



**MINUTES**  
**Committee of the Whole**  
**Monday, March 16, 2020 @ 5:00 p.m.**  
**Tony Benavides Lansing City Council Chambers**

**CALL TO ORDER**

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

**PRESENT**

Councilmember Peter Spadafore  
Councilmember Adam Hussain  
Councilmember Carol Wood  
Councilmember Patricia Spitzley  
Councilmember Kathie Dunbar  
Councilmember Brandon Betz  
Councilmember Jeremy Garza  
Councilmember Brian T. Jackson

**OTHERS PRESENT**

Sherrie Boak, Council Staff  
Mayor Schor  
Jim Smiertka, City Attorney  
Greg Venker, Assistant City Attorney  
Judy Kehler, City Treasurer  
Brian McGrain, Economic Development & Planning Director  
Chad Gamble, Parking Manager  
Jake Brower, Finance  
Shelbi Frayer, Finance

**Minutes**

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE MINUTES FROM FEBRUARY 24, 2020 AS PRESENTED.

**Public Comment**

No Public Comment

**Presentations**

City Treasurer – RE: Income Tax

Council Member Wood stated to Ms. Kehler that she was aware she was new to the position, but asked if there was any information she could lend to Council in helping the determination on what made up the income tax that was list as part of the process for the budget.

Ms. Kehler acknowledged she was not an employee when the current budget was created, so she was not sure of the perimeters used by the former employees. Council Member Wood asked her to outline how she would have made the income tax projections. Ms. Kehler stated she would take the sum of the fiscal year payments, and subtract the refunds, then net collections. When looking at the fiscal year payments, she also looks at jobs, economic indicators, in 2019-2020 the GM strike would impact, look at withholding indicators and multiplier, look at new jobs created, at the effect and factors. Council Member Wood then referenced the projection from the Interim Finance Director that there would be a reduction of \$2.4 million in revenue from the Income Tax, and asked Ms. Kehler if she was involved in working with Finance on how that was calculated. Ms. Kehler acknowledged it was a conservative estimate from early February, but since then they have gotten The GM strike impact, the East Lansing income tax impact, and any other item that impacted it. The City does a data compare with the State Tape Program and looks to see who has filed State tax returns, and then can pursue non-filers with the City. She explained that in the past that has brought in \$200,000-\$900,000. This program was not in existence for the FY2019/2020 year, but was still projected in the budget. Over time the City has lost employers, which impacts income tax withholding and impacts spending. Lastly, Ms. Kehler pointed out that there was a direct loss of \$811,000 to the income tax from the 40 day strike of GM, and the East Lansing income tax decreased the City of Lansing revenue by \$635,179.

Council Member Wood asked there was agreement with the \$2.4 million in the budget amendment. Mayor Schor stated they were going to stick with \$2.4 million, but told Council to expect numbers for the year end June amendment, and that will take all this into account.

Council Member Hussain asked for confirmation on the figures given for the GM and East Lansing impact, and Ms. Kehler confirmed the earlier numbers of \$811,000 and \$635,179 which total \$1,446,179 and in the earlier presentation the City did not have the exact count of the East Lansing residents. Council President Spadafore asked where the other \$1 million of the \$2.4 million was, and Ms. Kehler stated that be the impact of the State Tape Program she mentioned earlier that they utilized in the past and the former Finance Director projected, however as she stated it was not in existence in FY2019/2020, so that projected a loss. Currently there are a number of years to be brought up to collect.

Council Member Hussain stepped away from the meeting at 5:11 p.m.

Council Member Wood asked for the determination of an increase in property taxes and revenue increases, and Ms. Kehler stated there is a functional formula of property tax, IFT, TIFA, and other impacts.

Council Member Hussain returned to the meeting at 5:12 p.m.

Council Member Wood asked how many properties were currently at the tax tribunal, and Ms. Kehler was not able to provide that information at this time, but stated she would look into it.

Council Member Spitzley asked what the plan was for Treasury with the Mayor's Executive Order as of today to close all offices. Ms. Kehler confirmed people can still pay their taxes at drop boxes, pay on line, call to make appointments, and they will be following the protocol of the banks. Mayor Schor added that the City has posted a list of phone numbers on the website providing avenues for people to get their answers.

**Discussion/Action:**

**ORDINANCE – Amendment to Police and Fire Retirement Ordinance Chapter 294, Section 294.02(d)**

Council Member Wood noted for the Committee that the hearing will be held at the Council meeting after this meeting and action at the same meeting for this item and the next.

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE ORDINANCE TO AMEND THE POLICE AND FIRE RETIREMENT ORDINANCE CHAPTER 294, SECTION 294.02(d).  
MOTION CARRIED 8-0.

**ORDINANCE – Amendment to Employees Retirement Ordinance Chapter 292, Section 292.09**

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE ORDINANCE TO AMEND THE EMPLOYEES RETIREMENT ORDINANCE CHAPTER 292, SECTION 292.09.

Council Member Betz asked if there was a financial impact for hiring their own legal counsel, and Council Member Wood confirmed they have a budget line item to pay for outside services. There will be an increase but they have under spent over the last couple years, and what it will do is decrease the City Attorney general fund expense because they have been covering the cost previously. Mayor Schor added that the OCA hires out the Board legal counsel. Council Member Jackson asked why they were switching. Council Member Wood explained that the ordinance is currently written so Boards cannot hire outside legal counsel so they need to change the ordinance to allow it, and the only change is from “shall” to “may”. Under the retirement Public Act, they were not able to hire.

MOTION CARRIED 8-0.

**RESOLUTION – Deficit Elimination Plan; Special Assessment Capital Project Fund**

Mr. Brower noted the plan would look familiar to previous years and is to address where the GF is provided in advance of working capital on special assessments.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THER DEFICIT ELIMINATION PLAN. MOTION CARRIED 8-0.

**RESOLUTION – Issuance and Sale of 2020 Limited Tax General Obligation Bonds for Capital Improvements**

Ms. Frayer acknowledged there were 2 RFP done and rewarded to bond counsel one to Dykema and one Baird. Mr. Gamble distributed a presentation on the parking services to the Council, then went through the presentation page by page. Highlighted in the document was the ramp work schedule, photos of the current conditions, the \$5.2 million cost for North Capitol Ramp and \$6.9 Million for the South Capitol Ramp.

Council Member Jackson stepped away from the meeting at 5:25 p.m. and returned at 5:31 p.m.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE 2020 LIMITED TAX GENERAL OBLIGATION BONDS FOR CAPITAL IMPROVEMENTS. Council Member Wood asked Mr. Smiertka if there was any reason to have a waiting period on the bonds and Mr. Smiertka stated he was not aware of any need for a delay.  
MOTION CARRIED 8-0.

**RESOLUTION – Issuance and Sale of Refunding of Building Authority Bonds and Tax Increment Finance Authority Bonds**

The representatives from Dykema and Baird outlined the bonds, noting a nominal savings of \$620,000. This would remain in the TIFA to offset any reductions in capture, and keeping within the City’s General Fund. Council Member Wood asked if the building authority bonds

had to do with the court, and was told they were not they were related to the parking structure that was under the TIFA.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE BUILDING AUTHORITY BONDS AND TAX INCREMENT FINANCE AUTHORITY BONDS. MOTION CARRIED 8-0.

RESOLUTION – Issuance and Sale of Limited Tax General Obligation Refunding Bonds  
MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE GENERAL OBLIGATION REFUNDING BONDS. MOTION CARRIED 8-0.

PLACE ON FILE- Report on Boards, Commissions and Authorities Term Expirations  
MOTION BY COUNCIL MEMBER HUSSAIN PLAN ON TILE THE LIST OF BOARDS, COMMISSIONS AND AUTHORITY EXPIRATIONS. MOTION CARRIED 8-0.

PLACE ON FILE – Executive Order 2020-01; Policy and Procedures for Temporary Marihuana Event Licenses  
MOTION BY COUNCIL MEMBER HUSSAIN TO ACCEPT AND PLACE ON FILE THE EXECUTIVE ORDER 2020-01 FOR TEMPORARY MARIHUANA EVENT LICENSES. MOTION CARRIED 8-0.

#### **Other**

##### **{Closed Session}**

MOTION BY COUNCIL MEMBER HUSSAIN AT 5:45 P.M. TO GO INTO CLOSED SESSION Pursuant to MCL 15.268(c) at the request of the City for strategy and negotiation purposes connected with the negotiation of collective bargaining agreements.

Pursuant to MCL 15.268(h) of the Open Meetings Act, I hereby move that we recess into closed session to consult with the City Attorney to consider material exempt from discussion or disclosure by state statute. Specifically, to discuss a written legal opinion and written material from the City Attorney provided under attorney-client privilege and attorney work-product, and which is also exempt from disclosure under the Freedom of Information Act pursuant to MCL 15.243(g).

##### **{Reconvened}**

Council President Spadafore reconvened the meeting at 6:33 p.m.

##### **Discussion/Action:**

RESOLUTION – Ratification of Teamsters 243 CTP Collective Bargaining Agreement  
Council Member Hussain outlined the CBA for CTP and Supervisory which was noted as a 2 year agreement from 2/2019 to 1/31/202.

MOTION BY COUNCIL MEMBER HUSSAIN TO APROVE THE RESOLUTION FOR THE RATIFICATION OF TEAMSTERS 243 CTP COLLECTIVE BARGAINING AGREEMENT. MOTION CARRIED 8-0.

RESOLUTION – Ratification of Teamster 243 Supervisory Collective Bargaining Agreement  
MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE RATIFICATION OF TEAMSTERS 243 SUPERVISORY COLLECTIVE BARGAINING AGREEMENT. MOTION CARRIED 8-0.

### **Other**

Mayor Schor spoke briefly on the Emergency Order that was issued prior to the meeting. The order would close all City buildings as of 3/17 and all non-essential employees would be working from home on tasks provided by the director and will be paid. Council Member Wood asked for details on the schedule mobile food pantry, and the Mayor confirmed they are working closely with the food bank. Council Member Spitzley added that the upcoming event will provide the service in a drive-up capacity.

Council Member Wood asked for clarification on essential employees working from home, and if they will receive other compensation. Mayor Schor stated they will continue to get paid and the unions have been notified. Council Member Betz asked if this would affect the operations of the HRCS department. Mayor Schor stated they will still be operating on their services and working with the hospitals and homeless shelters.

Council President presented a resolution to extend the Mayor's emergency powers to April 10<sup>th</sup>.

MOTION BY COUNCIL MEMBER HUSSAIN TO EXTEND EMERGENCY POWER TO THE MAYOR UNTIL APRIL 10 2020.

Council President Spadafore stated that if it needs to go longer, the OCA has confirmed they can have another meeting to address it.

MOTON CARRIED 8-0.

Council President Spadafore presented a memo to the Committee on the suspension of all Committee meetings during this time and any items that need action will be moved to Committee of the Whole and Council.

MOTION BY COUNCIL MEMBE HUSSAIN TO SUPPORT THE MEMO.

Council Member Jackson asked, in the need for public safety, if there is something that is deemed essential would it be discharged and considered at Committee of the Whole, and Council President Spadafore confirmed.

MOTION BY COUNCIL MEMBER HUSSIAN TO SUSPEND RULE 46 AND THE MEMO DETAILS.

Council Member Spitzley voiced her concern on if there was the capability to address issues at Council without meetings. Council President Spadafore stated the IT Department has confirmed it is possible. Council Member Wood asked to add "until the State of Emergency has been lifted". Council President Spadafore stated it could be changed, however the last clause already states Council has to approve and was confident everything would be reinstated after the State of Emergency.

MOTION CARRIED 8-0.

### **Adjourn**

The meeting adjourned at 6:56 p.m.

Respectfully Submitted by,  
Sherrie Boak, Recording Secretary,  
Lansing City Council

Approved by the Committee on April 27, 2020