



MINUTES
Committee of the Whole
Monday, October 24, 2022 @ 5:00 p.m.
Tony Benavides Lansing City Council Chambers

CALL TO ORDER

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

PRESENT

Councilmember Adam Hussain
Councilmember Carol Wood- excused
Councilmember Peter Spadafore - excused
Councilmember Patricia Spitzley
Councilmember Jeremy Garza
Councilmember Brian T. Jackson.
Councilmember Jeffrey Brown
Councilmember Brian Daniels

OTHERS PRESENT

Sherrie Boak, Council Office Manager
Jim Smiertka, OCA
Lisa Hagen-Lawrence, OCA
Mark Lawrence, Mayors Office
Jane Bias- DiSessa, Deputy Mayor
Dick Peffley, BWL
Heather Shawa, BWL
Scott Taylor, BWL
Dominic Cochran, City TV
Desiree Kirkland, Finance Director
Shelbi Frayer, Chief Strategy Officer

Minutes

MOTION BY COUNCIL MEMBER SPITZLEY TO APPROVE THE MINUTES FROM OCTOBER 10, 2022, AS PRESENTED. MOTION CARRIED 6-0.

Council President Hussain stated the closed session will be moved to the meeting on November 14, 2022, due to needing six votes to go into closed session.

Public Comment

No public comment at this time.

Presentations

Board of Water and Light Financial Report FY 2021/2022

Ms. Shawa referenced the audited statements in the packet and introduced Scott Taylor.

Mr. Taylor went through the Bakertilly document and condensed financial information.

Council Member Spitzley stepped away from the meeting at 5:06 p.m.

Discussion

Council Member Spitzley returned to the meeting at 5:07 p.m.

RESOLUTION – ACT 31; Incorporation of the Lansing Public Media Authority

Mr. Smiertka briefly outlined ACT 31 which is used by municipalities with the concept similar to the Stadium, the Lansing Center and not unusual. It is a device to allow the concept a building authority to build an asset, then leases the asset to the municipality then that lease payment goes back to the authority, and they use those funds to payoff the bonds. Now that the municipality would be a lease will contract back to the authority to operate. An ACT 31 is broad with no restrictions on it. The original document that was referred had sections that were not supposed to be in the document. Mr. Venker explained that he used the ACT articles for LEPFA as a template for these Articles and it had sections that references to the stadium and the Lansing Center that should not have been in there. That was corrected and resubmitted and republished 10/24 a.m. There are no public hearing requirements and is recorded with LARA.

Council Member Spitzley asked OCA why this is being done. Mr. Cochran provided background on the Ovation project and media center. This would be the first step in building a performing arts center which has been going on since 2000. This would be the organization that would oversee the construction and transition into the management of. Council President Hussain asked about the feasibility study that was referenced in the packet and who did it. Mr. Cochran stated that AMS Planning and Research were selected to do the survey with specific inquiries which was in 2019 and they did an update after the pandemic. The median used for outreach was with polling, potential users such as promoters, and non-profits.

Council Member Spitzley asked when Council got a copy of the feasibility study before today. Mr. Cochran stated he could forward to Council as soon as possible. Council Member Spitzley asked if it would be under LEPFA and would this be subsidized like LEPFA. Mr. Cochran confirmed not under LEPFA, and no it would not be subsidized but an operating budget that is profitable. It will be part of the feasibility study. Council Member Spitzley asked why Council is approving the articles. Mr. Venker stated under ACT 31 the governing body is the only entity that can create this body.

Council Member Jackson asked if the authority would be set up so the City can build a building that does not exist yet. Mr. Venker confirmed, the ACT 31 Authority is the preliminary step so financing and funding models can be created and has bonding authority. Council Member Jackson asked if this would be to build one facility or all encompassing all Lansing Media. Mr. Cochran stated that they are proposing is an adaptive re-use and new construction. There is a plan to redevelop a building at Washington and Lenawee for media center and space for community use.

Council President Hussain asked about media notices in early 2022 about this venue and discussion on 40 lofts for artists. Mr. Cochran stated that was the original thought based on potential donors.

Mr. Smiertka stated this is not part of the City, it is a separate Authority. This allows for the operation of this project as a business. Mr. Cochran added it will separate liability.

Council Member Garza asked why this is not housed under LEPFA. Mr. Cochran stated that the board that does get incorporated for this entity will be a large hands-on work for this board through construction and make it into a successful endeavor. There were many members in

the art community that want to be involved and it should be able to stand alone. Council Member Garza asked if the Warton Center has pushed back on this, and Mr. Cochran stated they have met a couple times and they have informed him that they see this as a compliment to the Warton Center.

Council Member Jackson asked what happens if it is not profitable. Mr. Cochran stated that at every junction they laid out all the conservative choices. They anticipated 1 event per week as an average in the bid venue part, and the staff and numbers are conservative. Other than the bonding the city will do for the PEG fees, this will be built with no debt obligation for this.

Council Member Spitzley asked about the comparison with the former Hookah Lounge on Washington. Mr. Cochran stated they have worked with those owners and spoke about the Authority plan and in this case this Authority will work with promoters, and they can work to compliment both venues.

Patricia stated her concerns that Council has not seen the feasibility study and the budget to make an informed decision.

MOTION BY COUNCIL MEMBER SPTIZLEY TO TABLE ACTION ON THIS RESOLUTION UNTIL THE COUNCIL IS PROVIDED WITH THE BUDGET AND FEASIBILTY STUDY. MOTION CARRIED 6-0.

RESOLUTION – Issuance and Sale of Limited Tax General Obligation Bonds for Capital Improvements for Ovation Performing Arts Center

Ms. Kirkland stated the Administration is asking for approval for a \$20 million bond which will be paid for the fees currently in PEG from T-Mobile and cable companies.

MOTION BY COUNCIL MEMBER SPITZLEY TO TABLE UNTIL THERE IS INFORMATION ON THE BUDGET AND THE PEG FEES.

Council Member Jackson asked for a presentation. Council President Hussain asked them to come back to the November 14th meeting with the information for Council to make the decision.

MOTION CARRIED 6-0.

CLOSED SESSION

Require six (6) votes and not able to obtain six (6) votes.

Council Member Spitzley asked if by not going into closed session is the city missing any deadlines. Mr. Smiertka stated they are not missing deadlines; they are just trying to keep Council updated.

Council Member Jackson clarified why he always votes no for closed sessions.

Adjourn

The meeting adjourned at: 5:42 p.m.

Respectfully Submitted by,

Sherrie Boak, Recording Secretary,

Lansing City Council

Approved by the Committee November 14, 2022