Bonds, Series 2024, adopted on March 19, 2024 and the Order Approving Sale of the Bonds, Dated May 10, 2024. The City shall disperse the DDA Portion of Bonds proceeds to the CAA in accordance with Section 3 herein.

3. Reimbursements from DDA Portion of Bonds proceeds. The CAA, or its duly appointed representative, shall manage the contracts associated with the Project, including evaluating invoices and ensuring proper payment to contractors. The CAA Executive Director and Board Chair or Vice Chair shall, in conjunction with its experts, including but not limited to, its CPA/Finance Director, evaluate project invoices and timely submit written requests for reimbursement from the DDA Portion of Bonds proceeds to the City's Chief Financial Officer, or her authorized delegate. The request for reimbursement shall include the amount requested, date of occurrence, purpose, and copies of any contracts related to the request, including any subcontractors, regardless of whether partial or full payment is being requested. All reimbursement requests must be submitted no later than thirty (30) days upon the CAA's receipt of invoice or payment thereof. The CAA must spend down the DDA Portion of Bonds within two (2) years from the date of this MOU. The CAA is solely responsible for ensuring timely payment to contractors and other aspects of adherence to contract provisions in furtherance of construction of the Project. The CAA shall maintain its vendor status with the City and shall verify all vendor information in the City's financial system and facilitate any necessary updates, including bank information. The City shall provide the CAA with a current drawdown schedule, as it may be amended from time to time, an accounting of all DDA Portion of Bonds proceeds, interest earned, and reimbursements paid through the end of each month by the 20th of the following month.

4. Bond Debt Service. The DDA has pledged to pay the debt service owed on the DDA Portion of Bonds. The DDA shall pay such debt service to the City in a timely matter from DDA revenues generated by current and future tax increment financing. The DDA shall account for the annual debt service payments in its budget. Since the City collects and manages all DDA revenues, the City shall deduct the debt service payments, when due, on the DDA Portion of Bonds from the DDA's Local Tax Increment Fund. The City shall deposit such debt service payments into a City account exclusively established for the repayment of the DDA Portion of Bonds.

5. City Reporting Requirements to DDA. During the development and construction of the Project and ending upon exhaustion or defeasance of the DDA Portion of Bonds, the City shall, as part of its regular financial reporting to the DDA Board, provide monthly written progress reports to the Board of the DDA, which shall include, at a minimum, an accounting of the DDA Portion of Bonds proceeds, interest earned, reimbursements paid, and any other material financial information related to the debt incurred for the Project. Additionally, the City shall provide a Balance Sheet to the DDA Board, which shall include a note with the outstanding principal balance, amount and date of the next debt service payment, and year the final maturity is paid.

6. State Funds. The Parties acknowledge and understand that State of Michigan funds in the estimated amount of \$30,000,000 have been made available for the costs of the

Project and shall be controlled, managed, and expended by the CAA in accordance with its agreement with the State.

7. Kent County Funds. The Parties acknowledge and understand that Kent County funds in the estimated amount of \$15,000,000 have been allocated toward the costs of the Project and shall be controlled, managed, and expended by the CAA in accordance with its agreement with Kent County.

8. Private Contributions. The Parties acknowledge and understand that private contributions in the estimated amount of \$ _____ will be available for the costs of the Project.

9. Relationship with Grand Action 2.0. The City and the DDA acknowledge and understand the CAA's ongoing cooperation with Grand Action Committee 2.0, a non-profit organization ("GA2.0"), in furtherance of the Project. Among other actions, the CAA shall continue to work with GA2.0 to organize and conduct a fund raising campaign to obtain and provide from private sources the remainder of the funds required for development and construction of the Project and to obtain and coordinate certain contracts related to the Project.

10. Amphitheater Project Committee. Two (2) representatives from the CAA, two (2) representatives from the City, and two (2) representatives from the DDA, as well as the CAA CPA/Finance Director, a representative from Concord Management Group, and a representative from Progressive AE, shall compose an Amphitheater Project Committee, which shall meet no less than monthly on a regular recurring schedule to discuss general topics relating to the Project, including but not limited to, construction progress and fundraising status. The DDA shall be responsible for coordinating and scheduling the Amphitheater Project Committee meetings.

11. Representations and Warranties. The Parties hereby each represent, warrant and covenant that: (i) they shall comply with all applicable federal, state and local laws, rules and regulations in carrying out their obligations hereunder; (ii) they have the power and authority to execute and deliver this MOU and to perform their respective obligations hereunder; (iii) the execution, delivery and performance of this MOU have been duly and validly authorized and approved; (iv) the execution, delivery and performance by each Party in accordance with the terms herein of this MOU do not and will not constitute a violation or a breach of, or constitute a default under any organizational documents, any applicable law, or any material agreements to which it is a party; and (v) each is duly formed, validly existing and in good standing under the laws of the State of Michigan, with full power and authority to conduct its business as presently conducted.

12. Relationship of Parties. It is mutually understood and agreed that each Party and their respective employees and agents are at all times acting and performing separately and independently of each other and shall in no way or manner represent themselves as agents or employees of the other Party. As such, no Party shall incur any expenses nor create any liens, encumbrances or legal obligations in another Party's name or against another Party's interests except as contemplated by this MOU. This MOU shall not create a joint venture, partnership, or relationship of principal and agent or employer and employee between the Parties, except as contemplated by this MOU.

[Signature page follows.]

IN WITNESS WHEREOF, the City, the CAA, and the DDA have caused this MOU to be duly executed by their authorized representatives as of the date first written above.

CITY OF GRAND RAPIDS

By: _____
Rosalynn Bliss, Mayor

By: _____
Joel H. Hondorp, City Clerk

**GRAND RAPIDS-KENT COUNTY
CONVENTION/ARENA AUTHORITY**

By: _____
Name: Richard A. Winn
Its: Chairperson

**CITY OF GRAND RAPIDS DOWNTOWN
DEVELOPMENT AUTHORITY**

By: _____
Name: Kayem Dunn
Title: Vice Chairperson

Signature Page to Memorandum of Understanding