



MINUTES
Committee of the Whole
Monday, February 13, 2023 @ 5:30 p.m.
Tony Benavides Lansing City Council Chambers

CALL TO ORDER

Council President Wood called the meeting to order at 5:30 p.m.

PRESENT

Council Member Carol Wood
Council Member Jeremy Garza
Councilmember Adam Hussain
Councilmember Peter Spadafore
Councilmember Patricia Spitzley
Councilmember Brian T. Jackson
Councilmember Jeffrey Brown
Councilmember Ryan Kost

OTHERS PRESENT

Sherrie Boak, Council Office Manager
Lisa Hagen- Lawrence, OCA
Jim Smiertka, OCA
Barb Kimmel, EDP
Doug Fleming, Lansing Housing Commission
DeLisa Fountain, DNACE
Jane DiSessa, Deputy Mayor
Steve Reich, Lansing Housing Commission

Minutes

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE MINUTES FROM JANUARY 23, 2023, AS PRESENTED. MOTION CARRIED 8-0.

MOTION BY COUNCIL MEMBER GARZA TO APPROVE THE MINUTES FROM THE FEBRUARY 6, 2023, ANNUAL TRAINING AS PRESENTED. MOTION CARRIED 8-0.

Public Comment

No public comment at this time.

Presentations

Dept. Neighborhoods, Arts & Citizen Engagement Updates

Council President Wood informed the Committee that certain departments have been invited to the Committee to talk about their ARPA funds and how their current budget is going.

Ms. Fountain spoke briefly on the ARPA funding updates, including the OFE which included VITA Mobile -\$735,000; Marketing of OFE-\$100,000 and Clear DWLS - \$102,000. An

updated since the document was printed, Ms. Fountain confirmed they have acquired a list for DWLS and working on that.

Council Member Spitzley asked for recap of what the VITA Mobile is, and Ms. Fountain stated this is to purchase a bus to take people into the residential areas to assist with taxes. Council Member Spitzley asked about the DWLS process, and Ms. Fountain stated they would be reaching out to the residents.

Council Member Brown asked about the start date for the start date for the tax assistance, and Ms. Fountain stated she did not have it currently but would provide to Council. Council Member Brown asked about the OFE Marketing and if there is internal marketing to refer people to benefit. Ms. Fountain noted her understanding it is both; internal and external. One internal is 311 with an auto-dialer system for those that receive rental assistance. There were initially 500 calls and based on that all the time slots are full. Council Member Brown asked about the DWLS item and if the barriers were from, and Ms. Fountain stated she would provide those to him.

Council Member Garza asked how many staff are in her department and if there is an issue with clearing the balances. Ms. Fountain stated she has two, and there are contract employees that work with vendor success. In the financial empowerment they contract with Cristo Rey. Council Member Garza asked who is making the calls. Ms. Fountain stated again it was the auto-dialer, and they will use traditional mailings, and utilizing internal staff.

Council Member Wood asked for follow up on when the VITA mobile will be up and running.

Ms. Fountain moved into the DNACE with NAB Grants - \$400,000 which will include \$200,000 for FY 23 and FY 24, and the deadline for that grant is not until March 3rd, so no definite figures until after that. With the Gun Violence Prevention Grants -\$300,000 and will be awarded late this spring.

Council Member Spitzley asked about the notification process on the grant awards and outreach to let non-profits and community groups know. She then asked about data bases in the city, so when dollars are available as many people as possible get notified. Ms. Fountain acknowledged they have been attending neighborhood meetings, citizen engagement whenever they are at public meetings and gatherings, and new organizations. For the data base question, there is not a traditional data base, but an excel spreadsheet. Anyone that has applied in the past and even denied, they get the information.

Council Member Garza asked if they have considered cleaning up property projects. Ms. Fountain suggested those organizations apply for the grants or Council Members contact them.

Council Member Brown asked about the \$200,000 neighborhood grants that impact neighborhoods and their definitions. Ms. Fountain stated the grants go up to \$5000, and neighborhoods can apply for more than one project.

Council Member Brown asked about the amounts for this year and last year for Neighborhoods in Bloom, and Ms. Fountain stated it is \$20,000 and each kits cover 24 sq. ft.

Council Member Brown asked if the gun violence grant was connected to Advance Peace. Ms. Fountain stated this is for intervention.

Lansing Housing Commission – Annual Reports

Mr. Fleming introduced Mr. Reich.

Mr. Reich acknowledged the audits are through June 30, 2022, and the previous annual reports. It was noted 80% comes from HUD so they do report out to them. Mr. Reich noted that all outstanding debts has been taken care of, there is an over funding on their employee pension plan, and regarding the vouchers for residents they are up to \$13.8 million distributed to the Lansing area.

Council Member Brown noted the annual report, it was noted they did not audit Mount Veron, Hildibrant, and other housing, and therefore asked for details.

Mr. Reich stated those noted are separate legal entities and not controlled by the LHC but are represented in the report. Their annual reporting dates end 12/31 of every year, and those have been audited but not by Plante Moran.

Council Member Garza asked about the 191 homes sold through SK, were those scattered, and if LHC is under management. Mr. Fleming stated the sale has not closed yet but should close in the next couple weeks. There is an arrangement for management over the next 6 months. Any concerns can be directed to the management company that they have been working with prior, and the transition was agreed upon with LHC and SK.

Council Member Spitzley asked who audits the separate of the housing units. Mr. Reich stated Maner Cristesian, and he added that Plante Moran is required to include those numbers in the LHC report, but not the audit. The audits do exist and can be shared with Council. The Plante Moran audited the LHC and the units they own wholly, and the Section 8 program. Even though Plante Moran does not audit, they do verify the numbers in this report are from the Maner audits. Mr. Fleming stated that when auditing the program, and they are an independent audit on them since they are not part of. For example, Oliver Gardens is an independent audit. Council Member Spitzley referenced Section 8, and asked about the number of vouchers taken over in January 2022 with the reimbursement. Mr. Fleming stated those were grant programs as a part of Holy Cross the relinquished them in December 2021. The LHC spent 6 months writing the programs finding out why overspent, and so now those grants have been moved from the City to HUD, and now working directly with HUD on those programs. They were all renewed in July and August 2022 and now LHC and HUD are managing. Council Member Spitzley asked for the process on Section 8 vouchers and housing. Mr. Fleming there is a wait list, opened once a year, where they get 3500 applications in 7 days, then lottery down to 600 individuals to start the process on. In the process the applicant has to come to LHC and make sure they are eligible. Once determined eligible, they are provided a voucher, and the applicant goes into the community to find the housing unit that meets the limitations. Once found, the applicant signs the lease with the owners, then LHC employs a third party HQS inspection, which has to pass before payment is made. The decision on where someone lives, it depends on where the recipient finds their acceptable housing. Council Member Spitzley asked if they have a list of landlord acceptance list, and Mr. Fleming confirmed they do and added they have an incentive program for landlords to get more involved. It is not just in the City of Lansing where vouchers are accepted. In the future, it was added, that if the tenant has a complaint, they can file a complaint with LHC and they will have an inspection, and the voucher can be stopped until the situation is remedied. He concluded by stating that anyone with a Section 8 is not living in LHC properties.

Council Member Kost asked if any maintenance has been followed through on the properties selling to SK. Mr. Fleming stated they have spent \$500,000 over last 6 months; they will have to pass an HQS inspection as well. If there were any places with issues, were written up, and over the last 30 days the inspection was done again. Any issues have been corrected. Of the 20 reinspection's today they are all passed. There are 4 units that are red tagged, and they are offline. An RFP was just done for those. Council Member Kost stated he was aware of a property where someone was living in it. Mr. Fleming asked for the address. Council Member Kost referenced some multi family projects, and the construction material on site. He asked if there is a plan to get contractors to clean up. Mr. Fleming stated he would look into it, and Mr. Kost stated there were trash bags next to the dumpsters which appeared to be resident trash.

Council Member Garza who was responsible for making sure properties have valid rental certificates. Mr. Fleming stated they are not responsible, that is the city responsibility.

Council Member Brown asked about the grants. Mr. Fleming state the responsibility is the same, and the grants are worked with HUD. It was a joint decision with the LHC and the City to move to HUD. The city made the decision to move the fiduciary as well. He offered to provide the list of the six (6) grants to Council. HUD is the fiduciary of the grants. Council Member Brown asked about the timeline process for the HQS, and Mr. Fleming stated they hope to get done in 2-3 days. If the inspection does not pass, they go to the owner to get it fixed. It could vary based on how bad the inspection was. Council Member Brown asked

about the turn around time on the payment of the vouchers. Mr. Fleming stated they have 1800 vouchers, and make them monthly. There are 100's in the ACH payments to the landlord management company, when applied to resident accounts is between the landlord and their payment system. Any manual payments are made on the 15th of the month. If there issues the voucher holder should contact LHC if the landlord states they did not get payment. Every year they have to be recertified for the program, and if they do not a payment will be held. Council Member Brown asked if a person is not pleased with management and maintenance. Mr. Fleming reiterated they call LHC.

Council Member Garza asked the Administration, Ms. DiSessa, how is the City making sure the Section 8 vouchers are going to property with valid rental certificates. Ms. DiSessa stated she is sure there is a process, but does not have the actual process currently and will get back. Council President Wood asked if the HQS is asking the landlord for a rental certificate. Council Member Spitzley asked if the inspection fails are the re inspections done in appropriate days.

Council Member Hussain asked who is the contractor for site management and maintenance, and Mr. Fleming stated Michigan Asset Management Group is contractor. If there was current staff on the property they are leasing them. There are budgeted for 1.5 managers at every site, but would have to check with management if there are any vacancies.

Council Member Hussain stepped away at 6:33 p.m.

Council President Wood asked if there were any financial adjustments from the audit, and Mr. Fleming stated there was no findings.

Council President Wood asked about the interest rate variables, and Mr. Fleming stated that S. Washington qualified for the 9% program which is a competitive program. It was the only one that was going to qualify. The other three did not qualify and they went to the 4% program and got last tax credits. They all worked out for MSHDA.

ARPA Grant Awards Updates from Administration

Council President Wood referenced all the documents in the packet.

Council Member Hussain returned at 6:36 p.m.

Ms. DiSessa confirmed there are 13 grants with signed contracts, received 50% and they have met the qualifications. Once they finish the reporting, they will receive the remaining funding they were were awarded. Of the remaining, 4 were received this weekend, 4 are on hold for their State ID they will be processed. There are 6 contracts the City is still waiting on, and they will be contacted again. Those that are remaining that did not qualify they are meeting with them. The priority currently is to finalize the contracts for the awarded one.

Council Member Spitzley noted that there are some that scored high that did not get money and some that scored low that got money, and therefore asked what was the thought process. Ms. DiSessa stated some may have done a great report and met requirements. Council Member Spitzley provided an example where one grantee scored 80 and one scored 60 but the lower score got the funds. Ms. DiSessa stated it could depend on what was requested might not have met the requirements. Council Member Spitzley noted that if they did not meet requirements they should not have gotten a high score. Ms. DiSessa stated they could have a higher score on the reporting, but no points because what they wanted was not qualified.

Council President Wood referenced the ARPA Application breakdown, and Ms. DiSessa clarified that "Evidence for MI Dogman" and "The Questioning" were the same.

Council Member Brown asked for better clarification on the scoring. Ms. DiSessa stated that they were all looked at to make sure all requests met qualifications. Council Member Brown asked if the process was to look at applications first. Ms. DiSessa stated they looked at

application and to make sure they were eligible. Council Member Brown asked for definitions on specifics, and Ms. DiSessa stated she would have to look at his specific.

Council Member Hussain about the Committee recommendation to the Mayor, and if the Mayor adjusted after. Ms. DiSessa stated he accepted the recommendations. Council Member Hussain stated he has been told people have not received contract. Ms. DiSessa stated they have not received the ARPA manager, Ms. Whitfield. Council Member Hussain stated he was also told that they were not informed they would only get 50% up front and reporting. Ms. DiSessa stated that Ms. Whitfield has informed the groups.

Council Member Spitzley asked Ms. DiSessa who the ARPA manager was, and also if Mayor made changes. Ms. DiSessa stated these are recommendations to the Mayor, and she was not sure if the Mayor made changes. The ARPA Manager is Daphne Whitfield and can be reached at 483-4016.

Discussion/Action

RESOLUTION to Support American Airlines Extension Authorizing Non-Stop Daily from Lansing to Ronald Reagan Washington National Airport

MOTION BY COUNCIL MEMBER GARZA MADE THE MOTION TO APPROVE THE RESOLUTION TO SUPPORT AMERICAN AIRLINES EXTENSION AUTHORIZING NON STOP DAILY FROM LANSING TO RONALD REAGAN WASHINGTON NATIONAL AIRPORT. MOTION CARRIED 8-0.

Council Member Garza stepped away from the meeting at 6:52 p.m.

RESOLUTION – Setting Public Hearing; CDBG Amendment for FY2020 Annual Action Plan and FY2021 Annual Action Plan

Ms. Kimmel went through the presentation outlining the process to amend. There is a 30 day public comment period, hold a public hearing, the notice referenced the 30 day comment period and ends March 3, 2023. Any public comments can be sent to Ms. Witherspoon via email. They are requesting a public hearing on February 27, 2023.

Council Member Garza returned to the meeting 6:54 p.m.

Ms. Kimmel noted the amendments for FY2020 to reallocate \$540,958.69 to the purpose of rental rehab at Walter French. For FY 2021 \$1,165,593.20 which includes \$274,356.31 for Walter French, \$891,236.89 for public facilities. Ms. Kimmel spoke about where funds came from and why there were not spent. This was outlined in the presentation in the packet.

Ms. Kimmel asked for action the same night of the public hearing on February 27, 2023.

Council Member Garza asked about the number of units. Ms. Kimmel confirmed it was an error and should be 39.

Council Member Jackson asked about the shelter and location. Ms. Kimmel stated there will be an RQP for the program, and there is nothing planned for the shelter location at this time.

Council Member Garza asked for clarification on 15% CDBG for public services, and who would Council reach out to. Ms. Kimmel stated this is HUD category, but public service is not involved in these services. If he wasn't neighborhood cleanup, he should call DNACE.

MOTION BY COUNCIL MEMBER GARZA MADE A MOTION TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR THE AMENDMENTS TO FY 2020 AND FY 2021 CDBG ANNUAL ACTION PLAN FOR FEBRUARY 27, 2023. MOTION CARRIED 8-0.

Other

No other topics at this time.

Adjourn

The meeting adjourned at 7:05 p.m.

Respectfully Submitted by,

Sherrie Boak, Recording Secretary,

Lansing City Council

Approved by the Committee February 27, 2023