CALL TO ORDER
Council Member Wood called the meeting called to order at 5:12 p.m.

PRESENT
Council Member Kathie Dunbar - arrived at 6:15 p.m.
Council Member Jeremy A. Garza - excused
Council Member Adam Hussain - arrived at 5:25 p.m.
Council Member Brian T. Jackson
Council Member Peter Spadafore
Council Member Patricia Spitzley - excused
Council Member Jody Washington
Council Member Carol Wood

OTHERS PRESENT
Sherrie Boak, Council Staff
Samantha Harkins, Mayor Chief of Staff
Jim Smiertka, City Attorney
Eric Brewer, Council Internal Auditor
Angela Bennett, Finance Director
Don Kulhanek, Economic Development & Planning
Doris Witherspoon, Economic Development & Planning
Brian McGrain, Economic Development & Planning
Michael Tobin, Interim Lansing Fire Chief and Emergency Management
Michael Mackey, Lansing Fire Chief
Loretta Stanaway

No quorum at the start of the meeting.

Public Comment on Agenda Items
Ms. Stanaway spoke on the Red Cedar Development asking for the City to increase their price, but the Brownfield term in half, offer no other incentives, and ask for details on the occupancy rate, jobs, information on the hotels and what the projected income will be based on.
Ms. Witherspoon outlined the FY2019-2020 plan and noted it is the same process they have done annually in accordance with the Citizen Participation Plan and HUD regulations. Their deadline is May 14, 2019. Ms. Witherspoon and Mr. Kulhanek briefly went through the objective to address principally low and moderate income person to preserve and expand residency and create stability in neighborhoods. The Block grants address single family homes, the HOME addresses down payment assistance and Emergency Solutions to address outreach, homeless prevention, and shelter operation. They concluded by stating to the Committee that at this time they do not have the exact numbers from the Federal Government, however will come back before Council for final approval and action on the final numbers.

Council President Wood asked if the recent submission was going to be lower or the same from the previous year, and Ms. Witherspoon acknowledged they did get a small amount more in Community Development Grant and the HOME grant, with a decrease in the Emergency Solutions portion.

Council Member Jackson asked how much control HUD has over all the numbers. Ms. Witherspoon explained the Emergency Solutions is different because before 2011 it was called Emergency Shelter grant and funding was categorized differently. There are now six (6) components eligible for Emergency Solutions including homeless prevention, street outreach, homeless management, administrative and shelter operation.

Council President Wood asked if each allocation had a percentage that can be utilized up to a certain amount of percentage. Ms. Witherspoon acknowledged that for the administration there is some set aside for both, but for the overall amount of the plan, a budget is developed based on what is needed.

Council Member Spadafore asked for details on the Community Development Block grant from the previous year. Mr. Kulhanek explained what they had was last years because they do not have the numbers from the Federal government yet. They need to continue with the required process and will come back for final approval of the action plan. The numbers in the current document were approved last year, but what is different he noted was program income and estimated spent dollars from the previous years. Every year they get guidance from HUD on the plan, but they noted that if the action plan is not submitted the City will get no funds.

Council President Wood referenced a document Council received that spoke to amendments in the current 2018/2019 Community Development grant. Mr. Kulhanek acknowledge them, stating the action plan for this current year had to be amended for funds to be moved into that activity. It was not limited to the flood plain, the majority of the funds they get from HUD go to that category, in addition to rehabilitation and public improvements. In order for them to do blight remediation, they needed to re-categorize funds. Council President Wood asked if the re-categorization happened because they lacked in staff, funds or contracts. Mr. Kulhanek confirmed it was all of those, but most pressing was staff related. Currently they give priority to Lead Safe Lansing projects, and spend CDBG on smaller projects.

Council Member Spadafore referenced the current plan which noted $1.9 million, but the proposed is $1,554,941; the Acquisition in the current is $1,000 and the proposed is $100,000. Mr. Kulhanek explained it is different components, and part of the document is a flat estimate, and the difference is the estimate of the program income. He noted this is a planning document, but would also provide last years to Council.
MOTION BY COUNCIL MEMBER SPADAFORE TO SET THE PUBLIC HEARING FOR THE CDBG ANNUAL ACTION PLAN FOR FY2019/2020 FOR APRIL 22, 2019. MOTION CARRIED 5-0.

Approval of Minutes
MOTION BY COUNCILMEMBER SPADAFORE TO APPROVE THE MINUTES OF MARCH 25, 2019 AS PRESENTED. MOTION CARRIED 5-0.

Budget-General Overview (Fees, Revenues, Fringe)
Ms. Bennett did a presentation on the general budget and fees. She highlighted the additions in the budget which included a community policing officer, PAL, Fire protection gear replacement, the Fire management system, fire and police computer replacement, and an ambulance purchase. Infrastructure and equipment projects include bridge work, street repairs, sidewalks, trail ways, CSO separation, renewable energy, and a code compliance officer for rental inspections, a new planning and zoning position, Serve Lansing Initiative and façade and arts grants.

Council Member Spadafore asked what percentage of employee’s factor in cost goes towards fringe, and it should include OPEB, retirees and employees.

Ms. Bennett then spoke about the 9% increase of property values, and the property tax revenue at only an increase by 5% because of the property tax limitations.

Council Member Spadafore asked if the revised road funding in front of the State Legislature would do to the City of Lansing. Ms. Bennett was not able to provide details on if it would or would not.

Ms. Bennett concluded on the General Fund by stating the City has adequate reserves depending on the unanticipated with 15% on target of the GF expenditures and expecting $18,000,000 in reserves.

Council President Wood asked Ms. Bennett to check with the Assessor on the number of sales in the City and if that is reflective in the property tax increase noted in the budget. She asked the information to also include a graph outlining the trend over the last three (3) years. Council President Wood then asked what the projected income tax reduction was being considered with the new East Lansing income tax, and Ms. Bennett stated it was between $700,000-$800,000 annually.

Council Member Jackson stepped away from the meeting at 6:00 p.m.

Council President Wood inquired in the information on the payment in lieu of equity with BWL for this year and any projections. Ms. Bennett said that even with rate increases, because of energy efficiencies there has been no increase.

Ms. Bennett moved onto an overview of the accounting level detail, the projection of a decrease from what is budgeted in the current year and an increase in the budget for next year at $900,000. Council President Wood then asked Mr. Smiertka what is the length of the agreement with BWL on the return on equity. Mr. Smiertka could not confirm the exact dates at this time, but would provide it, and Ms. Bennett added it was updated in 2018 and should go until 2020.
Council President Wood then asked if the revenue was projected on a Court Consolidation or was status quo; Ms. Bennett confirmed status quo. Council President Wood then referred the group to page 1 of 9 in the line items, and asked if the revenue was an increase for the projection on construction. Ms. Bennett confirmed it was and it reflected the Governor’s proposal. This is the personal property tax, tax reimbursement and monies collected by the State and municipalities.

Council Member Washington asked about the large increase for services for business licenses, on 2 of 9 from $294,300 to $602,800. Then inquired into the understanding that the City cannot charge more for what the service is going to cost the City. During the calculations it appears the admin fee is $214,000, so she inquired into the balance. Ms. Bennett confirmed the City can only charge cost and the State cap is $5,000, the difference is spread between multiple departments that are involved in the medical marihuana licensing including clerk, city attorney, police, and economic development. She added it would be displayed in the line for internal services, and what they are seeing in this section Council Member Washington is referencing is a portion because of the breakdown.

Council Member Jackson returned to the meeting at 6:04 p.m.

Council Member Spadafore asked for information on what would be under the road funding if the Governor’s proposal is passed. He then asked Ms. Bennett where the $25,000 in pay phone commission was coming from, and was told the detention facility.

Ms. Bennett then provided the Council with revised budget pages for pages 35-36, 59-60, 67-68.

**Department Budget Presentations**

**Economic Development & Planning Department**

Mr. McGrain provided his power point presentation outlined the divisions in his Department, the number of permits issued (6,600) and the $85 million in construction in the City last year. He also pointed out that currently as of April 4th, there are 29,714 registered rentals in the City. The departments goals for 2019 included better data sourcing, quick turn-around time, transparency, a customer approach, and enhanced communication. The department is continuing to work on these goals and training. Mr. McGrain stated they have an increase in their budget due to the addition in code enforcement and capital funds towards parking. They are currently working with HR on any and all vacancies including the building inspector position, and a junior planner position. Mr. McGrain spoke briefly to the only fee changes are reflective in the parking ramps.

Council Member Washington asked what a junior planner would be doing. Mr. McGrain stated they have not finalized the job posting, however has been working with HR on an entry level planning and zoning position with someone who has experience in that area. They will assist and job shadow on special projects and developments. Council Member Washington then inquired into the slide that had a photo of Logan Square and asked if it was still ongoing. Mr. McGrain confirmed it had been addressed in the past however they continue to work with the ownership during the transition. Council Member Washington asked for revenues for licensing and charges in code compliance. Mr. McGrain confirmed that those fees are not an increase, but cover the cost of the service provided.

Council Member Hussain asked for details on the number of rentals over the last few years. Mr. McGrain admitted that going back to 2000 was difficult to locate historical data, however going back to 2012 there was 33,000 register rentals, compared to 30,000 now. Roughly there is a fluctuation of 500 a year with 275 being single family. His department will continue
to research. Council Member Spadafore asked what the percentage was for owner occupied homes vs. rentals. And Council President Wood added a request for details on the number of single family homes vs. single family rentals.

Council Member Washington stepped away from the meeting at 6:31 p.m.

Mr. McGrain acknowledged he would continue to research.

Council Member Hussain asked what the turn-around time was on rental applications and the rental inspection. Mr. McGrain admitted it takes about 2-3 months. Council Member Dunbar asked for a rental registry list that would show how many rentals came off the list over the last couple years.

Council Member Washington returned to the meeting at 6:35 p.m.

Council President Wood asked how much a new code officer would cost, and Mr. McGrain provided the amount of $100,000 which includes salary, uniform and a car, noting the work or service would cover that cost.

Council President Wood asked if they were doing anything on efforts to coordinate efforts on non-homestead or non-registered rentals. Mr. McGrain confirmed they currently do. Council President Wood asked for an update on the corridor inspector. Mr. McGrain admitted they were prepared in June 2018 when it was proposed in the current budget, but after it was posted in August 2018 they were not satisfied with any of the submissions so extended the deadlines and started interviews earlier this year and now have the intent on hiring an internal candidate who will be starting shortly. They will also be filling two code enforcement positions. Council President Wood asked for contact information on those employees when it is filled. Council President Wood inquired into the increase in telephone charges by $15,000 and Mr. McGrain stated those charges were previously out of the administration for planning and zoning and moved to building safety. Council President Wood asked if all the funds were utilized for the façade grant program, and Mr. McGrain acknowledged that his understanding was that all the funds were committed. Council President Wood forwarded a complaint she has heard about the new parking systems not taking cash or change. Mr. McGrain stated he would get details on the pay stations to the Council, and Council Member Spadafore confirmed that during the Parking Managers presentation on the pay stations it was noted they do take cash, just not the keys.

Council President Wood asked Mr. McGrain to follow up on any vacancies and the hiring process.

**Lansing Fire Department**

Interim Chief Tobin and newly hired Chief Mackey provided a power point presentation. This included the trend of increases on calls with an average of 61 calls a day, with one station taking 5,000 calls over the last year with only one ambulance. The presentation highlighted Fire and EMS trends and overview of structure fires in the City, a comparison from other communities including Ann Arbor, East Lansing, Delhi Township, Lansing Township, Grand Rapids and Detroit. It was noted that in August 2018 they had to move two (2) fire fighters from a truck to an ambulance because of the call trend. The presentation moved into the ISO Classes, vacancies, Fire Cadet Program, arson investigation, plan review and other duties the department does. Changes in the upcoming year include siren upgrades and moving the training division to South Washington Office Complex (SWOC).
Council Member Dunbar asked if the paramedics are community paramedics or if they work with registered nurses. Chief Tobin stated they will be paramedics and start with current and expand going forward. They have five (5) options and can focus on a specialty and have to integrate with 911. Council Member Dunbar then asked what the department was doing on assuring a diverse hiring class. Chief Tobin confirmed they are working with HR, looking at larger pool when hiring so more people will apply. Currently in the proposed budget there are funds to send three (3) EMT’s to become paramedics.

Council Member Washington acknowledged the proposed fire cadet program and encouraged them to reach out to local high schools. Chief Mackey stated he strongly supported the program and in his previous locations it was a success.

Council Member Hussain asked if when they hire EMT, they not go to paramedic training because there are no funds for that or is it because it is not a benefit. Chief Tobin acknowledged it is intensive training with a 1 year commitment.

Council President Wood noted there is no new equipment outlined in their budget, and asked if that would be under the recent appropriations resolution Council got, and Ms. Harkins confirmed it was. Council President Wood asked the Chief’s if that would suffice their needs, and Chief Tobin acknowledged it would be a good step moving forward.

Council Member Dunbar asked if they had a plan to manage long term costs, and if there was an amortization to pay for costs.

Council Member Jackson stepped away from the meeting at 7:10 p.m.

Ms. Bennett informed the Committee that the fleet fund moved to the internal service fund several years ago where they plan and fund for the future. This has increased over the years to cover full replacement. The intention is to ramp up the funding over time. Chief Tobin added that they are looking at software programs and are working with public service and administration.

Council President Wood asked about the collection of ambulance fees, and Chief Tobin for FY18/19 the LFD billed $11,950,000, however in contractual they agree to what the insurance companies agree to pay to the billing and the payment is different. He would however check on the historical exact figures and would include the trend.

Council Member Spadafore asked what the $1.3 million in information technology went for. Ms. Bennett stated Council will see that in each department which covers maintenance, personnel costs for the IT Department, and replacement of equipment. The Council would see the same details for the fleet line item, which on the GF is noted equipment repair.

Council Member Jackson returned to the meeting at 7:15 p.m.

Ms. Bennett added this is a partial replacement schedule. Council Member Spadafore asked for a detailed analysis for the IT item, and Ms. Bennett stated would get that, with Council President Wood asking IT to be prepared to address that. Council Member Spadafore asked for a breakdown and a roll up, and include that with the request on the fleet costs as well.

**DISCUSSION/ACTION**

RESOLUTION – Set the Public Hearing for the City of Lansing FY 2019/2020 Budget

MOTION BY COUNCIL MEMBER SPADAFORE TO SET THE PUBLIC HEARING FOR THE CITY OF LANSING FY2019/2020 BUDGET FOR MAY 13, 2019. MOTION CARRIED 6-0.
RESOLUTION – Renaming of City Council Chambers to “Tony Benavides Lansing City Council Chambers”
MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE RESOLUTION TO RENAME THE CITY COUNCIL CHAMBERS TO THE TONY BENAVIDES LANSING CITY COUNCIL CHAMBERS. MOTION CARRIED 6-0.

ORDINANCE – Amendment to Chapter 292- Section 292.14
MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE ORDINANCE AMENDMENT TO CHAPTER 292-SECTION 292.14. MOTION CARRIED 6-0.

RESOLUTION – Revised Outside Legal Counsel List for the Board of Water & Light
Mr. Smiertka clarified the list was a combined list which OCA presents annually to Council for updates on the outside legal Counsel for the City and the Lansing Board of Water and Light. The list had already been vetted with the Lansing Board of Water and Light Commission.

Council President Wood asked Mr. Smiertka to provide an outline of the different law firms on the list and what their expertise is that the City would work with them.

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE RESOLUTION FOR REVISED OUTSIDE LEGAL COUNSEL LIST FOR THE BOARD OF WATER AND LIGHT. MOTION CARRIED 6-0.

OTHER
Communication from Jack Alexander on Budget Proposal
Council President Wood moved the communication from this agenda to the night of the LEPFA budget presentation.

Council President Wood presented a Late Item regarding a noise waiver hearing for a street project in Old Town area on Cesar E Chavez and Washington. The item will also be addressed at Council later in the evening. The hearing will be set for April 22, 2019 and unless there are concerns, the noise waiver will be passed the same night.

Council Member Washington asked why it was late, and Ms. Harkins stated there was an issue with the Laser Fische program they use for routing items to Council agendas, and apologized.

MOTION BY COUNCIL MEMBER SPADAFORE TO SET THE NOISE WAIVER HEARING FOR APRIL 22, 2019 FOR THE STREET PROJECT AT WASHINGTON AND CESAR E CHAVEZ. MOTION CARRIED 6-0.

ADJOURN
The meeting was adjourned at 7:26 p.m.
Respectfully Submitted by,
Sherrie Boak, Recording Secretary
Lansing City Council
Approved by the Committee on April 15, 2019