



Agenda

Board of Directors

Friday, March 6, 2015

Following CAA Finance Committee Meeting

Kent County Commission Chambers

300 Monroe Avenue, NW, Grand Rapids, MI

- | | | |
|----|---|----------------|
| 1. | Call to Order | Steve Heacock |
| 2. | Update from Opera Grand Rapids | Anne Berquist |
| 3. | Minutes of February 6, 2015 | Action |
| 4. | Committee Reports | |
| | A. Operations Committee | |
| | i. Experience Grand Rapids Report | |
| | B. Finance Committee | |
| | i. Acceptance of January 2015 Consolidated Financial Statements | Action |
| | ii. SMG – Van Andel Arena® and DeVos Place® January 2015 Financial Statements | Information |
| 5. | Resolution Approving and Authorizing Execution of Indemnity Agreement Related to the Van Andel Arena® Skywalk | Action |
| 6. | SMG Report and Facilities Calendars | Rich MacKeigan |
| 7. | Public Comment | |
| 8. | Adjournment | |

Next Meeting Date: Friday, March 27, 2015
After CAA Operations Committee Meeting

**MINUTES OF THE GRAND RAPIDS-KENT COUNTY
CONVENTION/ARENA AUTHORITY
BOARD OF DIRECTORS MEETING
Friday, February 6, 2015**

1. Call to Order

Steve Heacock, Chairperson, called the meeting to order at 8:30 a.m. Secretary/Treasurer Richard Winn recorded the meeting minutes.

Members Present: Steve Heacock, Chairperson
Lew Chamberlin
George Heartwell
Birgit Klohs
Charlie Secchia
Richard Winn

Members Absent: Floyd Wilson, Jr.

Staff/Others:	Tom Bennett	Experience Grand Rapids
	Daryl Delabbio	Kent County
	Glenn Del Vecchio	Grand Rapids Ballet
	Tim Gortsema	Grand Rapids Griffins
	Jim Harger	<i>The Grand Rapids Press/MLive</i>
	Peter Kjome	Grand Rapids Symphony
	Chris Machuta	SMG
	Rich MacKeigan	SMG
	Doug Small	Experience Grand Rapids
	Eddie Tadlock	SMG
	Susan Waddell	CAA
	Jim Watt	SMG
	Richard Wendt	Dickinson Wright

2. Updates from Grand Rapids Ballet and Grand Rapids Symphony

Glenn Del Vecchio, Executive Director with the Grand Rapids Ballet (GRB), stated that the GRB is the largest dance company in Michigan and its only professional ballet company. GRB employs 30 full-time professional dancers, who work 40 hours per week and receive full benefits. GRB operations out of a 40,000 sq. ft. facility that serves more than 50,000 people annually. GRB's educational programs enroll 300+ students annually. Students have the opportunity to learn in a professional theater environment. Students from the company have gone on to New York City Ballet, Joffrey Ballet, Atlanta Ballet, Hubbard Street Dance Chicago, and more. Glenn explained that the Nutcracker Ballet is the main revenue producer for practically all ballet companies, making up 50-70% of their performance revenue. GRB introduced a totally new Nutcracker production this year that featured the creative production of Chris Van Allsburg and Eugene Lee and was choreographed by Val Caniparoli. Numbers for the Nutcracker exceeded all expectations. Season tickets 12.5% over forecast, and 25% over last year. Individual tickets 28% over forecast, and 48% over last year. The Gala was attended by 1,400 guests and generated \$502,000 gross additional income that was split 50/50 with Hospice of Michigan. 16,930 patrons attended eight performances, and 4,000 students attended school shows.

Peter Kjome, President and CEO of the Grand Rapids Symphony, stated that the Grammy-nominated Symphony, conducted by Music Director David Lockington, celebrates its anniversary this season. A national search is underway to replace Mr. Lockington, who is leaving after 16 excellent seasons. The

Symphony employs 80 full-time and part-time musicians, as well as 34 full-time and part-time administrative staff members. The Symphony presents more than 400 performances each year that attract 175,000+ patrons from 14 counties. Nearly half of those attendees are students, senior citizens, and people with disabilities. The Symphony musicians are leaders in several educational programs that benefit 86,000 people from 14 counties. More than 50% of the children attending performances qualify for free or reduced lunch. The average demographics include 65% Caucasian, 13% African-American, 17% Hispanic, and 3% Asian. In addition to concerts, the Symphony provides scholarships, awards, and behind-the-scenes events. A Symphony staple is the Fifth Grade concert, free to artist in residence schools. This year's concert is scheduled for February 24-27 and CAA members were invited to drop in and listen with the students. The Celebration of Soul honors community leaders and features the Symphony Mosaic scholars. Created in 2006, the Mosaic Scholarship program offers a unique opportunity for African-American and Hispanic students aged 11-18 to receive private lessons, mentorship, instrument rental, and tickets to Symphony concerts. Celebration of Soul is scheduled for February 28 and this year features Vanessa Williams.

Chair Heacock thanked Glenn and Peter for their presentations and added that Grand Rapids is fortunate to be the home for such prestigious arts organizations.

3. Minutes of Prior Meetings

Motion by Mr. Heartwell, support by Chamberlin, to approve the January 16, 2015, Minutes. Motion carried.

4. Committee Reports

A. Operations Committee

i. Additional Capital Request

Motion by Mr. Chamberlin, support by Ms. Klohs, to amend the FY 2015 budget to adjust the "Keeler Lobby ADA Lift" line item of \$165,000 to \$445,000 to move forward with the installation of an elevator. Motion carried.

B. Finance Committee

i. Acceptance of Consolidated December 2014 Financial Statements

Mr. Winn presented the financial statements for the period ended December 31, 2014. Mr. Winn referred to the financial dashboard and stated that VAA all events income was \$113K over budget; DVP all events income was \$386K over budget; and the consolidated operating income was \$708K over budget. Mr. Winn referred to the summary by facility/other, with the full-year projection. The VAA net position is \$27K over budget; the DVP net position is \$46K over budget; total net proceeds/operating is \$112K over budget; total capital/repair is \$322 under budget; and the total change in net position deficit is reduced by \$434K. Increased revenues at DVP more than offset \$344K-earned SMG incentive fee.

Motion: Mr. Winn, supported by Ms. Klohs, moved to accept the Consolidated December 2014 Financial Statements. Motion carried.

ii. SMG Van Andel Arena® and DeVos Place® December 2014 Financial Statements

The SMG financial statements were included in the agenda packet as information items.

6. SMG Report and Facilities Calendars

Mr. MacKeigan stated that the Grand Rapids Ballet and Grand Rapids Symphony should be applauded for hiring Glenn and Peter, as they bring business acumen to artistic organizations. Peter has experience on “both sides of the aisle,” having earned an MBA from Northwestern University after retiring the Grand Rapids Symphony as principal oboist. Mr. MacKeigan encouraged CAA members to attend one of the Fifth Grade concerts. The Griffins great skate takes place this Saturday at Rosa Parks Circle.

7. Public Comment

None.

8. Adjournment

The meeting adjourned at 9:25 a.m.

Richard A. Winn, Recording Secretary

**Grand Rapids-Kent County
Convention/Arena Authority
Consolidated Financial Report
January 31, 2015**

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**Financial Dashboard
Year-To-Date (7 Months)
January 31, 2015**

Van Andel Arena®						
	All Events			Concert		
	Prior Year	Budget	Actual	Prior Year	Budget	Actual
Events	50	60	54	7	13	12
Attendance	247,306	325,000	313,737	53,381	113,500	112,825
Event Income	\$ 1,258,466	\$ 1,667,177	\$ 1,882,617	\$ 511,424	\$ 983,746	\$ 1,268,738
DeVos Place®						
	All Events			Convention/Trade		
	Prior Year	Budget	Actual	Prior Year	Budget	Actual
Events	262	252	273	64	73	84
Attendance	237,731	249,410	278,340	66,720	70,080	73,925
Event Income	\$ 2,903,121	\$ 2,724,050	\$ 3,052,118	\$ 1,294,404	\$ 1,132,668	\$ 1,329,495
Consolidated						
				Prior Year	Budget	Actual
	Operating Income			\$ (152,662)	\$ (241,885)	\$ 430,941
	Capital/Repair/Replacement			(2,049,249)	(424,950)	(424,950)
	Net - Drawn on Fund Balance			\$ (2,201,911)	\$ (666,835)	\$ 5,991

Grand Rapids-Kent County Convention/Arena Authority
Summary by Facility/Other
Fiscal Year Ending June 30, 2015
January 31, 2015

	FY 2015				FY 2014
	7/1 - 1/31	2/1 - 6/30	Full-Year	Budget	Prior Year
	Year-to-Date	Roll	Estimate		
Van Andel Arena					
Operating - Revenues	\$ 3,225,579	\$ 1,711,007	\$ 4,936,586	\$ 4,874,215	\$ 4,723,213
- Expenses - Facilities	(2,301,856)	(1,697,440)	(3,999,296)	(3,952,793)	(4,108,045)
- Base Management Fees	(100,199)	(71,571)	(171,770)	(170,257)	(168,237)
- Incentive Fee	-	-	-	-	-
Net Operating Income (Loss)	823,524	(58,004)	765,520	751,165	446,931
Parking	94,394	70,210	164,604	159,144	159,144
Pedestrian Safety	(34,004)	(46,044)	(80,048)	(87,654)	(74,278)
Net Proceeds (Cost) of VAA	883,914	(33,838)	850,076	822,655	531,797
DeVos Place Convention Center					
Operating - Revenues	3,072,186	2,982,971	6,055,157	5,705,942	\$5,960,459
- Expenses - Facilities	(3,412,685)	(2,482,116)	(5,894,801)	(5,835,554)	(6,131,467)
- Base Management Fees	(100,199)	(71,571)	(171,770)	(170,257)	(168,237)
- Incentive Fee	-	-	(343,540)	-	-
Net Operating Loss	(440,698)	85,744	(354,954)	(299,869)	(339,245)
Parking	368,720	541,280	910,000	816,000	827,946
Pedestrian Safety	(16,557)	(27,900)	(44,457)	(51,265)	(43,284)
Net Proceeds (Cost) of DVP	(88,535)	599,124	510,589	464,866	445,417
Other					
Revenues	88,597	120,164	208,761	170,000	253,213
Expenses	(453,035)	(348,481)	(801,516)	(801,516) ⁽²⁾	(709,283)
Net Other	(364,438)	(228,317)	(592,755)	(631,516)	(456,070)
Total Net Proceeds/Operating	430,941	336,969	767,910	656,005	521,144
Capital Expenditures	(424,950)	(1,066,630)	(1,491,580)	(1,814,000) ⁽¹⁾	(2,564,848)
Results Net of Capital Expenditures	\$ 5,991	\$ (729,661)	\$ (723,670)	\$ (1,157,995)	\$ (2,043,704)

Notes:

(1) Includes original budget (6/6/14), plus \$300,000 DeVos Performance Hall stage renovations (5/16/14),
\$144,000 of prior-year project carryovers (8/1/14), and wheelchair lift supplemental of \$280,000 (1/16/15).

(2) Includes budget amendment of \$50,000 for energy audit.

Grand Rapids-Kent County Convention/Arena Authority
Budget Summary by Facility/Other
Financial Trends for Year Ending June 30, 2015

	Annual			Year-To-Date		
	FY 2014 Final	FY 2015 Budget	Percentage Change	FY 2014 7/1 - 1/31	FY 2015 7/1 - 1/31	Percentage Change
Van Andel Arena						
Operating - Revenues	\$ 4,723,213	\$ 4,874,215	3.2	\$2,432,788	\$3,225,579	32.6
- Expenses - Facilities	(4,108,045)	(3,952,793)	3.8	(2,126,245)	(2,301,856)	(8.3)
- Base Management Fees	(168,237)	(170,257)	1.2	(98,138)	(100,199)	(2.1)
- Incentive Fee	-	-	-	-	-	-
Net Operating Income (Loss)	446,931	751,165	64.4	208,405	823,524	295.2
Parking	159,144	159,144	0.0	92,834	94,394	1.7
Pedestrian Safety	(74,278)	(87,654)	18.0	(26,604)	(34,004)	(27.8)
Net Proceeds (Cost) of VAA	531,797	822,655	54.7	274,635	883,914	221.9
DeVos Place Convention Center						
Operating - Revenues	5,960,459	5,705,942	(4.3)	2,922,150	3,072,186	5.1
- Expenses - Facilities	(6,131,467)	(5,835,554)	4.8	(3,280,048)	(3,412,685)	(4.0)
- Base Management Fees	(168,237)	(170,257)	1.2	(98,138)	(100,199)	(2.1)
- Incentive Fee	-	-	-	-	-	-
Net Operating Loss	(339,245)	(299,869)	11.6	(456,036)	(440,698)	3.4
Parking	827,946	816,000	(1.4)	355,847	368,720	3.6
Pedestrian Safety	(43,284)	(51,265)	18.4	(15,503)	(16,557)	(6.8)
Net Proceeds (Cost) of DVP	445,417	464,866	4.4	(115,692)	(88,535)	23.5
Other						
Revenues	253,213	170,000	(32.9)	43,496	88,597	103.7
Expenses	(709,283)	(801,516)	(13.0)	(355,101)	(453,035)	(27.6)
Net Other	(456,070)	(631,516)	(38.5)	(311,605)	(364,438)	(17.0)
Total Net Proceeds/Operating	521,144	656,005		(152,662)	430,941	
Capital/Repair Expenditures	(2,564,848)	(1,814,000)		(2,049,249)	(424,950)	
Results Net of Capital Expenditures	\$ (2,043,704)	\$ (1,157,995)		\$ (2,201,911)	\$ 5,991	

Significant Notes

Van Andel Arena®

- Page 1 – 12 concerts generated \$1,268,738 in Event Revenue versus seven concerts (+\$511,424) in the first seven months of the prior fiscal year
- Page 2 - 2nd Quarter Rolling Forecast – increase “Net Proceeds” by \$27K for the full fiscal year

DeVos Place®

- Page 1 – “All Events,” budgeted at 252 (249,410 attendance), came in at 273 (278,340 attendance)
- Page 2 – 2nd Quarter Rolling Forecast – increase “Net Proceeds” by \$46K for the full fiscal year
- Page 3 – DeVos Place® Parking – City financial reporting problems; Auto Parking Services working to resolve software problem

Other

- No significant budget variance trends

Capital

- Page 2 – 2nd Quarter Rolling Forecast – project spending to come in \$322K under budget. VAA wi-fi and DVP electronic signage projects to be completed at significant savings. DVP – air plenum drainage project (\$55K budget) cancelled

VAN ANDEL ARENA
ROLLING FORECAST
FISCAL YEAR ENDING JUNE 30, 2015

	YTD	ROLL	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	54	44	98	100	(2)
ATTENDANCE	313,737	240,450	554,187	576,000	(21,813)
DIRECT EVENT INCOME	674,346	405,269	1,079,615	1,126,581	(46,966)
ANCILLARY INCOME	828,397	487,827	1,316,224	1,234,509	81,715
TOTAL EVENT INCOME	1,502,743	893,096	2,395,839	2,361,090	34,749
TOTAL OTHER INCOME	1,722,836	817,911	2,540,747	2,513,125	27,622
TOTAL INCOME	3,225,579	1,711,007	4,936,586	4,874,215	62,371
INDIRECT EXPENSES					
EXECUTIVE	125,008	77,400	202,408	179,481	(22,927)
FINANCE	117,966	108,108	226,074	239,406	13,332
MARKETING	145,785	122,993	268,778	281,845	13,067
OPERATIONS	1,042,698	720,888	1,763,586	1,686,446	(77,140)
BOX OFFICE	58,460	56,688	115,148	127,293	12,145
LUXURY SEATING	34,616	37,458	72,074	96,234	24,160
SKYWALK ADMIN	27,540	13,968	41,508	40,960	(548)
OVERHEAD	849,981	631,509	1,481,490	1,471,385	(10,105)
TOTAL INDIRECT EXP.	2,402,055	1,769,012	4,171,066	4,123,050	(48,016)
NET REVENUE ABOVE EXPENSES	823,524	(58,005)	765,520	751,165	14,355
LESS INCENTIVE FEE		-	0	-	-
NET REVENUE ABOVE EXPENSES AFTER INCENTIVE	823,524	(58,005)	765,520	751,165	14,355

Comments:

The Arena performed very well for the month of January in spite of the cancellation of Cher that was supposed to have been hosted during the month.

General Manager

Fleetwood Mac set a facility record as the highest grossing single show engagement.

Director of Finance

**VAN ANDEL ARENA
FINANCIAL STATEMENT HIGHLIGHTS
FOR MONTH ENDED JANUARY 31, 2015**

The following schedule summarizes operating results for both the current month and Year to Date as compared to budget and prior year:

MONTH	January Actual	January Budget	January FY 2014
Number of Events	14	14	14
Attendance	87,250	77,500	81,056
Direct Event Income	\$172,106	\$112,175	\$189,805
Ancillary Income	219,285	186,117	222,869
Other Event Income	56,345	46,700	54,887
Other Operating Income	194,044	171,135	200,147
Indirect Expenses	(338,570)	(345,065)	(331,268)
Net Income	<u>\$303,210</u>	<u>\$171,062</u>	<u>\$336,440</u>

YTD	YTD 2015 Actual	YTD 2015 Budget	YTD 2014 Prior Year
Number of Events	54	60	50
Attendance	313,737	295,000	247,306
Direct Event Income	\$674,346	\$672,622	\$515,457
Ancillary Income	828,397	719,855	567,005
Other Event Income	379,874	274,700	176,004
Other Operating Income	1,342,962	1,187,312	1,174,322
Indirect Expenses	(2,402,055)	(2,415,455)	(2,224,383)
Net Income	<u>\$823,524</u>	<u>\$439,034</u>	<u>\$208,405</u>

EVENT INCOME

Event income came in ahead of budget for the month on the strength of Fleetwood Mac and better than budgeted sales for both Arenacross and Harlem Globetrotters.

ANCILLARY INCOME

Ancillary income came in higher for the month as per caps continue to be very strong for all shows, especially Griffins games during the month.

INDIRECT EXPENSES

Indirect expenses came in at expected levels for the month and continue to do so for the year.

DE VOS PLACE
ROLLING FORECAST
FISCAL YEAR ENDING JUNE 30, 2015

	YTD Actual	Roll	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	273	246	519	507	12
ATTENDANCE	278,340	278,500	556,840	498,100	58,740
DIRECT EVENT REVENUE	1,592,860	1,480,845	3,073,705	2,961,450	112,255
ANCILLARY REVENUE	1,239,318	1,399,856	2,639,174	2,424,042	215,132
TOTAL EVENT REVENUE	2,832,178	2,880,701	5,712,879	5,385,492	327,387
TOTAL OTHER REVENUE	240,008	102,270	342,278	320,450	21,828
TOTAL OPERATING REVENUE	3,072,186	2,982,971	6,055,157	5,705,942	349,215
INDIRECT EXPENSES					
EXECUTIVE	111,535	83,441	194,976	194,099	(877)
FINANCE	139,785	107,407	247,192	251,535	4,343
MARKETING	73,619	39,437	113,056	112,700	(356)
OPERATIONS	952,634	655,979	1,608,613	1,558,584	(50,029)
EVENT SERVICES	571,596	453,459	1,025,055	1,067,867	42,812
BOX OFFICE	86,182	49,480	135,662	90,712	(44,950)
SALES	230,683	192,137	422,820	400,369	(22,451)
OVERHEAD	1,346,851	972,346	2,319,197	2,329,945	10,748
TOTAL OPERATING EXP.	3,512,884	2,553,686	6,066,571	6,005,811	(60,760)
NET REVENUE ABOVE EXPENSES	(440,698)	429,285	(11,414)	(299,869)	288,455
INCENTIVE FEE		343,540	343,540		(343,540)
NET OPERATING REVENUE OVER OPERATING EXPENSES	(440,698)	85,745	(354,954)	(299,869)	(55,085)

Comments:

DeVos Place continues to perform very well as compared to both budget and prior year activity overall. Revenue expectations continue to look attainable as we get into the second half of the fiscal year. Utilities are now the most unknown piece with February being the key month as that is when the increases were seen in the prior fiscal year.

General Manager

Finance Director

**DE VOS PLACE
FINANCIAL STATEMENT HIGHLIGHTS
FISCAL YEAR ENDING JUNE 30, 2015**

The following schedule summarizes operating results for both the current month and Year to Date as compared to budget and prior year:

MONTH	January Actual	January Budget	January FY 2014
Number of Events	39	39	31
Attendance	67,959	58,291	48,701
Direct Event Income	\$289,372	\$306,882	\$247,448
Ancillary Income	122,393	171,109	145,191
Other Event Income	30,484	21,954	10,282
Other Operating Income	1,847	2,666	2,810
Indirect Expenses	(536,413)	(500,484)	(541,590)
Net Income	(\$92,317)	\$2,127	(\$135,859)

YTD	YTD 2015 Actual	YTD 2015 Budget	YTD 2014 Prior Year
Number of Events	273	252	262
Attendance	278,340	249,410	237,731
Direct Event Income	\$1,592,860	\$1,413,401	\$1,456,029
Ancillary Income	1,239,318	1,170,674	1,266,237
Other Event Income	219,942	139,975	180,855
Other Operating Income	20,066	18,662	19,029
Indirect Expenses	(3,512,884)	(3,503,388)	(3,378,186)
Net Income	(\$440,698)	(\$760,676)	(\$456,036)

EVENT INCOME

Direct event income came in consistent with budget overall as most events hosted performed at expected levels.

ANCILLARY INCOME

Ancillary income fell below budgeted levels for the month, however, remains above expectations for the fiscal year as a whole.

INDIRECT EXPENSES

Indirect expenses overall are right at budget. February will be a key month as this is where the utility increases occurred last FY and will start to put into focus how the fiscal year will end up overall.

Grand Rapids-Kent County Convention/Arena Authority
Administrative Accounts
Net Proceeds Detail
Fiscal Trends for Year Ending June 30, 2015

	Annual			Year-to-Date		
	FY 2014 Final	FY 2015 Budget	Percentage Change	FY2014 7/1-1/31	FY 2015 7/1/-1/31	Percentage Change
Other						
Revenues						
Interest/Capital Contr.	\$ 132,434	\$ 130,000	(1.8)	\$ 39,578	\$ 46,402	17.2
Miscellaneous	120,779	40,000	(66.9)	3,918	42,195 ⁽¹⁾	+100.0
	<u>253,213</u>	<u>170,000</u>	<u>(32.9)</u>	<u>43,496</u>	<u>88,597</u>	<u>103.7</u>
Expenses						
Marketing (CVB/Sports)	125,000	125,000	-	125,000	125,000	-
Diversity Initiative	124,160	125,000	0.8	21,836	18,542	(15.1)
Wages/Benefits	118,617	114,956	(3.1)	60,423	64,223	6.3
Marketing Campaign	-	75,000	100.0	-	-	-
Professional Services	56,619	56,000	(3.2)	25,224	46,480	84.3
DID Assessment	38,990	40,000	2.6	38,990	39,720	1.9
Food & Beverage Repairs	31,622	40,000	145.5	3,554	-	(100.0)
Consulting Services	140,036	81,060	(0.6)	15,529	88,563 ⁽¹⁾	+100.0
Landscaping	20,003	30,000	82.0	16,487	34,149	107.1
Procurement of Art	17,869	30,000	67.9	15,901	8,108	(49.0)
Insurance	23,775	24,500	3.0	23,775	18,500	(22.2)
Supplies/Other	12,592	60,000	376.5	8,382	9,750	16.3
	<u>709,283</u>	<u>801,516</u>	<u>26.5</u>	<u>355,101</u>	<u>453,035</u>	<u>27.6</u>
Net Proceeds - Operating	<u>\$ (456,070)</u>	<u>\$ (631,516)</u>	<u>(38.5)</u>	<u>\$ (311,605)</u>	<u>\$ (364,438)</u>	<u>(17.0)</u>

Notes:

- ⁽¹⁾ Includes \$43,468 of expense for the HUD grant infrastructure study, \$10,232 for a parking feasibility study, and.
\$19,008 for an energy assessment study. (SMG-\$15,855)
Includes \$36,382 of revenue for the HUD grant infrastructure study.



VAN ANDEL ARENA

FINANCIAL STATEMENT FOR THE PERIOD ENDED JANUARY 31, 2015

PROUD HOME OF THE GRAND RAPIDS GRIFFINS – 2013 CALDER CUP CHAMPIONS



Distribution:

Grand Rapids – KentCounty Convention / Arena Authority

Robert White

Joe Romano

Gary McAneney

John Szudzik

Richard MacKeigan

Chris Machuta



An SMG Managed Facility

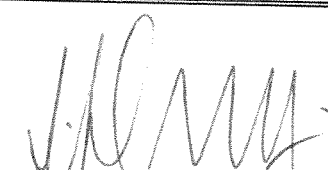
VAN ANDEL ARENA
ROLLING FORECAST
FISCAL YEAR ENDING JUNE 30, 2015

	YTD	ROLL	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	54	44	98	100	(2)
ATTENDANCE	313,737	240,450	554,187	576,000	(21,813)
DIRECT EVENT INCOME	674,346	405,269	1,079,615	1,126,581	(46,966)
ANCILLARY INCOME	828,397	487,827	1,316,224	1,234,509	81,715
TOTAL EVENT INCOME	1,502,743	893,096	2,395,839	2,361,090	34,749
TOTAL OTHER INCOME	1,722,836	817,911	2,540,747	2,513,125	27,622
TOTAL INCOME	3,225,579	1,711,007	4,936,586	4,874,215	62,371
INDIRECT EXPENSES					
EXECUTIVE					
FINANCE	125,008	77,400	202,408	179,481	(22,927)
MARKETING	117,966	108,108	226,074	239,406	13,332
OPERATIONS	145,785	122,993	268,778	281,845	13,067
BOX OFFICE	1,042,698	720,888	1,763,586	1,686,446	(77,140)
LUXURY SEATING	58,460	56,688	115,148	127,293	12,145
SKYWALK ADMIN	34,616	37,458	72,074	96,234	24,160
OVERHEAD	27,540	13,968	41,508	40,960	(548)
	849,981	631,509	1,481,490	1,471,385	(10,105)
TOTAL INDIRECT EXP.	2,402,055	1,769,012	4,171,066	4,123,050	(48,016)
NET REVENUE ABOVE EXPENSES	823,524	(58,005)	765,520	751,165	14,355
LESS INCENTIVE FEE			0		
NET REVENUE ABOVE EXPENSES AFTER INCENTIVE	823,524	(58,005)	765,520	751,165	14,355

Comments:

The Arena performed very well for the month of January in spite of the cancellation of Cher that was supposed to have been hosted during the month.

Fleetwood Mac set a facility record as the highest grossing single show engagement.


General Manager


Director of Finance

**VAN ANDEL ARENA
FINANCIAL STATEMENT HIGHLIGHTS
FOR MONTH ENDED JANUARY 31, 2015**

The following schedule summarizes operating results for both the current month and Year to Date as compared to budget and prior year:

MONTH	January Actual	January Budget	January FY 2014
Number of Events	14	14	14
Attendance	87,250	77,500	81,056
Direct Event Income	\$172,106	\$112,175	\$189,805
Ancillary Income	219,285	186,117	222,869
Other Event Income	56,345	46,700	54,887
Other Operating Income	194,044	171,135	200,147
Indirect Expenses	(338,570)	(345,065)	(331,268)
Net Income	\$303,210	\$171,062	\$336,440

YTD	YTD 2015 Actual	YTD 2015 Budget	YTD 2014 Prior Year
Number of Events	54	60	50
Attendance	313,737	295,000	247,306
Direct Event Income	\$674,346	\$672,622	\$515,457
Ancillary Income	828,397	719,855	567,005
Other Event Income	379,874	274,700	176,004
Other Operating Income	1,342,962	1,187,312	1,174,322
Indirect Expenses	(2,402,055)	(2,415,455)	(2,224,383)
Net Income	\$823,524	\$439,034	\$208,405

EVENT INCOME

Event income came in ahead of budget for the month on the strength of Fleetwood Mac and better than budgeted sales for both Arenacross and Harlem Globetrotters.

ANCILLARY INCOME

Ancillary income came in higher for the month as per caps continue to be very strong for all shows, especially Griffins games during the month.

INDIRECT EXPENSES

Indirect expenses came in at expected levels for the month and continue to do so for the year.

Van Andel Arena
Income Statement
For the Seven Months Ending January 31, 2015

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	Year to Date Actual	Year to Date Budget	Variance	Year to Date Prior Year
Event Income								
Direct Event Income								
Rental Income	\$299,766	\$196,774	102,992	\$289,521	\$981,306	\$963,807	17,499	\$832,746
Service Revenue	143,585	130,447	13,138	259,088	1,142,756	701,067	441,689	585,119
Service Expenses	(271,245)	(215,046)	(56,199)	(358,804)	(1,449,716)	(992,252)	(457,464)	(902,408)
Total Direct Event Income	172,106	112,175	59,931	189,805	674,346	672,622	1,724	515,457
Ancillary Income								
F&B Concession	185,504	164,610	20,894	188,463	696,140	632,045	64,095	490,422
F&B Catering	20,098	8,031	12,067	18,107	63,564	35,342	28,222	51,036
Novelty Sales	13,183	12,976	207	16,299	67,045	51,968	15,077	25,202
Booth Cleaning	0	0	0	0	1,002	0	1,002	345
Audio Visual	0	0	0	0	146	0	146	0
Other Ancillary	500	500	0	0	500	500	0	0
Total Ancillary Income	219,285	186,117	33,168	222,869	828,397	719,855	108,542	567,005
Other Event Income								
Ticket Rebates(Per Event)	56,345	46,700	9,645	54,887	379,874	274,700	105,174	176,004
Total Other Event Income	56,345	46,700	9,645	54,887	379,874	274,700	105,174	176,004
Total Event Income	447,736	344,992	102,744	467,561	1,882,617	1,667,177	215,440	1,258,466
Other Operating Income								
Luxury Box Agreements	147,273	115,052	32,221	141,094	984,174	794,729	189,445	779,969
Advertising	42,734	52,083	(9,349)	52,136	317,945	364,583	(46,638)	366,819
Other Income	4,037	4,000	37	6,917	40,843	28,000	12,843	27,534
Total Other Operating Income	194,044	171,135	22,909	200,147	1,342,962	1,187,312	155,650	1,174,322
Adjusted Gross Income	641,780	516,127	125,653	667,708	3,225,579	2,854,489	371,090	2,432,788
Operating Expenses								
Salaries and Wages	148,685	168,573	(19,888)	225,554	1,347,448	1,180,011	167,437	1,133,235
Payroll Taxes and Benefits	51,328	49,120	2,208	64,521	374,820	343,840	30,980	275,166
Labor Allocations to Events	(83,980)	(69,893)	(14,087)	(177,557)	(752,568)	(489,251)	(263,317)	(485,965)
Net Salaries and Benefits	116,033	147,800	(31,767)	112,518	969,700	1,034,600	(64,900)	922,436
Contracted Services	23,718	20,928	2,790	17,236	141,709	146,496	(4,787)	127,667
General and Administrative	23,779	25,218	(1,439)	30,262	220,089	176,526	43,563	221,100
Operations	2,397	4,118	(1,721)	3,333	31,342	28,826	2,516	18,804
Repair and Maintenance	24,631	20,675	3,956	15,472	191,018	144,725	46,293	134,750
Operational Supplies	14,442	15,415	(973)	19,281	111,633	107,905	3,728	112,635
Insurance	23,089	10,727	12,362	17,278	89,377	75,089	14,288	62,415
Utilities	96,167	85,996	10,171	101,868	546,988	601,972	(54,984)	526,438
SMG Management Fees	14,314	14,188	126	14,020	100,199	99,316	883	98,138
Total Operating Expenses	338,570	345,065	(6,495)	331,268	2,402,055	2,415,455	(13,400)	2,224,383
Net Income(Loss) From Operations	303,210	171,062	132,148	336,440	823,524	439,034	384,490	208,405
Other Non-Operating Expenses								
Adjusted Net Income(Loss)	303,210	171,062	132,148	336,440	823,524	439,034	384,490	208,405

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SMG - Van Andel Arena
Grand Rapids - Kent County Convention/Arena Authority
Event Summary
For the Seven Months Ended January 31, 2015

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Family Show	12	14	29,473	29,500	105,579	111,722
Sporting Event	4	6	13,594	27,000	120,162	170,227
Concert	12	13	112,825	113,500	1,268,738	983,746
Team Home Games	22	22	138,325	132,000	319,049	328,262
Other	4	5	19,520	23,000	69,089	73,220
GRAND TOTALS	54	60	313,737	325,000	1,882,617	1,667,177

As Percentage of Overall

Family Show	22.22%	23.33%	9.39%	9.08%	5.61%	6.70%
Sporting Event	7.41%	10.00%	4.33%	8.31%	6.38%	10.21%
Concert	22.22%	21.67%	35.96%	34.92%	67.39%	59.01%
Team Home Games	40.74%	36.67%	44.09%	40.62%	16.95%	19.69%
Other	7.41%	8.33%	6.22%	7.08%	3.67%	4.39%

Van Andel Arena
Balance Sheet
As of January 31, 2015

ASSETS

Current Assets

Cash	4,323,407
Account Receivable	627,860
Prepaid Expenses	45,010

Total Current Assets

\$4,996,276

Total Assets

\$4,996,276

LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable	1,263,601
Accrued Expenses	539,686
Deferred Income	2,083,594
Advanced Ticket Sales & Deposits	2,725,833

Total Current Liabilities

\$6,612,714

Other Liabilities

Equity

Funds Remitted to CAA	(2,101,280)
Expenses Paid Direct by CAA	509,896
Beginning Balance Equity	(848,577)
Current Year Equity	823,524

Total Equity

(\$1,616,437)

Total Liabilities and Equity

\$4,996,276

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SMG - Van Andel Arena
Grand Rapids - Kent County Convention/Arena Authority
Summary of Accounts Receivable
As of January 31, 2015

Current - Under 30 Days	
Food & Beverage	338,476
Ticketing	358,973
Merchandise	-
Permanent Advertising	-
DeVos Place	(284,511)
Operating	198,548
 Over 30 Days	 16,374
 Over 60 Days	 -
 Over 90 Days	
 Total Accounts Receivable	 627,860

SMG - Van Andel Arena & DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Management Fee Summary
Fiscal Year Ending June 30, 2015

MANAGEMENT FEE SUMMARY

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2014 Actual
Net Revenue above Expenses	765,520	(11,414)	754,106	107,686
Benchmark ++			750,000	750,000
Excess	765,520	(11,414)	4,106	(642,314)

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Estimate
Base Fee	171,770	171,770	343,540	336,474
Incentive Fee				
Revenue	4,936,586	6,055,157	10,991,743	10,683,672
Benchmark Revenue	5,000,000	4,400,000	9,400,000	9,300,000
Revenue Excess	(63,414)	1,655,157	1,591,743	1,383,672
Incentive Fee **	(13,686)	357,226	343,540	-
Total SMG Management Fee	158,084	528,996	687,080	336,474

** Incentive fee is 25% of the first \$500,000 in excess, 30% of remaining capped at base fee amount.

++ If net revenues above expenses exceeds \$700,000, SMG is eligible for 75% of the incentive fee.

DEVOS PLACE

DE VOS PLACE

FINANCIAL STATEMENT
FOR THE PERIOD ENDED JANUARY 31, 2015

Distribution:

Grand Rapids – Kent County Convention / Arena Authority

Robert White

Joe Romano

Gary McAneney

John Szudzik

Richard MacKeigan

Chris Machuta



An SMG Managed Facility

DE VOS PLACE
ROLLING FORECAST
FISCAL YEAR ENDING JUNE 30, 2015

	YTD Actual	Roll	TOTAL FYE	BUDGET FYE	VARIANCE
NO. EVENTS	273	246	519	507	12
ATTENDANCE	278,340	278,500	556,840	498,100	58,740
DIRECT EVENT REVENUE	1,592,860	1,480,845	3,073,705	2,961,450	112,255
ANCILLARY REVENUE	1,239,318	1,399,856	2,639,174	2,424,042	215,132
TOTAL EVENT REVENUE	2,832,178	2,880,701	5,712,879	5,385,492	327,387
TOTAL OTHER REVENUE	240,008	102,270	342,278	320,450	21,828
TOTAL OPERATING REVENUE	3,072,186	2,982,971	6,055,157	5,705,942	349,215
INDIRECT EXPENSES					
EXECUTIVE	111,535	83,441	194,976	194,099	(877)
FINANCE	139,785	107,407	247,192	251,535	4,343
MARKETING	73,619	39,437	113,056	112,700	(356)
OPERATIONS	952,634	655,979	1,608,613	1,558,584	(50,029)
EVENT SERVICES	571,596	453,459	1,025,055	1,067,867	42,812
BOX OFFICE	86,182	49,480	135,662	90,712	(44,950)
SALES	230,683	192,137	422,820	400,369	(22,451)
OVERHEAD	1,346,851	972,346	2,319,197	2,329,945	10,748
TOTAL OPERATING EXP.	3,512,884	2,553,686	6,066,571	6,005,811	(60,760)
NET REVENUE ABOVE EXPENSES	(440,698)	429,285	(11,414)	(299,869)	288,455
INCENTIVE FEE		343,540	343,540		(343,540)
NET OPERATING REVENUE OVER OPERATING EXPENSES	(440,698)	85,745	(354,954)	(299,869)	(55,085)

Comments:

DeVos Place continues to perform very well as compared to both budget and prior year activity overall. Revenue expectations continue to look attainable as we get into the second half of the fiscal year. Utilities are now the most unknown piece with February being the key month as that is when the increases were seen in the prior fiscal year.

General Manager

Finance Director

**DE VOS PLACE
FINANCIAL STATEMENT HIGHLIGHTS
FISCAL YEAR ENDING JUNE 30, 2015**

The following schedule summarizes operating results for both the current month and Year to Date as compared to budget and prior year:

MONTH	January Actual	January Budget	January FY 2014
Number of Events	39	39	31
Attendance	67,959	58,291	48,701
Direct Event Income	\$289,372	\$306,882	\$247,448
Ancillary Income	122,393	171,109	145,191
Other Event Income	30,484	21,954	10,282
Other Operating Income	1,847	2,666	2,810
Indirect Expenses	(536,413)	(500,484)	(541,590)
Net Income	(\$92,317)	\$2,127	(\$135,859)

YTD	YTD 2015 Actual	YTD 2015 Budget	YTD 2014 Prior Year
Number of Events	273	252	262
Attendance	278,340	249,410	237,731
Direct Event Income	\$1,592,860	\$1,413,401	\$1,456,029
Ancillary Income	1,239,318	1,170,674	1,266,237
Other Event Income	219,942	139,975	180,855
Other Operating Income	20,066	18,662	19,029
Indirect Expenses	(3,512,884)	(3,503,388)	(3,378,186)
Net Income	(\$440,698)	(\$760,676)	(\$456,036)

EVENT INCOME

Direct event income came in consistent with budget overall as most events hosted performed at expected levels.

ANCILLARY INCOME

Ancillary income fell below budgeted levels for the month, however, remains above expectations for the fiscal year as a whole.

INDIRECT EXPENSES

Indirect expenses overall are right at budget. February will be a key month as this is where the utility increases occurred last FY and will start to put into focus how the fiscal year will end up overall.

DeVos Place
Income Statement
For the Seven Months Ending January 31, 2015

	Current Month Actual	Current Month Budget	Variance	Current Month Prior Year	Year to Date Actual	Year to Date Budget	Variance	Year to Date Prior Year
Event Income								
Direct Event Income								
Rental Income	\$311,551	\$309,940	\$1,611	\$260,100	\$1,709,767	\$1,455,340	\$254,427	\$1,481,651
Service Revenue	210,363	183,919	26,444	120,999	1,453,698	1,094,730	358,968	1,324,135
Service Expenses	(232,542)	(186,977)	(45,565)	(133,651)	(1,570,605)	(1,136,669)	(433,936)	(1,349,757)
Total Direct Event Income	289,372	306,882	(17,510)	247,448	1,592,860	1,413,401	179,459	1,456,029
Ancillary Income								
F&B Concession	20,221	22,953	(2,732)	14,437	74,031	74,434	(403)	74,355
F&B Catering	18,742	34,694	(15,952)	21,095	454,465	409,186	45,279	416,837
Novelty Sales	1,208	664	544	0	6,163	4,957	1,206	4,362
Booth Cleaning	19,524	32,051	(12,527)	21,135	144,334	123,097	21,237	125,536
Telephone/Long Distance	338	0	338	338	563	0	563	1,238
Electrical Services	33,437	46,312	(12,875)	39,510	223,451	239,280	(15,829)	229,285
Audio Visual	7,681	16,314	(8,633)	22,211	145,827	182,480	(36,653)	246,248
Internet Services	6,220	6,654	(434)	17,256	69,132	47,750	21,382	65,573
Equipment Rental	15,022	11,467	3,555	9,209	121,352	89,490	31,862	102,803
Total Ancillary Income	122,393	171,109	(48,716)	145,191	1,239,318	1,170,674	68,644	1,266,237
Other Event Income								
Ticket Rebates(Per Event)	30,484	21,954	8,530	10,282	219,942	139,975	79,967	180,855
Total Other Event Income	30,484	21,954	8,530	10,282	219,942	139,975	79,967	180,855
Total Event Income	442,249	499,945	(57,696)	402,921	3,052,120	2,724,050	328,070	2,903,121
Other Operating Income								
Luxury Box Agreements	1,067	1,333	(266)	1,250	9,112	9,331	(219)	10,016
Other Income	780	1,333	(553)	1,560	10,954	9,331	1,623	9,013
Total Other Operating Income	1,847	2,666	(819)	2,810	20,066	18,662	1,404	19,029
Adjusted Gross Income	444,096	502,611	(58,515)	405,731	3,072,186	2,742,712	329,474	2,922,150
Operating Expenses								
Salaries and Wages	243,053	269,202	(26,149)	196,309	1,854,116	1,884,414	(30,298)	1,740,662
Payroll Taxes and Benefits	84,335	78,248	6,087	94,600	591,620	547,736	43,884	514,992
Labor Allocations to Events	(142,971)	(148,656)	5,685	(79,904)	(1,089,043)	(1,040,592)	(48,451)	(979,094)
Net Salaries and Benefits	184,417	198,794	(14,377)	211,005	1,356,693	1,391,558	(34,865)	1,276,560
Contracted Services	30,035	20,718	9,317	28,692	192,974	145,026	47,948	219,112
General and Administrative	49,558	28,110	21,448	19,906	223,394	196,770	26,624	184,503
Operations	4,900	9,960	(5,060)	3,983	94,393	69,720	24,673	61,131
Repair and Maintenance	51,739	41,350	10,389	57,282	344,273	289,450	54,823	280,061
Operational Supplies	17,459	20,975	(3,516)	14,634	116,523	146,825	(30,302)	103,560
Insurance	24,659	16,322	8,337	19,136	127,171	114,254	12,917	120,837
Utilities	159,332	150,067	9,265	172,189	957,264	1,050,469	(93,205)	1,034,284
SMG Management Fees	14,314	14,188	126	14,763	100,199	99,316	883	98,138
Total Operating Expenses	536,413	500,484	35,929	541,590	3,512,884	3,503,388	9,496	3,378,186
Net Income(Loss) From Operations	(92,317)	2,127	(94,444)	(135,859)	(440,698)	(760,676)	319,978	(456,036)
Other Non-Operating Expenses								
Adjusted Net Income(Loss)	(92,317)	2,127	(94,444)	(135,859)	(440,698)	(760,676)	319,978	(456,036)

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SMG DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Year to Date Event Summary Report
For the Seven Months ended January 31, 2015

Event Type	Events/Days		Attendance		Total Event Income	
	Actual	Budget	Actual	Budget	Actual	Budget
Convention/Trade Shows	84	73	73,925	70,080	1,329,495	1,132,668
Consumer/Gated Shows	20	20	50,776	48,330	306,485	370,600
DeVos Performance Hall	81	79	106,760	95,930	739,364	620,999
Banquets	26	23	18,058	14,950	216,203	231,748
Meetings	45	40	10,693	14,000	285,124	253,880
Other	17	17	18,128	6,120	175,448	114,155
GRAND TOTALS	273	252	278,340	249,410	3,052,118	2,724,050

As Percentage of Overall

Convention/Trade Shows	30.77%	28.97%	26.56%	28.10%	43.56%	41.58%
Consumer/Gated Shows	7.33%	7.94%	18.24%	19.38%	10.04%	13.60%
Devos Performance Hall	29.67%	31.35%	38.36%	38.46%	24.22%	22.80%
Ballroom Exclusive	9.52%	9.13%	6.49%	5.99%	7.08%	8.51%
Meetings	16.48%	15.87%	3.84%	5.61%	9.34%	9.32%
Other	6.23%	6.75%	6.51%	2.45%	5.75%	4.19%

**DeVos Place
Balance Sheet
As of January 31, 2015**

ASSETS

Current Assets

Cash	1,921,407
Account Receivable	1,029,955
Prepaid Expenses	44,129

Total Current Assets

\$2,995,491

Total Assets

\$2,995,491

LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable	26,198
Accrued Expenses	213,827
Deferred Income	131,208
Advanced Ticket Sales & Deposits	1,588,557

Total Current Liabilities

\$1,959,790

Other Liabilities

Equity

Funds Remitted to CAA	(288,992)
Expenses Paid Direct by CAA	860,573
Beginning Balance Equity	904,820
Current Year Equity	(440,701)

Total Equity

\$1,035,700

Total Liabilities and Equity

\$2,995,491

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SMG - DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Summary of Accounts Receivable
As of January 31, 2015

Current - Under 30 Days	
Food & Beverage	39,173
Ticketing	410,832
Merchandise	1,941
Decorating	19,524
Audio/Visual	7,751
Van Andel Arena	286,529
Operating	132,807
 Over 30 Days	 103,114
 Over 60 Days	 28,284
 Over 90 Days	
 Total Accounts Receivable	 1,029,955

**SMG - Van Andel Arena & DeVos Place
Grand Rapids - Kent County Convention/Arena Authority
Management Fee Summary
Fiscal Year Ending June 30, 2015**

MANAGEMENT FEE SUMMARY

	Arena Estimate	DeVos Place Estimate	Total Estimate	FY 2014 Actual
Net Revenue above Expenses	765,520	(11,414)	754,106	107,686
Benchmark ++			750,000	750,000
Excess	765,520	(11,414)	4,106	(642,314)

Incentive Fee Calculation (Only if above greater than zero)

	Arena Estimate	DeVos Place Estimate	Total Estimate	Total Estimate
Base Fee	171,770	171,770	343,540	336,474
Incentive Fee				
Revenue	4,936,586	6,055,157	10,991,743	10,683,672
Benchmark Revenue	5,000,000	4,400,000	9,400,000	9,300,000
Revenue Excess	(63,414)	1,655,157	1,591,743	1,383,672
Incentive Fee **	(13,686)	357,226	343,540	-
Total SMG Management Fee	158,084	528,996	687,080	336,474

** Incentive fee is 25% of the first \$500,000 in excess, 30% of remaining capped at base fee amount.

++ If net revenues above expenses exceeds \$700,000, SMG is eligible for 75% of the incentive fee.

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

**RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF
INDEMNITY AGREEMENT RELATED TO THE VAN ANDEL ARENA
SKYWALK**

Boardmember _____, supported by Boardmember _____, moves
the adoption of the following resolution:

WHEREAS, the Downtown Development Authority of the City of Grand Rapids (the “DDA”) constructed an overhead pedestrian walkway (the “Skywalk”) over the Ottawa Avenue, S.W. public right-of-way connecting the Van Andel to a building located at 25 Ottawa Avenue, S.W. (the “25 Ottawa Building”); and

WHEREAS, Franklin Ottawa, LLC (“Franklin Ottawa”) is the current owner of the 25 Ottawa Building; and

WHEREAS, Franklin Ottawa’s predecessor in title, Arena Station, LLC (“Arena Station”) in 1997, executed an agreement granting the DDA certain easement rights related to the Skywalk; and

WHEREAS, Arena Station, the DDA and a third party, in 1998, entered into a Memorandum of Agreement (the “MOA”) related to the operation and maintenance of the Skywalk; and

WHEREAS, the DDA, in 2000, assigned to the Grand Rapids – Kent County Convention/Arena Authority (the “CAA”) certain rights in the Skywalk and MOA; and

WHEREAS, the City of Grand Rapids (the “City”), also in 2000, granted a perpetual license for encroachment of the Skywalk in the Ottawa Avenue, S.W. public right-of-way; and

WHEREAS, Franklin Ottawa intends to construct an architectural feature within the Ottawa Avenue, S.W. public right-of-way within the Skywalk encroachment and surrounding the Skywalk and has requested an encroachment from the City in order to do so; and

WHEREAS, in connection with the granting of such encroachment it is necessary for Franklin Ottawa to enter into an agreement with the CAA and DDA with respect to the location of such architectural feature.

NOW, THEREFORE, BE IT RESOLVED:

1. That the Indemnity Agreement (the “Agreement”) between the CAA, DDA and Franklin Ottawa in the form presented at this meeting is approved with such modifications not materially adverse to the CAA approved as to content by the CAA Chairperson and as to form by the CAA legal counsel.

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

3. That upon execution of the Agreement by all parties thereto the Agreement shall be recorded with the Kent County Register of Deeds.

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

YEAS: Boardmembers _____

NAYS: Boardmembers _____

ABSTAIN: Boardmembers _____

ABSENT: Boardmembers _____

RESOLUTION DECLARED ADOPTED.

Dated: March 6, 2015

Susan M. Waddell
Administrative Manager/Recording Secretary

CERTIFICATION

I, the undersigned duly qualified and acting Administrative Manager/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 CAA Board at a regular meeting held on March 6, 2015, 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: March 6, 2015

Susan M. Waddell
Administrative Manager/Recording Secretary

**INDEMNITY AGREEMENT
ARCHITECTURAL FEATURE
25 OTTAWA PROJECT**

THIS INDEMNITY AGREEMENT ("Agreement") is made March 6, 2015, between the CITY OF GRAND RAPIDS DOWNTOWN DEVELOPMENT AUTHORITY, a Michigan statutory authority formed by the City of Grand Rapids, Michigan (the "City") pursuant to Act 197 of the Public Acts of Michigan of 1975, as amended, with offices at 29 Pearl Street, N.W. Grand Rapids, Michigan 49503 (the "DDA"), the GRAND RAPIDS – KENT COUNTY CONVENTION / ARENA AUTHORITY, a Michigan statutory authority formed by the City and the County of Kent, Michigan (the "County") pursuant to Act 203 of the Public Acts of Michigan of 1999, as amended, with offices at 130 West Fulton, Grand Rapids, Michigan 49503 (the "CAA"), and FRANKLIN OTTAWA, LLC, a Michigan limited liability company of 55 Shuman Boulevard, Suite 178, Naperville, Illinois 60563 ("Franklin Ottawa").

WITNESSETH:

WHEREAS, the City has control over the right-of-way of the property commonly known as Ottawa Avenue (the "Right-of-Way").

WHEREAS, the DDA constructed an overhead pedestrian walkway ("Skywalk") within the Right-of-Way that connects to the property located at 25 Ottawa, Grand Rapids, Michigan, legally described as Lot(s) 7, 9, and 11, KENT PLAT SOUTH OF BRIDGE STREET, CALDER STREET, according to the recorded plat thereof, as recorded in Liber 19 of Plats, Page 12, Kent County Records (the "25 Ottawa Property") to the Van Andel Arena.

WHEREAS, Franklin Ottawa is the current owner of the 25 Ottawa Property.

WHEREAS, Franklin Ottawa's predecessor in title executed a Grant of Easement Concerning Pedestrian Concourse dated December 30, 1997, which granted certain easement rights to the DDA and was recorded in the Kent County Register of Deeds in Liber 4290, page 1388.

WHEREAS, Franklin Ottawa's predecessor in title (Arena Station, LLC), the DDA, and a third party entered into a Memorandum of Agreement Regarding Ottawa/Market/Fulton Pedestrian Walkway dated March 13, 1998 (the "Memorandum of Agreement"), a copy of which is attached as Exhibit A;

WHEREAS, the DDA has assigned its rights in the Skywalk and under the Memorandum of Agreement to the CAA, pursuant to an Assignment of Contract dated as of July 1, 2000;

WHEREAS, the City has granted the CAA a perpetual license to encroach upon the Right-of-Way and to operate the Skywalk, as set forth in an Encroachment Agreement – Ottawa Avenue between the City and the CAA dated July 1, 2000 and recorded in the Kent County Register of Deeds on September 15, 2000 in Liber 5152, pg. 1219 (the "2000 Encroachment Agreement");

WHEREAS, Franklin Ottawa is currently upgrading and renovating the 25 Ottawa Property, and as part of that renovation it intends to construct an architectural feature consisting of a steel structure with a curtain wall, as further depicted in the drawing attached as Exhibit B (the "Encroachment").

WHEREAS, to enable Franklin Ottawa to construct the Encroachment, the City requires Franklin Ottawa to obtain permission to encroach within a portion of the Right-of-Way constituting airspace over Ottawa Avenue, legally described in the attached Exhibit C (the "Encroachment Area").

WHEREAS, the Skywalk extends through the Encroachment Area;

WHEREAS, pursuant to Michigan law and the provisions of the City's Charter, the City has absolute control of the Right-of-Way, as dedicated, and pursuant to City Commission authorization on December 16, 2014, under City Commission Proceeding No. 84197 (attached hereto as Exhibit D) (the "Resolution"), the City is willing to permit Franklin Ottawa to use a portion of such right-of-way under certain terms and conditions; and

WHEREAS, the CAA and DDA consent to the construction of the Encroachment within the Encroachment Area, in accordance with the terms and conditions herein.

NOW, THEREFORE, in consideration of the respective covenants contained herein, the parties agree as follows:

1. The CAA and DDA consent and agree to the construction of the Encroachment within the Encroachment Area and around the existing Skywalk.
2. Franklin Ottawa shall pay all costs and fees associated with the Encroachment, including all construction and maintenance costs and fees, and will promptly repair any damage caused to the Skywalk in connection with the construction, repair, maintenance, or removal of the Encroachment.
3. Franklin Ottawa shall obtain, continuously maintain for the duration of this Agreement, and provide the DDA and CAA prior to execution of this Agreement, and from time to time thereafter, proof acceptable to the DDA and CAA of commercial general liability insurance coverage naming the CAA, DDA, City, County, and SMG (to the extent that it is operating as the CAA's agent) as an additional insured. Such insurance shall have an initial limit of \$1,000,000 per occurrence and \$2,000,000 in annual aggregate. Said insurance must contain comprehensive coverage to insure against any and all claims arising out of or attributable to the Encroachment, regardless of whether Franklin Ottawa or any of its officers, employees, or agents are negligent in any manner.
4. Separate and apart from the foregoing paragraph, Franklin Ottawa agrees to save and hold the CAA, the DDA, City, County, SMG, and their respective officers, commissions, boards, employees, and agents harmless from, and defend and indemnify them against, any and all costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorney's fees and court costs) for damage or injury, including death, and against other legal proceedings instituted against any of them, directly or indirectly, arising from the physical existence of the Encroachment in the Encroachment Area, or from the erection or maintenance of such encroachment by Franklin Ottawa, regardless of whether or not Franklin Ottawa or any of its officers, commissions, boards, employees or agents are negligent. Franklin Ottawa's obligations under this paragraph shall not extend to any claims or lawsuits arising from the negligence or intentional conduct of any indemnified party identified above or any of their respective officers, employees, agents, or contractors. As to incidents occurring during the term of this Agreement or any extensions thereof which would or do give rise to claims for


damages, the obligations of Franklin Ottawa under this paragraph shall survive the termination of this Agreement pursuant to paragraph 10 hereof for a period of three (3) years.

5. Franklin Ottawa shall allow the CAA and SMG access to the Encroachment Area at any time for any and all repairs, replacements, and/or maintenance of the Skywalk.
6. If the CAA is required to contract for or perform directly any work on the Skywalk or elsewhere directly as a result of the Encroachment, then Franklin Ottawa shall pay the actual cost thereof to the CAA promptly upon demand. The CAA will provide Franklin Ottawa with reasonable documentation of actual costs.
7. If required for the Encroachment, Franklin Ottawa agrees to pay any cost incurred by the CAA in connection with the relocation and/or inspection of utilities in connection with the Encroachment.
8. This Agreement shall be subordinate to the rights granted to the CAA as set forth in the 2000 Encroachment Agreement, and will not be construed as impairing any of the CAA's rights in the Skywalk.
9. The parties acknowledge and agree that Franklin Ottawa has and will assume the rights, duties, and obligations of Arena Station, LLC, as set forth in the Memorandum of Agreement, and that Franklin Ottawa will pay the annual contribution required thereunder beginning with the contribution due on January 31, 2015, and the parties further acknowledge that Franklin Ottawa is not obligated to pay any annual contributions that had become due under the Memorandum of Agreement prior to the January 31, 2015 contribution. Other than as modified by the preceding sentence, the parties acknowledge and agree that they are mutually bound under the Memorandum of Agreement, and that this Agreement shall not modify their respective obligations, rights, and duties thereunder.
10. This Agreement will only terminate in the event that the Encroachment is permanently removed by Franklin Ottawa and/or is removed by the City.
11. This Agreement shall be governed by and construed in accordance with the laws of the state of Michigan.
12. Any notices required hereunder shall be delivered personally, or by first-class mail to the parties at the addresses stated above.

13. This Agreement shall be executed in recordable form and recorded with the Kent County Register of Deeds.
14. The CAA and DDA acknowledge and agree that the conditions set forth in the Resolution of the City Commission attached hereto as Exhibit D are satisfied.
15. This Agreement shall be binding upon and inure to the benefit of the parties, their administrators, successors, and assigns.

IN WITNESS WHEREOF, the parties hereto have set their hands thereto as of the day first above written.

APPROVED AS TO FORM


Special Counsel

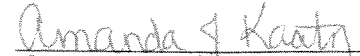
CITY OF GRAND RAPIDS DOWNTOWN
 DEVELOPMENT AUTHORITY

By: 
 Brian Harris, Chairperson

STATE OF MICHIGAN)
)ss.
 COUNTY OF KENT)

On this 20th day of February, 2015, before me, a Notary Public in and for said County, personally appeared the above named Brian Harris, Chairperson of the City of Grand Rapids Downtown Development Authority, to me known to be the same person described in and who executed the within instrument, and who has acknowledged the same to be his free act and deed.

AMANDA J. KAATZ
 Notary Public, State of Michigan
 County of Barry
 My Commission Expires: 04/11/2020
 Acting in the County of Kent


 Amanda J. Kaatz
 Notary Public, Barry County, MI
 My commission expires: 4-11-2020
 Acting in Kent County, Michigan

APPROVED AS TO FORM

GRAND RAPIDS – KENT COUNTY
CONVENTION/ARENA AUTHORITY

Legal Counsel for the
Convention/Arena Authority

By: _____
Steven Heacock, Chairperson

STATE OF MICHIGAN)
)ss.
COUNTY OF KENT)

On this _____ day of _____, 2015, before me, a Notary Public in and for said County, personally appeared the above named Steven Heacock, Chairperson of the Board of Directors of the Grand Rapids – Kent County Convention/Arena Authority, to me known to be the same person described in and who executed the within instrument, and who has acknowledged the same to be his free act and deed.

Notary Public, _____ County, MI
My commission expires: _____
Acting in Kent County, Michigan

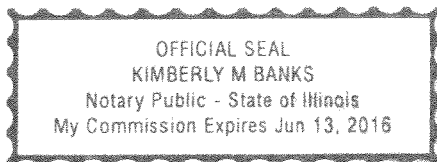
FRANKLIN OTTAWA, LLC,
a Michigan limited liability company

By: [Signature]

Its Manager

STATE OF ILLINOIS)
)ss.
COUNTY OF COOK)

The foregoing instrument was acknowledged before me on this 9th day of February, 2015, by Don Shoemaker, manager, on behalf of Franklin Ottawa, LLC, a Michigan limited liability company.



[Signature]
Notary Public, State of Illinois, County of COOK
My commission expires: 6-13-2016
Acting in the County of COOK

Prepared by and when recorded return to:
Thomas M. Amon (P72351)
Warner Norcross & Judd LLP
111 Lyon Street NW, Suite 900
Grand Rapids, MI 49503

12370343-1

EXHIBIT A

Memorandum of Agreement

MEMORANDUM OF AGREEMENT REGARDING OTTAWA/MARKET/FULTON PEDESTRIAN WALKWAY

THIS MEMORANDUM OF AGREEMENT (the "Memorandum") is entered into between the CITY OF GRAND RAPIDS DOWNTOWN DEVELOPMENT AUTHORITY, a Michigan statutory authority formed by the City of Grand Rapids pursuant to Act 197 of the Public Acts of Michigan of 1975, as amended (the "DDA"), AMWAY PROPERTIES CORPORATION, a Michigan corporation ("Properties"), and ARENA STATION, LLC, a Michigan limited liability company ("AS"), as of June 11, 1997.

RECITALS

A. The DDA has constructed or caused the construction of an enclosed elevated pedestrian walkway (the "Walkway") from the west wall of Van Andel Arena (the "Arena") through a building known as Arena Station located at 25 Ottawa, S.W., owned by AS, across Market Street to property owned by Properties and across Fulton Avenue to Plaza Towers, as identified on Exhibit A attached hereto.

B. Each of the parties to this Agreement benefit from the Walkway and desire to provide for its ownership, operation and maintenance.

AGREEMENTS

1. **Ownership.** The Walkway, except for Section B identified on the attached Exhibit A which shall be owned by AS, shall be owned by the DDA and its successors and assigns.
2. **Physical Description.** The Walkway shall consist of Sections A, B, C and D and the Tower, as identified on the attached Exhibit A. The Walkway shall have a minimum width of 12 feet and a minimum height of 9 feet and be accessible to handicap persons in compliance with applicable state and federal laws.
3. **Operation and Maintenance Responsibilities.** The DDA shall be responsible for the operation, maintenance, heating, cooling and security for Section A of the Walkway identified on the attached Exhibit A. Section A of the Walkway shall be considered a part of the Arena and the general public shall only have access to Section A for purposes of entering and exiting the Arena to attend Arena events. AS shall be responsible for operation, maintenance, heating, cooling and security for Section B of the Walkway identified on the attached Exhibit A. AS shall provide both stairwell and elevator access to the Walkway within Arena Station during such times that the Walkway is open to the general public. The DDA shall be responsible for operation, maintenance, heating, cooling and security for Section C of the Walkway identified on the attached Exhibit A with an annual contribution towards the cost thereof from AS as provided in Paragraph 6 hereof. The DDA shall be responsible for operation, maintenance, heating, cooling and security for Section D of the Walkway identified on the attached Exhibit A with the cost thereof to be provided by Properties as provided in Paragraph 6 hereof. The DDA shall be responsible for operation, maintenance, heating, cooling and security for the Tower portion of the Walkway as identified on

00101000 WALKWAY V01

the attached Exhibit A with the cost thereof to be shared by the DDA and Properties as provided in Paragraph 6 hereof.

The DDA will provide maintenance, heating, cooling and security for Section A in conjunction with its operation of the Van Andel Arena. AS will provide maintenance, heating, cooling and security in connection with its operation of Arena Station. Maintenance for Sections C and D and the Tower portion of the Walkway shall be coordinated by the DDA and Properties. Security for Sections C and D and the Tower portion of the Walkway shall also be coordinated by the DDA and Properties and they shall jointly develop a protocol for the provision of security in these portions of the Walkway with the understanding that Properties shall have no responsibility for security within Section C. Heating and cooling for Sections C and D and the Tower portion of the Walkway shall be provided through HVAC units located in the Tower and the cost thereof shall be shared as provided in Paragraph 6 hereof.

4. **Standards of Maintenance.** The parties to this Agreement agree that the following standards shall apply with respect to maintenance of the Walkway:

(a) All floors shall be kept reasonably clean and free of debris and shall be cleaned daily.

(b) All interior glass surfaces shall be kept reasonably clean and shall be cleaned at least monthly.

(c) All exterior glass surfaces shall be kept reasonably clean and shall be cleaned at least bi-annually.

(d) All other interior surfaces shall be kept reasonably clean and shall be cleaned weekly.

(e) All other exterior surfaces shall be kept reasonably clean and shall be cleaned at least bi-annually.

(f) Maintenance contracts reasonably acceptable to the DDA and Properties shall continuously be in effect for the elevator and HVAC units located in the Tower.

The "point person" with respect to all operation, maintenance, heating and cooling issues related to the Walkway shall be the manager at the Arena or his or her designee. He or she shall be responsible for coordinating with the parties to this Agreement all matters related to operation and maintenance of the Walkway.

Utility services for Sections C and D and the Tower portion of the Walkway shall be in the name of the DDA, which shall be responsible for timely paying such costs subject to contribution by the other parties hereto as provided in Paragraph 6 hereof.

5. Operating Rules. The following rules of operation shall apply to the Walkway:

(a) The temperature within all sections of the Walkway, including the Tower, shall be between 55 degrees and 80 degrees fahrenheit.

(b) The general public shall have ingress and egress access to the Walkway seven days a week between the hours of 6:00 a.m. and 11:00 p.m. In addition, it is agreed Properties may provide at its sole cost ingress and egress "card" access to the Walkway to employees of Plaza Towers and other businesses located therein and employees of the Amway Grand Plaza Hotel and other businesses located therein during such time that the Walkway is closed to the general public. Further, it is understood and agreed that AS may provide at its sole cost egress access through the Walkway to its tenants and their employees and patrons during such time that the Walkway is closed to the general public.

(c) A uniform system of directional signage will be developed and implemented jointly by the parties to this Agreement.

(d) There shall be no advertising on the exterior of the Walkway.

The parties to this Agreement may from time to time revise these operating rules or adopt and implement additional operating rules that are mutually acceptable.

6. Sharing of Costs. The DDA shall pay all costs of operation, maintenance, heating, cooling and security for Section A of the Walkway. AS shall pay all costs of operation, maintenance, heating, cooling and security for Section B of the Walkway. The DDA shall be responsible for the costs of operation, maintenance, heating, cooling and security for Section C of the Walkway with AS making an annual contribution to the DDA toward such costs, beginning with the fiscal year commencing July 1, 1997. The first annual contribution shall be \$2,500 and shall be due and payable on June 30, 1998. The second annual contribution shall be \$5,000 and shall be due and payable on January 31, 1999. Thereafter the annual contribution shall be an amount equal to the amount paid the prior year plus an increase equal to the percentage increase during the then most recent annual reporting period for the Consumer Price Index for All Cities. Except as provided above in this paragraph, the annual contribution by AS shall be payable to the DDA on or before January 31 of each fiscal year. Properties shall be responsible for all costs of operation, maintenance, heating, cooling and security for Section D of the Walkway. The operation, maintenance, heating, cooling and security costs of the Tower portion of the Walkway shall be shared, with Properties paying 75% of such costs and the DDA paying 25% of such costs. It is understood such costs include the annual contracted maintenance for the elevator and HVAC units located in the Tower.

7. Insurance. The DDA shall provide all risk insurance on the Walkway, except for Section B, through a policy of insurance or a program of self insurance in such amounts as shall be sufficient to repair or replace such portions of the Walkway if damaged or destroyed. AS shall be

responsible for providing all risk insurance on Section B of the Walkway through a policy of insurance or a program of self insurance in such amounts and as shall be sufficient to repair or replace such portion of the Walkway if damaged or destroyed. AS shall not be obliged to replace Section B of the Walkway in the event the building known as Arena Station is damaged by casualty to the extent that it is not economically feasible to rebuild. In that event, the parties hereto shall negotiate in good faith, an extension of the Walkway through the airspace previously occupied by Section B of the Walkway. In the event that the building known as Arena Station is rebuilt, replacement of Section B of the Walkway shall be incorporated into the design of the rebuilt building so as to (a) provide a reasonably direct pedestrian access between the current east and west ends of Section B and (b) a means of ingress and egress from Section B to the exterior through the rebuilt building.

The DDA shall provide and at all times keep in effect a policy of commercial general liability insurance covering the Walkway, except for Section B, insuring against injury to persons or damage to property in the minimum amount of \$500,000 per occurrence and \$1,000,000 annual aggregate. Such policy of insurance shall name Properties and AS as additional or co-insureds and shall provide that the policy may not be cancelled, modified or terminated without 30 days' written notice to all insureds. Similarly, AS shall provide and at all times keep in effect a policy of commercial general liability insurance covering Section B of the Walkway against injury to persons or damage to property in the minimum amount of \$500,000 per occurrence and \$1,000,000 annual aggregate. Such policy shall name the DDA and Properties as additional or co-insureds and shall provide that the policy may not be cancelled, modified or terminated without 30 days' written notice to all insureds.

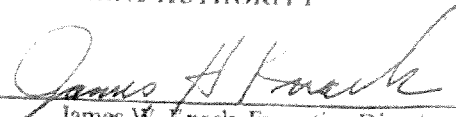
8. Meeting Among the Parties. The parties agree to meet semi-annually in the spring and fall of each year to review the items addressed in this Agreement, including operation and maintenance of the Walkway and the costs related thereto. In addition, the parties agree to meet more frequently, if necessary, to resolve any problem related to the Walkway.

9. DDA's Agent. The current Arena management company, Spectacor Management Group ("SMG"), or any successor to SMG designated in writing by the DDA to the other parties hereto, is authorized to act as the DDA's agent or representative with respect to the matters covered in this Agreement. Specifically, SMG is authorized to negotiate and enter into maintenance agreements for maintenance of the Walkway, exclusive of Section B, including cleaning, elevator maintenance and HVAC maintenance and to develop with Properties the security protocol for Sections C and D and the Tower portion of the Walkway.

10. **Modification.** It is understood and agreed by the parties hereto that this Agreement may from time to time be modified or amended in writing signed by each of them.

Dated: 3/13, 1998

CITY OF GRAND RAPIDS DOWNTOWN
DEVELOPMENT AUTHORITY

By: 
James W. Knack, Executive Director

Dated: 3-13, 1998

AMWAY PROPERTIES CORPORATION

By: 
Mark Koster, Assistant Treasurer

Dated: 3/13, 1998

ARENA STATION, LLC


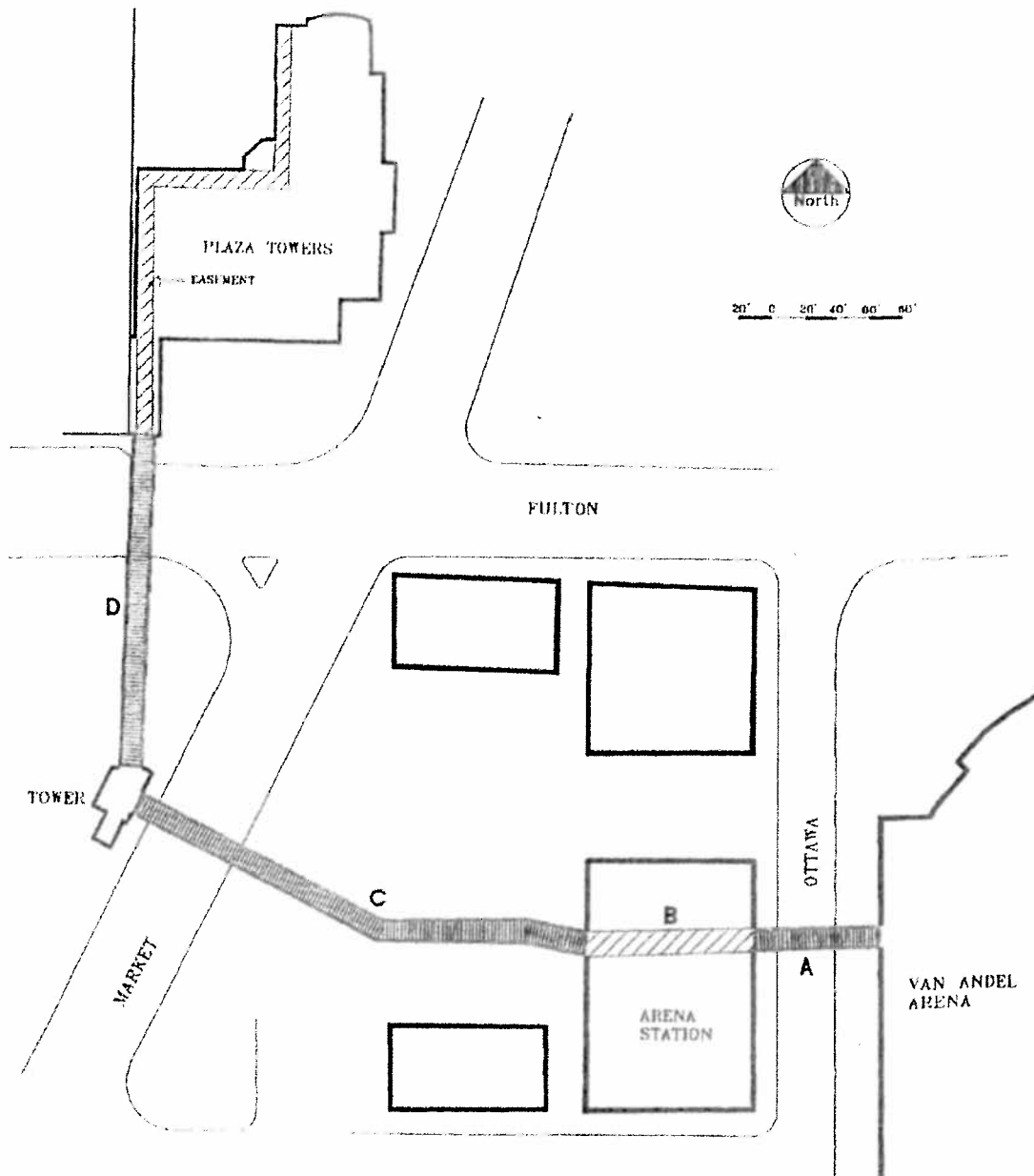
By: 
R. Thomas Williams, Jr., Member

EXHIBIT A

OTTAWA/MARKET/FULTON
PEDESTRIAN WALKWAY
SECTION A, B, C, D AND TOWER



Drawing of Encroachment



EXHIBIT C

Legal Description of Encroachment Area

That part of Ottawa Avenue right-of-way lying adjacent to Lots 7, 9 and 11 of Kent Plat South of Bridge Street, Calder Street (as recorded in Liber 19 of Plats, Page 12, Kent County Records), Section 25, Town 7 North, Range 12 West, City of Grand Rapids, Kent County, Michigan, described as: **BEGINNING** on the West right-of-way line of Ottawa Avenue at a point being South 00° West 34.25 feet from the Northeast corner of said Lot 7; thence North 90° East 4.42 feet; thence South 00 ° West 33.50 feet; thence North 90° West 4.42 feet; thence North 00° East 33.50 feet along the West right-of-way line of Ottawa Avenue to the place of beginning, from an elevation of 625.56 feet to an elevation of 665.00, NGVD 1929 Datum.

EXHIBIT D

City Commission Resolution

December 16, 2014

CITY COMMISSION

1013

the necessary property interest to the Petitioner) in Ottawa Avenue from Weston Street to Oakes Street subject to the following conditions:

1. That the City retains all rights for public right-of-way over and under the areas to be vacated, and the grade of the existing sidewalk and other improvements located over and under the areas to be vacated shall not be changed without prior written approval of the City.

2. That if required by others, the Petitioner causes to be completed an amended plat conforming to State of Michigan requirements of the area affected by this vacation request, the cost of which is estimated to be \$2,500.

3. That Petitioner deposits the amount of \$15,000, to be held in escrow by the City. The City may adjust the escrow amount contingent upon approval by the City Engineer or designee. Said amount includes the amended plat requirement of \$2,500 and an estimated cost of \$12,500 for engineering administrative fees. The City shall hold said escrow amount until such time as the amended plat requirement has been completed, if required. The engineering administrative fees shall be charged to the escrow account. When said amended plat, if required, and all other work associated with this vacation request have been completed, any such monies remaining in the escrow account will be returned to the Petitioner. If, after a reasonable length of time, the said amended plat requirement has not been completed, the City may use the money held in escrow to accomplish the same. If any additional costs are incurred by the City in connection with the aforesaid amended plat requirement and/or the engineering administrative fees exceed the escrow amount of \$15,000, the Petitioner will be responsible to reimburse the City for said costs.

4. That consent be predicated on receipt of the escrow funds outlined in Item 3 and the proper proceedings being commenced in the proper court within ninety (90) days of the date herein.

5. That Petitioner shall deliver a recorded copy of the court judgment regarding the aforesaid vacation (or such other process) of a portion of Ottawa Avenue to the City Attorney's office.

6. That the City Clerk is hereby authorized and directed to record this resolution with the Kent County Register of Deeds.

*84197 Com. Bliss, supported by Com. Gutowski, moved adoption of the following resolution under the Consent Agenda:

WHEREAS, on December 30, 1997 the Downtown Development Authority (DDA) of the City of Grand Rapids entered into a Grant of Easement Concerning Pedestrian Concourse with the owner of 25 Ottawa Avenue SW that is recorded in Liber 4290, Page 1388, Kent County Register

of Deeds. The DDA subsequently constructed an overhead pedestrian walkway system to connect the Van Andel Arena (SMG) with other downtown buildings, including attachments to and a pedestrian concourse through 25 Ottawa Avenue SW. Upon establishment of the Grand Rapids-Kent County Convention/Arena Authority (CAA), the DDA conveyed its control and ownership of the overhead pedestrian walkways to the CAA, and on June 27, 2000 (Proceeding No. 67470) the City approved an Encroachment Agreement into the Ottawa Avenue right-of-way for the pedestrian walkway over Ottawa Avenue that is recorded in Liber 5152, Page 1219, Kent County Register of Deeds; and

WHEREAS, Franklin Ottawa, LLC plans to redevelop the property at 25 Ottawa Avenue SW, and as part of that redevelopment wishes to construct building architectural elements that will encroach into the Ottawa Avenue right-of-way adjacent to 25 Ottawa Street SW with an approximate area of approximately 4.5 feet by 33.5 feet at an elevation of 625.56 feet to 665.00, NGVD 1929 Datum. Franklin Ottawa, LLC is willing to enter into an agreement with the City which outlines the conditions under which the City will permit the aforesaid encroachment; and

WHEREAS, Franklin Ottawa, LLC agrees to pay all costs associated with the aforesaid encroachment; therefore

RESOLVED:

1. That the City of Grand Rapids enter into an Encroachment Agreement with Franklin Ottawa, LLC, contingent upon approval of the same as to form by the City Attorney, that consents, with conditions, to the construction of building architectural elements within the airspace of Ottawa Avenue right-of-way, with the understanding that all costs associated with the aforesaid Encroachment Agreement will be paid by Franklin Ottawa, LLC.

2. That the aforesaid Encroachment Agreement can only be executed and is contingent on the following conditions, including but not limited to: That the DDA, CAA, SMG, and County all concur in the installation; an indemnification/hold harmless agreement be executed by Franklin Ottawa, LLC in favor of the DDA, CAA, SMG, County and City in a form acceptable to all parties; appropriate security be provided by Franklin Ottawa, LLC in a form and amount approved by the City; an agreement by which Franklin Ottawa, LLC agrees to repair any damage to the skywalk caused by them or its contractors during and after construction of the feature and acknowledgement that the DDA, CAA, and SMG has access to the encroachment area for ongoing preventative maintenance and repair of the skywalk; proof of liability insurance be provided to the City with the DDA, CAA, SMG, County and City named as an additional insured in a form

acceptable to the City's risk manager; acknowledgement by Franklin Ottawa, LLC that this Encroachment Agreement is subject to and subordinate to the rights in the existing City/DDA Encroachment Agreement relative to the skywalk; and that Franklin Ottawa, LLC acknowledges that it is obligated under the existing skywalk maintenance, operation, and repair agreement and will make the annual contribution as provided for in that agreement.

3. That the Mayor is hereby authorized to execute the aforesaid Encroachment Agreement with Franklin Ottawa, LLC on behalf of the City of Grand Rapids, contingent upon approval as to form by the City Attorney.

4. That the City Clerk is hereby authorized and directed to record the aforesaid Encroachment Agreement with the Kent County Register of Deeds.

DeVos Place® Event Calendar

March 2015

START	END	TYPE	EVENT
	03/01/15	P	GR Youth Symphony and Classical Orchestra
	03/02/15	M	Firefighter Exam Testing
	03/02/15	R	Hope College Reception
	03/03/15	M	Wolverine World Wide Meeting
03/02/15	03/09/15	P	West MI Home and Garden Show
03/04/15	03/07/15	P	GRS Classical 8: Brass and Variations
03/04/15	03/05/15	M	SpartanNash Winter Summit
	03/05/15	M	2015 Snow Conference Pre-Conference Meeting
	03/05/15	M	Voya Financial CANCELLED
03/05/15	03/08/15	C	2015 MFA Convention & Trade Show (Floral)
03/05/15	03/06/15	C	MCEC Michigan Council for Exceptional Children
03/06/15	03/07/15	P	GRSO Brass and Variations
03/07/15	03/08/15	R	Bids for Bachelors & Bachelorettes
	03/09/15	P	LaughFest - Wanda Sykes
	03/09/15	B	Client Appreciation Reception - Ameriprise Financial
03/09/15	03/10/15	P	Gilda's Laughfest Signature Event 2015
03/10/15	03/11/15	T	Van Eerden Foodservice Food Show
03/10/15	03/12/15	C	2015 Annual Conference and Trade Show Michigan Petroleum Asso/MI Assn of Conven Stores
03/12/15	03/15/15	C	Michigan DECA
03/12/15	03/15/15	P	GRS Pops 5: The Best of Broadway
03/12/15	03/15/15	P	West Michigan Women's Expo
	03/13/15	C	MPPOA 2015 Reverse Vendor Trade Fair
	03/13/15	M	2015 City Managers Meetings
	03/15/15	P	Gilda's Club (Comedian) (George Lopez)
03/17/15	03/20/15	M	GE Aviation Meeting
03/17/15	03/23/15	P	Ultimate Sport Show
	03/17/15	B	Outstanding Growth Awards
03/18/15	03/19/15	M	Pure Michigan Business Connect Agriculture Matchmaking Summit
	03/19/15	P	Sing Off
	03/20/15	P	Australian Bee-Gees
	03/20/15		ABC Career Quest Planning Meeting
03/20/15	03/22/15	C	BPA Annual State Leadership Conference
03/22/15	03/23/15	M	MI Tourism & Econ. Club Luncheon
	03/23/15	M	Pure Michigan Governor's Conference on Tourism
03/23/15	03/24/15	C	Spring 2014 Joint Providers/Surveyor Training
03/24/15	03/28/15	P	GRS Classical 9: Mozart and Tchaikovsky
03/24/15	03/30/15	P	Cottage and Lakefront Living Show
03/25/15	03/26/15	M	One Stop
	03/25/15	M	2015 Snow Conference Pre-Conference Meeting
03/25/15	03/26/15	M	Spring SLC - Spectrum Health
03/26/15	03/29/15	C	2015 Annual Convention Michigan Reading Association MRA
03/27/15	03/28/15	P	GRSO Mozart and Tchaikovsky
	03/29/15	P	Brit Floyd
	03/30/15	M	Michigan Electric Cooperative Association - Director Training
	03/30/15	R	Paws, Claws & Corks
3/31/2015	04/01/15	C	2015 NACAC Spring College Fair (National Association for College Admission Co)

DeVos Place® Event Calendar

March 2015

START	END	TYPE	EVENT
	03/01/15	P	GR Youth Symphony and Classical Orchestra
	03/02/15	M	Firefighter Exam Testing
	03/02/15	R	Hope College Reception
	03/03/15	M	Wolverine World Wide Meeting
03/02/15	03/09/15	P	West MI Home and Garden Show
03/04/15	03/07/15	P	GRS Classical 8: Brass and Variations
03/04/15	03/05/15	M	SpartanNash Winter Summit
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VAN ANDEL ARENA® WEEKLY
(Revised)

DATE '15	EVENT	EC	MOD	ROOM	TIME	FUNCTION
Mon, Mar 2	Available					
Tue, Mar 3	Available					
Wed, Mar 4	Griffins vs Oklahoma City	KP	TODD	Arena	10A-12:30P 6:00 PM 7P-9:30P	Team practice Doors Hockey game
	Spectrum Health	KN		Banquet D	6P-7P	Social media seminar
	Delta Dental			Banquet B/C West Nest	5:30P-9:30P	Banquet
	Triangle Associates			East Nest	6P-9:30P	Banquet
	BIAMI			MOS Corner Office	6P-9:30P	Banquet
	Custer			Crease Club	6P-9:30P	Banquet
	Lumbermen's			Suite 101A	6P-9:30P	Banquet
				Suite 101B	6P-9:30P	Banquet
	Thur, Mar 5			Monster Jam	KP	
Fri, Mar 6	Monster Jam	KP	EDDIE	Arena	9A-6P 2:00 PM 3:00 PM 6:00 PM 7P-7:50P 7:50P-8:05P 8:05P-9:30P	Registration Street bike practice Track reset/painting Doors Performance #1 – 1 st half Intermission Performance #1 – 2 nd half
Sat, Mar 7	Monster Jam	KP	LYNNE	Arena	9A-1P 11:30A-1P 1:00 PM 2P-2:50P 2:50P-3:05P 3:05P-4:30P 4:30P-6P 6:00 PM 7P-7:50P 7:50P-8:05P 8:05P-9:30P	Registration Pit Party Doors Performance #2 – 1 st half Intermission Performance #2 – 2 nd half Quick clean Doors Performance #3 – 1 st half Intermission Performance #3 – 2 nd half
Sun, Mar 8	Monster Jam	KP	JIM	Arena	9A-1P 1:00 PM 2P-2:50P 2:50P-3:05P 3:05P-4:30P 4:30 PM	Registration Doors Performance #4 – 1 st half Intermission Performance #4 – 2 nd half Load-out
Mon, Mar 9	Monster Jam	KP		Horseshoe	8A-6P	Crushed cars leaving
Tue, Mar 10	Available					
Wed, Mar 11	Available					
Thur, Mar 12	Available					
Fri, Mar 13	Available					

Sat, Mar 14	Griffins vs Rockford	KP	TODD	Arena	10A-12:30P 6:00 PM 7P-9:30P 9:30P-10:10P	Team practice Doors Hockey game Post-game autographs
	Club's Choice	SH		Banquet C	6P-7P	Banquet
	Royal Oak Eagles 2000 Team	KN		Banquet D	6P-7P	Banquet
	All Phase Electric			West Nest	6P-10:10P	Banquet
	Hickey Combs			East Nest	6P-10:10P	Banquet
	Club's Choice			MOS Corner Office	6P-10:10P	Banquet
	Power Plumbing			Crease Club	6P-10:10P	Banquet
	Flagstar Bank			Suite 101A	6P-10:10P	Banquet
	DECA			Suite 101B	6P-10:10P	Banquet
	J.O. Galloup Company			Suite 120A	6P-10:10P	Banquet
Sun, Mar 15	Miranda Lambert	KP	LYNNE	Arena	7:30 PM	Performance
Mon, Mar 16	Available					
Tue, Mar 17	Available					
Wed, Mar 18	Available					
Thur, Mar 19	Available					
Fri, Mar 20	Griffins vs Milwaukee	KP	JIM	Arena	10A-12:30P 6:00 PM 7P-9:30P	Team practice Doors Hockey game
		KN		Crease Club	6P-9P	Expressions Dance
	All Phase Electric			West Nest	6P-9:30P	Banquet
	Blue Cross Blue Shield			East Nest	6P-9:30P	Banquet
	Michigan Office Solutions			MOS Corner Office	6P-9:30P	Banquet
	Standard Electric			Suite 101A/B	6P-9:30P	Banquet
	Sun Title			Suite 120A	6P-9:30P	Banquet
Sat, Mar 21	Available					
Sun, Mar 22	Griffins vs Adirondack	KP	EDDIE	Arena	10A-12:30P 3:00 PM 4P-6:30P 6:30P-7:10P	Team practice Doors Hockey game Post-game skate
	Holland Engineering	KN		West Nest/ MOS Corner Office	3P-7:10P	Banquet
	Nestle Purina			East Nest	3P-7:10P	Banquet
	Oppenheimer			Crease Club	3P-7:10P	Banquet
	Dan Grice			Suite 101A	3P-7:10P	Banquet
	Morgan Stanley			Suite 101B	3P-7:10P	Banquet
Mon, Mar 23	Available					
Tue, Mar 24	Available					
Wed, Mar 25	Available					
Thur, Mar 26	Networking Women	SH		The Intermission	8:30A-6P	Conference
Fri, Mar 27	Available					
Sat, Mar 28	Heart/Joan Jett	KP	CHRIS	Arena	8:00 PM	Performance
Sun, Mar 29	Available					