	Committee:	Meeting Date:
	Committee:	Meeting Date:
	Board of Commissioners	Meeting Date: 8/22/2024
	Requesting Department/Office: Administrator's Office	
	Prepared By: Josh Spencer, Strategic Impact Director	
	Agenda Item: Lodging Excise Tax Ordinance Amendment	

Action Requested:

Recommend to the Board of Commissioners to amend the Lodging Excise Tax Ordinance to allow for future investment in transformational projects and initiatives; and appropriate an additional \$8.0 million to the FY 2025 Lodging Excise Tax Fund Budget.

Summary of Request:

- To allow this matter to proceed directly to the Board of Commissioners for consideration, the County Budget Policy and Standing Rules 5.0 and 5.1 are waived as allowed by Standing Rule 3.8(A).
- On April 2, 2024 House Bill 5048 was signed into law, amending Public Act 263 of 1974 and providing Kent County with the authority to increase its lodging excise tax up to a total of 8% on accommodations for all visitors staying less than 30 days. House Bill 5048 also added "aquarium" and "sports complexes" to the list of eligible "convention and entertainment facilities."
- Since 1989, the County has levied a 5% lodging tax.
- To raise the lodging excise tax above 5%, the increase must be approved by a majority of voters. A ballot question providing authorization for the increase was approved by a majority of voters on August 6, 2024.
- The enclosed resolution amends the Lodging Excise Tax Ordinance as follows:
 - Increases the lodging excise tax from 5% to 8%;
 - Adds "aquariums" and "sports complexes" as acceptable uses of tax revenues;
 - Extends the collection of the excise tax under the Ordinance to December 31, 2065; and
 - Allows lodging tax revenue to be allocated to pay principle and interest on bonds issued by another public entity provided the proceeds are allocated for a use eligible under the ordinance.
- If approved, collection of the 8% lodging excise tax would go into effect on January 1, 2025. For the remainder of 2024, the 5% tax rate will remain in place.
- The Kent County Commission will have the sole decision-making authority regarding allocation of lodging excise tax revenues.

Financial Information:

Total Cost: N/A

Included in Budget: No

Funding Recommendation: Appropriate \$8.0 million to the FY 2025 Lodging Excise Tax Fund from additional lodging excise tax revenue.

This action relates to activity which is:

Approval/Review:

Governing/Advisory Board Approval:

Date:

Corporate Counsel:

Deputy Administrator:

Fiscal Services:

Human Resources:

BM 8/14/24

MR JKJ 8/14/24

Recommended by County Administrator:



Date: 8/15/2024

08-22-24-99

**RESOLUTION TO APPROVE AMENDMENT TO THE ORDINANCE ENTITLED
ORDINANCE TO PROVIDE FOR THE IMPOSITION AND COLLECTION OF AN
EXCISE TAX ON PERSONS ENGAGED IN THE BUSINESS OF PROVIDING ROOMS
FOR TRANSIENT GUESTS**

WHEREAS, in 1975, as part of the redevelopment of the riverfront and the work of the Riverfront Development Committee, the Board of Commissioners enacted an Ordinance to Provide for the Imposition and Collection of an Excise Tax on Persons Engaged in the Business of Providing Rooms for Transient Guests (the “Lodging Excise Tax Ordinance”); and,

WHEREAS the tax was enacted to provide a stream of revenue to pay the debt issued for the Grand Center and other approved projects; and,

WHEREAS in 1989 the tax rate was adjusted, in 1990, 2001, and again in 2012 the expiration date of the tax was adjusted; and,

WHEREAS, in 2012 the Lodging Excise Tax Ordinance was Restated; and,

WHEREAS, on August 6, 2024 the voters of Kent County authorized an increase in the tax rate from 5% to 8%; and,

WHEREAS, the Board of Commissioners has concluded that it is in the best interest of the County to increase the rate of the Lodging Excise Tax from 5% to 8%;

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners hereby approves the Amendment of the Lodging Excise Tax Ordinance to reflect the increase in the rate of the tax from 5% to 8%;

BE IT FURTHER RESOLVED that the Board of Commissioners hereby approves the Amendment of the Lodging Excise Tax Ordinance to include “aquariums” and “sports complexes” as an acceptable use of the tax revenues; and,

BE IT FURTHER RESOLVED that the Board of Commissioners hereby approves the Amendment of the Lodging Excise Tax Ordinance to extend collection of the tax until December 31, 2065; and,

BE IT FURTHER RESOLVED that the Board of Commissioners hereby approves the Amendment of the Lodging Excise Tax Ordinance to remove the words “by the County” from Section 7.01(b) from the Ordinance; and,

BE IT FURTHER RESOLVED that the Board of Commissioners hereby approves the Amendment of the Lodging Excise Tax Ordinance to make the Ordinance, as hereby amended, effective as of January 1, 2025 (the existing Ordinance remains in full effect until that date); and,

BE IT FURTHER RESOLVED that the Board of Commissioners instructs the County Clerk to publish in a newspaper of general circulation in the County of Kent, a copy of this Resolution, a summary of the Ordinance, and a Notice of the Ordinance’s adoption by the Board of Commissioners.

COUNTY OF KENT

An Ordinance to Codify the Ordinance Entitled Ordinance to Provide for the Imposition and Collection of an Excise Tax on Persons Engaged in the Business of Providing Rooms for the Transient Guests

An ordinance relating to and providing for the imposition and collection of an excise tax on persons engaged in the business of providing rooms for dwelling, lodging, or sleeping purposes to transient guests; to provide the circumstances under which such tax shall be imposed and collected; to establish the rate of such tax; to authorize and establish procedures to ascertain, assess, collect, administer, and enforce said tax; to provide for the disposition of the revenues thereof; and to prescribe penalties for violations thereof.

THE PEOPLE OF THE COUNTY OF KENT, MICHIGAN, DO ORDAIN:

Article 1. Purpose

Section 1.01 Purpose

In the interest of the citizens of Kent County, and for the benefit of the general public, and with the purpose of providing to the public and to the citizens convention and entertainment facilities as described in Act 263, Public Acts of Michigan, 1974 as amended; to establish an Administrator for the administration and enforcement of this act; to replace by re-enacting the Ordinance to Provide for the Imposition and Collection of an Excise Tax on Persons Engaged in the Business of Providing Rooms for Transient Guests originally enacted in 1975 and its amendments, the County of Kent, Michigan does hereby adopt the following ordinance under Act 156 of the Public Acts of Michigan, 1851, as amended (MCL 141.861 et. seq.).

Article 2. Definitions

Section 2.01

For the purpose of this ordinance, the following terms shall have the following meanings respectively designated for each.

- (a) “ACCOMMODATIONS” means the room or other space provided for sleeping, including furnishings and other accessories therein. Accommodations do not include food and beverages.
- (b) “ADMINISTRATOR” means the official designated by the County to collect the tax and to administer and enforce this ordinance.
- (c) “CONVENTION AND ENTERTAINMENT FACILITIES” means all, or any part, or any combination of, convention halls, auditoriums, stadiums, music halls, arenas, meeting rooms, exhibit areas, amphitheaters, aquariums, sports

complexes and related public areas including the associated, adjacent, or connected parking areas or structures.¹

(d) “PERSON” means a natural person, partnership, fiduciary, association, corporation, or other entity.

(e) “REVENUES” means the income derived from the tax, plus interest and penalties, levied and assessed under this Ordinance.

(f) “TRANSIENT GUEST” means a natural person staying less than thirty (30) consecutive days.

Article 3. Administrator

Section 3.01 Office of Administrator:

An Administrator to collect the tax and administer and enforce this ordinance shall be appointed by the Kent County Board of Commissioners for a term of one (1) year, and for such further terms as the Board deems wise, sufficient, or expedient.

Section 3.02 Compensation:

The Administrator may be compensated as determined by appropriate resolution of the Board of Commissioners in lieu of all other fees and remunerations under the statutes of this state. The Administrator’s compensation shall not be predicated upon the amount of taxes collected pursuant to this ordinance.

Section 3.03 Duties:

The Administrator shall have the following duties:

(a) The Administrator shall establish rules of procedure for the prompt and efficient application, interpretation, effectuation, administration, and enforcement of this ordinance, subject to the approval of the County Board of Commissioners. Such rules shall become effective upon being published once in a newspaper of the general circulation in the County.

(b) The Administrator shall prepare, for public use, such document forms, instructions, manuals, and other materials as are necessary for the endorsement of the tax, the auditing of tax returns, and the efficient administration of this ordinance.

(c) The Administrator shall keep such books and records as are necessary for the proper administration of this ordinance including such books and records as will adequately show the collection of all taxes, fines, fees, interest, and penalties

¹ Section 2.01(c) amended on 08/22/24, 2024 by Resolution No. _____

levied and imposed pursuant to this ordinance. Such books and records shall at all times be open for public inspection.

(d) All taxes, fines, fees, interest, and penalties collected by the Administrator shall be delivered to the County Treasurer who shall take charge of the safekeeping of said monies and is authorized to invest said monies in a manner consistent with the investment of other County monies. Said monies and any interest received from the investment thereof shall be segregated and used as authorized by Act 263 and by this ordinance.

Section 3.04 Deputy Administrators and Staff:

The Administrator may have one (1) or more Deputy Administrator(s) or other personnel as are authorized from time to time by the Kent County Board of Commissioners. The compensation for such Deputy Administrator(s) or staff personnel is to be determined from time to time by the Board of Commissioners.

Section 3.05 Complaint:

It shall be the duties of the Administrator, or Deputy Administrator, to enforce the provisions of this ordinance and the state statute pertaining hereto and, when necessary, to make complaint to the Circuit Court or other courts of the County of Kent, Michigan, in regard to any violation hereof.

Section 3.06 Removal from Office:

The Administrator may be removed from office before the expiration of his term at any time by the majority vote of the Board of Commissioners.

Section 3.07 Records of Business:

It shall be the duty of the Administrator, or Deputy Administrator, to keep records of all persons engaged in the business of providing accommodations for dwelling, lodging, or sleeping purposes to transient guests within Kent County and to provide each such person with information and forms necessary to file the necessary information with said Administrator. Such persons shall not include hospitals or nursing homes.

Article 4. Tax

Section 4.01 Amount and Duration of Tax:

A tax is hereby levied and assessed on each person engaged in the business of providing accommodations for dwelling, lodging, or sleeping purposes for transient guests. The tax levied, assessed, and collected hereunder shall be at a rate of eight percent (8%) of the total charge for the accommodations, dwelling, lodging, or sleeping purposes for transient guests subject to Act 263, Public Acts of Michigan, 1974, as amended, and this Ordinance. The assessment and levy of the tax imposed by this ordinance shall continue until December 31, 2065. The obligation to report and pay taxes imposed on each person engaged in the business of providing accommodations for dwelling, lodging, or sleeping purposes for transient guests occurring before December 31, 2065 and for all other obligations under this Ordinance and the County's ability to enforce all provisions of this

Ordinance, does not terminate on December 31, 2065, but continues until all obligations established by this Ordinance are fulfilled.^{2, 3, 4 5}

Section 4.02 Exceptions:

No tax shall be imposed hereunder upon hospitals or nursing homes, or upon a corporation or association organized and operated exclusively for religious, charitable, or educational purposes in which no part of the net earnings inures to the benefit of any private shareholder or individual.

Section 4.03 Report and Payment:

On or before the fifteenth (15th) day of each month, each person subject to this ordinance shall submit on forms provided by the Administrator such facts and information as are required by the Administrator pursuant to rules of procedure for the proper administration of this ordinance, and shall also file a report for the preceding month and pay to the Administrator a sum of money computed for the preceding month based on the rate of tax levied and assessed by this ordinance.

Section 4.04 Interest:

Interest at the rate of one percent (1%) per month, or a fraction thereof, shall be imposed on the unpaid tax after the due date thereof, until paid. Such interest shall continue at the rate of one percent (1%) per month, or fraction thereof, until paid. Any and all interest added shall be collected as a part of the tax.

Section 4.05 Records:

Every person engaged in the business of providing accommodations for dwelling, lodging, or sleeping purposes to transient guests, except hospitals and nursing homes, shall keep and preserve suitable and adequate records to enable such person and the Administrator, or his Deputy, to determine the correct amount of tax imposed by this ordinance. All records of a person engaged in the business of providing accommodations for dwelling, lodging, or sleeping purposes to transient guests, except hospitals and nursing homes, shall be open to the inspection of the Administrator, or his Deputy, at all reasonable times at the person's place of business within Kent County after reasonable notice for such inspection by the Administrator or his Deputy.⁶

Section 4.06 Tax Returns:

Every person subject to the operation of this ordinance shall keep and preserve legible copies of all monthly and other periodic Sales and Use Tax Returns for a period of four (4) years after filing the Returns with the State of Michigan. These Returns shall be open to the inspection of the Administrator, or his Deputy, pursuant to Section 4.05 of this Ordinance.⁷

² Section 4.01 amended on 4/5/89 by Resolution No. 4-89-58

³ Section 4.01 amended on 7/5/90 by Resolution No. 7-90-116

⁴ Section 4.01 amended on 11/8/01 by Resolution No. 11-08-01-161

⁵ Section 4.01 amended on 08/22/24 by Resolution No. _____

⁶ Section 4.05 amended on 11/1/90 by Resolution No. 11-90-171

⁷ Section 4.06 amended on 11/1/90 by Resolution No. 11-90-171

Article 5. Penalties

Section 5.01 Penalties:

The Administrator or his Deputy, after inspection and examination of the books and records of a person subject to this ordinance, to the extent such books and records or any other evidence available to the Administrator requires a payment of a tax in excess of that paid by such person in addition to the additional tax and interest thereon, may impose a penalty of five percent (5%) of the amount of the unpaid tax per month or fraction thereof, after the due date thereof, until paid. Such penalty shall not, however, exceed twenty-five percent (25%) of the unpaid tax. Any penalty shall be collected as part of the tax.

Section 5.02 Fines or Imprisonment:

Any person found in violation of any of the provisions of this ordinance shall be deemed guilty of a misdemeanor, and upon conviction thereof, shall be subject to a fine, not to exceed Five Hundred Dollars (\$500.00); or imprisonment in the County Jail, not to exceed ninety (90) days; or both, at the discretion of the court.

Section 5.03 Enforcement of Criminal Provision:

In the event of any violation of this ordinance by a person engaged in a business of providing accommodations for dwelling, lodging, or sleeping purposes to transient guests, the Administrator, or Deputy Administrator, may proceed to make complaint before a judge of the courts of Kent County, and obtain the issuance of a summons for the arrest of such person.

Article 6. Abatements and Refunds

Section 6.01 Review:

Any aggrieved persons subject to this ordinance may, within ten (10) days after payment of the tax under protest, file with the Administrator, upon forms provided by the Administrator, an application for a hearing for an abatement or refund of taxes imposed hereunder. The applicant shall submit to the Administrator all the facts necessary for a competent determination.

Section 6.02 Notice of Hearing:

The Administrator, within ten (10) days of receipt of the application, shall notify the applicant of the date of the hearing, which shall not be more than forty-five (45) days from the date of the receipt of the application.

Section 6.03 Hearing:

At the time and place set for the hearing, the applicant, or anyone on his behalf, shall be given opportunity to be heard and submit such evidence as the applicant deems necessary to justify an abatement or refund of such taxes.

Section 6.04 Determination of Administrator:

At the time of the hearing, the Administrator shall listen to the facts and evidence as presented by the applicant and shall make a decision regarding abatement or refund of the applicant’s tax, and in making such decision, shall consider, among other factors, the following:

- (a) Whether failure to file was due to reasonable cause and not due to willful neglect.
- (b) Whether the tax was inadvertently collected from a person meeting the requirements in Section 4.02.
- (c) Whether the person responsible for payment of the tax inadvertently made an overpayment.
- (d) Whether charges for accommodations remain unpaid and there remains little likelihood that such charges will be collected.

Based on such factors, the Administrator may grant abatement or refund of taxes imposed hereunder. The decision of the Administrator shall be in writing.

Section 6.05 Court Appeal:

As the applicant deems himself aggrieved by the decision of the Administrator, the applicant may, within sixty (60) days of receipt of the decision of the Administrator, file an action in Kent County Circuit Court for a determination of such abatement or refund.

Article 7. Disposition of Revenues

Section 7.01 Revenue Receiving Fund

The revenue derived from the taxes imposed pursuant to this act shall be deposited in a Revenue Receiving Fund to be used by the County or by an authority that is organized pursuant to State law, together with other available funds, only for the purpose of one or more of the following:⁸

- (a) To pay the cost of the administration and enforcement of this Ordinance. To pay such cost, the County shall receive from all proceeds collected under this Ordinance such amount as shall be determined from time to time by the Board of Commissioners for collection expenses incurred by the Administrator.
- (b) To finance, in whole or in part, the acquisition, construction, improvement, enlargement, repair, or maintenance of convention and entertainment facilities, including, except as provided in subparagraph (d), the

⁸ Section 7.01 amended on 7/5/90 by Resolution No. 7-90-116

payment of principal and interest, when due, on bonds or other evidence of indebtedness issued for convention and entertainment facilities.⁹¹⁰

(c) Except as provided in subparagraph (d), to pay current or future annual rental payments by the County to an authority organized pursuant to state law for the purpose of acquiring, constructing, improving, enlarging, repairing, or maintaining the convention and entertainment facilities and leasing them to the County.⁸

(d) To pay the principal and interest, when due, on bonds or to other evidence of indebtedness issued by, or on behalf of, the County for the purpose of financing the construction of a museum or the current or future rental payable by the County, to an authority organized pursuant to state law for the purpose of constructing a museum and leasing it to the County, only if the museum is located in a city with a population of 180,000 or more.¹¹

(e) To establish a reasonable reserve fund for future payments on, or principal and interest on, bonds pursuant to subparagraph (b) or (d) or for future payments of rent pursuant to subparagraph (c) or (d).¹²

(f) The promotion and encouragement of tourist and convention business in the County.

Section 7.02 Investment of Funds:

Monies in the Revenue Receiving Fund may be invested by the County Treasurer in bonds, notes, bills, and certificates of the United States of America. In the event such deposits are made, the security representing the same shall be kept on deposit with the depository of the fund from which such investments are made, and such securities and the income therefrom shall become a part of the Revenue Receiving Fund.

Section 7.03 Power to Contract:

The County of Kent may enter into a contract or contracts with the State of Michigan, a municipality within Kent County, a non-profit agency outside of the County government, or one or more of the above, to carry out the purposes of this Ordinance on such terms and conditions as shall be agreed upon by the Board of Commissioners.

⁹ Section 7.01(b) amended on 7/5/90 by Resolution No. 7-90-116

⁸ Section 7.01(c) amended on 7/5/90 by Resolution No. 7-90-116

¹⁰ Section 7.01(b) amended on 8/22/24 by Resolution _____

¹¹ Section 7.01(d) amended on 7/5/90 by Resolution No. 7-90-116

¹² Section 7.01(e) amended on 7/5/90 by Resolution No. 7-90-116

Article 8. Other Taxes

Section 8.01 Other Taxes:

The taxes levied under this Ordinance shall be in addition to any other taxes, charges, or fees.

Article 9. Effective Date of Ordinance

Section 9.01 Effective Date:

This ordinance shall become effective on January 1, 2025, which is more than sixty (60) days after the adoption hereof¹³.

Article 10. Severability

Section 10.01 Severability:

If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions hereof.

Article 11. Repealer

Section 11.01 Repeal:

(a) Subject to remainder of this Section 11 and contingent upon this Ordinance being effective on or before January 1, 2025, this Ordinance repeals and replaces as of January 1, 2025, the Ordinance to Provide for the Imposition and Collection of an Excise Tax on Persons Engaged in the Business of Providing Rooms for Transient Guests originally enacted in 1975 and all its amendments thereto. If this Ordinance fails to become effective on January 1, 2025, or remain effective thereafter for any reason other than a duly passed and enacted amendment hereto by the Kent County Board of Commissioners, then the Ordinance to Provide for the Imposition and Collection of an Excise Tax on Persons Engaged in the Business of Providing Rooms for Transient Guests originally enacted in 1975 and all its amendments thereto shall not be considered repealed or replaced but shall remain in effect and enforceable without further action required of the Kent County Board of Commissioners.¹⁴

Section 11.02 Savings Clause:

(a) Existing Tax Levies: All taxes levied under the Ordinance to Provide for the Imposition and Collection of an Excise Tax on Persons Engaged in the Business of Providing Rooms for Transient Guests originally enacted in 1975 and all its amendments thereto, including the adopting resolutions, together with all applicable interest and penalties shall not be affected by the repeal of the Ordinance to Provide for the Imposition and Collection of an Excise Tax on

¹³ Section 9.01 amended on August 22, 2024 by Resolution No. _____

¹⁴ Section 11.01 amended on August 22, 2024 by Resolution No. _____

Persons Engaged in the Business of Providing Rooms for Transient Guests originally enacted in 1975 and all its amendments thereto including the adopting resolutions.

- (b) Current Appeal Periods: All appeal periods for all taxes levied under the Ordinance to Provide for the Imposition and Collection of an Excise Tax on Persons Engaged in the Business of Providing Rooms for Transient Guests originally enacted in 1975 and all its amendments thereto, including the adopting resolutions, together with all applicable interest and penalties shall not be affected by the repeal of the Ordinance to Provide for the Imposition and Collection of an Excise Tax on Persons Engaged in the Business of Providing Rooms for Transient Guests originally enacted in 1975 and all its amendments thereto, including the adopting resolutions.

Article 12. Adoption and Certification

Section 12.01 Adoption:

This Ordinance was adopted on the 22nd day of August, 2024, by the Board of Commissioners of the County of Kent, Michigan.

Adopted: 5/7/75

Amended: 4/5/89 by Resolution No: 4-89-58


Amended: 7/5/90 by Resolution No: 7-90-116

Amended: 11/1/90 by Resolution No: 11-90-171

Amended: 11/8/01 by Resolution No: 11-8-01-161

Restated: 12/13/12 by Resolution No: 12-13-12-128

Amended 08/22/24 by Resolution No. _____

	Committee:	Meeting Date:
	Committee:	Meeting Date:
	Board of Commissioners	Meeting Date: 8/22/2024
	Requesting Department/Office: Administrator's Office	
	Prepared By: Josh Spencer, Strategic Impact Director	
	Agenda Item: Experience Grand Rapids Agreement Amendment	

Action Requested:

Recommend to the Board of Commissioners to amend the County's agreement with Experience Grand Rapids (EGR) to account for additional revenue resulting from the increase in lodging excise taxes from 5% to 8%.

Summary of Request:

- To allow for the agreement amendment, Standing Rule 5.0 is waived as allowed by Standing Rule 3.8(A).
- EGR has been Kent County's long-time partner in promoting and encouraging tourist and convention business in our communities.
- Since 1979, EGR has received a portion of revenue from the lodging excise tax fund to fund its marketing efforts.
- EGR's current agreement with the County expires at the end of 2025.
- Under the current agreement, EGR would receive 18.5% of all revenue collected from lodging excise taxes by the County. Applying the 8% increased rate would constitute a significant increase in revenue to EGR and limit the extent to which the new revenue could support transformational projects.
- The Administrator's Office and EGR have negotiated a new agreement that sets the percentage of revenue the organization would receive from the lodging excise tax at 17% through the end of the agreement.
- This new agreement provides an increase to EGR's allocation of approximately \$1.35 million from the current amount of \$2.67 million in year 1 (total of \$4.02 million).
- The amended agreement extends to September 30, 2031, coinciding with the last year of bond payments for the DeVos Place Convention Center.

Financial Information:

Total Cost: \$1.35 million

Included in Budget: Yes

Funding Recommendation: None

This action relates to activity which is:

Approval/Review:

Governing/Advisory Board Approval:

Date:

Corporate Counsel:

Deputy Administrator:

Fiscal Services:

Human Resources:

BM 8/14/24

MR JKJ 8/14/24

Recommended by County Administrator:



Date: 8/15/2024

08-22-24-100

RESOLUTION BY COMMISSIONER HILDENBRAND

WHEREAS, to allow for the agreement amendment, Standing Rule 5.0 is waived as allowed by Standing Rule 3.8(A); and

WHEREAS, Experience Grand Rapids (EGR) has been Kent County's long-time partner in promoting and encouraging tourist and convention business in our communities; and

WHEREAS, since 1979, EGR has received a portion of revenue from the lodging excise tax fund to fund its marketing efforts; and

WHEREAS, EGR's current agreement with the County expires at the end of 2025; and

WHEREAS, under the current agreement, EGR would receive 18.5% of all revenue collected from lodging excise taxes by the County. Applying the 8% increased rate would constitute a significant increase in revenue to EGR and limit the extent to which the new revenue could support transformational projects; and

WHEREAS, the Administrator's Office and EGR have negotiated a new agreement that sets the percentage of revenue the organization would receive from the lodging excise tax at 17% through the end of the agreement; and

WHEREAS, this new agreement provides an increase to EGR's allocation of approximately \$1.35 million from the current amount of \$2.67 million in year 1 (total of \$4.02 million); and

WHEREAS, the amended agreement extends to September 30, 2031, coinciding with the last year of bond payments for the DeVos Place Convention Center.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners amend the County's agreement with Experience Grand Rapids to account for additional revenue resulting from the increase in lodging excise taxes from 5% to 8%.

Commissioner Hildenbrand moved adoption of the resolution.

Requires Majority Vote of Members Elect

AGREEMENT

THIS AGREEMENT entered into this ___ day of _____, 2024, by and between the COUNTY OF KENT, a municipal corporation, hereinafter referred to as the "County," and Experience Grand Rapids, a non-profit corporation, in consideration of the following:

WHEREAS, the County has levied Lodging Excise Tax pursuant to P.A. 263 of 1974, the proceeds of which may be used for the promotion and encouragement of tourist and convention business in the County, and

WHEREAS, Experience Grand Rapids promotes tourist and convention business in the County of Kent, and

WHEREAS, the County wishes to contract with Experience Grand Rapids to assist the County in the promotion and encouragement of tourist and convention business in the County, and

WHEREAS, On August 6, 2024 the voters of Kent County, Michigan approved an increase in the Lodging Excise Tax from 5% to 8%; and

WHEREAS, the current agreement between the County and Experience Grand Rapids is set to expire on December 31, 2025 and the parties wish to modify their relationship by entering into a new agreement,

NOW THEREFORE, the parties hereby agree as follows:

1. The County and Experience Grand Rapids agree to modify the term of their agreement with the new term beginning on January 1, 2025 and ending on September 30, 2031. All terms and conditions of the relationship between the parties are set forth and merged within this document.
2. Experience Grand Rapids agrees to promote and encourage tourist and convention business in the County in the manner, and for the consideration, set forth in the Agreement.
3. In the event the County terminates the levy of the Lodging Excise Tax for any reason, or in the event that the Lodging Excise Tax is terminated by operation of law or Court of competent jurisdiction, this contract shall immediately become null and void and the County's obligation to Experience Grand Rapids will cease forthwith. The County will endeavor to give the Experience Grand Rapids reasonable notice of the termination of the tax as described herein and the termination of the contract.
4. Experience Grand Rapids agrees to make use of news media, commercial advertising, publications or brochures and pamphlets, and other means of mass communication to make known the advantages of the County as a convention center and to attract convention organizations to the County. Experience Grand Rapids agrees to make direct contact with the various business, industrial,

educational, and charitable organizations in the County holding seminars, continuing education programs, and/or conventions in the County. Such efforts shall be directed and the funds herein provided shall be used so as to emphasize the use of facilities within the entire County, recognizing that all such facilities perform interrelated services which benefit all of the citizens of Kent County.

5. During the County's fiscal years 2025 through 2031, the County agrees as follows:
 - a. to provide Experience Grand Rapids up to, but not exceeding, seventeen percent (17%) of the lodging excise tax revenues collected in the immediately preceding month.
 - b. Delinquent Collections: In the event of the County's receipt of a delinquent lodging excise tax, the County will pay to Experience Grand Rapids the base percentage of the net lodging excise tax that would have been paid if the tax had been not been delinquent as outlined in 4a above.
 - c. The monthly payments shall be made on or before the tenth business day of the following month.
 - d. The foregoing payments are subject to renegotiation by either party on notice given no later than each June 1 during the term of this Agreement for the following fiscal year. The parties shall document any agreed upon change in the percentage to be paid to Experience Grand Rapids and the specific times during which any adjusted percentage is applicable.
6. During the term of Agreement, Experience Grand Rapids shall submit its line-item budget and the following periodic reports to the County:
 - a. Experience Grand Rapids will provide preliminary and final annual reports of activity. The preliminary report will cover activity during the period January 1 – August 31 and expected during the period from September 1 – December 31. The preliminary report to be due on or before October 1st each year. The final report, including activity for the period January 1 – December 31 will be due not later than February 15th of the following calendar year. These reports will include a summary of the annual activity undertaken by Experience Grand Rapids and a detailed report including but not limited to:
 - i. Identified Conference / Convention business committed
 - ii. Facility or facilities to be utilized
 - iii. Dates
 - iv. Anticipated attendance
 - v. Room nights booked (estimated Lodging Excise Tax revenues generated)
 - vi. Identify either full credit to Experience Grand Rapids, full credit to other party (identify) or shared credit with other party (identify)
7. The County shall have the right to audit and inspect or to have audited and inspected by the County's Audit Staff or Certified Public Accountants the books

and records of Experience Grand Rapids upon reasonable notice to Experience Grand Rapids.

8. Experience Grand Rapids shall indemnify and hold harmless the County of Kent, its officials and their employees, against and from all claims, judgments, losses, damages, demands, payments, recoveries, legal proceedings, orders, and decrees of every nature and description, including attorney’s fees, arising out of or resulting Experience Grand Rapids’, its subcontractor’s, or their employees’ or agents’ negligent acts or intentional failure to perform the terms and conditions of this Agreement.
9. Experience Grand Rapids and its subcontractors shall be, as a matter of fact and law, independent contractors who shall not be employees or agents of the County and who shall have no authority or right to obligate the County in any way whatsoever. Experience Grand Rapids shall identify itself as an independent contractor as appropriate and shall not hold itself out as an employee or agent of the County. Experience Grand Rapids and its contractors are not and shall not be covered by any of the County’s employee handbooks, collective bargaining agreements or other personnel policies and shall not receive any Federal social security, employee, or retirement benefits, or any other fringe benefits from the County, or otherwise as a result of the services pursuant to this Agreement. Experience Grand Rapids is responsible for the selection and use of all methods, means, and materials for fulfillment of its obligations under this agreement.
10. Experience Grand Rapids shall procure and maintain, as its own cost and expense, any kinds and amounts of insurance that, in its own judgment, may be necessary for its proper protection in performing its obligations under this Agreement. Such insurance shall, at a minimum, include coverage for personal and advertising injury, copyright infringement, slander, damage to business reputation, and contractual liability for the indemnification obligation herein; if such coverage is reasonably available. Insurance shall provide the following minimum coverage, and shall be on an occurrence basis:

Commercial General Liability: (per occurrence form)

Minimum Limits of \$1,000,000 per occurrence.

<u>Automobile Liability</u>	<u>Minimum Limits</u>
No-Fault Coverage	Statutory
Residual Liability for bodily Injury and property damage Including owned, non-owned and hired autos	\$1,000,000

Workers’ Compensation:

Workers’ Compensation	Statutory
Employer’s Liability	\$1,000,000

A Certificate of Insurance, with a 30 day notice of cancellation, non-renewal or material reduction, shall be filed with the County a minimum of ten (10) days prior to the commencement of services hereunder.

11. As required by the Elliott-Larsen Civil Rights Act, Experience Grand Rapids and its subcontractors shall not discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, sexual orientation, gender identity or expression, height, weight, familial status, marital status, or disability unrelated to the individual's ability to perform the duties of a particular job or position. Breach of this covenant shall be regarded as material breach of contract, and this contract shall be terminated upon notification from the Michigan Civil Rights Commission as provided by the Elliott-Larsen Civil Rights Act or the Persons with Disabilities Civil Rights Act.
12. The County may terminate the Contract upon fifteen (15) calendar days notice, if the name of Experience Grand Rapids or subcontractor, manufacturer, or supplier of Experience Grand Rapids subsequently appears in the register compiled pursuant to Section 2 of Public Act 278 of 1980, which prohibits the County from entering into contracts with certain employers who engage in unfair labor practices; prohibits those employers from entering into certain contracts with others; provides for the compilation and distribution of a register of those employers; and provides for the voiding of certain contracts.
13. The County makes no implied or explicit guarantee, offer, or representation of future funding from the County beyond the termination of the Contract.
14. The term of this Agreement is from January 1, 2025 through December 31, 2031 or as otherwise provided in the Agreement. In addition, either party may terminate this Contract upon thirty (30) days written notice. The indemnity provisions of this Agreement shall survive termination or expiration of this Agreement.

Signatures follow on next page.

In witness whereof, each party to this Agreement has caused it to be executed on the date(s) indicated below.

County of Kent

By: _____
Stan Stek, Chair
Board of County Commissioners

Date: _____

Attest:

Lisa Lyons
County Clerk

Approved as to Form:

Linda S. Howell
Corporate Counsel

Experience Grand Rapids

By: _____

Its: _____

Date: _____

	Committee:	Meeting Date:
	Committee:	Meeting Date:
	Board of Commissioners	Meeting Date: 8/22/2024
	Requesting Department/Office: Administrator's Office	
	Prepared By: Josh Spencer, Strategic Impact Director	
	Agenda Item: Agreement with the City of Grand Rapids for Lodging Excise Tax Allocation	

Action Requested:

Recommend to the Board of Commissioners to approve an agreement with the City of Grand Rapids to allocate sufficient revenue from the Lodging Excise Tax Fund to cover principle and interest payments on a \$27.5 million bond for the purposes of constructing the Acrisure Amphitheater.

Summary of Request:

- To allow for approval of the agreement, Standing Rules 5.0 and 5.1 are waived as allowed by Standing Rule 3.8(A).
- Grand Action and the Grand Rapids-Kent County Convention/Arena Authority have submitted a formal funding request in the amount of \$27 million, jointly addressed to the City of Grand Rapids and Kent County, for the purpose of constructing the Acrisure Amphitheater.
- The requested funds represent the gap remaining in the \$183.7 million capital stack for the amphitheater project.
- The City of Grand Rapids and Kent County have finalized the enclosed agreement which would allocate revenue from three-eighths of the Lodging Excise Tax Fund (i.e., the amount captured as a result of the 3% rate increase) in the amount needed to pay the principle and interest on \$27.5 million in bonds (accounting for the cost of issuance) issued by the City. The payment schedule will be finalized when the bonds are issued in early 2025.
- The portion of the Lodging Excise Tax Fund used to cover the DeVos Place Convention Center bonds (five-eighths of the annual revenue) would not be available for payment to the City.
- Additionally, a one-time distribution from the Lodging Excise Tax Fund will be sent to the City amounting to 1.5 times the average annual bond payment, to be held in reserve. This reserve will be held until the bonds expire at which time the funds will be returned to the Lodging Excise Tax Fund. Over the period of the bond, all interest earned on the debt reserve will be deposited into the Lodging Excise Tax Fund.
- In the event that revenues from three-eighths of the Lodging Excise Tax Fund are insufficient to entirely cover the City's bond payment, the City will first use the bond reserve and then their general fund to fulfill their obligation to the bond holders. The City may regenerate the bond reserve using future surpluses of three-eighths of the Lodging Excise Tax and/or funds accumulated in the Lodging Excise Tax coming from three-eighths of lodging tax revenue.


Financial Information:

Total Cost: N/A Included in Budget: Yes
 Funding Recommendation: None.
 This action relates to activity which is: Non-Mandated

Approval/Review:

Governing/Advisory Board Approval: Date:

Corporate Counsel: Deputy Administrator: Fiscal Services: Human Resources:
 BM 8/14/24 MR JKJ 8/14/24

Recommended by County Administrator:  Date: 8/15/2024

08-22-24-101

RESOLUTION BY COMMISSIONER BAKER

WHEREAS, to allow for approval of the agreement, Standing Rules 5.0 and 5.1 are waived as allowed by Standing Rule 3.8(A); and

WHEREAS, Grand Action and the Grand Rapids-Kent County convention/Arena Authority have submitted a formal funding request in the amount of \$27 million, jointly addressed to the City of Grand Rapids and Kent County, for the purpose of constructing the Acrisure Amphitheater; and

WHEREAS, the requested funds represent the gap remaining in the \$183.7 million capital stack for the amphitheater project; and

WHEREAS, the City of Grand Rapids and Kent County have finalized the enclosed agreement which would allocate revenue from three-eighths of the Lodging Excise Tax Fund (i.e., the amount captured as a result of the 3% rate increase) in the amount needed to pay the principle and interest on \$27.5 million in bonds (accounting for the cost of issuance) issued by the City. The payment schedule will be finalized when the bonds are issued in early 2025; and

WHEREAS, the portion of the Lodging Excise Tax Fund used to cover the DeVos Place Convention Center bonds (five-eighths of the annual revenue) would not be available for payment to the City; and

WHEREAS, additionally, a one-time distribution from the Lodging Excise Tax Fund will be sent to the City amounting to 1.5 times the average annual bond payment, to be held in reserve. This reserve will be held until the bonds expire at which time the funds will be returned to the Lodging Excise Tax Fund. Over the period of the bond, all interest earned on the debt reserve will be deposited into the Lodging Excise Tax Fund; and

WHEREAS, in the event that revenues from three-eighths of the Lodging Excise Tax Fund are insufficient to entirely cover the City's bond payment, the City will first use the bond reserve and then their general fund to fulfill their obligation to the bond holders. The City may regenerate the bond reserve using future surpluses of three-eighths of the Lodging Excise Tax and/or funds accumulated in the Lodging Excise Tax coming from three-eighths of lodging tax revenue

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners approve an agreement with the City of Grand Rapids to allocate sufficient revenue from the Lodging Excise Tax Fund to cover principle and interest payments on a \$27.5 million bond for the purposes of constructing the Acrisure Amphitheater.

Commissioner Baker moved adoption of the resolution.

Requires Majority Vote of Members Elect



August 7, 2024

Chairperson Stan Stek
Kent County Board of Commissioners
300 Monroe Avenue NW
Grand Rapids, MI 49503

Mayor Rosalynn Bliss
City of Grand Rapids
300 Monroe Avenue NW
Grand Rapids, MI 49503

Dear Chairperson Stek and Mayor Bliss,

Kent County is a vibrant, growing region because of a foundation based on public-private partnerships and a collaborative spirit. Our regional tourism following the pandemic is thriving and will continue to grow through the development of transformational projects. Our region's sustained success has positioned us to confidently take the next step to invest in Kent County's future. On August 6, county residents committed their support to embrace the spirit of a public-private partnership to develop public assets that will further our tourism draw, and attract more young people, families, and businesses to our region.

Grand Action 2.0 and the Grand Rapids-Kent County Convention/Arena Authority have worked collaboratively with the community to develop a vision and the necessary private and public support for the Acrisure Amphitheater. With the passage of the Sports and Entertainment Facilities ballot measure, we request that the City of Grand Rapids and Kent County provide \$27 million needed to complete the balance of the public support needed by February 2025 backed by the 3% increase in hotel motel excise tax.

Thank you for your leadership and consideration of this important request. Together we can steward the next wave of economic expansion for the benefit of all in Kent County.

Sincerely,

Kara L. Wood
Executive Director
Grand Action 2.0

Richard MacKeigan
Executive Director
Grand Rapids-Kent County Convention/Arena Authority

Agreement Regarding Use of Kent County Lodging Excise Tax Revenues

Now come the County of Kent, a Michigan County with administrative offices at the County Building, 300 Monroe Ave., NW, Grand Rapids Michigan 49503 (the County) and the City of Grand Rapids, a Michigan municipal corporation and home rule city, with administrative offices located City Hall, 300 Monroe Ave., NW, Grand Rapids Michigan 49503 (the City), and mutually state as follows:

Whereas, the County levies and collects a Lodging Excise Tax (the LET) as allowed by Michigan Statute, Public Act 263 of 1974 as amended (MCL 141.861 *et. seq.*, the Act) and the associated County Ordinance (the Ordinance); and

Whereas, the County has levied the LET at the rate of five percent (5%) since 1989; and

Whereas, the Act and the Ordinance were amended in 2024 to allow the County to increase the LET to eight percent (8%); and

Whereas, the Ordinance specifies how the LET will be levied, assessed, revenues collected, and how revenues may be used; and

Whereas, the Act and the Ordinance specifically allow the use of LET revenues for the financing of the acquisition, construction, and development of an amphitheater and related public areas; and

Whereas, the City is willing to incur debt in an amount not to exceed \$27,500,000 to fund the acquisition, construction, and development of an amphitheater, specifically the Acrisure Amphitheater (the Acrisure Amphitheater Bonds); and

Whereas, the County is willing to support the acquisition, construction, and development of the Acrisure Amphitheater and pay debt service on the Acrisure Amphitheater Bonds subject to the terms of this Agreement, with the additional 3% levy approved by voters and the Kent County Board of Commissioners; and

Whereas, the County is willing to use LET revenues to secure the Acrisure Amphitheater Bonds by placing certain LET revenues in a Debt Reserve Account as set forth below to be held by the City and to be used for the payment of the Acrisure Amphitheater Bonds (the Debt Reserve Account) should LET revenues be insufficient to cover any outstanding bond payments on the Acrisure Amphitheater Bonds; now, therefore:

It is hereby agreed as follows:

1. LET Levy and Collection.
 - a. The County will levy and collect the LET at eight percent (8%) in accordance with the Act and the Ordinance.
 - b. Nothing in this Agreement requires the County to take any specific action to enforce the Ordinance including the instigation of legal action against any person or entity delinquent or otherwise in default of its obligations under the Ordinance.
 - c. The County will follow its normal business practices to conduct audits of persons or entities subject to the LET.
 - d. The County will create the 3% LET Cost Center ("3% LCC") and shall post all of the three eighths (3/8ths) or thirty seven and one half percent (37.5%) of the LET revenues collected starting January 1, 2025, to be used as set forth in Sections 2 and 3.

2. Debt Reserve Account.

- a. The County will finance, with the use of the 3% LET revenues, the Debt Reserve Account.
- b. The Debt Reserve Account shall be equal to one hundred fifty percent (150%) of the average annual debt service due on Acrisure Amphitheater Bonds issued by the City. The final amount required for the Debt Reserve Account shall be determined based on a not to exceed twenty-seven million five hundred thousand dollar (\$27,500,000.00) thirty-year (30) bond issue and the final debt service schedule provided by the City when the Acrisure Amphitheater Bonds are priced.
- c. Any refunding of the Acrisure Amphitheater Bonds and its effect on the Debt Reserve Account shall be governed by Section 6., below.
- d. The 3% LCC funds necessary to finance the Debt Reserve Account will be transferred to the City prior to the close of the sale of the Acrisure Amphitheater Bonds but no earlier than April 30, 2025.
- e. Subject to the County's obligations provided in Section 3. below, the repayment of the 3% LCC funds to the County used to finance the Debt Reserve Account shall be completed when the final payment on the outstanding debt for the Acrisure Amphitheater Bonds is satisfied.
- f. Subject to the County's obligations provided in Section 3. below, the City will hold the Debt Reserve Account funds until they are either used to pay the Acrisure Amphitheater Bonds or returned to the County as set forth in section 5 of this Agreement.
- g. Interest or investment income earned on the Debt Reserve Account shall be paid on an annual basis to the County by the City.
- h. The County shall be obligated to replenish the Debt Reserve Account only as set forth in Sections 3.a.ii. and 3.a.v. using Available 3% LCC funds.

3. Use of 3% LCC

- a. The 3% LCC will be committed for use as follows:
 - i. Three eights (3/8ths) or thirty-seven and one-half percent (37.5%) of the administration costs associated with the Ordinance; the levy, collection, and/or enforcement of the Ordinance, then,
 - ii. To be paid to the City to pay Acrisure Amphitheater Bonds.
 1. In any current year, the amount paid to the City under this section will be equal to the required total annual debt service payment(s) or the 3% LCC capture, whichever is less,
 2. If in any current year, the 3% LCC capture is not sufficient to pay the annual debt service on the Acrisure Amphitheater Bonds, then the County will use the 3% LCC residual fund balance to make payment to the City;
 3. If in any current year the 3% LCC capture is not sufficient to pay the annual debt service on the Acrisure Amphitheater Bonds and there are insufficient residual funds in the 3% LCC to make full payment to the City, the City shall use the Debt Reserve Account to make payment on the Acrisure Amphitheater Bonds.
 4. Payments to the City will be made not less than thirty (30) days prior to the payment due date reflected in the debt schedule provided by the City under Section 2.b. to this Agreement,
 5. Absent further agreement of the County and City and subject to Section 6 of this Agreement, the commitment to pay to the City pursuant to this section is limited to the Acrisure Amphitheater Bonds.

6. In the event that the City is required to use the Debt Reserve Account as set forth in Section 3.a.ii.3, the County agrees to fully replenish the Debt Reserve Account to the amount described in Section 2.b. and Section 3.a.v. with Available 3% LCC funds.
 7. For purposes of Sections 2 and 3.a., “Available 3% LCC funds” means only those 3% LCC funds remaining after provision has been made for the following:
 - a. Payment of three eighths (3/8ths) or thirty-seven and one-half percent (37.5%) of the administration costs associated with the Ordinance; the levy, collection, and/or enforcement of the Ordinance, then,
 - b. Required annual debt payment due on the Acrisure Amphitheater Bonds;
 - c. Payment owed to Experience Grand Rapids;
 - d. Other obligations owed as allowed by the Ordinance and the Act and entered into prior to the date of this Agreement.
 - iii. All residual funds shall be held in the 3% LCC.
 - iv. Any subsequent obligation on the 3% LCC, including fund balance in the 3% LCC, shall be paid after making full payment of the Acrisure Amphitheater Bond’s debt service and sustaining the required Debt Reserve Account.
 - v. Should the City be required to pay any portion of Acrisure Amphitheater Bond’s debt service with funds other than 3% LCC and Debt Reserve Account balance, the County shall repay the City with Available 3% LCC funds until the City is fully repaid.
4. 5% LCC Fund and County General Funds. Nothing in this Agreement impacts or obligates the County to use the current or future balance in either the 5% LCC Fund or the County’s General Fund for any particular purpose.
 5. Return of the Debt Reserve Account principal balance. Within 60 days of the final payment on the Acrisure Amphitheater Bonds and satisfaction of any obligation to repay the City under Section 3.a.v., the City shall pay to the County the principal balance and any accrued interest or investment proceeds held in the Debt Reserve Account which the County will place in the Fund for use in accordance with the Ordinance and the Act.
 6. Refunding of Acrisure Amphitheater Bonds. City may propose refunding of the Acrisure Amphitheater Bonds, should such refunding provide a savings or a lower cost of annual debt service. Consideration of and agreement to any refunding of the Acrisure Amphitheater Bonds shall also take into account the increased obligations to the County, including, but not limited to, increased Debt Reserve Account obligations, extended terms of repayment, and lost opportunity to use 3% LCC for other projects. County and City agree to cooperate in good faith on any amendments to this Agreement required for such refunding
 7. Miscellaneous
 - a. Term. Consistent with the City Charter, this Agreement shall be in effect for no longer than forty (40) years from execution or for as long as it takes to pay the entire amount of the Acrisure Amphitheater Bonds (as such may be refunded), whichever is earlier. The Parties may agree to further extensions, if necessary, subject to appropriate approval authority.

- b. Governing Law. This Agreement has been entered into in the State of Michigan and all questions related to its interpretation or enforcement shall be construed in accordance with the laws of the State of Michigan.
- c. Severability. Each provision of this Agreement will be considered severable and if, for any reason, any provision or provisions of this Agreement are determined to be invalid and contrary to any existing or future law, the invalidity will not impair the operation of or affect those portions of this Agreement that are valid.
- d. Counterparts. This Agreement may be signed in any number of counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.
- e. Captions. The captions or headings of this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of any provisions, articles, or sections of this Agreement.
- f. Entire Agreement. Except as otherwise indicated in this Agreement, this Agreement, including the recitals and exhibits, constitutes the entire agreement between the parties and there are no other representations, promises, or agreements, oral or written, expressed or implied, between the parties hereto with respect to the subject matter of this Agreement.
- g. Jointly drafted. This Agreement is the result of the Parties' joint efforts, and each of them and their respective counsel have reviewed this Agreement and each provision hereof has been subject to the mutual consultation, negotiation, and agreement of the Parties, and the language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent, and therefore there shall be no construction against either Party based on any presumption of that Party's involvement in the drafting thereof.
- h. Amendments. This Agreement may not be amended, changed, modified, or altered without the written consent of the City and the County.
- i. Assignment. This Agreement and all rights and obligations hereunder shall not be assignable unless the City and the County agree to such assignment. In the event of a proper assignment, the covenants and agreements herein contained shall bind, and the benefits and advantages shall inure to, the successors and assigns of the County and/or the City.
- j. Exhibits. Any exhibits attached hereto are incorporated herein as though fully stated herein.
- k. Waiver. The waiver of either party hereto of a breach or violation of any provision of this Agreement shall not be a waiver or any subsequent breach of the same or any other provision of this Agreement.
- l. Parties; no Rights to Third Parties. This Agreement shall be enforceable only by the City and the County and their successors in interest by virtue of an assignment which is not prohibited under the terms of this Agreement. This Agreement shall not be deemed to be an agreement for the benefit of any third party or parties and no other third party or parties, including specifically but not exclusively the Grand Rapids-Kent County Convention and Arena Authority, shall have any right of action under it for any cause whatsoever.

[Remainder of page intentionally left blank. Signatures follow on next page.]

IN WITNESS WHEREOF, the City and the County have agreed by their signatures below to be bound by these terms as of the day and year written below.

DATED: _____, 2024

CITY OF GRAND RAPIDS

Rosalynn Bliss, Mayor

Attest: _____
Joel Hondorp, City Clerk

KENT COUNTY

DATED: _____, 2024

Stan Stek, Board Chairperson

Attest: _____
Lisa Lyons, County Clerk