

WORKFORCE DEVELOPMENT BOARD EXECUTIVE COMMITTEE MEETING AGENDA

THURSDAY, DECEMBER 16, 2021 from 9:00 – 10:30 A.M.
VIRTUAL MEETING via ZOOM

Please join the ZOOM meeting from your computer, tablet, or smartphone.
<https://us02web.zoom.us/j/82607531538?pwd=cHkwcm53RUxmQ3hXciswSnpHZkpXQT09>
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| I. CALL TO ORDER / INTRODUCTIONS | Frank Tecumseh, Chair |
| II. TRANSPARENCY & INTEGRITY OF WDB DECISIONS | Kathy Olsen |
| III. CITIZENS' TIME | |
| IV. APPROVAL OF MINUTES <i>(Vote Required)</i> | |
| A. WDB November 18, 2021 Meeting Minutes <i>(Exhibit A)</i> | |
| V. COMMITTEE REPORTS | |
| A. CEAC Committee | Kris Jenkins |
| VI. NEW BUSINESS | |
| A. WDB Plans <i>(Vote Required)</i> | Amy Meyers |
| 1. FY2022 Barrier Removal Employment Success <i>(Exhibit B)</i> | |
| B. MWA LEO Lease Agreement <i>(Vote Required)</i> <i>(Exhibits C1-C3)</i> | Amy Meyers |
| C. Michigan Works! Association Board of Directors Nominations | Nominating Committee |
| D. WDB Meeting Structure for 2022 | Frank Tecumseh |
| VII. STAFF REPORTS | |
| A. Business Services Update | Ashley Iovieno |
| B. Labor Market Update (LMI) <i>(Exhibit D)</i> & Operations Update | Jakki Bungart-Bibb |
| C. Director's Report <i>(Exhibit E)</i> | Jakki Bungart-Bibb |

VIII. OLD BUSINESS

IX. CITIZENS' TIME

X. MEMBERS' TIME

XI. UPCOMING MEETINGS

NOTE: All Dates & Locations are to be confirmed. Confirmation will be based on COVID-19 restrictions at the time of the meeting. Meetings may take place in-person, using an electronic format, a combination of in-person & virtual, or they may be cancelled.

- A. **Executive Committee** – Thursday, January 20, 2022 from 9:00-10:30 a.m. at Upjohn Institute, 300 S. Westnedge Ave, Kalamazoo, MI 49007
- B. **Full Workforce Development Board** – Thursday, February 17, 2022 from 9:00-10:30 a.m. Location to be determined
- C. **Monitoring & Evaluation Committee** –Tuesday, January 25, 2022 from 8:00-9:30 a.m.
- D. **Disability Awareness Resource Team (DART) Committee** – Tuesday, February 8, 2022 from 2:00-4:00 p.m.
- E. **Career Educational Advisory Council (CEAC)** – Monday, March 21, 2022 from 1:00-3:00 p.m.

XII. ADJOURNMENT

Frank Tecumseh, Chair

**Workforce Development Board
 Meeting Minutes
 November 18, 2021**

CALL TO ORDER: Workforce Development Board Vice Chair, Dan Dunn, called the virtual meeting to order at 9:00 a.m.

Kathy Olsen introduced attendees. Randall Hazelbaker was participating from Branch County Board of Commissioners, Jared Hoffmaster was participating from St. Joseph County Board of Commissioners, and Mike Quinn was participating from Kalamazoo County Board of Commissioners.

WDB Members Present:

Dr. Adrien Bennings (Educ)	Jared Hoffmaster (PS)	Windy Rea (Job Corps)
Jill Bland (Econ Dev)	Kris Jenkins (Educ)*	Elizabeth VanDusen (PS)
Dan Dunn (PS)*	Dave Maurer (PS)*	Ken Willcutt (Labor)
John Fiore (MRS)	Jackie Murray (PS)*	* Exec Committee
Lisa Godfrey (PS)*	Jose Orozco (CBO)	
Randall Hazelbaker (PS)*	Mike Quinn (PS)	

WDB Members Absent

Richard Anderson (Labor)	Derek King (PS)	Angila Wilson (PS)
Trevor Bidelman (Labor)	Brian O'Donnell/Fritz Tull (Labor)	Mike Wilson (Veterans)
Karen Doubleday (DHHS)	Chantel Paxton (PS)	* Exec Committee
Jessica Eyster (PS)	David Sutherland (PS)	
Lisa Johansen (DOC)	Frank Tecumseh (PS)*	

Michigan Works! / Upjohn Institute Staff Present:

Jakki Bungart- Bibb	Aseel Hussein	Amy Meyers
Ben Damerow	Ashley Iovieno	Kathy Olsen
Mike Horrigan	Jessica Meskil	

Michigan Works! Services / Program Staff Present:

Paige Daniels (YOU/KRESA)	Sam Dougherty (WDI)	Amanda Sutherland (YOU/KRESA)
Dawn DeLuca (YOU/KRESA)	Sarah Mansberger (YOU/KRESA)	Mark Waurio (PATH/WEUI)

Guests Present:

Don Reid (USA Today Network) Rep. Julie Rogers

WORKFORCE DEVELOPMENT BOARD UPDATE

Ben Damerow reported on the email sent to WDB members on November 9, 2021 announcing changes at Michigan Works! Southwest. He expressed his confidence in Jakki Bungart-Bibb's skills and abilities in moving forward as Director of Michigan Works! Southwest and noted that she has over 25 years of experience in workforce development. Ms. Bibb started out as a case manager and then transitioned to a program monitor. She then joined the Michigan Works! administration as the Monitor and for the last four years has been the Deputy Director of Operations. The change to her role as Director is more of an acknowledgement of the work she has been doing. Mr. Damerow also reported he is moving into a new role as Senior Director of the Center for Workforce Innovation and Solutions. The creation of the Center at the Upjohn Institute is a recognition of the significant growth that Michigan Works! Southwest has experienced during the past five years. He shared a visual diagram of the new organizational structure. He noted that when he became Director, Michigan Works! was strictly the administrative agency for

federal and state workforce development programs serving two counties with eight staff. Today, Michigan Works! Southwest is serving four counties and is providing direct services in addition to the administrative functions. The staff has grown to 64 and approximately 40% of the staff are not related to Michigan Works! Southwest workforce development programs. Private foundation funding supports the Neighborhood Hubs and approximately one year ago, the Upjohn Institute became the administrative agency for Pulse, which is focused on childcare. Most recently, in October 2021, Upjohn signed an agreement to become the administrator for the Employer Resource Network[®] (ERN[®]) for the entire State of Michigan, and this is an area for which additional growth is expected during the next couple of years. Ben Damerow thanked WDB members for their support and expressed a special appreciation to Frank Tecumseh and Dan Dunn as staff worked through this transition. He also expressed a special thanks to Randall Hazelbaker and Lisa Godfrey for their support over the years.

Mike Horrigan reported the creation of the Center for Workforce Innovation and Solutions at the Upjohn Institute is also a way to acknowledge the broad work that Ben's team has been doing, including that of Michigan Works! Southwest. The work of Michigan Works! and the staff's drive to find alternative ways to provide services has been instrumental to this growth. Michigan Works! has been a center of excellence and this change acknowledges the excellent work that has been done over the past ten years. Ben Damerow added that much of the growth came about through the strategic planning process at the Institute for which Mike Horrigan is the lead and he thanked Mike for his support, leadership, and guidance.

Jakki Bungart-Bibb also thanked Ben Damerow for his years of service in providing workforce development services in the communities served by Michigan Works! Southwest. She noted that Ben has been the driving force for many major initiatives both locally and statewide; and that he is a policy advocate, a change agent, and an inspirational leader. She stated that staff look forward to all that is to come from the Center under Ben's leadership.

Dan Dunn expressed congratulations to both Ben Damerow and Jakki Bungart-Bibb as they transition into their new roles.

TRANSPARENCY & INTEGRITY OF WDB DECISIONS

Kathy Olsen asked members present if there were any items on the agenda requiring a vote for which a conflict of interest or a potential conflict of interest exists; and if so, the conflict should be declared at this time. There were none.

APPROVAL OF MINUTES (*Exhibit A*)

Motion made by Dr. Adrien Bennings and supported by Randall Hazelbaker to approve the WDB Executive Committee meeting minutes of October 21, 2021.

ROLL CALL VOTE:

AYES: Dr. Adrien Bennings, Jill Bland, John Fiore, Lisa Godfrey, Randall Hazelbaker, Jared Hoffmaster, Kris Jenkins, Dave Maurer, Jackie Murray, Jose Orozco, Mike Quinn, Windy Rea, Elizabeth Van Dussen, Ken Willcutt.

NAYS: None. ABSTENTIONS: None. MOTION CARRIED.

CITIZENS' TIME

Representative Julie Rogers reported she has been named to the democratic minority vice-chair of the Military Veterans and Homeland Security Committee in the House. She also reported that most counties have a local veterans services office and has connected Michigan Works! Southwest with the Kalamazoo office. She encouraged Commissioners in the other counties to make the connection as well. She also announced that she is putting together a bipartisan veteran bill package and is seeking ideas. Individuals can email ideas to Representative Rogers at JulieRogers@house.mi.gov. Representative Rogers also expressed her confidence in Ben and Jakki as they take on their new roles.

COMMITTEE REPORTS

Monitoring Committee – Dave Maurer reported the Monitoring Committee recently met to review the One Stop Operator, Employment Services, and the Trade Act. He reported the typical format for the Monitoring meetings includes an interview with program participants and a review of the staff monitoring report that may include findings, corrective actions, and administrative recommendations. This is followed by a presentation from the service provider staff that covers an overview and highlights of the services provided. For this meeting, the committee interviewed three participants who shared exceptionally positive interactions with service center staff. One participant who had been employed at WMU expressed their frustration when they filed for unemployment and discovered that a fraudulent claim had been filed under their name and social security number. Resolution took months and the individual indicated that they were fortunate in that they had other financial support during this time but couldn't imagine what it would have been like without that support. They also reported that although the UI claim was outside of the scope of Michigan Works! responsibilities, the MW! staff were extremely helpful. There were no findings or corrective actions for the One Stop Operator and Employment Services reviews. For the review of the Trade Act services, corrective action was required to ensure documentation is present in each participant file to support participant expenses. In addition, one area noted as needing improvement was to ensure a copy the participant's resume is included in each participant's file to assist the career coaches as they provide employment assistance. He also reported the pandemic has influenced program metrics. Areas of focus in the coming year will be to increase the post-exit employment rate for participants receiving Employment Services and dual enrollment into the Workforce Innovation and Opportunity Act (WIOA) Dislocated Worker Program for Trade Act participants who are eligible.

Disability Awareness Resource Team (DART) – John Fiore reported the DART Committee met on November 16, 2021. A summary of the desktop training modules that included hyperlinks to each of the trainings was provided to members. The DART curriculum committee is working on developing additional training modules; One module will focus on long-term COVID; however, it has been a challenge to complete because the information is constantly changing. Another training under development will cover changes in transportation resources in the Michigan Works! Southwest area. Transportation has always been an issue for individuals with disabilities and COVID has had a direct impact on this resource. Individuals will need updated information on transportation changes in order to access and utilize these resources. The DART meeting agenda also includes time for members to discuss and brainstorm on solving unique customer needs. One example discussed was to identify resources to assist a job seeker who recently experienced a significant loss of two family members. The DART Committee also set their meeting schedule for 2022 and the next DART meeting will be on Tuesday February 8, 2022 from 2:00-4:00 p.m.

NEW BUSINESS

WDB Plans

AY2020/FY2022 Trade Adjustment Assistance (TAA) Plan (Exhibit B1)

Amy Meyers reported the Trade Adjustment Assistance (TAA) program is a federal program that assists U.S. workers who have lost their jobs because of foreign trade. The program seeks to provide adversely affected workers with opportunities to obtain the skills, credentials, and support necessary to becoming reemployed. The planned allocation for the period October 1, 2021 through September 30, 2022, for Michigan Works! Southwest is \$800,297. The Trade services that will be available to workers over the course of their participation in the program includes case management activities such as comprehensive assessments, employability skills assistance, and career counseling. TAA program funds can also be used to fund classroom, on-the-job, and registered apprenticeship training. The TAA program also is focused on dual enrollment of participants who are eligible for the Workforce Innovation and Opportunity Act (WIOA) Dislocated Worker Program.

FY22 Partnership. Accountability. Training. Hope. (PATH) Plan (Exhibit B2)

Amy Meyers reported Michigan Works! Southwest received an FY 2022 allocation in the amount of \$2,988,210 for the Partnership. Accountability. Training. Hope. (PATH) program. Individuals eligible for participation in PATH include Family Independence Program (FIP) cash assistance recipients and applicants are referred to the PATH Program by the Department of Health and Human Services (DHHS). FIP applicants begin with a 10-day Application Eligibility Period (AEP) where they have the opportunity to work one-on-one with a career coach to identify and

address barriers to employment and begin working on other activities related to gaining employment. She noted that as of October 1, 2020, the AEP time frame has been reduced from 21 days to 10 days with the intent to allow FIP recipients to receive the much-needed benefits more quickly. PATH also provides individuals with training, work experience opportunities, and supportive services to help obtain and retain employment.

In response to an inquiry regarding demographic data, Ms. Meyers reported this information is provided to the Monitoring Committee on an annual basis when each program is reviewed, and she offered to share that information following the meeting.

Motion made by Randall Hazelbaker and supported by Jill Bland to approve AY2020/FY2022 Trade Adjustment Assistance (TAA) Plan and the FY22 Partnership. Accountability. Training. Hope. (PATH) Plan.

ROLL CALL VOTE:

AYES: Dr. Adrien Bennings, Jill Bland, John Fiore, Lisa Godfrey, Randall Hazelbaker, Jared Hoffmaster, Kris Jenkins, Dave Maurer, Jackie Murray, Jose Orozco, Mike Quinn, Windy Rea, Elizabeth Van Dussen, Ken Willcutt.

NAYS: None. ABSTENTIONS: None. MOTION CARRIED.

STAFF REPORTS

Business Services Activities

Ashley Iovieno provided a PowerPoint presentation that included updates on business services operations. The focus of the presentation was on Apprenticeships and the Going PRO Talent Fund (GPTF).

Apprenticeships – Ms. Iovieno reported this week is National Apprenticeship Week. The definition of a registered apprenticeship was reviewed, along with the five core components that include apprenticeship jobs, on-the-job learning in a work setting, job-related classroom instruction, learning with the help of a mentor, and an industry-recognized credential. The key roles for employers, sponsors, educational providers, and supportive services were also explained. She reported that completion of apprenticeship training programs can be time-based, competency-based, or a combination of both. Apprenticeship training programs can be registered either through the U.S. Department of Labor or through the State Apprenticeship Agency (SAA). All apprentices that graduate from a Registered Apprenticeship (RA) program will receive a national, industry-recognized, portable credential. This credential is a way for employers to know that individuals who graduate from a RA program should be fully qualified to do the job. Ms. Iovieno highlighted the impressive benefits for employers and apprentices and reported funding is currently available through Michigan Works! Southwest through the Going Pro Apprenticeship (GPA) grant, the State Apprenticeship Expansion (SAE) grant, and the Going PRO Talent Fund (GPTF) grant.

Going PRO Talent Fund (GPTF) – The presentation also included an overview of the Going PRO Talent Fund (GPTF), a State grant that provides competitive awards to employers to assist in training, developing, and retaining current and newly hired employees. Ms. Iovieno reported that employers can be reimbursed for a portion of the cost for classroom training, new hire on-boarding and first year USDOL registered apprenticeships. She then explained the GPTF application process and provided results for each of the counties in the MW! Southwest area as well as an employer highlight from each county. In Calhoun County there were 17 employer applications submitted, six of which were new to the GPTF. There were 43 employer applications submitted from Kalamazoo County, and 23 of those applications were new to the GPTF. Four of the five employer applications submitted from Branch County were new to the GPTF, as were four of the eight applications submitted from employers in St. Joseph County. Eight additional applications were received from employers located in other counties and four of those were new to the GPTF. In total there were 81 FY22 applications submitted, which is a huge increase when compared to the previous two years.

In response to an inquiry from one member who expressed interest in funding to support English as a Second Language (ESL) training, Ms. Iovieno explained that although the opportunity for individual company applications

has closed for this fiscal year, there most likely will be an opportunity in the coming months where two or more employers can come together, combine similar trainings, and apply for an Industry Led Collaborative (ILC) grant. She offered to schedule a follow-up meeting with the member.

Jakki Bungart-Bibb thanked Ashley Iovieno and the entire Business Services Team for their combined efforts in helping employers apply for the Going PRO Talent Fund grants.

Labor Market Information (*Exhibit C*) and Operations Update

Michigan's Labor Market News – Jakki Bungart-Bibb reported [Michigan's November edition of Labor Market News](#) features an article on registered apprenticeships in Michigan [pg. 16]. The publication also includes updated and expanded reports on apprenticeships in Michigan including relative rankings. Kalamazoo County ranked ninth and Calhoun County ranked eleventh in the top 15 counties for active apprenticeships; and Michigan is among the top five states for active apprenticeships. The publication also shows that the State of Michigan is at 4.6% unemployment and the four counties in the Michigan Works! Southwest service area ranges from 3.8% to 5.3%. Following the meeting, the link to the Labor Market News was emailed to members and guests.

Job Demand Dashboard - Ms. Bibb reported the [Job Demand Dashboard for Region 8](#) continues to show that the top occupations on the list remain the same as previous months - Registered Nurses, retail sales workers, frontline supervisors of retail sales workers, and customer service representatives.

Ms. Bibb also reminded members of an additional labor market information resource, [Regional Economic Trends](#), which is a monthly publication available on the [Upjohn Institute website](#). Each issue summarizes the latest county level data on employment, job growth, and job postings.

Following the meeting, the link to the Job Demand Dashboard for Region 8 and the link to the Upjohn Institute publications were emailed to members and guests.

Burning Glass Analytics and Real Time Jobs Data (Exhibit C) - In addition to the verbal report, the website link to the labor market reports generated from Burning Glass Analytics and Real Time Jobs Data (*Exhibit C*) that identified top detailed occupations, skills greatest in demand, and employers with the most job openings in Prosperity Region 8, Michigan Works! Southwest, and each of the four counties in the MW! Southwest Area for the period September 1 through October 31, 2021 was included in the agenda packet notice.

Operations Update

Ms. Bibb reported the Michigan Works! Southwest Service Centers continue to be open to the public; however, the number of customers visiting the centers is still below what it was pre-pandemic. The teams continue to brainstorm as to how to engage job seekers and get them into the centers. She highlighted a pilot project that is taking place in the MW! Southwest service area. KRESA, the service provider that operates several programs including WIOA Youth, Employment Services, and Trade Adjustment Assistance, has taken the lead on a new pilot project. The project is a financial services career pathway and educational partnership with banks. She introduced Sarah Mansberger, the Executive Director for Workforce and Community Initiatives at KRESA, who then provided additional information on the project. Ms. Mansberger reported KRESA was approached by Social Policy Research Associates, a national firm, and the partnership is with them and U.S. Department of Labor's Office of Disability Employment Policy (ODEP). The intent of the pilot program is to focus on increasing partnerships between workforce providers and banks. The goal is to be able to tap into opportunities available through the Community Reinvestment Act (CRA). For those who may not be familiar with the Community Reinvestment Act, to meet the CRA guidelines, banks are required to conduct activities that help meet the needs of the banks' community, which includes an emphasis on low- and moderate-income individuals. One way that banks can meet those requirements is through engaging in community development activities which improve employment opportunities. It is a great fit between banks and workforce. KRESA staff are in the early stages of identifying their goals for this work. The pilot program runs through August 2022. KRESA is one of three organizations chosen nationally for this pilot and staff are excited for not only the technical assistance that will be included but also the opportunity to connect to a

community of other high performing workforce providers. A broad goal is to be able to increase local capacity around financial literacy, coaching, and programming for the individuals served as they are considering employment options.

Director's Report (*Exhibit D*)

Jakki Bungart- Bibb reported on highlights of the Director's Report (Exhibit D) that was emailed to members prior to the meeting. She noted that the document includes hyperlinks for those who would like more details about each piece of legislation.

Federal Updates – She reported President Biden signed the \$1.2 trillion Infrastructure Investment and Jobs Act into law on Monday, November 15th. The infrastructure bill aims to revitalize the nation's roads, bridges, waterways, and public transit. The measure provides

- \$110 billion for roads, bridges, and major projects
- \$39 billion for public transit
- \$66 billion for railways
- \$65 billion to expand broadband infrastructure
- \$55 billion for clear water investments

The Congressional Budget Office (CBO) announced it will release a final estimate on the cost of President Biden's second piece of legislation, the Build Back Better Act, by Friday. The framework includes:

- Investment in children and caregiving,
- Funding to support efforts with climate change, and
- Expansion of affordable health care coverage.

State Updates

The MI New Economy Plan - Ms. Bibb reported Governor Whitmer announced *MI New Economy*, her vision for a stronger, more resilient, and more equitable State of Michigan. MI New Economy is the Governor's plan to address the structural challenges the state was facing prior to COVID and challenges that intensified during the pandemic. The [MI New Economy Plan](#) has three pillars: Pillar 1: Grow the middle class; Pillar 2: Support small business; and Pillar 3: Build strong communities.

State officials met with local business, workforce development and community leaders across the state including a visit to Kalamazoo on November 1, 2021 to discuss the ways Michigan can achieve the goals laid out in the MI New Economy Plan. The events were part of a statewide tour designed to bring stakeholders together to discuss a comprehensive strategy to utilize American Rescue Plan funds to support small businesses, grow the middle class, and invest in our communities.

Unemployment Insurance Agency Updates - The reimplementation of the work registration requirement launched on November 8, 2021 at Michigan Works! Agencies across the State.

- Prior to the first certification for a new, additional, or reopened claim for unemployment insurance benefits, a claimant must register for work virtually or in-person at a Michigan Works! location within 10 days of filing a new, additional, or reopened claim.
- Work registration requires entering a profile on Pure Michigan Talent Connect (PMTTC) and verifying it with MWA staff.
- Work registration with MWA can be completed virtually or in-person.
- If the claimant fails to register with MWA he/she may be held ineligible for unemployment insurance benefits by the [Michigan Unemployment Insurance Agency](#).

PROGRAM

Jakki Bungart- Bibb introduced Mike Horrigan, President, Upjohn Institute for Employment Research and thanked him for his time and energy developing a strategic vision for the Upjohn Institute and for his support for the Center for Workforce Innovation and Solutions and for Michigan Works!, which is a key part of that vision. She acknowledged his passion and support for the work that is being done and noted that it is invaluable.

The title of Mr. Horrigan’s presentation was *Impact of the 2020 pandemic related recession: Where are we now?* The presentation included information on recent employment trends, recent unemployment trends, the near unemployed, labor shortages and the ‘great resignation’, and inflation and inflationary expectations. Using data that is available data he spoke about local trends as well as national and Michigan.

Kathy Olsen reported on an auto manufacturing article that noted the auto industry is removing some vehicle options so that the chips can be used for more critical parts of the automobile. Mr. Horrigan reported he is also reading that there is a general movement to move chip production back to the United States because of the supply-side issue. He noted a lot of the supply-side issues are related to the pandemic. There is a shortage of workers in other counties for a variety reasons in a lot of countries and one way to mitigate risk is to bring production back to the U.S. Mr. Horrigan indicated that he will be looking at how Michigan will fair in the auto market during the next decade. This is an important question for Michigan to stay on top of in terms of where the competition will be for the new kinds of vehicles that will be produced. Jill Bland reported the Governor attended the national semi-conductor annual meeting yesterday and spoke about the new chip bill as well as other things. Dave Maurer added that although semi-conductors are important, we should also keep an eye on aluminum. He is seeing dramatic increases in aluminum prices for the first time in his 35 years. In addition to the prices, availability of product is also a concern.

OLD BUSINESS

None.

CITIZENS’ TIME

No comments.

MEMBERS’ TIME

No comments.

UPCOMING MEETINGS

Dan Dunn reminded members of upcoming meetings and noted that they may take place virtually, in-person or a hybrid of both, depending on the COVID-19 situation at the time.

- The next meeting of the full WDB is scheduled for Thursday, February 17, 2021 from 9:00 – 10:30 a.m.
- The next WDB Executive Committee meeting is scheduled for Thursday, December 16, 2021 from 9:00 – 10:30 a.m.

Other upcoming committee meetings were listed on the agenda. They included:

- The Career Educational Advisory Council (CEAC) meeting is scheduled for Monday, December 6, 2021 from 1:00-3:00 p.m.
- The Monitoring and Evaluation Committee meeting is scheduled for Tuesday, January 25, 2022 from 8:00 – 9:30 a.m.
- The Disability Awareness Resource Team (DART) Committee is scheduled for Tuesday, February 8, 2022 from 2:00-4:00 p.m.

ADJOURNMENT

There being no other reports or business for the Board, the meeting was adjourned at 10:26 a.m.

Kathy Olsen

Date

Dan Dunn

Date

Barrier Removal Employment Success (BRES)

PI: 21-35

Background

The Michigan Department of Labor and Economic Opportunity, Workforce Development (LEO-WD) is providing funding to support the employment and reemployment of at-risk individuals and the removal of barriers to employment, through the development of the Barrier Removal Employment Success (BRES) program.

Michigan Works! Southwest has been allocated \$251,550 in BRES funding to serve at-risk populations including, but not limited to, individuals served thru the Healthy Michigan Plan, the Clean Slate Pilot (CSP) program, Business Resource Network (BRN) Program, the Michigan Reconnect scholarship program, and the Asset Limited Income Constrained Employed (ALICE) population.

Eligibility

Participants are required to be at least 16 years of age with no maximum age limit. There are no income restriction levels or employment requirements for participation in this program.

Funding

The funding allocated for BRES is to be utilized to support activities that are not eligible or feasible under another funding source or if there is insufficient funding to support those activities.

In addition, the funding allocated in this PI may be utilized to provide employer supports to encourage participation in BRNs. Employer supports may include subsidizing BRN membership fees.

Support services many include, but are not limited to:

- Auto Insurance.
- Auto Purchase.
- Drug Tests.
- Fees (union dues, test fees, licensing, bonding, and background checks).
- Housing/Rental.
- Fingerprinting.
- Private Vehicle Mileage Reimbursement.
- Legal Services (expungement of criminal record).
- Personal Grooming Supplies/Services.
- Rent/Utility Expense Assistance.
- Training Materials, Textbooks, Tools, and Supplies.
- Work Tools and Equipment.
- Tests/Permits.
- Pre-Employment Exam and Screening.
- Family Support Services.
- Child Care.
- Family Care.
- Other.

Technical Information

Program Title/Number	Barrier Removal Employment Success
Funding Source	State General Fund/General Purpose and State Contingency Penalty and Interest Funds
Funding Level	\$251,550
Duration	October 1, 2021 – September 30, 2023
Reference	State of Michigan PI: 21-35; 12/3/2021
CFDA Number	N/A

**Sub-Lease between and the State of Michigan (Sub-Lessee) and
Michigan Works! Southwest (Sub-Lessor)**

Background

In an effort to establish a more effective process to secure space for State of Michigan staff at Michigan Works! local offices, the State of Michigan LEO- WD worked with the State of Michigan Department of Technology, Management and Budget (DTMB) Real Estate Division (RED).

The outcome of this effort was to transition from 1-year rental agreements to 5-year lease agreements, resulting in the development of one 5-year lease agreement with each Michigan Works! Agency, covering all of its one-stops/service centers.

Michigan Works! Southwest Service Center Locations

- Branch County - 210 Vista Drive, Coldwater, MI 49036
- Calhoun County - 200 W. Van Buren Street, Battle Creek, MI 49017
- Kalamazoo County - 1601 S. Burdick Street, Kalamazoo, MI 49001
- St. Joseph County - 16587 Enterprise Drive, Three Rivers, MI 49093

Overview

The 5-year lease agreement includes:

- The location of each one-stop/service center.
- The square footage is referenced as up to 1,000 square feet per location.
- The rate is established at \$100 annually per location.

Term

The five-year initial term begins on July 1, 2021 and ends on June 30, 2026.

Payment

Leases do not reference Infrastructure Funding Agreements (IFAs), however costs associated with having state staff in local offices that are in addition to the \$100 per location annual rent payment, will be recovered through the IFA.

MWA-LEO DOCUMENT CHECKLIST

Exhibit C2

Area 13: Michigan Works! Southwest

Project #: 2021-0059 Project Manager: C. Emerick Department: LEO-WDA Lease #: 12167-2021

Please submit the below listed documents as individual PDF files via email to emerickc@michigan.gov as one complete package per location.

Needed Documents:

- Signature authority
- Board meeting minutes (approval of the sub-lease)
- Entity document (from MWA) that states what kind of entity they are (i.e. By-Laws, Operating Agreement...)
- Non-Binding Letter signed by MWA

Documents required for each location:

Location 1 of 4:

Branch Works! Coldwater Service Center

210 Vista Drive

Coldwater, MI 49036

- Master Lease
- Authorization to Sublet
- Floor plan
- Deed
- Emergency Service Call Record (ESCR)
- Insurance
- Safety Certification/Inspection, (i.e. fire extinguishers, sprinklers, etc.)

Location 2 of 4:

Calhoun – Battle Creek Michigan Works! Service Center

200 Van Buren St W

Battle Creek, MI 49017

- Master Lease
- Authorization to Sublet
- Floor plan
- Deed
- Emergency Service Call Record (ESCR)
- Insurance
- Safety Certification/Inspection, (i.e. fire extinguishers, sprinklers, etc.)

Location 3 of 4:

Michigan Works! Service Center

1601 South Burdick Street

Kalamazoo, MI 49001

- Master Lease
- Authorization to Sublet
- Floor plan
- Deed
- Emergency Service Call Record (ESCR)
- Insurance
- Safety Certification/Inspection, (i.e. fire extinguishers, sprinklers, etc.)

MWA-LEO DOCUMENT CHECKLIST

Location 4 of 4:

Michigan Works! Service Center

16587 Enterprise Drive

Three Rivers, MI 49093

- Master Lease
- Authorization to Sublet
- Floor plan
- Deed
- Emergency Service Call Record (ESCR)
- Insurance
- Safety Certification/Inspection, (i.e. fire extinguishers, sprinklers, etc.)



SUB-LEASE

State Sub-Lease #12167-2021

between

MICHIGAN WORKS! SOUTHWEST, as Sub-Lessor

and

THE STATE OF MICHIGAN, as Sub-Lessee

ARTICLE I - DEFINITIONS

- 1.1 A.N.S.I.
- 1.2 Cancellation
- 1.3 Construction
- 1.4 Executive
- 1.5 Maintenance
- 1.6 Occupancy
- 1.7 Reserved
- 1.8 Possession
- 1.9 Potable Water
- 1.10 Purpose
- 1.11 Remodel
- 1.12 State Government Managed
- 1.13 State Government Owned
- 1.14 Substantial Completion
- 1.15 Tenantable
- 1.16 Tenant Improvements

ARTICLE II - POSSESSION

- 2.1 Square footage Leased
- 2.2 Location of Leased premises
- 2.3 Early possession
- 2.4 Initial term of possession
- 2.5 First renewal option
- 2.6 Second renewal option
- 2.7 Third renewal option
- 2.8 Fourth renewal option
- 2.9 Ninety-day holdover
- 2.10 Assignment/sublet
- 2.11 Quiet enjoyment
- 2.12 Lessor access to Leased premises
- 2.13 Lessor provides equivalent premises

ARTICLE III - LESSOR OBLIGATIONS

- 3.1 Lessor obligations
- 3.2 Asbestos
- 3.3 Toxic, hazardous, injurious substances
- 3.4 Defense against claims
- 3.5 Commence remodeling or construction
- 3.6 Complete remodeling or construction
- 3.7 Standards and specifications
- 3.8 Contract change orders
- 3.9 Remodeling required by future law
- 3.10 Damage to Leased premises
- 3.11 First right of refusal for adjacent
- 3.12 Discrimination prohibited
- 3.13 Structural loading
- 3.14 Notice of Ownership Transfer
- 3.15 Year 2000
- 3.16 Time Extension
- 3.17 Public Notifications
- 3.18 Energy Efficiency

**ARTICLE IV -
LESSEE OBLIGATIONS, DUTIES, AND
OPTIONS**

- 4.1 Lessee obligations
- 4.2 Notification to maintain and repair
- 4.3 Lessee option to add/remove improvements
- 4.4 Quality of improvements by Lessee
- 4.5 Move-out condition
- 4.6 Payment for sign ordinance variances
- 4.7 Lessee repairs for damage
- 4.8 Recording of lease
- 4.9 Protection of Leased premises by Lessee
- 4.10 Lessee prohibited conduct

ARTICLE V - RENT CONSIDERATION

- 5.1 Frequency of rent payment
- 5.2 Late possession - no rent
- 5.3 Rent during initial term
- 5.4 Mid Term Rent Increase
- 5.5 Rent during 1st renewal option
- 5.6 Consumer Price Index increases
- 5.7 Rent adjustment for operating expenses
- 5.8 Rent adjustment for real property taxes
- 5.9 Real property tax exemptions
- 5.10 Real property tax assessment appeals
- 5.11 Waiver of rent adjustments
- 5.12 Remodeling/get-ready costs
- 5.13 Reserved
- 5.14 Reserved
- 5.15 Remodeling/maintenance costs deduct
- 5.16 Rent reduced for documentation
- 5.17 Rent abated for untenable premises
- 5.18 Prepaid rent refunded upon damage

ARTICLE VI - STATE OPTION TO PURCHASE

- 6.1 Definition of seller
- 6.2 Exclusive right to purchase
- 6.3 Duration of option
- 6.4 Written notice
- 6.5 Purchase price
- 6.6 Appraiser qualifications
- 6.7 Payment of appraisals
- 6.8 Encumbrances considered
- 6.9 Delivery of title insurance
- 6.10 Objection to title and cure
- 6.11 Restrictions, termination of option
- 6.12 Removal of title defects
- 6.13 Transfer of title free and clear
- 6.14 Lessee delivery of purchase price payment
- 6.15 Title free of other possessory interest
- 6.16 Seller payment for transfer tax
- 6.17 Payment for recording documents
- 6.18 Real Property Tax Adjustment
- 6.19 Waste to Leased premises
- 6.20 Reserved
- 6.21 Toxic, hazardous, or injurious substances

ARTICLE VII - EMINENT DOMAIN/CONDEMNATION

- 7.1 Lessor to notify Lessee
- 7.2 Whole taking, rents prorated
- 7.3 Taking
- 7.4 Lessor option to terminate
- 7.5 Award of damages

ARTICLE VIII - ESTOPPEL

- 8.1 Timeliness, Lessee obligations

ARTICLE IX MANAGEMENT AGREEMENT

Deleted, Not Applicable

ARTICLE X - LESSOR'S MORTGAGEE

- 10.1 Identification of Lessor's mortgagee
- 10.2 Disclosure of mortgagees, nondisturbance
- 10.3 Mortgagee right to cure defaults
- 10.4 Attornment

ARTICLE XI - CANCELLATION

- 11.1 Cancellation by Lessee
- 11.2 Cancellation by Lessee
- 11.3 Cancellation by Lessee
- 11.4 Cancellation by Lessor

ARTICLE XII - NOTICE, APPLICATION, AND APPROVALS

- 12.1 Notice mailing addresses and delivery
- 12.2 Application of laws
- 12.3 Binding application
- 12.4 State government approvals required
- 12.5 Supercede and cancellation
- 12.6 Severability
- 12.7 Entire agreement and enclosures
- 12.8 Electronic Funds Transfer



SUB-LEASE

State Sub-Lease #12167-2021

between

**MICHIGAN WORKS! SOUTHWEST, as Sub-Lessor
a W.E. Upjohn Institute**

and

THE STATE OF MICHIGAN, as Sub-Lessee

THIS SUB-LEASE (hereinafter referred to as "Lease") is entered into by the **Michigan Works! Southwest**, as Sub-Lessor (hereinafter referred to as "Lessor"), whose address is **222 South Westnedge Avenue, Kalamazoo, MI 49007**, and the State of Michigan by the Department of Technology, Management & Budget for the **Department of Labor and Economic Opportunity (LEO) – Workforce Development Agency (WDA)**, as Sub-Lessee (hereinafter referred to as "Lessee").

The parties, for the considerations specified in this Lease, agree to the following terms, conditions, and covenants:

ARTICLE I - DEFINITIONS

1.1 - A.N.S.I.: American National Standards Institute, Inc., a New York corporation that identifies public requirements for national standards and coordinates voluntary standardization activities. A.N.S.I. standards are used in calculating square footage used in this Lease.

1.2 - Cancellation: Ending all rights and obligations of the Lessor and Lessee, except for any rights and obligations that are due and owing.

1.3 - Construction: Assembling of foundation, structural, architectural, electrical, and mechanical systems, on the Leased premises, where none existed prior.

1.4 - Executive: An Executive Order of the Governor pursuant to the Constitution 1963, Article 5, § 2 and 20, or a decision by the Director of the Department of Technology, Management & Budget in conjunction with the head of the principal State department or agency for whose use the Lease was entered.

1.5 - Maintenance: That effort, including repair, replacement, or removal, required to keep the Leased premises and the appearance of said Leased premises functioning or operating as originally designed, constructed, or installed, including but not limited to mechanical, electrical, architectural, or civil systems within the Leased premises, outside the Leased premises, or those systems otherwise attached thereto.

1.6 - Occupancy: Actual physical presence by the Lessee in the Leased premises.

1.7 - Reserved

1.8 - Possession: Lawful availability and physical access to install the Lessee's furnishings and compliance with paragraphs 3.1(z) and 3.7.

1.9 - Potable water: Water free from impurities present in amounts sufficient to cause disease or harmful physiological effects and conforming in its bacteriological and chemical quality to the requirements of the Public Health Service Drinking Water Standards or the regulations of the public health authority having jurisdiction.

1.10 - Purpose: The purpose for this Lease is **office** space use for the department or agency mentioned in the Lease in the specific geographic location described in paragraph 2.2 of the Lease.

1.11 - Remodel: Includes alterations, renovations, and any related demolition, and is the rearranging of existing architectural, civil, electrical, and/or mechanical systems within the Leased premises. Remodeling does not include enlarging or decreasing of structural or foundation systems, or new construction.

1.12 - State Government Managed: Property management tasks and responsibilities provided or contracted for and managed by a) the State of Michigan; b) any of the several departments, boards, commissions, offices, or agencies of the executive, legislative or judicial branches of state government; c) any institution of higher learning funded in whole or in part by the State of Michigan; or d) any entity created by act of the Legislature as an instrumentality of Michigan State government.

1.13 - State Government Owned: Real property fee title to which is held by a) the State of Michigan; b) any of the several departments, boards, commissions, offices, or agencies of the executive, legislative or judicial branches of state government; c) the State Building Authority; d) any institution of higher learning funded in whole or in part by the State of Michigan; or e) any entity created by act of the Legislature as an instrumentality of Michigan State government.

1.14 - Substantial Completion: The construction work has been completed in accordance with Enclosure C and C-1, to the extent that the Lessee can use or occupy the Leased premises for the use intended, without any outstanding or concurrent work remaining, except as required to complete minor punch list items. The Lessee has the sole discretion to determine whether punch list items are "minor". Prerequisites for substantial completion include (a) receipt by the Lessee of all required operating and maintenance documentation, (b) all systems have been successfully tested and demonstrated by the Lessor for their intended use, and (c) the Lessee has received all required certifications and/or occupancy approvals from the State and any other political subdivisions having jurisdiction over the work. Receipt of all certificates and/or occupancy approvals in and of itself does not necessarily connote substantial completion.

1.15 -Tenantable: Habitable for the effective conduct of the Lessee's intended business.

1.16 -Tenant Improvements: Remodeling, attachment of fixtures, erection of additions, partitions, structures or signs by the Lessee in and upon the Leased premises after the Lessee has acquired possession.

ARTICLE II - POSSESSION

2.1 - The Lessor leases to the Lessee up to **1,000** usable square feet of space (if space is available to fulfill WDA's program needs) **per location** referenced in paragraph 2.2, referred to as the "Leased premises", which is outlined on floorplan(s) attached as Enclosure "A". This square footage is based upon the A.N.S.I. Z65.1 - 1996 method for calculating space.

2.2 - The Leased premises, located on the property described in Enclosure "B":

- a) Also known as **Michigan Works! Southwest**, located at **210 Vista Drive**, in the City of **Coldwater**, County of **Branch**, State of Michigan.
- b) Also known as **Michigan Works! Southwest**, located at **200 Van Buren St W**, in the City of **Battle Creek**, County of **Calhoun**, State of Michigan.
- c) Also known as **Michigan Works! Southwest**, located at **1601 South Burdick Street**, in the City of **Kalamazoo**, County of **Kalamazoo**, State of Michigan.
- d) Also known as **Michigan Works! Southwest**, located at **16587 Enterprise Drive**, in the City of **Three Rivers**, County of **St. Joseph**, State of Michigan.

2.3 - If the Leased premises are available for possession by the Lessee prior to the commencement of the term defined in paragraph 2.4, the Lessee, at its sole option, may possess the Leased premises when the same are available. The Lessor shall provide written notice to the Lessee of such availability. For each day of possession prior to commencement of such term, the Lessee shall pay to the Lessor, at the same time that rent consideration for the first month of the regular term of the Lease is due, 1/365 of the initial annual rent consideration set forth in Article V.

2.4 - The Lessor shall furnish the Leased premises with their appurtenances to the Lessee for a **five-year** initial term of possession beginning upon actual possession or at 12:01 a.m. on **July 1, 2021**, and ending at 11:59 p.m. on **June 30, 2026**.

2.5 - Deleted, Not Applicable

2.6 - Deleted, Not Applicable

2.7 - Deleted, Not Applicable

2.8 - Deleted, Not Applicable

2.9 - Deleted, Not Applicable

2.10 - The Lessee may assign this Lease or may sublet the Leased premises in whole or in part, **with prior written consent of the Lessor**, which shall not be unreasonably withheld. The Lessee, through its Department of Technology, Management & Budget may assign or reassign any or all of the Leased premises to any branch, department, board, agency, commission or other instrumentality of State government without the necessity of obtaining consent of the Lessor.

2.11 - The Lessee, upon payment of the rental consideration specified in Article V and upon performing all covenants, shall and may peacefully and quietly have, hold, and enjoy the Leased premises for the term of this Lease or any extension. The Lessor shall provide written notice to the Lessee and the DTMB-Real Estate Division, per the notification instructions in paragraph 12.1, at least fourteen (14) calendar days prior to the start of any significant construction work/maintenance task to be completed by the Lessor or a third party on behalf of the Lessor in or at the Leased premises.

2.12 - The Lessor or Lessor's agent may enter the Leased premises with reasonable advance notice for the purpose of conducting repairs, preventive maintenance, or providing replacements, as required under Article III.

2.13 - Deleted, Not Applicable

ARTICLE III - LESSOR OBLIGATIONS

3.1 - The Lessor shall furnish to the Lessee and pay the cost of the following:

a) Heating, mechanical ventilating, cooling, and humidification system capable of providing a temperature range of 68°F to 78°F, measured at 30" above the finished floor, and 12" inside any exterior wall, and a humidification range of 30% to 50%, at all times occupied. Ventilation in restrooms shall be a minimum of 100 cfm, exhausted to the outdoors.

b) Electrical power distribution system throughout the Leased premises, for the operation of all business machinery and equipment.

c) Natural and/or artificial interior illumination that provides a minimum thirty-five (35) foot-candles (fc) (excluding task lighting), measured at desk level, at all times, throughout the Leased premises. While artificial illumination by Light-emitting Diodes (LED) is preferred, artificial illumination by incandescent or fluorescent lamps is acceptable. Artificial illumination shall include tubes, bulbs, starters, ballasts, fuses, drivers and all other components used inside the illumination fixture, and the replacement thereof for the Leased premises and common areas. The State encourages light harvesting for energy efficiency whenever natural light can be utilized within the space.

d) Domestic plumbing system to restrooms and break rooms capable of supplying hot and cold water, and removing sanitary waste water. Hot water delivery shall be not more than 120°F and not less than 110°F, measured at the tap.

e) Potable water shall meet the requirement of the Safe Drinking Water Act, 1976 PA 399, as amended, MCL 325.1001 *et seq.*

f) Metered utility costs for electricity, natural gas, water, sewerage, steam, fuel oil, or coal.

g) Adequate roof, vertical, and foundation thermal insulation in accordance with applicable codes.

h) Complete moisture protection from all exterior weather sources, on all sides, floors, and roof of the Leased premises.

i) Sound attenuation between any mechanical system or other tenant in the premises and the Leased premises, which provides not greater than 45dbA sound level readings, under conditions with all Lessee business equipment shut down.

j) Vibration isolation between any mechanical, plumbing, electrical, or other building system attached to and a part of the Leased premises.

k) Any equipment, portable or fixed, including alarm notification systems, required by the local public fire marshal authority.

l) Commercial grade, locking mechanism.

m) Pest control, including but not limited to: insects, rodents, flying animals, etc. Spraying must be performed after business hours or on weekends.

n) Trash removal from office wastebaskets, dumpsters, or equivalent containers.

o) Exterior grounds maintenance, including grass and weed cutting, clippings removal, leaf raking, litter removal, sidewalk surface and parking lot surface maintenance, de-icing, and snow removal. Snow removal is required anytime the accumulated depth is 2" or more, 24 hours after the most recent snowfall, and there shall be a clear path from the handicapper motor vehicle parking spaces to the barrier free entrances.

p) Janitorial supplies, equipment, personnel, and supervision to provide cleaning services as described in Enclosure "F".

q) Paved, striped, illuminated, and common motor vehicle parking on the Leased premises. Illumination shall be not less than 2 foot-candles, with a uniformity not greater than 4 to 1, measured on the parking surface. The Lessor shall provide replacement tubes, bulbs, starters, and fuses, i.e., all parts and equipment necessary to provide and maintain this exterior illumination.

r) Leased premises shall comply with the barrier free design requirements of 1966 PA 1, as amended, MCL 125.1351 *et seq.* (Utilization of Public Facilities by Physically Limited).

s) Complete maintenance of the Leased premises, except for any obligations expressly undertaken by the Lessee set forth in Article IV. The Lessor shall keep the Leased premises in good repair, and able to perform and operate as designed, free from dangerous or defective conditions, and in tenantable condition, and at the Lessor's sole expense, properly and in a manner customarily accepted by the skilled trades, make all repairs and/or replacements, structural or nonstructural, of whatever nature. This does not include the foreseeable replacement of the carpet throughout the Leased premises. The Lessor and Lessee mutually agree, as stated in paragraph 3.1 (cc), with regards to future carpet installation. The Lessor shall provide inspections and preventive maintenance for heating and cooling systems in accordance with manufacturers' standards and any local codes or ordinances. The Lessor shall have a reasonable period of time, not to exceed thirty (30) days after receipt of a detailed written notice from the Lessee, to cure any maintenance defect. Additional time to cure any such maintenance defects may be allowed provided, in the Lessee's discretion, the Lessor proceeds with due diligence both during and after such thirty (30) day period, and the total time period to cure does not exceed ninety (90) days. This provision is cross referenced in paragraphs 4.2, 5.15, 5.17, and 11.3.

t) A listing of all important service or repair contractors to be contacted by telephone by the Lessee for emergency service or maintenance. These emergency telephone numbers shall be used by the Lessee only after attempting contact with the Lessor, given the scope and nature of the emergency. The Lessor shall maintain an updated or otherwise current listing. Lessor's failure to provide the emergency telephone numbers or to notify the Lessee of changes to the current listing shall be considered as authorization for the Lessee to contact an emergency service or maintenance contractor of choice.

u) Deleted, Not Applicable

v) General premises liability insurance for the Leased premises identified in paragraphs 2.1 and 2.2, which provides full coverage for the Lessor, the Lessee, and their respective agents and employees and which protects against all claims, demands, actions, suits, or causes of action, and judgments, settlements or recoveries, for bodily injury or property damage arising out of a condition of

the Leased premises. The Lessor agrees to maintain minimum policy limits in the amount of \$500,000.00 per occurrence for property damage, and \$1,000,000.00 per occurrence for bodily injury, with a \$2,000,000.00 aggregate. The Lessor shall provide to the Lessee a certificate of insurance listing the Lessee, its several departments, boards, agencies, commissions, officers, and employees as additional insureds, within thirty (30) calendar days following execution and delivery of this Lease to the Lessor, and every year thereafter. The insurance policy shall provide that it may not be modified, cancelled, or allowed to expire without thirty (30) days prior written notice given to the Lessee.

w) A legible photocopy of all annual written inspections, submitted within thirty (30) days of completion, certifying the fire alarm, fire extinguishers, emergency exit lighting, and fire sprinkler system (as applicable) are in proper working condition.

The Lessor shall provide and install, laminated evacuation signage, which shall be a minimum size of 8.5 inches by 11 inches, printed with a white background. Signage shall be placed a minimum of 48 inches from the floor surface to a maximum of 60 inches above the floor surface with a minimum clear floor space of 18 inches by 18 inches. Signage shall be in common areas, to include elevator lobbies, conference rooms, restrooms, breakrooms, and cafeterias. The Lessor shall update evacuation maps at minimum, every 3 years, and within 30 days of building changes that impact egress travel paths.

x) A legible photocopy of the recorded warranty deed, or other instrument conveying current legal possession or title, with right to lease or sublease the Leased premises, as found in paragraphs 2.1 and 2.2, to the Lessor; and copies of all other documents limiting or restricting the use of the Leased premises or affecting title to the lands and Leased premises.

y) A legible photocopy of the current legal entity documents (corporation, partnership, trust, D.B.A., etc.) of the Lessor. This shall include signature authorizations indicating the signatory of this Lease is authorized to act on behalf of the legal entity, in this real estate transaction.

z) A legible photocopy of any certificates of occupancy, as approved by the local public building department or authority, if remodeling or construction is performed in paragraph 3.7.

aa) Telecommunication & Internet services, desk-top telephones, usage of printer/copier/fax machines

bb) Deleted, Not Applicable

cc) Deleted, Not Applicable

dd) Signage located at all areas of ingress, egress and other conspicuous areas clearly designating "No Smoking" and/or the international "no smoking" symbol in sufficient number to communicate that smoking within the Leased premises is prohibited. If the Leased premises includes both enclosed and unenclosed space, this signage must be located at comparable areas of any enclosed space.

ee) Deleted, Not Applicable

3.2 - The Lessor warrants that any asbestos contained within the Leased premises has been removed prior to the Lessee taking possession; or if not removed, is present or installed in a manner that will not harm or injure human occupants. The parties agree that the Lessee assumes no liability or responsibility for the presence of asbestos in or on the Leased premises.

3.3 - a) The Lessor covenants that he/she has undertaken an environmental assessment of the Leased premises, satisfactory to and for the benefit of the Lessee, that is adequate to establish the liability exemptions and defenses available in Sections 20126(1)(c) and 20126(3)(h) of the Natural Resources and Environmental Protection Act (NREPA), MCL 324.20126(1)(c) and 324.20126(3)(h) and Section 107(b)(3) of the Comprehensive Environmental Response Compensation Liability Act, 42 USC 9607(b)(3), and that the Leased premises, and property on which the Leased premises is located, do not contain a concentration of any hazardous substance above applicable criteria.

b) The Lessor covenants that in the event a release or the threat of a release of a hazardous substance is discovered after execution of the Lease, to exist on, in or below the Leased premises, the Lessor shall:

1) Promptly notify both the State, as the Lessee, and the Michigan Department of Environment, Great Lakes, and Energy (EGLE) of the release or threatened release.

2) Report, investigate, remediate, and take all other actions consistent with Federal, State and local laws and regulations including, without limitation, Part 201 of the Natural Resources and Environmental Protection Act (NREPA), MCL 324.20101, *et seq.*

3) Inform the Lessee, EGLE, and all other parties required to be notified under Federal, State or local law, of all actions taken under (2) above.

4) Provide the Lessee, EGLE, and all other parties required to be notified under Federal, State or local law, with all reports, data, analyses and other documents and information related in any way to the investigation, remediation or other steps taken under (2) above.

c) The Lessor, except as otherwise provided herein, agrees to hold the Lessee harmless and to indemnify the Lessee for any claims brought against the Lessee related to asbestos or the release or threatened release of any hazardous substance on, in or below the Leased premises that may have occurred prior to or after the Lessee's occupancy of the Leased premises. This indemnification and hold harmless provision shall survive the termination of the leasehold interest and the sale of the Leased premises by the Lessor.

d) The Lessor agrees to take no administrative or judicial action against the Lessee including, without limitation, any action for damages, contribution, cost recovery, or injunctive relief to compel the Lessee to investigate or take remedial action, declaratory relief, or any action associated with the Lessor's obligations to comply with Federal, State or local law as a result of asbestos or the release or threat of release of any hazardous substance on, in or below the Leased premises, except if the release or threatened release is caused solely by the Lessee.

e) The Lessor and Lessee mutually agree that they shall not release on, in, or below the Leased premises any hazardous substance. The Lessee assumes responsibility, to the extent provided by law, for a release or threatened release of a hazardous substance caused by the Lessee. The Lessor need not indemnify or defend the Lessee if the release or threatened release is caused solely by the Lessee.

3.4 - The Lessor is responsible for defending the Lessee against any claim whether meritorious or frivolous, by any person challenging the Lessor's right to Lease the Leased premises, and shall at its sole expense satisfy any judgment against the Lessee.

3.5 - Deleted, Not Applicable

3.6 - Deleted, Not Applicable

3.7 - Deleted, Not Applicable

3.8 - During the remodeling or construction of the Leased premises, either party may request remodeling or construction changes, for the purposes of economizing, or Lessee program changes, subject to the execution of a contract change order (CCO), whereby the Lessor and Lessee acknowledge and agree that all contractors and service providers listed therein will be hired by and working for the Lessor, not by or for the State of Michigan and that the State of Michigan shall not indemnify any party in connection with any liability arising from said CCO. The Lessor shall submit a complete description and itemized cost estimate for prior written approval to the Real Estate Division of the Department of Technology, Management & Budget, prior to performing the work required by the requested change. If the changes, and any resulting cost differences, are mutually agreed upon in writing by the Lessor, Lessee, and Real Estate Division, the Lessee shall make a lump-sum payment with, or lump-sum deduction from, the first month's rental consideration due the Lessor. Failure to include in the complete itemized cost estimate any cost directly or indirectly incurred as a result of the change constitutes Lessor's waiver of entitlement to such costs, except in the event that the Lessor or Lessor's contractor provides a detailed reservation of its right to additional costs which cannot be reasonably calculated as of the date the cost estimate is submitted.

3.9 - Remodeling of the Leased premises required by any existing or future laws, ordinances, or regulations of the city, village, township, county, state, or federal government, or other public building authority, shall be made by the Lessor, at no expense to the Lessee.

3.10 - Deleted, Not Applicable

3.11 - Deleted, Not Applicable

3.12 - The Lessor shall comply with the Elliott-Larsen Civil Rights Act, 1976 PA 453, as amended, MCL 37.2101 et seq, the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, MCL 37.1101 et seq, and all other federal, state and local fair employment practices and equal opportunity laws and covenants that it shall not discriminate against any employee or applicant for employment, to be employed in the performance of this real estate contract, with respect to his or her hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of his or her race, religion, color, national origin, age, sex, height, weight, marital status, or physical or mental disability that is unrelated to the individual's ability to perform the duties of a particular job or position. The Lessor agrees to include in every subcontract entered into for the performance of this real estate contract this covenant not to discriminate in employment. A breach of this covenant is a material breach of this real estate contract. This covenant is cross referenced in Article XI.

3.13 - The Lessor shall have the right to specify positioning of safes or other concentrated loads, that do not exceed the structural loading capacities, in the floor design layout.

3.14 - The Lessor shall, within forty-five (45) days after transfer of its ownership interest in the Leased premises, provide notice to the Lessee of said transfer and identify the new owner.

3.15 - Deleted, Not Applicable

3.16 - Time extension requests must be submitted in writing to Lessee each month in which the Lessor believes he/she is entitled to more time. Such requests shall detail the length of time extension requested and indicate why the Lessor believes more time is warranted. Lessee will respond to such requests and may extend the timeframe allowed for substantial completion. If no time extension is

requested in writing, it will be assumed that no additional time is needed and no timeframe extension will be allowed for that month.

3.17 - The Lessor shall permit the Lessee to display public notifications of applicable public meetings as required by 1976 PA 267, as amended, MCL 15.261 *et seq.*, in public lobby areas of the building wherein the Leased premises are located, in a manner consistent with the decor of the public lobby areas. Any display cases or other means used to display such public notifications shall be at the Lessee's expense.

3.18 - Deleted, Not Applicable

ARTICLE IV - LESSEE OBLIGATIONS, DUTIES, and OPTIONS

4.1 - The Lessee shall furnish:

a) Deleted, Not Applicable

b) Deleted, Not Applicable

c) Deleted, Not Applicable

d) Deleted, Not Applicable

e) Deleted, Not Applicable

f) Deleted, Not Applicable

g) Deleted, Not Applicable

h) Deleted, Not Applicable

i) Reimbursement to the Lessor, for any repairs to the Leased premises, from damage that exceeds the normal wear and tear expected from the lawful and proper use of the Leased premises, and the sole cause of which was the negligent acts or omissions of the Lessee's employees, agents, wards, clients, or customers.

j) Desktop supplies, postage, and office equipment/furniture (if applicable).

k) Deleted, Not Applicable

4.2 - The Lessee shall give detailed written notice to the Lessor, and if applicable, to the Lessor's mortgagee, of the need for any maintenance which is the obligation of the Lessor pursuant to Article III. This provision is cross referenced in paragraphs 3.1(s), 5.15, and 5.17.

4.3 - a) The Lessee shall have the option to add tenant improvements to the Leased premises during this Lease or any extension at the Lessee's expense. The tenant improvements to the Leased premises shall be and remain the property of the Lessee, and may be removed by the Lessee prior to cancellation or termination of this Lease. In the event the Lessee exercises its option to remove any tenant improvements to the Leased premises under this paragraph upon cancellation or termination of this Lease, the Lessee shall restore or otherwise return the Leased premises to the Lessor in an "as found" condition, except for normal wear and tear, unless otherwise agreed upon in writing.

b) In the event the Lessee removes any fixtures, finishes, additions, or structures owned by the Lessor, placed in or attached to the Leased premises, upon termination or cancellation of this Lease, the Lessee shall restore or otherwise return the Leased premises to the Lessor in an "as found" condition, except for normal wear and tear, unless otherwise agreed upon in writing.

4.4 - All tenant improvements by the Lessee, made pursuant to paragraph 4.3, shall be performed in a manner customarily accepted by the skilled trades, and in accordance with all federal, state, and local rules, ordinances, laws, codes, or nationally recognized standards of good construction practice.

4.5 - Upon cancellation or termination of this Lease, the Lessee shall clean the Leased premises to "broom-clean condition", and shall remove all furnishings from the Leased premises. Furnishings remaining in or on the Leased premises after the cancellation or termination effective date shall be considered abandoned property, and the Lessee shall be obligated to pay the Lessor for all reasonable removal costs.

4.6 - The Lessee shall be responsible to request and obtain any local government sign ordinance variances and the payment of any related fees.

4.7 - In the event the Lessor fails to proceed with repairs necessitated by damage or destruction that is fifty percent (50%) or less, as referenced in paragraph 3.10, the Lessee may proceed, after affording insurance surveyors or adjusters opportunity to inspect the damages, with repairs for the account of and at the expense of the Lessor.

4.8 - If the Lessee records this Lease with the county register of deeds, the Lessee shall record a discharge or notice of cancellation or termination of Lease within thirty (30) days after the cancellation or termination of this Lease is effective. The discharge from the public record shall include any recorded amendments to this Lease.

4.9 - The Lessee shall close all open windows, skylights, doors, or other exterior openings to the Leased premises, within the control of the Lessee, to avoid possible damage from fire, storms, rain, or freezing, when leaving the Leased premises at the close of the business day, or prior to any times when the Leased premises shall be unoccupied.

4.10 - The Lessee shall not permit:

a) Bicycles, mopeds, or other vehicles used for personal transportation, to be stored within the Leased premises or other common areas, unless otherwise specifically authorized elsewhere in this Lease, or agreed upon in writing with the Lessor.

b) Any items to be attached to suspended acoustical ceiling grids.

c) Access to any roof or overhang structure, except as under emergencies to maintain the roof moisture barrier or any rooftop mechanical system affecting the Leased premises.

ARTICLE V - RENT CONSIDERATION

5.1 - Rent consideration shall be paid annually in a lump sum no later than August 31st.

5.2 - If the Leased premises are not ready for possession by the date established in paragraphs 2.4 and 3.6, the Lessee shall not be responsible for rent until taking possession, nor shall the Lessee waive any claims to damages which the Lessee may have suffered.

5.3 - The Lessee shall pay to the Lessor as annual operating cost considerations for the Leased premises referenced in paragraph 2.2 from 12:01 a.m. **July 1, 2021**, through 11:59 p.m. **June 30, 2026**, at the rate of **one hundred and 00/100 dollars (\$100.00)** per year.

5.4 - Deleted, Not Applicable

5.5 - Deleted, Not Applicable

5.6 - Deleted, Not Applicable

5.7 - Deleted, Not Applicable

5.8 - Deleted, Not Applicable

5.9 - Deleted, Not Applicable

5.10 - Deleted, Not Applicable

5.11 - Deleted, Not Applicable

5.12 - Deleted, Not Applicable

5.13 – Reserved

5.14 - Reserved

5.15 - If the Lessor fails to provide maintenance or complete the remodeling or construction, as referenced in Article III, the Lessee may provide the required maintenance, or complete the required remodeling or construction, and deduct the costs from future rent consideration payments due the Lessor.

5.16 - If the Lessor fails to provide supporting documentation or warranties, as required by Article III, fifteen percent (15%) of the annual rent consideration shall be held by the Lessee, until the required documentation is provided to the Lessee.

5.17 - The Lessee shall be entitled to an abatement of rent consideration for the period during which the Leased premises are rendered untenable or incapable of the use for which the premises were leased as described in paragraph 1.10. In the event that only a part of the Leased premises are untenable or incapable of such use, the rent shall be reduced in proportion to the entire area rented by the Lessee. This covenant is cross referenced in Articles III, IV and XI.

5.18 - Any rent consideration prepaid in advance to the Lessor, shall, upon damage or destruction as identified in paragraph 3.10, be repaid by the Lessor to the Lessee, within thirty (30) days of cancellation.

ARTICLE VI - DELETED, NOT APPLICABLE

ARTICLE VII - DELETED, NOT APPLICABLE

ARTICLE VIII - DELETED, NOT APPLICABLE

ARTICLE IX - DELETED, NOT APPLICABLE

ARTICLE X - DELETED, NOT APPLICABLE

ARTICLE XI - CANCELLATION

11.1 - This Lease may be cancelled by **either party** during any period of possession if the other party is notified in writing at least **ninety (90) days** prior to the effective date of cancellation, **delivered to the address as set forth under the "Notice" paragraph of this Lease, or to such other address as either party may designate in writing for the delivery of notices under this Lease.**

11.2 - Deleted, Not Applicable

11.3 - This Lease may be cancelled by the Lessee provided the Lessor is notified in writing at least thirty (30) days prior to the effective date of cancellation and any one of the following occur:

a) The Lessor or any subcontractor, manufacturer or supplier of the Lessor appears in the register compiled by the State of Michigan pursuant to 1980 PA 278, as amended, MCL 423.321 *et seq.* (Employers Engaging in Unfair Labor Practices Act).

b) The Lessor or any subcontractor, manufacturer or supplier of the Lessor is found guilty of discrimination, pursuant to 1976 PA 453, as amended, MCL 37.2101 *et seq.* (Elliott-Larsen Civil Rights Act); or 1976 PA 220, as amended, MCL 37.1101 *et seq.* (Persons with Disabilities Civil Rights Act). This covenant is cross referenced in Article III.

c) The Leased premises do not comply with the barrier free design requirements of 1966 PA 1, as amended, MCL 125.1351 *et seq.* (Utilization of Public Facilities by Physically Limited). This covenant is cross referenced in Article III.

d) The Leased premises are taken for a public purpose by eminent domain/condemnation proceedings by a governmental unit. This covenant is cross referenced in Article VII.

e) The Lessee's use of the Leased premises is in violation of local adopted ordinance, or recorded deed restrictions.

f) The Lessee acquires fee title to the Leased premises in paragraphs 2.1 and 2.2. This covenant is cross referenced in Article VI.

g) The Lessor fails to maintain the Leased premises in a tenantable condition, described in and subject to the notice provision in paragraph 3.1(s). The Lessee shall provide detailed written notice to the Lessor, of not less than thirty (30) days, to correct defaults.

h) The Lessor fails to repair or restore the Leased premises for damage specified in paragraph 3.10. This covenant is cross referenced in Articles III, IV, and V.

i) The Lessor fails to deliver the Leased premises, according to the plans, specifications, and timeframe for remodeling or construction, found in paragraph 3.6.

j) Damage or destruction, specified in paragraph 3.10, is so extensive as to constitute a total destruction of the Leased premises. This covenant is cross referenced in Articles III, IV and V.

11.4 - This Lease may be cancelled by the Lessor if the Lessee is notified in writing at least sixty (60) days prior to the effective date of cancellation and any one of the following occur:

a) Damage or destruction to the Leased premises exceeds fifty percent (50%) of the replacement value of the Leased premises, as referenced in paragraph 3.10. This covenant is cross referenced in Articles III, IV and V.

b) The Leased premises are taken by eminent domain/condemnation proceedings, as referenced in Article VII.

ARTICLE XII - NOTICE, APPLICATION, AND APPROVALS

12.1 - Any notice to Lessor and/or Lessee required by this Lease shall be complete if submitted in writing and transmitted by personal delivery (with signed delivery receipt), or certified or registered mail return receipt request, or by a nationally recognized overnight delivery service. Unless either party notifies the other in writing of a different mailing address, notice to the Lessor and/or Lessee shall be transmitted to:

Lessor	Lessee
Michigan Works! Southwest	Director, DTMB Real Estate Division
	Department of Technology, Management and Budget
ATTN: Ben Damerow	
Director, Michigan Works! Southwest	<i>For private carrier delivery:</i>
222 South Westnedge Avenue	3111 W. St. Joseph Street
Kalamazoo, MI 49007	Lansing, MI 48917
E-mail: damerow@upjohn.org	<i>For U.S. Postal Service delivery:</i>
Telephone: 269-349-1533	P.O. Box 30026
	Lansing, MI 48909
	Copy to Department of Labor & Economic Opportunity
	Mr. Bob Schaar
	300 N. Washington Square
	Lansing, MI 48913

The notice shall be deemed effective as of Noon, Eastern Time on either (i) the third business day following the date of mailing, if transmitted by mail or (ii) the date on which the noticed party receives or refuses receipt of the notice, if transmitted by personal delivery, or a nationally recognized overnight delivery service. Business day is defined as any day other than a Saturday, Sunday, legal holiday, or day preceding a legal holiday. A receipt from a U.S. Postal Service, or successor agency, performing such function shall be conclusive evidence of the date of mailing.

12.2 - This Lease shall be interpreted in accordance with the laws of the State of Michigan.

12.3 - This Lease shall be binding upon and to the benefit of the heirs, executors, administrators, and assigns of the Lessor; and upon and to the benefit of the assignees and sublessees of the Lessee.

12.4 - This Lease shall not be binding or effective on either party until approved (and notarized as necessary) by the Lessor, Lessee, Department of the Attorney General, Department of Technology, Management & Budget, Building Committee of the State Administrative Board, and the State Administrative Board. If this Lease or any subsequent amendments to it fall within the requirements of 1984 PA 431, as amended, MCL 18.1101 *et seq.* (Management and Budget Act), this Lease and any

subsequent amendments to it shall also require approval of the Joint Capital Outlay Subcommittee of the Legislature.

12.5 - This Lease supersedes and cancels the following Rental Agreements #11866-2020, between Lessor and Lessee, which was approved by the Real Estate Division on **November 16, 2020**, between **W. E. Upjohn Institute**, as Landlord, and the State of Michigan, Department of Labor and Economic Opportunity, as Tenant, for premises referenced in paragraph 2.2, which said Agreements shall be null and void when this Lease becomes effective.

a.) This Lease supersedes and cancels the following Rental Agreements #11646-2017, between Lessor and Lessee, which was approved by the Real Estate Division on **April 17, 2017**, between **W. E. Upjohn Institute**, as Landlord, and the State of Michigan, Department of Labor and Economic Opportunity, as Tenant, for premises referenced in paragraph 2.2, which said Agreements shall be null and void when this Lease becomes effective.

12.6 - Should any provision of this Lease or any addenda thereto be found to be illegal or otherwise unenforceable by a court of law, such provision shall be severed from the remainder of the Lease, and such action shall not affect the enforceability of the remaining provisions of the Lease.

12.7 - This Lease, with all enclosures and attachments as listed below, constitutes the entire agreement between the parties with regard to this transaction and may be amended only in writing and executed in the same manner as this Lease was originally executed, as under paragraph 12.4.

12.8 - Electronic Funds Transfer (EFT): Public Act 533 of 2004 requires that payments under this Lease be processed by electronic funds transfer (EFT). Lessor is required to register to receive payments by EFT at the SIGMA Vendor Self Service website (www.michigan.gov/sigmavss) or by calling (888) 734-9749.

Enclosure "A" - page(s), floor plan(s)/site plan

Enclosure "B" - page(s), legal description

Enclosure "C" - Deleted, Not Applicable

Enclosure "C-1" - Deleted, Not Applicable

Enclosure "D" - Deleted, Not Applicable

Enclosure "E" - Deleted, Not Applicable

Enclosure "F" - 1 page, janitorial specifications and standards

IN WITNESS WHEREOF, the parties to this Lease subscribe their names on the date set forth below:

Lessor:

Signature Date: _____

Print Name:

Title:

State of Michigan, County of _____.

The foregoing instrument was acknowledged before me on this _____ day of _____,

20____, by _____,
Type or print name(s) of person(s) signing this document

the _____ of _____,

a _____, corporation, on behalf of the corporation.

_____, Notary Public in the County of _____.

Acting in the County of _____, State of Michigan.

My commission expires _____.

IN WITNESS WHEREOF, the parties to this Lease subscribe their names on the date set forth below:

Lessee:

_____ Date: _____
Signature

Print Name:

Title:

IN WITNESS WHEREOF, the parties to this Lease subscribe their names on the date set forth below:

Lessee:

Signature Date: _____

Marchan D. Darby
State Administrative Manager
Real Estate Division, DTMB

State of Michigan, County of _____

The foregoing instrument was acknowledged before me on this _____ day of _____,
20_____, by Marchan D. Darby, State Administrative Manager for the Michigan Department of
Technology, Management & Budget Real Estate Division.

_____, Notary Public in the County of _____.

Acting in the County of _____, State of Michigan.

My commission expires _____.

This Lease has been approved as to legal form by the Michigan Attorney General _____

This Lease was approved by the Michigan State Administrative Board on

Item #

Form Updated: 10-19-2020

Directors Report
December 16, 2021

Michigan Works! Association Legislative Priorities

The Michigan Works! Association supports the following [2022 State Legislative Priorities](#)

- **Going Pro Talent Fund** - The Michigan Works! network supports the Governor's \$100 million expansion of funding for the Talent Fund in the MI New Economy plan and advocates for a baseline of \$50 million for FY 2022
- **Youth Work Experience** - The Michigan Works! network supports an \$80 million investment over the next three years to support work experience, career coaching, and wraparound services for youth.
- **Supplemental Workforce Program Funding** - The Michigan Works! network is advocating for an investment of \$30 million over the next three years to support Barrier Removal Employment Success.
- **Sixty By 30** - The Michigan Works! network is advocating for requiring individuals to fill out an application for key Sixty by 30 initiatives, virtually or in-person, at a local Michigan Works! office.
- **Adult Education Services** - The Michigan Works! network is advocating for \$97.5 million through the existing workforce system over the next three years to help approximately 120,000 individuals earn a GED or high school equivalent by investing in a regional approach to support additional resources, services, and collaboration amongst the workforce (Michigan Works!), education (K-12, adult education, and post-secondary) systems that tie adult education services to jobs.

WIOA Annual Report

Michigan's [WIOA Annual Report](#) is an assessment of performance outcomes for workforce investment activities involving performance accountability indicators applied to adults, dislocated workers, and youth. Additionally, this report narrative describes progress toward meeting Michigan's strategic vision and goals to ensure a skilled workforce which includes the alignment of policies, operations, and administrative systems to avoid duplication of workforce programs and activities, as well as providing a way to leverage discretionary funding and formula-based investment across all programs.

Federal Update

Senate Democrats on Tuesday approved a measure to raise the debt ceiling by \$2.5 trillion, taking the first step toward avoiding a potential default and deferring the high-stakes fiscal fight until after the 2022 election. The vote came less than a week after lawmakers struck a bipartisan deal that allowed Democrats to adopt the increase, and Republicans to oppose it, without putting the country at risk of missing a critical Dec. 15 deadline.

**House lawmakers are expected to follow suit Tuesday evening.