MINUTES
Committee of the Whole
Monday, October 8, 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
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
Samantha Harkins, Mayor Executive Assistant
Mayor Schor
Elaine Womboldt
Kathy Miles
Loretta Stanaway
Greg Venker, Assistant City Attorney
Heather Sumner, Deputy Chief City Attorney
Nick Grueser, TMO
Scott Keith

Minutes
MOTION BY COUNCIL MEMBER SPITZLEY TO APPROVE THE MINUTES FROM OCTOBER 1, 2018 AS PRESENTED. MOTION CARRIED 7-0.

Public Comment on Agenda Items
Ms. Womboldt spoke in support of the professional soccer club, but questioned if this was a priority and concerned with the financial impact.

Ms. Stanaway spoke in opposition to the soccer lease, and asked for any funding to go to City Departments first.

Ms. Miles spoke in opposition to the soccer league agreement.

DISCUSSION/ACTION

RESOLUTION- Stadium Soccer License Agreement; City of Lansing & Lansing Soccer Club, LLC (LSC) as a USL League 1, a United Soccer League One Club; Thomas M. Cooley Law School Stadium

Council Member Jackson stepped away from the meeting at 5:40 p.m.

The Committee went through the agreement and City Attorney Smiertka highlighted the changes

Council Member Jackson returned to the meeting at 5:41 p.m.

Council President Wood asked Mayor Schor to speak at the end of the meeting on the cost of the project on the tax payers and what items will be sponsored or incentives by sponsors. This would be in addition to what the City currently pays to the Lugnuts. She pointed an interested towards what the additional cost will be, what will be offset with donations, sponsorships and the franchise.

Mr. Smiertka confirmed that at the Committee meeting on October 1st, Law was asked to make changes to the agreement based on the comments by Council. In addition the applicant was to provide the ticket manifest; which was submitted, provide the number of City residents that were employees, and confirm that the source of water was BWL. Mr. Smiertka then went through the changes in the document which were addressed on the following pages:
Page 1 line 11; page 10 line 7; page 11 line 18; page 12 line 20; page 13 line 18-20; page 21 line 3-7; page 22 line 17; page 25 line 7; page 26 line 9-10; page 32 line 16; page 33 line 3 and line 15; page 39 line 22; page 40 lines 2, 4 and 20.

Council Member Jackson voiced his concern on the language used for the request for the players to volunteer and work with the community. Mr. Grueser stated that is it part of their business plan and with timing of 2018 they will start in June 2019 and work into June 2020. This will include ongoing community engagement with players and a youth club. The Youth club will be a paid membership starting at age 5. Council President Wood voiced her concern on the paid membership and asked them to consider options for free. Mr. Grueser stated they could look into sponsorships and donations, but that plan will not be finalized until later.

Regarding the changes to the marketing match by the organization, Council President Wood was concerned the City marketing budget of $120,000 would be paying for their marketing staff. Council Member Dunbar stated she understood some of their funds would need to support a person to do the programming. Council Member Spitzley stated her concern with the City paying $120,000 for marketing of a private business, but appreciated that they agreed to match it. Council President Wood clarified her earlier statement, noting she wanted to see how the $120,000 was being spent and wanted it to go directly to advertising, but understand their match could go towards a person to do the job. The Committee moved into reviewing the manifest and percentage of the tickets the City would get. Mr. Grueser explained he took the average of the number of premium tickets, divided it by themselves, then divided by $2 and that came to 5.97% and so he rounded it up to 6% and that is now what is in the agreement instead of $2 per premium ticket.

The Committee then spoke with Mr. Grueser on the Administration on their request at the October 1, 2018 meeting for reutilization of the sod when they do change over. Mr. Grueser confirmed he spoke to his grounds keeper, who confirmed it will be difficult to roll back up so there will be trial and error period, but they will attempt to reuse. It will depend on the timing, available resources, and strict coordination on replacement in a sod prepared area. Council President Wood asked if it is not reused if it can be composted. Mayor Schor stated he would check with the Parks Director on locations, but he added the Lansing Soccer Club is responsible to remove so it is their expense. Mayor Schor said he would look into what would be involved in composting the sod that is not reused.

Council Member Spitzley referred the group to page 40, line 11-13 where it stated the neutral representative would be paid out of available CIP funds, pointing out that this item was not one of the itemized CIP expenditures. Council Member Spadafore explained that the CIP are funds for certain items, so if it was needed, that would lessen the total CIP for other projects. Mr. Smiertka admitted that has been in the TMO agreement. Council President Wood asked if that was ever utilized in the TMO agreement, and was told no.

Council Member Jackson asked the Administration about the negotiations for this agreement, and if there were any concessions already made to get to this point, and if the Administration could make any more concessions because the City has a concern with the current fiscal responsibility they are in. Mayor Schor confirmed they had started with many options, and worked to this point. He felt comfortable to this point, and acknowledged that both parties agree to 5 years on the financial items and believe this is fiscally responsible. Mayor Schor also assured the Council that in his next year proposed budget he will show addressing fire, police, streets and this soccer agreement. On a side note he also made a statement that he believed the City will have a sponsor for 2/3 of the equipment ($100,000).

Council Member Spadafore asked what the team payroll would be, and as told $350,000 with no salary cap at this level of soccer. Council President Wood asked if the players would live in the City for more than 6 months, and if so they would have to make sure they paid resident and/or non-resident income tax. Mr. Grueser stated they have not made the final determination on the housing, but assume they will live in Lansing 8-9 months out of the year.

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE RESOLUTION FOR THE STADIUM SOCCER LICENSE AGREEMENT; CITY OF LANSING & LANSING SOCCER CLUB, LLC (LSC) AS A USAL LEAGUE 1, A UNITED SOCCER LEAGUE ONE CLUB; THOMAS M COOLEY LAW SCHOOL STADIUM. MOTION CARRIED 7-0.

Other:
No topics

ADJOURN
The meeting was adjourned at 6:13 p.m.
Respectfully Submitted by,
Sherrie Boak, Recording Secretary
Lansing City Council
Approved by the Committee on October 22, 2018