MINUTES
Committee of the Whole
Monday, September 24, 2018 @ 5:30 p.m.
City Council Chambers, City Hall 10th Floor

CALL TO ORDER
Council President Wood called the meeting to order at 5:30 p.m.

PRESENT
Councilmember Kathie Dunbar- arrived at 6:06 p.m.
Councilmember Jeremy A. Garza
Councilmember Adam Hussain
Council Member Brian T. Jackson
Councilmember Peter Spadafore
Councilmember Patricia Spitzley
Councilmember Jody Washington
Councilmember Carol Wood

OTHERS PRESENT
Sherrie Boak, Council Staff
Eric Brewer, Council Internal Auditor
Jim Smiertka, City Attorney
Mayor Schor- left at 6:35 p.m. returned at 6:56 p.m.
Angie Bennett, Finance Director
Nick Grueser, Lansing Lugnuts
Scott Keith, LEPFA
Jeremy Sampson, Lansing United
Peter Wood
Elaine Womboldt
Kathy Miles
Loretta Stanaway

Minutes
MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE MINUTES FROM SEPTEMBER 10, 2018 AS PRESENTED. MOTION CARRIED 7-0.

Public Comment on Agenda Items
Mr. Wood represented himself as speaking on behalf of Friends of Ormond Park, and stated his compliant on the lack of play structures at the park, and concern that children playing in the street. Mr. Wood then asked if the Council had a report on Groesbeck Golf Course, who has oversight over LEPFA, and what will the performance criteria be to evaluate how the golf

course was doing. He then asked for a timeline on when the report would available and it to include traffic counts, revenue and profit.

Council Member Hussain stepped away from the meeting at 5:34 p.m.

Ms. Miles asked that the City create a clause with Groesbeck that says the road cannot be sold to a developer for 2 years. Ms. Miles then spoke in support the ballpark lease if there are no additional costs to the City.

Ms. Stanaway supported everything stated by Mr. Wood, also did not want additional costs to the City on the ball park lease, and concluded with her budget priorities which were police, fire, roads, sidewalks, parks and cemeteries.

Ms. Womboldt spoke on the United Soccer League, and her concerns how much fiscal responsibility will be added to the tax payers. Lastly, she supported a budget priority that would bring more community policing officers.

Council Member Hussain returned to the meeting at 5:39 p.m.

Ms. Reynolds inquired if there were different code compliance officers for different areas of business, manufacturing, and residential.

PRESENTATIONS

Stadium Soccer License Agreement; City of Lansing & Lansing Soccer Club, LLC as United Soccer League Division Three Club; Thomas M. Cooley Law School Stadium

Council President Wood informed the Committee and the public that this would be a brief presentation, and then the Committee would go through the document line by line at the October 1, 2018 Committee meeting. Any questions should be forwarded to Council Staff this week so they can be sent onto the applicant and Administration prior to the meeting.

Mayor Schor briefly outlined the project, plans and noted Lansing would be the first city to have a professional soccer team and his administration was encouraged.

Mr. Grueser first distributed a rendering poster of what the field could look like. He then proceed with his presentation which highlighted how to maximize the stadium and address their objective on how make it more useful. There would be plans for 15-20 soccer games, and they have first looked at how those games will work with the demographics, and create a multi- sport facility. It was noted that since there are 12-15 league games, and the length of game is shorter than baseball it will result in less revenue. Also in the case of soccer they will pay for the player, coaches, travel, etc. as compared to no expenses like that for the baseball team. The lease, he outlined, addresses how to make this mutually beneficial for the club and the City. They actually used the current baseball lease as their template, even though both will be separate companies with Mr. Tom Dickson as the Manager of the organizations. Council President Wood asked if there would be separate front offices and staffing. Mr. Grueser stated they will share some staff, but will hire 10 new staff mostly in sales, marketing and management. Mr. Grueser then highlighted points in the agreement including the financial impact to sod the infield when the baseball diamond converts to the soccer field, and back to the baseball diamond. They are asking the City to pay for similar expenses that they already pay for on the field, but after comparing the cost of a contractor to do those field conversions versus buying the equipment up front they are looking for the financial assistance to purchase the equipment, which has a life span of 15-20 years. This would be a savings of $15,000. They intend to use the sod take from the baseball infield to repair any damage done during the soccer game in the outfield also. Council Member Spitzley inquired into if they had plans for any special events, and Mr. Grueser noted there were none. Council Member Jackson inquired into details on the soccer league itself, other teams and how long the league had been in existence. Mr. Grueser stated the league is USL D3 which will consist of 30 teams. This will be their inaugural season, so there was no history, but they are operating as a USL. Other teams he could release the name on were Madison, Toronto, Greenville and South Georgia. Council Member Washington asked if it would be more cos effective to own the equipment for the sod, and Mr. Grueser confirmed noting it was $150,000 and has a long life span. Mayor Schor stepped into the conversation and added that the Administration can look at financing to be creative with the funds and also reach out to others who can assist in the financial support. Council Member Garza asked if they will hire local workers, and Mr. Grueser stated the majority of the staff for the grounds crew is currently employed there. He then outlined the timeline on a field conversion which would be two days to go from baseball to soccer, and then 1 day from soccer to baseball. Both teams will coincide with soccer currently planned for March to September. Council Member Garza asked what the ticket prices would be, and Mr. Grueser confirmed they will be higher than the baseball, coming in at $15-$22, in comparison to the baseball tickets at $5 student and general admission at $8. Mayor Schor stated that the more expensive tickets will have a surcharge, and that is written into the lease. Council Member Spitzley asked what the difference from USL D3 is versus USL. Mr. Grueser stated it was based on market size, much like baseball. Council President Wood referred to the local labor agreement in the packet and asked if that meant they planned on renovations. Mr. Grueser confirmed they are entertaining an option to do renovations at the team expense, and if and when time comes will use local labor. Council Member Hussain asked if the sod conversations mentioned earlier are part of the CIP in the agreement. Mr. Grueser stated the CIP is a range option for support of the stadium, but to guarantee to put back into the ball park. They can use the CIP dollars to replace the field, and if they do not use the amount it goes back into the balance. Council Member Hussain asked if there would change in the rights to the stadium, and Mr. Grueser assured them there is no change. Council Member Washington inquired into if there were taxes collected under the TIF and was informed since it was City property there were no taxes. Council Member Washington then spoke in support of bringing the soccer league to the City. Council Member Garza asked if there was a team name and if there will be branding at the stadium. Mr. Grueser acknowledged they had no name yet, but the Lansing Soccer Club LLC is the legal name, in addition there will be branding at the stadium because they want it to be known as a two sport club field. Council Member Jackson asked what this would do to the City revenue and bottom line. Mr. Grueser acknowledged that it has been 23 years since the Lugnuts came to town and this past year their attendance was at 323,000. They are estimating 4,000 per game average, and used that in their figures to be conservative. Council Member Spitzley asked if this would still fall under LEPFA and was told the agreement with LEPFA will stay the same. She then asked if it will impact the subsidies that the City provides. Mayor Schor answered that his Administration will navigate it in the budget, because the costs will not come until next fiscal year, and any costs before that will be minor and LEPFA will absorb that cost before next fiscal year. Council Member Hussain asked for details on how this would impact other areas of the City. Mayor Schor confirmed they have spoken about a future youth soccer team, and matching the USL D3 players with youth soccer, readily spending time in the community. Council Member Jackson referenced the lease recommending they amend it to add in under Article 5 that the players will do community services. Council Member Hussain asked Mr. Grueser if there was a practice facility located, and Mr. Grueser acknowledged they did not have one identified, but long term planned for a training location in conjunction with the youth club facility. Council President Wood asked if there was a list of improvements they plan for the stadium and if so that it be brought to the October 1, 2018 Committee meeting. Mr. Grueser confirmed they had a list of ongoing projects and will bring that. Council President Wood encouraged the club to house their players and coaches in the City limits of Lansing. Mr. Grueser confirmed they will make every attempt, but at this time are not sure where and it could depend on the partnerships they find.

Council President Wood then asked the Mayor to provide an update on the Hope Soccer Complex, at which the Mayor stated he did not have an updated at this time, but when they have an update they will update council. Council Member Spitzley reminded the Administration that Council had worked with Hope Soccer Complex with their intentions to work with the schools and they have not done that.

Council President Wood reiterated that the Committee will go through the agreement line by line on October 1st and any questions should be sent ahead of time to Council staff.

DISCUSSION/ACTION

RESOLUTION – Issuance and Sale of 2018 Michigan Transportation Fund Bonds

Ms. Bennett informed the Committee that this resolution was for action on the MTF Bond that was before the Council a few weeks ago. The other bond, refund bond, does not need this action. This resolution would meet the requirement of a notification to the public.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE RESOLUTION FOR THE 208 MICHIGAN TRANSPORTATION FUND BONDS. MOTION CARRIED 8-0.

Ms. Bennett then updated the Committee on the sales of the bonds mentioned earlier, MTF and Refund Bond. They were held September 12th, and the MTF Bond went at 3.5% interest rate, and with the premium on the bond so they paid more, so terms of the interest cost 2.1% and favorable. In both bond sales there were 6 bids. Regarding the refunding bonds/parking bonds the City was projecting a $450,000 savings over the remaining 11 years and came out at a $490,000 savings. With the different maturity, it will be 2.0% in the early years and 4.0% in the later years creating an average of 2.727%.

RESOLUTION – Support of Establishment of an Independent Citizen's Redistricting Commission

Council Member Spadafore referenced the resolution which was distributed at the last Committee meeting. It was confirmed the resolution was approved by the City Attorney office also.

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE RESOLUTION TO SUPPORT THE ESTABLISHMENT OF AN INDEPENDENT CITIZEN'S REDISTRICTING COMMISSION.

Council President Wood noted that with this they would not be taking a position on the ballot proposal but on the redistricting. Council Member Spitzley clarified it that it would not be on the redistricting, but on the establishment of an Independent Redistricting Commission, and Council President Wood confirmed. Council Member Spadafore added that this Commission supports a lot of the concepts stopping gerrymandering.

Council Member Jackson stepped away from the meeting at 6:41 p.m.

Mr. Smiertka noted for the Committee and public that the Campaign Finance Act does not allow for support or opposition of ballot proposal, but as a policy making body, Council can take a position on policy matters, and this resolution is aimed at policy.

MOTION CARRIED 7-0.

<u>RESOLUTION– Fiscal Year 2019/2020 Budget Policies and Priorities</u>
Council Member Jackson returned to the meeting at 6:44 p.m.

Council President referenced the recent version which included the green highlighted suggestions from law and the yellow highlighted sections from Council Members at the last meeting. It was also noted there were recommendations from the Board of Public Service that were presented last year that they were asking for again. Lastly, Council President Wood referred the Committee to the document submitted at the meeting by Council Member Jackson with his four (4) suggestions.

Council Member Jackson referred to his first recommendation, asking it to be added to page 4 (7) to earmark specific funds away from the annual funds. The Committee agreed to add "and how to increase funding." to the item. Item #2 on Council Member Jackson's recommendation was added to page 5 as I. e) "Funding through HRCS for a G.E.D. Program that targets lower income areas." Item #3 was added to page 5, (5) "and encourage employment of Lansing residents". Regarding item #4, it was determined it reflected what was also stated in the Board of Public Service recommendations, so those were added in whole.

Council Member Washington asked for a correction to her recommendation on page 8, (13) to include "funding to implement".

Council Member Spadafore acknowledged that at the last meeting he asked the Council Internal Auditor for costs, and provided the following information:
Community Policing Officer - $120,000.00
Support Staff for Code Compliance - $75,000.00
Code Enforcement Officer - $105,000.00/each
Street Sweeping - $30,000 and $135,000 annually

Council Member Dunbar asked for the report to be provided to the rest of Council and asked for a breakdown of each priority for the future Budget Priorities so the Council has a cost section to see how it will impact the budget.

Council Member Hussain stated to the Mayor that Council was promised they would look line by line on the next budget that this priorities are going towards, and he hopes they do. He then asked Mr. Brewer if the figures were one year or multiple. Council President Wood asked that the breakdown also include the revenue that Code Compliance will be generating. Mr. Brewer stated the costs were per the information he was provided from the Administration projecting for the upcoming FY, noting fringe benefits were not included, and were estimates.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE FY 2019-2020 BUGET PRIORITIES WITH THE CITY ATTORNEY RECOMMENDAITONS, RECOMMENDATIONS FROM THE LAST MEETING BY COUNCIL MEMBER SPADAFORE, WASHINGTON, GARZA AND WOOD., THE RECOMMENDATIONS FROM COUNCIL MEMBER JACKSON AND THE PUBLIC SERVICE BOARD REQUEST. MOTION CARRIED 8-0.

<u>Other:</u>
Council Member Spitzley expressed a concern on recent complaints she received that residents' taxes were late and they were being penalized because the City changed their P.O. Box to mail payments to and the residents were not notified. Council President Wood confirmed she too had gotten complaints about a resident who mailed her mailed in the envelope that was with the taxes however it had the wrong address on it, and Council Member Washington also received complaints. Mayor Schor said they were aware of it, and they did

change P.O. boxes, but if the banks mailed their payments to the old box, a P.O. Box does not have a forwarding order. Mayor Schor then acknowledged he would be open to consider waiving penalties and fines, under the State law that states they can. He assured the Council they are working on a plan to address the issue.

ADJOURN

The meeting was adjourned at 7:08 p.m.
Respectfully Submitted by,
Sherrie Boak, Recording Secretary
Lansing City Council
Approved by the Committee on October 1, 2018