



MINUTES

**Committee on Development and Planning
Thursday, November 10, 2016 @ 10:00 a.m.
Council Chambers, City Hall**

CALL TO ORDER

The meeting was called to order at 10:02 a.m.

ROLL CALL

Council Member Jody Washington, Chair
Council Member Jessica Yorko, Vice Chair- excused
Councilmember Judi Brown Clarke, Member

OTHERS PRESENT

Sherrie Boak, Council Staff
Jim Smiertka, City Attorney
Eric Farrington, Sheet Metal Workers
Brian Brannick
Steve Japinga, Lansing Regional Chamber of Commerce
Mark Mello, Sheet Metal Workers
Zane Hubbard, IUDE 324
Joseph Lopez
Eric Brewer, Internal Auditor

Ordinance – Transparency in the Bidding and Opening of Bids for Projects that Receive Certain Economic Incentives Approved by the Lansing City Council

Council Member Washington highlighted notes from Council Member Wood on the history of the ordinance and outlined the process of the establishment of the Ordinance. Council Member Washington then acknowledged the organizations that participated in the process including the Lansing Chamber, the labor unions, and LEAP. Through the Chamber and LEAP businesses have been made aware of the proposed ordinance, and until the final draft nothing was heard from the businesses until the final draft. Because of that interest after the public hearing there was another meeting schedule with the group and the business was invited however they did not attend, and no one offered any further input. Council Member Washington referenced items in the ordinance which does not state who a developer has to hire but what they have to use for the criteria for hiring. This merely states developers have to put the bid out through the appropriate venues, and open the bids at a published place and time. The ordinance is not requiring a decision at the time of the opening, and they do not have to give the job to the lowest bidder. The ordinance would require they notify bidders if they did not get the bid but they don't have to say why. These charges are done because if the City is giving tax dollars, the local

regions should have the right to apply for the jobs. If the developers are willing to do all the paperwork and go through the steps to get the incentives, the developers should be willing to agree to this. Council Member Washington read information from Council Member Wood that time the Mayor signed an executive order which was the same as what the Council had been working on. But because the Executive Order was approved before the Ordinance passed the active document is the Executive Order not the Ordinance. This recent ordinance is a contractual ordinance which is an addendum to the universal development agreement. This would put a requirement to those that request tax incentives and make it open and open bidding opening in public locations. There will be public advertisement of bids, dates and opening dates, and bids of three or more. It was noted that there was a change added to the earlier proposed ordinance that changed the sunset period on the Ordinance from 10 years to five years. The ordinance will take effect 30 days after adoption by Council and be done as part of the contract with LEAP who will work with City Attorneys on the procedures.

PUBLIC COMMENT

Mr. Japinga acknowledged the Council members who worked on the ordinance, the union and all other participants in the group, along with allowing the Chamber to participate. Mr. Japinga did confirm that the Lansing Chamber cannot agree with the ordinance, and agrees some developers are doing the right thing, and there needs to be a line on transparency. The Chamber has reached out to the Mayor's office on the earlier Executive Order to see if there are any changes that can be made. Council has the opportunity to vet the properties and ask the questions. Mr. Japinga confirmed the Chambers understanding of these amendments and understands that with the Executive Order what Council can do. Mr. Japinga concluded by stating his opinion that if there are going to be changes, it needs to be uniform across the county. They do not want Lansing to have any disadvantages and they want Lansing to compete with a transparent system.

Council Member Brown Clarke stated that the frame work is not to be problematic, and even in duplication of process, some times that is best practice. It is not duplication, but an additional application. With all the things happening in a development agreement, the City is asking to take that information in a form to show that the process has been followed. She continued by stating that moving forward Council does not want to sway a builder, but this shows integrity and trust in the process. The City Council's only ability is having to do this in an Ordinance, and they are not trying to be obstructive.

Council Member Washington acknowledged the Mr. Japinga and the Lansing Chamber for their participation, recognized that the surrounding townships and cities are not participating, however the City cannot wait. It was noted with the ordinance the developers do not have to hire but this would require them to allow the local contractors the opportunity to apply.

MINUTES

MOTION BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE MINUTES FROM OCTOBER 27, 2016 AS PRESENTED. MOTION CARRIED 2-0.

Council Member Washington informed the public that the Ordinance will be up for passage at the November 14, 2016 Council meeting.

Mr. Smiertka stated he had no comments.

Council Member Washington introduced the new Internal Auditor.

MOTION BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE ORDINANCE AND
MOVE IT TO THE FULL COUNCIL. MOTION CARRIED 2-0.

Council Member Brown Clarke encouraged a follow up meeting with the group that worked on
the ordinance after it is passed to review any unintended consequences.

Adjourn at 10:27 a.m.

Submitted by,

Sherrie Boak, Recording Secretary,

Lansing City Council

Approved by the Committee on December 8, 2016