



MINUTES
Committee on Ways and Means
Friday, July 16, 2021 @ 3:15 p.m.
Lansing City Council Conference Room

CALL TO ORDER

The meeting was called to order at 3:15 p.m.

Members Present via audio/video

Council Member Carol Wood, Chair
Council Member, Adam Hussain, Vice Chair
Council Member Peter Spadafore, Member - excused

OTHERS PRESENT

Sherrie Boak, City Council Office Manager
Lisa Hagen, OCA
Joe Abood, OCA
Eric Brewer, Internal Auditor
Barb Kimmel, EDP
Judy Kehler, Chief Strategy Officer
Amber Paxton, Financial Empowerment
Leslie McDonald

Minutes

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE MINUTES FROM JULY 2, 2021. AS PRESENTED. ROLL CALL VOTE, MOTION CARRIED 2-0.

Public Comment

No public comment at this time.

Discussion/Action:

Council Member Wood amended the agenda to move the following action item up on the agenda.
RESOLUTION – Grant Acceptance; Bloomberg Philanthropies 2021 Global Mayors Challenge Champion City Grant

Ms. Kehler informed the Committee that there were 6,031 submissions, and the City was awarded a \$1 million grant for three (3) years. Out of the category options, Ms. Kehler submitted in Economic Inclusion and Growth with the topic of literacy. The proposal is for a one on one tutoring for 3rd grade level reading to give them the tools, and a PILOT for universal Pre-K. This phase is \$50,000 to fine tune, and the final submission will be in October, 2021. Council Member Hussain asked for the formatting. Ms. Kehler stated the City role will be a year round learning lab and with

online courses. Regarding the literacy topics, they are going to train volunteers. Mr. Brewer had no comments.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE GRANT ACCEPTANCE FOR THE BLOOMBERG PHILANTHROPIES 2021 GLOBAL MAYORS CHALLENGE CHAMTION CITY. MOTION CARRIED 2-0.

RESOLUTION – WORKERS COMPENSTATION – WC206287600991

Mr. Abood acknowledged that this settlement had a tight timeline due to pending Medicare due dates, so it was greatly appreciated the Council considering action at this time. Mr. Abood then confirmed that the claimant will not return to work, they were not offered another job, and the claimant is receiving duty disability retirement that will not be effected by this redemption.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE WORKERS COMPENSATION CLAIM 206287600991. MOTION CARRIED 2-0.

RESOLUTION – Grant Acceptance; Cities for Financial Empowerment Fund Eviction Prevention Boost Grant

Ms. Paxton began by clarifying this grant is in addition to the \$80,000 grant from 2020 to be used to integrate for eviction prevention. The funds must be CDBG dollars and they are partnering with Capital Area Housing Partners. This grant of \$20,000 is to assist in determining the best possible way to incorporate cash assistance into the eviction process. This is a planning grant and they expect the implementation later. They have funded for it, but it is a flexible funding pool. Council Member Hussain asked about a City match on this one and the original, and Ms. Paxton confirmed there was no match for the initial \$80,000 and no match for this additional \$20,000. Mr. Brewer had no comments.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE GRANT ACCEPTANCE FOR CITIES FOR FINANCIAL EMPOWERMENT FUND EVICTION PREVENTION BOOST GRANT. MOTION CARRIED 2-0.

Council Member Wood asked how much longer the eviction moratorium was in effect, and Ms. Paxton stated her understanding as it will go until the end of July, 2021, Mr. Abood was not aware of anything different, and Council Member Hussain stated his information was through August 6, 2021.

DISCUSSION – HUD Funds on Home Repairs – Economic, Development & Planning

Council Member Hussain introduced Mr. McDonald who utilized the rehab home repair program, had issues with the work after it was done and was now present to speak on it with the Committee and Ms. Kimmel. He then added his goal for this meeting was to find out how contractors are chosen, what is the City liability with the contractor, what is the City process in choosing contractors, inspecting, and closing out the project and what happens in the future if there are issues with the contractor and the owner.

Mr. McDonald explained to all present his situation from a home repair in 2018 which included electrical, driveway and ramps, new rear deck, new gutters and down spouts, and new basement windows. Mr. McDonald expanded on his frustration with the Martin Block windows that were installed in his basement, stating only one window leaked before they installed all 5 now he has more windows leaking. He stated that he has been complaining about the work from day one, and he is frustrated that the City picks the contractor.

Ms. Kimmel introduced herself to Mr. McDonald and they both acknowledged they had met at his house before when she assisted the inspector with the inspection. Ms. Kimmel then distributed copies of contractor applications, checklists and materials (attached to the meeting packet). She

explained that the program is offered currently as an emergency repair program, at or below 80 in the median income, they have paid their taxes and have property insurance. Ms. Kimmel noted that in 2018 when Mr. McDonald had his work done it was a full rehab program. Regarding contractors, they are solicited by application, they submit an application, and each application is vetted. All contractors have to be licensed with the state, RP certified, have a \$1 million general liability policy, workers comp policy, and auto insurance if they have business vehicles. If the contractor is remediating lead based paint, they need that license as well. The application requires business references, credit references, customer references and the City makes sure they have finances to carry the work forward. Council Member Wood asked if they check with the Better Business Bureau (BBB) and any pending lawsuits against them. Ms. Kimmel confirmed they do not check BBB nor for any pending lawsuits. Council Member Wood recommended they check with the BBB because any complaints Council gets they tell people to file a complaint with the Attorney General and the BBB, and regarding pending lawsuits, she suggested the department check 54A District Court records. Ms. Kimmel acknowledged they do look into LARA, and also any other projects they have done locally. Ms. Kimmel wanted the Council to know they are also struggling to get contractors, and with not enough contractors, they are also struggling to get competitive bids on the jobs. Ms. Kimmel then went into the complaint and appeal process, and that form was provided (in the packet). Mr. McDonald again stated his frustration with the fact the City hires the contractors. Ms. Kimmel expanded on the inspection process, which is guided by the scope of the rehab standards. When the contractor completes the work, it is inspected by the rehab specialist and appropriate building inspectors. In the case of Mr. McDonald's project, they inspected electrical, mechanical, plumbing and building and she offered to provide those inspections to Mr. McDonald. Mr. McDonald also asked for a list of what the contractor charged for his project compared to what was actually done. Council Member Wood acknowledged that with some work, overtime there do become issues, and sometimes it takes 10 years for those to surface, however in this case it has only been since 2018. Ms. Kimmel attempted to explain the process of utilizing federal funds as a loan to the citizen, and then the City provides the technical assistance to write the scope of the rehab, making sure the work is done, inspections, however the work is between the contractor and homeowner. The City doing everything to ensure the work is done properly. In the first year there is a contractor warranty, and Mr. McDonald confirmed he did speak to the contractor directly and they did some repairs. Ms. Kimmel was asked if the contractor, VMG Construction, was still on the list as a contractor and she confirmed they have not done jobs in long time. Council Member Hussain asked if they have metrics set up so certain contractors cannot bid in the future, and Ms. Kimmel stated they do have things in place to prohibited contractors from participation. Beyond the initial work and inspection, Ms. Kimmel stated the City has no follow up unless the homeowners reach out. Council Member Wood suggested surveying the participants a year after the work is complete to find out the quality of work, and Ms. Kimmel stated she could look into that. Council Member Wood then asked Ms. Kimmel to reach out to Mr. McDonald and work on a way to resolve his complaints. She was also asked to add to their check list a review of the BBB and lawsuits. Council Member Wood then asked if there is anything in the paperwork with the residents that clearly states after the project is complete they have to work directly with the contractor. Ms. Kimmel stated they are provided with a one year warranty, and anything beyond that City would look at the work on if the work failed and why and what the remedy is. She again confirmed she would look into a document that can be provided to residents. Council Member Wood asked that Ms. Kimmel speak to Mr. McDonald before Wednesday, July 21st to make an appointment on site, and Ms. Kimmel confirmed and added she will include Mr. McGrain in that appointment as well. Mr. McDonald stated again his frustration with the contractor process. Ms. Kimmel stated that they get competitive bids and it is awarded to the lowest responsible bid, and homeowners are offered to find their own contractor to submit a bid as well. A cost estimate is created and they compare the bids to that cost estimate to determine the

responsible contractor. It was suggested to Mr. McDonald to find a contractor he would like to have, on site for an inspection with the City.

Mr. Brewer asked if a longer warranty could be added, or another home owners warrant. Ms. Kimmel was asked to update Council Member Hussain via email on her continued discussion with Mr. McDonald.

ADJOURN

Adjourned at 4:17 p.m.

Submitted by,

Sherrie Boak, Council Office Manager

Lansing City Council

Approved by the Committee August 9, 2021