



**MINUTES**  
**Committee of the Whole**  
**Monday, January 26, 2026 @ 5:00 p.m.**  
**Tony Benavides Lansing City Council Chambers**

**CALL TO ORDER**

Council Member Spadafore called the meeting to order at 5:00 p.m.

**PRESENT**

Councilmember Tamera Carter  
Councilmember Jeremy Garza  
Councilmember Adam Hussain  
Councilmember Ryan Kost  
Councilmember Clara Martinez  
Councilmember Deyanira Nevarez Martinez  
Councilmember Trini Pehlivanoglu  
Councilmember Peter Spadafore

**OTHER PRESENT**

Sherrie Boak, Council Staff  
Greg Venker, City Attorney  
Lisa Hagen-Lawrence, City Attorney  
Mark Lawrence, Mayor's office  
Marc Jones, Dept. Public Service  
Jake Brower, Chief Strategy Officer  
Crystal Thomas, Finance Director  
Pastor Kenny Craig  
Tyler Baker, Maner Costerisan  
Rawley Van Fossen, EDP Director  
Dick Peffley, LBWL  
Kim Coleman, HRCS  
Chris Keck, Plumbers Pipefitters and Lansing Building Trades  
Jeremy McCastle, Carpenters Union  
Govindarajan Murali  
Mr. Duvall  
Ivan Droste  
Elaine Fischhoff  
Katherine Alaino  
Aria Morey, Lansing Women's Shelter  
Greg Pratt, Michigan Hope  
Quinn Schafer  
Melissa Gabriel  
Benjamin Wilderson  
Shantel Spees  
Todd McCastle  
Ben Dodson

Dylan Zacks  
Aaron Nelland, Union representative  
Logan Fairchild  
Mike Smalligan, Cherryhill resident  
Deborah Mulkahy  
Jocelyn Mills  
Greg Pratt  
Kenny Craig  
Connie Craig  
Emma Ronan  
Mr. Meshesky  
John Warmb  
Steph Orderchohin  
Levi Labruzzo  
Faith Bradley  
Ron Wright  
Marshall Clabeau  
Olive Garza  
Mateao Cleary  
Kelly Smith  
Mark Harmon  
Sean Barnum  
Mr. Horshack- virtual  
Bill Tucker, Maner  
Khadja Ericson  
Kyle Richard  
Erin Riley  
Mayor Schor arrived at 7:34 p.m.

### **Minutes**

MOTION BY COUNCIL MEMBER PEHLIVANOGLU TO APPROVE THE MINUTES FROM JANUARY 12, 2026, AS AMENDED WITH COUNCIL PRESIDENT SPADAFORE CALLING THE MEETING TO ORDER AT THAT MEETING NOT THE CITY CLERK. MOTION CARRIED 8-0.

### **Public Comment**

Mr. Keck spoke in support of the ACT-7-2025 and rezoning at those properties.

Mr. McCastle spoke in support of the ACT-7-2025 and rezoning those properties.

Mr. Murali spoke in support of the data center and submitted a list of questions for the record.

Mr. Duvall spoke in opposition to the sale under ACT-7-2025 and rezoning of the parcels for the data center.

Mr. Droste asked the following questions:

1. Does Deep Green believe the parcels in question represent the only workable location in Lansing for this data center project? Would it be feasible (from both an engineering standpoint and a financial standpoint) for Deep Green to build a data center elsewhere in the city outside the Downtown region?
2. Has Deep Green researched other potential locations for data center projects within the Board of Water & Light's service area outside Lansing's city limits? If so, has Deep Green identified any such locations as viable? Would Deep Green pursue a data center project elsewhere within BWL's service area if City Council were to reject the current proposal?
3. If City Council approves Deep Green's proposal, are there any individuals *presently* employed by Deep Green who intend to take up residence in Lansing?

4. If City Council approves Deep Green's proposal, how many individuals will Deep Green employ to operate the facility once it's operational? How many of these positions will be full-time? How many of them will be on-site, and how many will be remote?
5. Deep Green estimates the data center will draw 24 MW of electrical power. What is Deep Green's confidence in this estimate? Can Deep Green predict how the facility's electricity use might change in the future?
6. Does Deep Green intend to install backup generators on-site? If so, how many will be installed, and what will be used to fuel them? Has Deep Green estimated how much fuel the generators will use annually?
7. Has Deep Green been in discussion with any potential clients for this data center? How does Deep Green intend on selecting its clients?

Ms. Fischhoff spoke on the data center impact.

Ms. Alino, encourage Council to vote no for the land for the data center, and asked for publication on the plan, hold public hearings and respond in writing to comments.

Ms. Mowry spoke to the homeless in the City.

Mr. Pratt voiced concerns with access to Causeway Bay, and not offering it to everyone. Mr. Pratt then acknowledged Council Member Kost for assistance to a warming center.

Ms. Mills spoke in opposition to the data center in downtown Lansing.

Mr. Zacks spoke in opposition to the data center.

Mr. Nellend spoke in support of the sale of property under ACT-7-2025.

Mr. Fairchild spoke in opposition to the data center.

Erin Riley spoke in opposition to the data center.

Mr. Sullivan spoke in opposition to the data center site. He then spoke on 5 questions on the rezoning and sale. First, does the City know what is going to be permitted; data center or power plant. Second, is the City ever going to meet sustainability goals. Third, Is the BWL charging enough for the industrial power. Fourth, are there adequate community benefits. Fifth, what parts of the Lansing noise ordinance will Deep Green be held accountable.

Ms. Mulchahey spoke on the noise from the data center, then spoke on the SLU for 500 S MLK, and referred to a FOIA request on the application, but never got it. Ms. Mulchaehy then spoke on the impact of Deep Green, the use when the data center leaves, and the impact on the property taxes.

Ms. Rownan spoke in opposition to the data center.

Resident spoke in opposition to location proposed to the data center in the eastside neighborhood area.

Mr. Meshesky spoke on the Deep Green proposed project.

Mr. Warren spoke in opposition to the data center.

Ms. Anderjanon spoke in opposition to the data center.

Ms. Garza spoke in opposition to the data center and voiced her concerns for a recent Deep Green open house where they did not have answers to her questions.

Moteao Cleary spoke on the impact of the data center.

Mr. Smith spoke on the data center and the concern of the oversight and impact on the water shed.

Ms. Linder spoke in opposition to the data center.

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

Mr. Harmon spoke on the data center

Mr. Barnum spoke on the data center and what occurred recently in Saline.

Council Member Hussain returned to the meeting at 6:02 p.m.

Ms. Breezy spoke in opposition to the data center.

Mr. Horshack spoke on the individuals who have been placed in Causeway asking for an extension to help the homeless.

### **Discussion/Action**

RESOLUTION – Appointment; Kim Butcher; At Large Member of the Board of Review; Term to Expire June 30, 2027

Mr. Butcher was not able to attend and Council President Spadafore moved the item to the next meeting.

RESOLUTION – Set a Public Hearing; Noise Special Permit – CSO019

Mr. Jones spoke on behalf of the City and contractor Hoffman Brothers, asking to allow work on Saturdays from 8 am to 4 pm. In this project, Oakland will be a complete closure, and if working on Saturdays they can do in 4 months but if no Saturdays are granted it could take 6 months. In addition, when it is work on a MDOT roadway, they request for the detour to be onto another MDOT roadway, so this will be detoured to I-496.

MOTION BY COUNCIL MEMBER PEHLIVANOGLU TO APPROVE THE RESOLUTION SETTING THE PUBLIC HEARING FOR FEBRUARY 9, 2026 FOR THE NOISE SPECIAL PERMIT FOR CSO PROJECT 019. MOTION CARRIED 8-0.

RESOLUTION – Set a Public Hearing; Noise Special Permit – CSO 016/017

Mr. Jones spoke on behalf of the City and Hoffman Brothers, noting this project was scheduled for a year and half construction, but due to delays with the railways, it was pushed to a 3<sup>rd</sup> year. This is north of the Old Town area, and they are requesting this noise permit for work on Saturday to expediate the completion of the project.

MOTION BY COUNCIL MEMBER PEHLIVANOGLU TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR FEBRUARY 9, 2026 FOR THE NOISE SPECIAL PERMIT FOR CSO PROJECT 016/017.

Council Member Hussain asked if this is for every Saturday referenced in those dates in the resolution, and it was confirmed by Mr. Jones adding that the times will also be from 8 am to 4 pm.

Council Member Carter asked for the estimate date of completion and Mr. Jones stated they project mid to late September.

MOTION CARRIED 8-0.

RESOLUTION – Deficit Elimination Plan; Lansing Public Media Authority for payroll services reimbursement

Mr. Brower explained that this is a partial administrative process as part of the audit process, per the State Treasury Department. The public media authority is its own entity of the City, and will operate the Ovation Media Center. Currently Ovation has one employee, and that payroll is running those through the City payroll, and then they reimburse the City. This payment was still on the books as of June 30<sup>th</sup>, 2025 but during the audit it was still receivables and needed to be cleared out and placed on the books of the Public Media Authority. Ms. Thomas added this is a routine requirement with the State. There was no shortage, but it was timing of the particular payment.

MOTION BY COUNCIL MEMBER PEHLIVANOGLU TO APPROVE THE RESOLUTION FOR THE DEFICIT ELIMINATION PLAN FOR THE PUBLIC MEDIA AUTHORITY. MOTION CARRIED 8-0.

RESOLUTION – Set a Public Hearing; Z-1-2026; 500 S Martin Luther King Jr. Blvd.; DT-1 to DT-2 Urban Flex

RESOLUTION – Set a Public Hearing; SLU-1-2026; Special Land Use Permit; 500 S Martin Luther King Jr. Blvd. for a sheltered care facility

Ms. Stachowiak, Mr. Van Fossen and Pastor Craig spoke on the items. Mr. Van Fossen stated these have already been reviewed by the Planning Commission. Ms. Stachowiak added that the Planning Commission did make the recommendation to approve both. The new rezoning would allow shelters with the granting of a Special Land Use (SLU). Staff recommendation is also to approve. Ms. Stachowiak did also add that currently the church is operating on a temporary permit helping approximately 50 people. Pastor Craig spoke briefly on what the church has done; the Advent House approached them to help the homeless, providing a temporary shelter to assist specifically families, in solely emergency situations.

Council Member Garza asked about the Planning Commission vote of 4-3, and why the 3 did not support it. Council President Spadafore acknowledged he attended that meeting, and there were some concerns, they were hoping to take more time on the application at another meeting. It is within Council purview to add any stipulations under the SLU.

Council Member Carter asked if this is temporary during winter months only. Mr. Van Fossen stated the SLU application in front of Council currently is for the special use to be allowed at any time. Pastor Craig stated they have not considered summer months, the request was to address the need during this cold time. They are not operating by the Cold Blue, they believe anything below 32 is necessary, not just when a Code Blue is declared. As for summer operations, they have not discussed that option.

Council Member Hussain asked about the Planning Commission discussion; asking if there was a concern for special land use or the rezoning, in addition to that question he asked under the DT-2 what other uses can occur. Ms. Stachowiak stated that all uses in DT-2 could be permitted but there are some SLU uses that would have to come to Council, similar to this request. Ms. Stachowiak continued answering the first question, that during the SLU vote they wanted to apply conditions, but Council can apply those. It was noted for Committee that the applications for the rezoning and special land use are in the packet. Council Member Hussain asked about the SLU intent, since it will be for the entire parcel, would this allow the applicant to build a facility. Ms. Stachowiak stated no, any expansion of a new building would have to come back to Council. It was reiterated that this request is for a shelter care facility in the existing church building. Council Member Hussain asked if the people benefiting have to be connected to the church and Pastor Craig stated that the members they have served so far are not members of the congregation, it is open to members of the public.

MOTION BY COUNCIL MEMBER PEHLIVANOGLU TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR Z-1-2026 500 S MARTIN LUTHER KING JR. BLVD. FOR FEBRUARY 23, 2026. MOTION CARRIED 8-0.

MOTION BY COUNCIL MEMBER PEHLIVANOGLU TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR SLU-1-2026 500 S MARTIN LUTHER KING JR. BLVD. FOR FEBRUARY 23, 2026. MOTION CARRIED 8-0.

### **Presentations**

#### City of Lansing Annual Audit Fiscal Year Ending 6/30/2025- Maner Costerisan

Mr. Baker and Mr. Tucker went through the final audit document in the packet and board communication letter.

Council Member Kost stepped away from the meeting at 6:32 p.m.

Mr. Tucker outlined what each document was, which includes a section on corrected and uncorrected statements.

Council Member Pehlivanoglu stepped away from the meeting at 6:34 p.m.

Mr. Tucker expanded on what the opinion on the City financial statements; government activities, aggregate, major funds, general funds, state funds, public safety funds, sewage disposal fund, municipal fund, unmodified or clean opinions on those items.

Council Member Kost returned to the meeting at 6:36 p.m.

Mr. Tucker referred the Committee to page 29-30 of the document which is the statement of net position. This statement is presented on capital assets, long term obligations, net OPEB and Pension liability.

Council Member Pehlivanoglu returned to the meeting at 6:38 p.m.

Mr. Tucker expanded on the funding for the pension and net OPEB, liability.

Mr. Baker went through government funds. He noted that total assets were \$53.5 million in GF, prior year it was at \$65 million. Mr. Tucker went through the findings noting each and which is consistent with previous years.

Mr. Tucker spoke briefly on the LEPFA process graph in the packet.

#### Annual Compensation Financial Report for FY 2024-2025

Mr. Randall, Ms. Thomas and Mr. Brower spoke on the CAFR document in the packet and filed with the State.

Council Member Garza stepped away from the meeting at 6:51 p.m.

Ms. Thomas acknowledged her staff contribution to the report.

Mr. Brower outlined the improvement they have made over the years in liability.

Council Member Garza returned to the meeting at 6:53 p.m.

Mr. Brower spoke on property tax stability, Headlee cap, income tax strength, future budget adjustment, State revenue projections, and offered any assistance for any questions.

Council President Spadafore referred to the findings from the external auditor relating to JE and bank reconciliations and if there are new ones. Mr. Brower stated that they could adjust

the audit to breakout to personnel and operating, but potentially would be a standard in the future. There were a number of adjustments throughout the process, but they hope to process those improvements in the future. Council President Spadafore asked if the outstanding issues would be addressed in the future. Ms. Thomas stated they are looking into the larger departments, because they need the support of what is being asked of them so finance can do billing timelier. This would include training. The bank reconciliations finding is a new one, it has to do with getting access to the retirement bank statements, but because of limited access it took time to get them.

ACT-7-2025; Sale of Property, Lot 49, 200 Block S. Cedar Street & Conditional Rezoning Z-2-2025; 220 S Larch and 3 adjoining parcels – Economic Development & Planning and LBWL

Mr. Lawrence distributed the staff report for the ACT-7-2025 and Z-2-2025. Ms. Stachowiak summarized the staff report on the sale and the rezoning along with the permitted uses, concluding that the Planning staff recommended approval of both.

Council Member Kost stated it was noted this would not be ideal with the housing master plan, and there is housing a few blocks north; Stadium north lofts. Ms. Stachowiak stated the area of this application is a different environment. The area is a heavy pedestrian traveled area and studies show the presence of pedestrians cause the flow of traffic to slow down. When traffic goes south of Michigan Avenue, towards the area in these applications, they speed up. The discussion then went onto if location of buildings, the types of buildings, and this proposed location for the data center would be desirable for a residential complex. Council Member Kost noted that there are some walking amenities, but Mr. Van Fossen stated that there have been no housing development applications submitted to the City for this area. This developer came to the City and requested it, and EDP's task is to address that request. Council Member Kost asked about what will happen to the Lugnut staff parking that currently uses Parking Lot 49 now. Mr. Van Fossen stated there is an agreement in the works with the Lugnuts for parking, they have verbally told the City they have no problem moving their parking to the lots under the Lansing Center. Council Member Kost referenced the renderings they have shown, stating that during public meetings they stated they didn't have drawings. Mr. Van Fossen stated they have gotten renderings, and Council will see those at the February 9<sup>th</sup> Council Meeting when Deep Green will do a presentation before the public hearing.

Council Member Hussain stated that in 1990 and 2010 when the City acquired the lots, it allowed the City to maintain site control and bridge the stadium district. Mr. Van Fossen assured this is the best plan for the City, the appraisal is the most recent, but would follow up on obtaining the previous appraisal. Council Member Hussain spoke about environment and if the sale would be as is, and Mr. Van Fossen confirmed it would be. Mr. Van Fossen stated they have not gotten any indication of any incentives. Council Member Hussain asked OCA, based on the original understanding that the City wanted control of the future control on the site, has there been discussions in the sale agreement, that if there are issues with completion of the project, would this come back to the City. Mr. Venker first acknowledged that the current appraisal was from 2023. Council Member Hussain reiterated that the City cannot impose conditions on a rezoning, but were there any conditions discussed. Ms. Stachowiak stated conditions are related to uses, the development of the site, landscaping, etc. but there are some conditions that cannot be enforced or monitored. Council Member Hussain asked if in terms of this size of data center, what type of investment do these uses usher in and can this be an economic impact. Mr. Van Fossen stated that they have been able to show there are secondary developments from surrounding efforts. He believes it is an economic driver for the community, and directly what they have offered immediately is the investment of local programming, return on investment in general. Mr. Venker responded to an earlier question by Council Member Hussain, citing that on page 9 of the purchase agreement, there is a condition that if the project is not commenced within 2 years, the City can purchase back. Council Member Hussain asked about the intent of "commence", such as if they lose

financing, and stop, then what. Mr. Venker stated "commencement" is vertical build, if they partial build there could be a half built structure that can be a data center.

Council Member Nevarez Martinez asked about why the Planning Commission denied the rezoning. Ms. Stachowiak stated they recommended denial by a split vote, and but approval of the sale; ACT-7-2025. There was a discussion between the two, and some that voted against the rezoning voted for the sale.

Council Member Hussain stepped away from the meeting at 7:24 p.m.

Council Member Nevarez Martinez asked if the vote for the sale passes, it does not go without the rezoning use. Mr. Van Fossen stated that Council still has a determination, the Planning Commission is a recommendation. Council Member Nevarez Martinez asked about the report that is custom and practice to provide the Council from the Planning Commission on why they did not approve the rezoning and provide a report stating why they denied.

Council Member Hussain returned to the meeting at 7:26 p.m.

Mr. Van Fossen stated they met prior to Council Member Nevarez Martinez taking office and their report was part of the referral in December. Council Member Nevarez Martinez then referred to the environmental impact report, reciting the intent to impact and improve the environment, which she read from the previous Act 33 report, asking if they recalled this, and they confirmed. She then asked Ms. Stachowiak and Mr. Van Fossen to identify each and every study they conducted to support the statement they wrote in their report. Ms. Stachowiak stated they looked as if it was a raw site and development; they are going from impervious surface to impervious surface. Regarding the building itself on contamination, there are certain codes at City, State and Federal level that regulates, and in regard to handling contamination and handling electricity, and power generated, there are permits, and these codes are written by experts in the field. The city will not allow a building to be constructed if it cannot hold up, these codes are in place to ensure nothing happens, and that is why permits are reviewed and inspected, not just by the city, but the State, EGLE, FEMA, etc. Council Member Nevarez Martinez asked again if there were any studies done or reviewed to verify their statement in their report, and they stated no. Council Member Nevarez Martinez then asked them to identify any expert report they read specific to the proposed Deep Green data center project. Mr. Van Fossen stated their work was specific to the zoning question and sale of the property, and the questions might be better suited for the applicant Deep Green directly. Council Member Nevarez Martinez asked about the submission Deep Green in seeking approval to building the 5.3 megawatt center on the Deep Green England web page. In that report they provided 99 documents in connection with what they were asking for, things she felt are very important to this rezoning. Mr. Van Fossen stated they did not submit any of those documents with these submissions to the City, they did review a vehicular traffic study they commented on in their report. Council Member Nevarez Martinez then asked Mr. Van Fossen if he had read the Bradford Data Center Operational TN5 Energy Report, and Mr. Van Fossen stated he is not familiar with that.

Council Member Martinez asked about the conditional rezoning question, also if they broke down, and they stopped and something happened, what happens if it does not become a data center. Ms. Stachowiak stated that someone else can come along with another proposal they would have to rezone it to what they are requesting. There is something in the ordinance, the City has never been faced with since conditionals are rare, there are some conditional rezoning is that they can revert back; there is a time frame in the statue, and the development has to be close to meaningful completion.

Council Member Pehlivanoglu asked about noise pollution within industrial threshold and if that comports to what BWL across the Street already adheres to and what does that compare to residential. Mr. Venker stated activity on industrial property is exempt from criminal general

provisions. Council Member Pehlivanoglu asked Mr. Peffley about the rate concerns, with a data center will this raise rates for all residential customers. Mr. Peffley acknowledged the concerns, and assured the Committee that rates are set by cost of service. A customer that comes in, applies and they are put in a rate appropriate to the class. The board has the ability to add protections for a start up to protect for that. In this case, Deep Green was told that with any infrastructure that has to be put in will have to be paid for up front. They will draw 24 megawatts, 8 megawatts will come off the grid, and 16 will be fuel production on site. They will pay all capital costs of the energy site, the BWL will own and operate ultimately, so if they leave BWL will own and there will be no stranded cost. They are not giving Deep Green any incentives, but with this there will be a reduction in natural gas to heat the steam customers, 25% reduction in natural gas usage. It is a 5-6 year reduction, and the total reduction in the gas portfolio is not 25%, there is 21% renewable natural gas, but there will be an overall impact. The cost for the fuel cost adjustment is flexible, in this case fuel cost will drop and will be reflected in the customers bills, and BWL cannot use. The hot water utility customers will see the reduction as BWL builds up. They do not see impact on residential customers, and if this occurs they will have the site.

Council Member Pehlivanoglu asked about the energy standard and how it affects BWL clean energy goals but 2030. Mr. Peffley stated there are multiple requirements, and their hopes are the plant/facility on site will help the clean energy goals for them. There is not a fuel cell plant in Michigan, and the intent to get this is considered clean energy. The intent is to push this plant as clean energy, it uses natural gas but burns natural gas by burning it down and no typical combustion, so it is cleaner, not renewable. The win for BWL is they can bring on different types of clean energy renewables. Council Member Pehlivanoglu asked Mr. Peffley if there were any independent reports to define sustainability and claims they are saying they will do and what they are saying on the impact. Mr. Peffley stated they looked at it from their view of the drinking water across the street and they saw no impact on that. As far as emissions and noise they did not look into that, the intent was to supply them with the energy, water and customers felt harmless and water had no chance for impact from the data center. They got the assurances they wanted. Mr. Van Fossen stated their cursory review, most of this will happen with formal site plan, through EDP, Fire, BWL, Public Service, CATA, other City departments, and architectural review under State building licensed requirements, along with Public Service on ground water. Most of the inquires and deep research would be if this was approved.

Council Member Hussain asked about the impact on the water this facility will use, and does BWL anticipate how much they will use annually, and secondly will there be replacement schedule, and lastly how will the water with the coolant be treated when it is replaced. Mr. Peffley stated they have provided the water loads, the lines that feeds them is minimally similar to a fast food restaurant. Can send Council what a restaurant uses in gallons, and it is minimal. He could not speak to Deep Green glycol system, you can send off site, there can be a closed loop, and the did ask them today if their system leaked do they have funds set aside, and they assured them they have insurance in place to handle that. Council Member Hussain asked dissipation for heat and how it happens in the summer months, and Mr. Peffley stated it will have 1/3 of the energy the BWL requires, in the summer the heat load does drop off, and there is heat in the industrial customers. There is still enough load to capture. If they were supplying 100% of the need there would have to be some kind of venting, but the numbers they have given BWL, BWL should be able to use all of the heat, and BWL will control 90% that is from the fuel cell. If there is a time of excess heat they can back that plant down.

Council Member Nevarez Martinez asked about the process would be done then determine the rates and class, and if that is less than a resident. Mr. Peffley stated they have asked for a rate.

Council Member Martinez stepped away from the meeting at 7:48 p.m.

They fall in 8 cent rate category and are not negatively impeding on other customers. The fuel cell rate, which they will ultimately pay for entire plant, BWL will discuss with them. They could own the plant, but BWL wants to own the plant because BWL is getting the heat form it and they want to manage their system. Council Member Nevarez Martinez reiterated a statement that BWL will make a \$1.1 million return on equity payment to the City once the data center is up and running, hence will the City expect that payment. Mr. Peffley stated the \$1.1 million, that is coming from the 6% of the gross income from BWL, and that will ramp up slow. In a fairly short time frame they expect for the load of 24 megawatts, and with the 6% cost of that revenue, if they deviate there would be penalty. Council Member Nevarez Martinez asked Mr. Peffley if he read the Bradford report mentioned to Mr. Peffley and he stated he had not but he did do studies of the their other properties.

Council Member Martinez returned to the meeting at 7:51 p.m.

The contract with them is not signed, and they have agreements and contingent on City. They believe the business plan is sound. Council Member Nevarez Martinez ask if he was aware that Deep Green LLC did not exist 6 months ago, and Mr. Peffley was aware it is not a concern, it is funding option. BWL will not have any issues getting funding, they get the asset funding up front. Council Member Nevarez Martinez noted that "Octopus" is similar to concerns with the American data center builder.

Council Member Garza asked the staff about the closed loop system, and it is common, asking them to explain other buildings that have closed loop system. Mr. Peffley stated the Delta powerplant has a closed glycol look system. Council Member Garza asked if hospitals and schools are similar to closed loop glycol system, and Mr. Peffley stated there are some with the glycol systems.

Council President Spadafore informed the public that the public hearing and presentation for this project at City Council meeting. There will be representatives at the meeting for input and discussion.

#### HRCS Update on Moving Forward with Individuals at Causeway Bay

Joe MacDonald, Kimberly Gillespie, Bethany Royston offered the overview. They first stated that when this opportunity was presented to HRCS, it was determined HRCS would work with Causeway Bay for those in the encampment. They would continue to work on housing and outside agencies would work on the needs of the individuals. When the individuals left the encampments, the agencies provided transportation, storage units and storage totes, and and emergency case management. HRCS works in the support role of hotel registration, payment. HRCS started with 16 hotel rooms, 26 residents. HRCS and other supporting agencies have relied on the coordination of onsite services, inter-agency coordination and basic needs support. For on-site services there are three service agencies, a minimum of three agencies provide assistance on every Tuesday and Thursday assisting with applying for ID cards. They are meeting on a bi-weekly basis with progress on a case by case basis. The most recent meeting was January 21<sup>st</sup>. They are helping to coordinate efforts to help residents who are struggling to meet their basic needs.

Council President Spadafore passed the gavel to Council Member Pehlivanoglu and stepped away from the meeting at 7:59 p.m.

Ms. Gillespie continued outlining what agencies are doing and what needs are being met. This work is not without challenges. It was noted that as of today there are 25 rooms, occupied by 49 former encampment residents.

Council Member Pehlivanoglu passed the gavel back to Council President Spadafore at 8:00 p.m.

Ms. Gillespie noted that HRCS is still working on permanent housing, shelters but the hotel is a time-limit intervention; a period of 6 weeks. Funds provided were initially allocated for those six weeks, and despite that HRCS continues working towards care and balanced approach with dignity and care while also emphasizing accountability, progress and proper use of funds.

Council Member Martinez, asked for clarification that there are 25 rooms, 49 residents, and it was confirmed. The number has decreased, it was 60 rooms and 57 residents. Council Member Martinez asked about the case management, basic needs, helping with ID and birth certificate. Ms. Gillespie acknowledged that those are not a HRCS effort, but that HRCS is simply providing hotel assistance. There are eight 8 agencies providing services; Punk with Lunches, Lahara, Tenant Resource Center, Ingham County Health Department, and Advent House to name a few. Council Member Martinez then asked how many of the residents had secured housing vouchers and Ms. Gillespie noted only two (2) have but are waiting on placement. Council Member Martinez asked if more are trying to secure by the end of the month when the 6 weeks are up. Ms. Gillespie confirmed they are an ongoing task, there are barriers in obtaining housing. Council Member Martinez asked how the 6 week time frame was decided, and Mr. Venker stated that funding from a previous budget and the budget was based on estimated rooms and residents.

Council Member Nevarez Martinez asked how HRCS selects who gets a room. Mr. MacDonald stated it was according to the court order; it was the people identified in the encampment. Council Member Nevarez Martinez noted there were more than 49 and Mr. MacDonald confirmed there were initially 57. Council Member Nevarez Martinez asked about the other 8 that are no longer there. Mr. MacDonald confirmed they went into the hotel, and Ms. Gillespie stated that they were kicked out of the hotel for various reasons and were not placed into other housing. Council Member Nevarez Martinez asked if there were other housing resources they could use besides vouchers. Mr. MacDonald stated that housing Housing Assessment Resource Agency is taking the lead on helping to place people in housing or supportive housing. The people are in various stages with qualifying with those, and they are ranked, which is through the coordinated entry program, and there are tools for prioritizing vulnerability.

Council Member Hussain asked about he 57 physical check in at start, for non-compliance of rules, did the City follow up with the people who left. Ms. Gillespie, HRCS is not responsible for case management or services, just the hoteling. Those removed from the hotel were because they did not comply with the hotel rules, and the agency providing services could provide information. Council Member Hussain asked what the effort is beyond the 6 weeks. Mr. MacDonald, stating that having everyone under one roof does help in coordination of services. The money the city allocated will run out soon, the Ingham County Housing Trust Fund Committee voted for \$76,000 to go towards this effort and the City will take that. Council Member Hussain, asked what does that buy in terms of time. Ms. Gillespie stated approximately 2 months.

Council Member Pehlivanoglu asked what is the dollar per day or week the city has been paying. Ms. Gillespie stated they are invoiced weekly from hotel, the rooms are at the rate of \$60 per night, 2 occupants per room, and the cost so far approximately \$38,000. Council Member Pehlivanoglu asked when city funding ends, and Ms. Gillespie said it depends when occupants entered the hotel, some will end 1/229 or 2/4. Council Member Pehlivanoglu asked in the next 8 weeks, if still not housed due to the process what are the next steps. Ms. Royston stated that if someone came from encampment into the program, being respectful, following all the case management, they are willing to be active, selected for jobs, and take initiative and contribute to their own success in the housing process they are willing to extend.

Council Member Carter asked Mr. Venker about the consent agreement in play, and there is communication that the agencies that were advocating for Dietrich Park residents, were not

aware of the consent agreement conditions including transportation, medical assistance, ADA transportation, etc. Mr. Venker confirmed there is a consent agreement by the court, the parties are the City and property owner JJ properties. The final details were not finalized, at which point it was final and executed. The consent agreement contained timelines, and nothing was broadcast until the court order was final order. The initial goal and intend was the city would help with hotel and transportation several days after that order, with intent of goal to start December 22<sup>nd</sup> and 23<sup>rd</sup>, understanding many people wanted to move before that.

Council Member Carter referred back to the statements on the storage units, and she had heard some belongings were destroyed or lost. Ms. Gillespie stated she did not want to speculate, it was not from encampment to storage, but it was the items they left at the encampment is when those were destroyed. As far as the transition period, it was seamless.

**OTHER**

No other topics.

**Adjourn**

The meeting adjourned at: 8:18 pm

Respectfully Submitted by,

Sherrie Boak, Recording Secretary, Lansing City Council

Approved by the Committee February 9, 2026