Official Proceedings of the City Council
City of Lansing
December 12, 2022

Tony Benavides Lansing City Council Chambers
Lansing, Michigan

The City Council of the City of Lansing met in regular session and was called to order at 7:05 p.m. by President Hussain

PRESENT: Council Members Brown, Daniels, Garza. Hussain, Jackson, Spadafore, Spitzley, Wood

ABSENT: None

A quorum was present.

Council Member Jackson asked people to remember Felipe Pesina and Chief Deputy City Attorney Abood asked people to remember Bishop David Maxwell, who both recently passed away, during the moment of Meditation. The Council observed a moment of Meditation followed by the Pledge of Allegiance led by President Hussain

Approval of Printed Council Proceedings

By Vice President Wood

To approve the printed Council Proceedings of November 14 and December 5, 2022

Motion Carried

Comments by Council Members and the City Clerk

Council Member Garza addressed the red-tagged Vickie Court Apartments and gave an update on the families that have been placed in new permanent residencies.

Council President Hussain announced the next Southwest Lansing Constituent Meeting and the Southwest Action Group Holiday in the Square event. He thanked the individuals who helped to set up the event. He recognized the Waverly Middle School Student Council, who were attending the meeting, for the work that they do in their school.

Speaker Registration for Public Comment on Legislative Matters

City Clerk Swope announced that the public comment registration form(s) for those intending to address Council on legislative matters will be collected and that only those persons who have fully completed the form(s) will be permitted to speak.

Mayor's Comments

Mayor Schor's Chief of Staff, Jane DiSessa, spoke about the National Wreaths Across America Event., announced the second night of the Participatory Budget Night for Ward 2, and wished the residents of the City of Lansing a happy holidays on behalf of the Mayor and city staff.

Show Cause Hearings

Orders to Make Safe or Demolish to the owners of property located at 4580 Seaway

- Comment on Scheduled Show Cause Hearings:

No one from the public spoke on the Show Cause Hearing

Referral of Show Cause Hearings

Orders to Make Safe or Demolish to the owners of property located at 4580 Seaway
Referred to the Committee on Public Safety

Public Comment on Legislative Matters

Public Comment on Legislative Matters:

Loretta Stanaway spoke about the City Charter general revision resolution.

Kelsey Hudson spoke about the City Charter general revision resolution.

Legislative Matters

Consent Agenda

By Vice President Wood

To approve all items on the Consent Agenda.

Motion Carried

Resolution #2022-311
By the Committee of the Whole
Resolved by the City Council of the City of Lansing

A RESOLUTION TO APPROVE THE DEVELOPMENT AND TAX INCREMENT FINANCE PLAN OF THE SOUTH MARTIN LUTHER KING JR. BOULEVARD CORRIDOR IMPROVEMENT AUTHORITY OF THE CITY OF LANSING

WHEREAS, the City Council of the City of Lansing, MI, by Resolution 2019-334, passed on December 16, 2019, authorized the creation of the South Martin Luther King Jr. Boulevard Corridor Improvement Authority (the "Authority") by the provisions of the State of Michigan's Corridor Improvement Authority Act, previously Act 280 of 2005 (MCL 125.2871, et seq.), recently reorganized as Part 6 of Act 57 of 2018 (125.4602, et seq.), as amended (the "Act"); and

WHEREAS, the Board of Directors of the Authority met and approved a joint Development and Tax Increment Finance Plan (together, the "Plan") on September 22nd, 2022 at a duly noticed public hearing of the Authority; and

WHEREAs, the Board of Directors for the Authority have transmitted the Plan to the City Council of the City of Lansing for review and approval after public hearing; and

WHEREAS, the City Council of the City of Lansing held a public hearing and received comments from members of the public, and each taxing jurisdiction levying taxes that would be subject to capture if the tax increment financing plan is approved, on all aspects of the Plan, on November 14th, 2022 and December 5, 2022, and in compliance with Sections 622 & 618 of the Act; and

WHEREAS, after public comment the Plan was reviewed by the Committee on Development and Planning, and further by City Council as a whole, with particular attention to the following considerations:

a) whether the plan meets the requirements under section 620(2) of the Act;
b) whether the proposed method of financing the development is feasible and the authority has the ability to arrange the financing;
c) whether the development is reasonable and necessary to carry out the purposes of the Act;
d) whether the land included within the development area to be acquired is reasonably necessary to carry out the purposes of the plan and of this part in an efficient and economically satisfactory manner;
e) whether the development plan is in reasonable accord with the land use plan of the municipality;
f) whether public services, such as fire and police protection and utilities, are or will be adequate to service the project area;
g) whether changes in zoning, streets, street levels, intersections, and utilities are reasonably necessary for the project and for the municipality; and
h) whether the Plan is consistent with and supports the Qualified Development Area containing Transit-Oriented Development.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lansing determines that the Plan, containing both a Development Plan and Tax Increment Finance Plan, constitutes a public purpose.
BE IT FURTHER RESOLVED that the City Council of the City of Lansing finds that:

a) the plan meets the requirements under Section 620(2) of the Act;
b) the proposed method of financing the development is feasible and the authority has the ability to arrange the financing;
c) the development is reasonable and necessary to carry out the purposes of the Act;
d) no land included within the development area is required to be acquired to fulfill the Plan, but any ancillary acquisition that may become necessary is reasonably necessary to carry out the purposes of the Plan and of the Act in an efficient and economically satisfactory manner;
e) the Plan is in reasonable accord with the land use plan of the City of Lansing;
f) public services, such as fire and police protection and utilities, are or will be adequate to service the project area;
g) any changes in zoning, streets, street levels, intersections, and utilities are reasonably necessary for the project and for the City of Lansing; and
h) the Plan is consistent with and supports the Qualified Development Area containing Transit-Oriented Development.

BE IT FINALLY RESOLVED that the City Council of the City of Lansing approves the Plan without modification.

Adopted as part of the Consent Agenda

Resolution #2022-312
By the Committee on City Operations
Resolved by the City Council of the City of Lansing

WHEREAS, the Licensing and Enforcement Division of the Michigan Liquor Control Commission received a request from Comfort Zone Cigar Lounge LLC for a Class C license, Sunday Sales (AM/PM), dance, entertainment, and outdoor service permits; and

WHEREAS, the Committee on City Operations met on December 6, 2022, and reviewed the request with affirmative action taken;

Whereas, Comfort Zone Cigar Lounge LLC shall not operate until the final Certificate of Occupancy or a letter of Final Approval has been issued by the Building Safety Office.

NOW, THEREFORE, BE IT RESOLVED, the Lansing City Council, hereby, approves the request from Comfort Zone Cigar Lounge LLC for a Comfort Zone Cigar Lounge LLC for a Class C license, Sunday Sales (AM/PM), dance, entertainment, and outdoor service permits.

Adopted as part of the Consent Agenda

Resolution #2022-313
By the Committee on Ways and Means
Resolved by the City Council of the City of Lansing

WHEREAS, the Mayor has made the appointment of Mary Ellen Jeffries as a Lansing Resident Non-Retiree member of the Employees' Retirement System Board of Trustees for a term to expire June 30, 2024; and

WHEREAS, the nominee has been vetted by the Mayor's Office and meets the qualifications as required by the City Charter; and

WHEREAS, the Committee on Ways and Means met on December 12, 2022 and took affirmative action.

NOW, THEREFORE, BE IT RESOLVED that the Lansing City Council, hereby, confirms the appointment of Mary Ellen Jeffries as a Lansing Resident Non-Retiree member of the Employees' Retirement System Board of Trustees for a term to expire June 30, 2024.

Adopted as part of the Consent Agenda

Resolution #2022-314
By the Committee on Ways and Means
Resolved by the City Council of the City of Lansing

WHEREAS, it is proposed that a claim be resolved by virtue of entering into a settlement agreement with claimant 2062876-01325, in which, the City of Lansing would agree to pay Plaintiff the sum of Sixty Four Thousand One hundred Sixty Two Dollars and Fifty Four Cents ($64,162.54) in exchange for a complete redemption and release of the City from any past, present, and future liability regarding any alleged injuries/illnesses whatsoever;

WHEREAS, the proposed settlement is recommended by the Mayor, the Department of Human Resources Director, the City of Lansing's Fund Administrator, and the City Attorney;

NOW, THEREFORE, BE IT RESOLVED that the Lansing City Council hereby approves the payment of Sixty Four Thousand One hundred Sixty Two Dollars and Fifty Four Cents ($64,162.54) pursuant to said proposed settlement agreement as a full and final settlement of said action.

BE IT FINALLY RESOLVED that the City Attorney is authorized to prepare and execute the requisite documents to complete settlement of the aforementioned lawsuit.

Adopted as part of the Consent Agenda

Resolutions

Resolution #2022-315
By the Committee of the Whole
Resolved by the City Council of the City of Lansing

WHEREAS, the City of Lansing (City) and the Charter Township of Windsor (Township) are "local units" as defined by Public Act 425 of 1984, as amended, (Act 425), (MCL 124.21 et seq); and

WHEREAS, Act 425 enables two local units of government to conditionally transfer property by written agreement for the purpose of economic development projects; and

WHEREAS, the City and Township propose that certain property be conditionally transferred from the Township to the City pursuant to Act 425; and

WHEREAS, a proposed Agreement provides, among other things, for the conditional transfer of property in the Township to the City, the providing of governmental utilities and services, zoning, taxation, revenue sharing, charging for services and ordinance application and enforcement, and mutually benefits the City and Township; and

WHEREAS, a proposed draft of the Agreement was placed on file with the City Clerk on November 14, 2022; and

WHEREAS, the City held a public hearing on December 5, 2022 at the regularly scheduled Council meeting regarding the proposed Agreement, preceded by notice in accordance with the requirements of Michigan's Open Meetings Act; and

WHEREAS, the proposed Agreement has been presented to Council for review and approval;

NOW, THEREFORE, BE IT RESOLVED the City finds that the conditional transfer of property from the Township to the City pursuant to the Agreement on file with the City Clerk will provide for the division of municipal powers, functions and responsibilities to allow for the joint administration of the transferred area and will assist economic development and be beneficial to the residents of the City and the Township and will work to prevent conditions of unemployment.

BE IT FURTHER RESOLVED, pursuant to and in compliance with Act 425, the Mayor is hereby authorized to execute the Agreement for Conditional Transfer of Property Pursuant to 1984 PA 425, subject to the City Attorney's prior approval and correction of non-material technical modifications, as necessary, for the property more particularly described as:

A parcel of land in the North 1/2 of the Northwest 1/4 of Section 10, Township 3 North, Range 3 West, Windsor Township, Eaton County, Michigan described as follows: Beginning at the North 1/4 corner of said Section; thence South 00 degrees 44 minutes 21 seconds East, on the North & South 1/4 line of said Section, 1332.08 feet to the North 1/8 line of said Section; thence North 89 degrees 46 minutes 39 seconds West, on said North 1/8 line, 2646.67 feet to the West line of said Section; thence North 00 degrees 13 minutes 11 seconds West, on said West Section line, 325.28 feet; thence North 89 degrees 46 minutes 49 seconds East, perpendicular to said West Section line, 60.00 feet; thence North 00 degrees 13 minutes 11 seconds West, parallel with said West Section line, 459.79 feet to a point of curvature; thence 246.15 feet on a curve to the left, having a radius of 878.51 feet, a central angle of 16 degrees 03 minutes 13 seconds, and a long chord which bears North 08 degrees 14 minutes 47 seconds West, 245.35 feet to the beginning of an existing Limited Access Right of Way; thence North 23 degrees 05 minutes 11 seconds East, on said Limited Access Right of Way line, 127.96 feet; thence North 64 degrees 59 minutes 25 seconds East, on said Limited Access Right of Way line, 66.86 feet to the end of said Limited Access Right of Way; thence continuing North 64 degrees 59 minutes 25 seconds East, 45.87 feet to a point of curvature; thence 332.12 feet on a curve to the right, having a radius of 758.51 feet, a central angle of 25 degrees 05 minutes 15 seconds, and a long chord which bears North 77 degrees 32 minutes 03 seconds East, 329.47 feet; thence North 00 degrees 04 minutes 40 seconds East, perpendicular to the North line of said Section, 60.00 feet to said North Section line; thence South 89 degrees 55 minutes 20 seconds East, on said North Section line, 2133.55 feet to the point of beginning.

Parcel Number 080-010-100-010-01

Commonly Known as 7000 N. Canal Rd, Dimondale, MI 48821

By Vice President Wood

Motion Carried

Resolution #2022-316
By the Committee of the Whole
Resolved by the City Council of the City of Lansing

WHEREAS, on November 8, 1978 the citizens of the City of Lansing adopted a new City Charter; and

WHEREAS, the 1978 City Charter requires that the question of whether there shall be a general revision of the 1978 City Charter shall be submitted to the voters of the City of Lansing at the November 1987 General Election and every twelve years thereafter; and

WHEREAS, 2023 is a year in which the question is to be placed before the electors; and

NOW, THEREFORE, BE IT RESOLVED that the proposal of whether the 1978 City Charter should be subject of a general revision shall be submitted to the qualified electors of the City of Lansing on Tuesday, November 7, 2023 in a manner and form substantially as follows:

Shall there be a general revision of the Lansing City Charter?

Yes ______

No ______

BE IT FURTHER RESOLVED that the City Clerk is hereby authorized to cause the above proposal to be placed on the ballot at the election to be held on Tuesday, November 7, 2023.

BE IT FURTHER RESOLVED that the ballot wording is hereby certified to the City Clerk and the Clerks of the Counties of Ingham and Eaton for submission to the City's electors at election to be held on Tuesday, November 7, 2023.

BE IT FURTHER RESOLVED that the City Clerk is hereby directed to give notice of the election and notice of registration therefore in the manner prescribed by law and to do all things and to provide all supplies necessary to submit the ballot proposal to the vote of the electors as required by law.

BE IT FURTHER RESOLVED that the canvass and determination of the votes of said question shall be made in accordance with the laws of the State of Michigan and the Charter of the City of Lansing.

By Vice President Wood

Motion Carried

Resolution #2022-317
By the Committee of the Whole
Resolved by the City Council of the City of Lansing

City of Lansing
Counties of Ingham and Eaton, State of Michigan

A RESOLUTION ENACTED UNDER THE PROVISIONS OF ACT 94, PUBLIC ACTS OF MICHIGAN, 1933, AS AMENDED, AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF SEWAGE DISPOSAL SYSTEM REVENUE BONDS FOR THE PURPOSES OF PAYING FOR IMPROVEMENTS TO THE SYSTEM, AND PAYING COSTS RELATING THERETO; AUTHORIZING DETERMINATION OF STANDING AND PRIORITY OF LIEN WITH RESPECT TO OUTSTANDING SEWAGE DISPOSAL SYSTEM REVENUE BONDS OF THE CITY ISSUED UNDER CITY ORDINANCE NO. 29-A, AS AMENDED AND SUPPLEMENTED; PROVIDING FOR RETIREMENT AND SECURITY OF THE BONDS HEREIN AUTHORIZED; ACCEPTING ONE OR MORE GRANTS AND AUTHORIZING SUCH AGREEMENTS AND ACTIONS RELATED TO SUCH ACCEPTANCE; AND PROVIDING FOR OTHER MATTERS RELATIVE THERETO.

WHEREAS, the City of Lansing, Counties of Ingham and Eaton, State of Michigan (the ***"City"***) by Ordinance No. 29-A, as amended and supplemented by Ordinance Nos. 31-A, 32-A, 33-A, 35-A, 838, 873, 993, 0544, 2010-423 and 2012-269, and by Resolution No. 2021-264 (collectively, the ***"Outstanding Bond Ordinances"***) has provided for the issuance by the City of Sewage Disposal System Revenue Bonds; and

WHEREAS, the State of Michigan Department of Environment, Great Lakes, and Energy (***"EGLE"***), through its Administrative Consent Order #ACO-05153 (the ***"Consent Order"***) dated December 12, 2019, ordered the City to abate raw sewage overflows from its sewerage collection system; and

WHEREAS, EGLE and the City have agreed to implement the City's Wet Weather Control Plan, as amended (the ***"Wet Weather Control Plan"***), in compliance with the Consent Order;

WHEREAS, it is now deemed necessary by the City Council of the City (the ***"Council"***) to equip, improve, rehabilitate, acquire, construct and install certain improvements to the City's Sewage Disposal System (the ***"System"***), including but not limited to sanitary sewer overflow remediation, together with any appurtenances and attachments thereto and any related site acquisitions or improvements (the ***"2023 SRF Improvements"***) in compliance with the plans approved under the Consent Order and according to the Wet Weather Control Plan; and

WHEREAS, Act 94, Public Acts of Michigan, 1933, as amended (***"Act 94"***), authorizes the Council to issue bonds under Act 94 without submitting the proposition to the voters of the City for approval and without publishing a notice of intent when the bonds are issued to comply with an order or permit requirement of a state or federal agency of competent jurisdiction to prevent or limit pollution of the environment; and

WHEREAS, the City intends to finance construction and acquisition of the 2023 SRF Improvements through issuance of sewage disposal system revenue bonds (the ***"2023 SRF Bonds"***), and to sell the 2023 SRF Bonds to the Michigan Finance Authority (the ***"Authority***"); and

WHEREAS, Section 19 of Ordinance No. 29-A authorizes the issuance of revenue bonds of equal standing and priority of lien with the Outstanding Senior Lien Bonds authorized by the Outstanding Bond Ordinances as follows:

> (a) For subsequent repairs, extensions, enlargements and improvements to the System or for the purpose of refunding part of any Bonds then outstanding and paying costs of issuing such Additional Bonds including deposits which may be required to be made to the Bond Reserve Account. Bonds for such purposes shall not be issued pursuant to this subparagraph (a) unless the average actual or augmented Net Revenues of the System for the then last two (2) preceding twelve month operating years or the actual or augmented Net Revenues for the last preceding twelve month operating year, if the same shall be lower than the average, shall be equal to at least one hundred thirty (130%) percent of the maximum amount of principal and interest thereafter maturing in any operating year on the then outstanding Bonds and on the Additional Bonds then being issued. If the Additional Bonds are to be issued in whole or in part for refunding outstanding Bonds the maximum annual principal and interest requirements shall be determined by deducting from the principal and interest requirements for each operating year the annual principal and interest requirements of any Bonds to be refunded from the proceeds of the Additional Bonds. For purposes of this subparagraph (a) the City may elect to use as the last preceding operating year any operating year ending not more than sixteen months from the date of delivery of the Additional Bonds and as the next to the last preceding operating year, any operating year ending not more than twenty-eight months from the date of delivery of the Additional Bonds. If the System rates, fees or charges shall be increased at or prior to the time of authorizing the Additional Bonds, the Net Revenues for each of the two preceding operating years shall be augmented by an amount reflecting the effect of the increase had the System's billings during such operating years been at the increased rates. In addition, the actual Net Revenues for each of the two preceding operating years may be augmented by the estimated increase in Net Revenues to accrue as a result of the acquisition of the repairs, extensions, enlargements and improvements to said System to be paid for in whole or in part from the proceeds of the Additional Bonds to be issued. In addition, the actual Net Revenues may be augmented by an amount equal to the investment income representing interest on investments estimated to be received each operating year from the addition to the Bond Reserve Account to be funded from the proceeds of the Additional Bonds being issued. Determination by the Council as to existence of conditions permitting the issuance of Additional Bonds shall be conclusive. No Additional Bonds of equal standing as to the Net Revenues of the System shall be issued pursuant to the authorization contained in this subparagraph if the City shall then be in default in making its required payments to the Operation and Maintenance Fund or the Redemption Fund;

WHEREAS, the City has met or will meet all the conditions and requirements of Section 19 of Ordinance No. 29-A for the issuance of the proposed 2023 SRF Bonds as bonds of equal standing and priority of lien with the Outstanding Senior Lien Bonds issued pursuant to the Outstanding Bond Ordinances, or such 2023 SRF Bonds will be issued on a subordinate, junior lien basis to the Outstanding Senior Lien Bonds and on equal standing and priority of lien with the Outstanding Junior Lien Bonds; and

WHEREAS, all things necessary to the authorization and issuance of the 2023 SRF Bonds under the Constitution and laws of the State of Michigan, particularly Act 94, the Charter and ordinances of the City, and the Outstanding Bond Ordinances, have been done or will be done, and the Council is now empowered and desires to authorize the issuance and sale of the 2023 SRF Bonds; and

WHEREAS, the City has been awarded one or more grants from the Michigan Department of Environment, Great Lakes, and Energy ("***EGLE***") pursuant to the American Rescue Plan legislation, and appropriated pursuant to Michigan Public Act 53 of 2022, pursuant to America's Water Infrastructure Act of 2018, which amended section 221 of the Clean Water Act to reauthorize Sewer Overflow and Stormwater Reuse Municipal Grants administered by EGLE's Water Resources Division, or pursuant to such other legislation or appropriations for the benefit of the 2023 SRF Improvements (collectively, the "***Grant***") in an aggregate amount of approximately Seventeen Million Dollars ($17,000,000), or approximately fifty-two percent (52%) of the amount of the 2023 SRF Improvements eligible for financing through the State Revolving Fund program; and

WHEREAS, pursuant to this Resolution, the City, by and through the Council, wishes to accept and appropriate the Grant to support the financing of the 2023 SRF Improvements; and

WHEREAS, the Council wishes to authorize the Authorized Officers (as defined herein) to finalize the terms of the issuance and sale of the 2023 SRF Bonds and to take any actions necessary to receive the Grant, without further resolution of the Council.

NOW, THEREFORE, THE CITY OF LANSING RESOLVES:

Section 1. Definitions. All terms not defined herein shall have the meanings set forth in the Outstanding Bond Ordinances and whenever used in this Resolution, except when otherwise indicated by the context, the following terms shall have the following meanings:

(a) "2023 SRF Construction Fund" means the 2023 SRF Construction Fund established pursuant to Section 10 of this Resolution for the deposit of the proceeds of the 2023 SRF Bonds for the purpose of constructing and acquiring the 2023 SRF Improvements.

(b) "2023 SRF Improvements" means the following improvements to the System: equipping, improving, rehabilitating, acquiring, constructing and installing certain improvements to the City's Sewage Disposal System, including but not limited to sanitary sewer overflow remediation, together with any appurtenances and attachments thereto and any related site acquisitions or improvements as required under the Consent Order and evidenced in the Wet Weather Control Plan.

(c) "2023 SRF Bonds" means the Sewage Disposal System SRF Revenue Bonds, Series 2023 authorized by Section 5 of this Resolution for the purpose of paying for the 2023 SRF Improvements and paying the costs of issuing the 2023 SRF Bonds.

(d) "Authority" means the Michigan Finance Authority.

(e) "Authorized Officer" means any one of the following officials of the City: the Mayor, the Deputy Mayor, the Finance Director, the Chief Strategy Officer or the Interim Finance Director.

(f) "Bond Reserve Requirement" means the lesser of (1) maximum annual debt service due on the Outstanding Senior Lien Bonds (including the 2023 SRF Bonds, if applicable), (2) 125% of the average annual debt service on Outstanding Senior Lien Bonds, or (3) 10% of the original aggregate face amount of each series of bonds currently outstanding, reduced by the net original issue discount, if any.

(g) "Junior Lien Bonds" means any bonds issued on a subordinate basis to any of the City's Outstanding Senior Lien Bonds and on a parity basis with the City's Outstanding Junior Lien Bonds.

(h) "Outstanding Junior Lien Bonds" means the City's Sewage Disposal System Revenue Bonds (SRF Project #5005-24) (Junior Lien), Series 2022.

(i) "Outstanding Senior Lien Bonds" means any bonds currently outstanding under the Outstanding Bond Ordinances, which have not been paid or defeased, payable on a priority basis over the City's Outstanding Junior Lien Bonds or any additional Junior Lien Bonds.

(j) "Outstanding Bond Ordinances" means Ordinance No. 29-A, as amended and supplemented by Ordinance Nos. 30-A, 31-A, 32-A, 33-A, 35-A, 838, 873, 993, 0544,, 2010-423 and 2012-269 and by Resolution No. 2021-264.

(k) "Senior Lien Bonds" means any bonds issued pursuant to Section 19 of Ordinance 29-A and on a parity basis with the City's Outstanding Senior Lien Bonds.

(l) "SRF Program" means the State of Michigan Revolving Fund Program.

Section 2. Conditions Permitting Issuance of Additional Bonds. Pursuant to Section 19 of Ordinance 29-A, if the 2023 SRF Bonds will be of equal standing and priority of lien to the Outstanding Senior Lien Bonds, the Council hereby determines that the 2023 SRF Bonds will be issued within the following parameters:

(a) the average actual or augmented Net Revenues of the System for two consecutive preceding twelve-month operating years ending not more than twenty-eight months from the date of delivery of the 2023 SRF Bonds are equal to at least 130% of the maximum amount of principal and interest thereafter maturing in any operating year on the then Outstanding Senior Lien Bonds and the 2023 SRF Bonds, as required by Section 19(a) of Ordinance No. 29-A; and

(b) the City is not in default in making its required payments to the Operation and Maintenance Fund or the Redemption Fund established by Ordinance No. 29-A.

As applicable, an Authorized Officer shall determine that the conditions of the Outstanding Bond Ordinances including Section 19 of Ordinance 29-A for the issuance of the 2023 SRF Bonds as Senior Lien Bonds have been met.

If the 2023 SRF Bonds will be issued as Junior Lien Bonds, the 2023 SRF Bonds will otherwise be issued pursuant to the requirements of State of Michigan law, the Outstanding Ordinances and specifically the projected annual Net Revenues of the System after payment of the Outstanding Senior Lien Bonds will be at least 1.0x the annual principal and interest due on the 2023 SRF Bonds and any other Outstanding Junior Lien Bonds.

An Authorized Officer is authorized to direct the creation of such accounts and subaccounts within the Funds created by Ordinance 29-A, including but not limited to for the purposes of setting aside Revenues each month as described in Section 13 of Ordinance 29-A for the purpose of paying principal and interest on the 2023 SRF Bonds issued as Junior Lien Bonds, after Revenues have been allocated as required for the Outstanding Senior Lien Bonds.

Section 3. <u>Necessity of 2023 SRF Improvements.</u> It is hereby determined to be necessary for the public health and welfare of the City to proceed to acquire and construct the 2023 SRF Improvements in accordance with approved plans and specifications.

Section 4. <u>Cost and Useful Life of 2023 SRF Improvements.</u> The cost of the improvements to support the City's Wet Weather Control Plan (including the 2023 SRF Improvements) is estimated not to exceed Sixty-One Million Dollars ($61,000,000) including the payment of incidental expenses as specified in Section 5 of this Resolution, which estimate of cost is hereby approved and confirmed, and the period of usefulness of the 2023 SRF Improvements is estimated to be not less than thirty (30) years.

Section 5. <u>Payment of Costs of 2023 SRF Improvements and Authorization of 2023 SRF Bonds.</u> It is hereby determined that the City shall borrow the sum of not-to-exceed Twenty-Six Million Dollars ($26,000,000), with such maximum amount being reduced by an amount commensurate with the amount of the Grant ultimately realized by the City, and as finally determined by an Authorized Officer upon the sale of thereof, and the 2023 SRF Bonds shall be issued pursuant to the provisions of Act 94 to pay the cost of acquiring and constructing the 2023 SRF Improvements, including the payment of engineering, legal, financial, bond insurance, underwriter's discount and other expenses incident thereto and incident to the issuance and sale of the 2023 SRF Bonds. The balance of the cost of the 2023 SRF Improvements, if any, will be paid from other funds of the City legally available therefor.

The 2023 SRF Bonds shall be designated as the SEWAGE DISPOSAL SYSTEM [JUNIOR LIEN] REVENUE BONDS (SRF PROJECT #5005-25), SERIES 2023, with such modifications as may be approved by an Authorized Officer, and, unless required by the Authority and as authorized by Act 94, shall not be a general obligation of the City, but be revenue bonds, payable solely out of the Net Revenues of the System. The 2023 SRF Bonds may constitute an Additional Bond as defined in the Outstanding Bond Ordinances, having equal standing and priority of lien as to the Net Revenues of the System with the Outstanding Senior Lien Bonds, or the 2023 SRF Bonds may be issued as Junior Lien Bonds, as determined by an Authorized Officer.

Section 6. <u>Year of Sale.</u> If the 2023 SRF Bonds, or any series thereof, are not sold or delivered in calendar year 2023, then references to the name of the bonds, funds and accounts approved by this Resolution may be changed to reflect the year in which such bonds will be sold or delivered.

Section 7. <u>2023 SRF Bond Details.</u> The 2023 SRF Bonds shall be issued in the form of one or more fully-registered, nonconvertible bonds, dated as of the date of delivery, payable in annual principal installments in the amounts and on the dates as determined by the order of the EGLE and approved by the Authority and the Authorized Officer, provided that the final payment on the 2023 SRF Bonds shall occur within the period of usefulness of the 2023 SRF Improvements as set forth in Section 4 of this Resolution. Final determination of the principal amount and the payment dates and amounts of principal installments of the 2023 SRF Bonds shall be evidenced by execution of a Purchase Contract (the ***"Purchase Contract"***) between the City and the Authority providing for sale of the 2023 SRF Bonds, and the Authorized Officer is authorized and directed to execute and deliver the Purchase Contract.

The 2023 SRF Bonds shall bear interest at a rate or rates to be determined by the Authorized Officer at the time of execution of the Purchase Contract, but in any event not exceeding the maximum amount permitted by law, payable semiannually on the dates as determined in the Purchase Contract. In addition, if required by the Authority, the 2023 SRF Bonds will bear additional interest, under the terms required by the Authority, in the event of a default by the City in the payment of principal or interest on the 2023 SRF Bonds when due. The 2023 SRF Bonds principal amount is expected to be drawn down by the City periodically, and interest on each installment of the principal amount shall accrue from the date such principal installment is drawn down by the City. Principal installments of the 2023 SRF Bonds will be subject to prepayment prior to maturity as permitted by the Authority and approved by the Authorized Officer.

The Mayor and City Clerk are authorized to execute the 2023 SRF Bonds by manual or facsimile signature. If required, at least one signature on the 2023 SRF Bonds shall be a manual signature. The 2023 SRF Bonds shall have the facsimile corporate seal of the City printed or impressed thereon. The 2023 SRF Bonds may be transferred by the bondholder as provided in the 2023 SRF Bonds as executed.

Section 8. <u>State Revenue Sharing Pledge.</u> If required by the Authority, as additional security for repayment of the 2023 SRF Bonds, the Council agrees to pledge the state revenue sharing payments that the City is eligible to receive from the State of Michigan under Act 140, Public Acts of Michigan, 1971, as amended, to the Authority as purchaser and holder of the 2023 SRF Bonds. The Authorized Officer is authorized to execute and deliver a revenue sharing pledge agreement between the City and the Authority.

Section 9. <u>Applicability of the Outstanding Bond Ordinances.</u> Except to the extent supplemented or otherwise provided in this Resolution (such as if the 2023 SRF Bonds are issued on a subordinate basis to the Outstanding Bonds), the provisions and covenants provided in the Outstanding Bond Ordinances shall apply to the 2023 SRF Bonds issued pursuant to provisions of this Resolution, such provisions of said Ordinances being made applicable to the 2023 SRF Bonds herein authorized, the same as though said 2023 SRF Bonds were originally authorized and issued as a part of the Outstanding Bonds issued pursuant to the Outstanding Bond Ordinances.

Section 10. 2023 SRF Bond Proceeds. The proceeds of the sale of the 2023 SRF Bonds as received by the City shall be deposited in an account separate from other money of the City and held in a bank or banks qualified to act as depository of the proceeds of sale under the provisions of Section 15 of Act 94 designated "2023 SRF Project Construction Fund" (the "***2023 SRF Construction Fund***"). Moneys in the 2023 SRF Construction Fund shall be applied solely in payment of the cost of the 2023 SRF Improvements including any engineering, legal and other expenses incident thereto and to the costs of issuance of the 2023 SRF Bonds. Any balance remaining in the 2023 SRF Construction Fund after completion of the 2023 SRF Improvements may be used for any other improvements to the System if such use is permitted by state law and will not cause the interest on the 2023 SRF Bonds to be included in gross income for federal income tax purposes within the meaning of the Internal Revenue Code. Any remaining balance shall be paid into the Redemption Fund and used as permitted by state law.

Section 11. Bond Reserve Requirement. The City hereby covenants and agrees with the holders of the Bonds that, if an Authorized Officer determines that the 2023 SRF Bonds shall have equal standing and priority of lien with the Outstanding Bonds, the City shall maintain on deposit in the Bond Reserve Account an amount not less than the Bond Reserve Requirement. If at any time there is any excess in the Bond Reserve Account over the Bond Reserve Requirement, such excess may be transferred to such fund or account as the City shall direct.

Section 12. Bond Form. The 2023 SRF Bonds shall be in substantially the following form subject to changes, including references to additional security, as may be required by the Authority:

[Form of Bond To Be Completed After Bond Sale]
United States of America
State of Michigan
Counties of Ingham and Eaton

CITY OF LANSING
SEWAGE DISPOSAL SYSTEM
[JUNIOR LIEN] REVENUE BOND (SRF PROJECT #5005-25), SERIES 2023

Interest Rate	Date of Maturity
___%	**[Month 1, 20__]**

Registered Owner: Michigan Finance Authority

Principal Amount: ___________ Dollars ($__________)

Date of Original Issue: __________, 2023

The CITY OF LANSING, Counties of Ingham and Eaton, State of Michigan (the "City"), for value received, acknowledges itself to owe, and for value received hereby promises to pay, but only out of the hereinafter described Net Revenues of the City's Sewage Disposal System (hereinafter defined), to the Michigan Finance Authority (the "Authority") the principal amount of this Bond or so much thereof as shall have been advanced to the City pursuant to a Purchase Contract between the City and the Authority and a Supplemental Agreement by and among the City, the Authority and the State of Michigan acting through the Department of Environment, Great Lakes, and Energy. During the time funds are being drawn down by the City under this Bond, the Authority will periodically provide the City a statement showing the amount of principal that has been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information; provided that no failure on the part of the Authority to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the City of its obligation to repay the outstanding principal amount actually advanced, all accrued interest thereon, and any other amount payable with respect thereto in accordance with the terms of this Bond.

The Principal Amount shall be payable on the dates and in the annual principal installment amounts set forth on Schedule I attached hereto and made a part hereof, as Schedule I may be adjusted if less than $[amount] is disbursed to the City. Interest is first payable on [April 1, 202_/October 1, 202_], and semiannually thereafter, and principal is payable on the first day of [April/October] commencing [April 1, 202_/October 1, 202_] (as identified in the Purchase Contract) and annually thereafter.

The Bond is subject to prepayment by the City prior to maturity only with the prior written consent of the Authority and on such terms as may be required by the Authority.

Notwithstanding any other provision of this Bond, as long as the Authority is the owner of this Bond, (a) this Bond is payable as to principal, premium, if any, and interest at U.S. Bank Trust Company, National Association or at such other place as shall be designated in writing to the City by the Authority (the "Authority's Depository"); (b) the City agrees that it will deposit with the Authority's Depository payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise; in the event that the Authority's Depository has not received the City's deposit by 12:00 noon on the scheduled day, the City shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment; and (c) written notice of any redemption of this bond shall be given by the City and received by the Authority's Depository at least 40 days prior to the date on which such redemption is to be made.

Additional Interest

In the event of a default in the payment of principal or interest hereon when due, whether at maturity, by redemption or otherwise, the amount of such default shall bear interest (the “additional interest”) at a rate equal to the rate of interest which is two percent (2%) above the Authority’s cost of providing funds (as determined by the Authority) to make payment on the bonds of the Authority issued to provide funds to purchase this Bond but in no event in excess of the maximum rate of interest permitted by law. The additional interest shall continue to accrue until the Authority has been fully reimbursed for all costs incurred by the Authority (as determined by the Authority) as a consequence of the City’s default. Such additional interest shall be payable on the interest payment date following demand of the Authority. In the event that (for reasons other than the default in the payment of any municipal obligation purchased by the Authority) the investment of amounts in the reserve account established by the Authority for the bonds of the Authority issued to provide funds to purchase this Bond fails to provide sufficient available funds (together with any other funds which may be made available for such purpose) to pay the interest on outstanding bonds of the Authority issued to fund such account, the City shall and hereby agrees to pay on demand only the City’s pro rata share (as determined by the Authority) of such deficiency as additional interest on this Bond.

For prompt payment of principal and interest on this Bond, the City has irrevocably pledged the revenues of its Sewage Disposal System, including all appurtenances, extensions and improvements thereto (the “System”), after provision has been made for reasonable and necessary expenses of operation, maintenance and administration (the “Net Revenues”), and a statutory lien thereon is hereby recognized and created. [This Bond is of [equal][junior] standing and priority of lien as to the Net Revenues of the System with the ______________.]

[This Bond is one of a series of bonds aggregating the principal sum of $______________, issued pursuant to Ordinance No. 29-A, as amended and supplemented by Ordinance Nos. 30-A, 31-A, 35-A, 838, 873, 993, 0544, 2010-423, Ordinance No. 2012-269, and Resolution No. 2021-264 and Resolution No. ____, each duly adopted by the City Council of the City, and under and in full compliance with the Constitution and statutes of the State of Michigan, including specifically Act 94, Public Acts of Michigan 1933, as amended for the purposes of constructing and acquiring improvements to the System, and refunding certain outstanding sewage disposal system revenue bonds of the City.]

For a complete statement of the revenues from which and the conditions under which this Bond is payable, a statement of the conditions under which additional bonds of equal standing may thereafter be issued and the general covenants and provisions pursuant to which this bond is issued, reference is made to the above-described Ordinances. Copies of the Ordinances are on file at the office of the City Clerk and reference is made to the Ordinances and any and all supplements thereto and modifications and amendments thereof, if any, and to Act 94 for a more complete description of the pledges and covenants securing the bonds, the nature, extend and manner of enforcement of such pledges, the rights and remedies of the registered owners of the bonds with respect thereto and the terms and conditions upon which the bonds are issued and may be issued thereunder. To the extent and in the manner permitted by the terms of the Ordinances, the provisions of the Ordinances or any resolution or agreement amendatory thereof or supplemental thereto, may be modified or amended by the City, except in specified cases, only with the written consent of the registered owners of at least fifty-one percent (51%) of the principal amount of the bonds then outstanding.

[THIS BOND IS A SELF-LIQUIDATING BOND AND IS NOT A GENERAL OBLIGATION OF THE CITY AND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY WITHIN ANY CONSTITUTIONAL, STATUTORY OR CHARTER LIMITATION, AND IS PAYABLE BOTH AS TO PRINCIPAL AND INTEREST, SOLELY FROM THE NET REVENUES OF THE SYSTEM AND CERTAIN FUNDS AND ACCOUNTS ESTABLISHED UNDER THE ORDINANCES. THE PRINCIPAL AND INTEREST ON THIS BOND ARE SECURED BY THE STATUTORY [FIRST][JUNIOR] LIEN HEREINBEFORE DESCRIBED.

It is hereby certified and recited that all acts, conditions and things required by law to be done, precedent to and in the issuance of this bond and the series of bonds of which this is one, exist and have been done and performed in regular and due form and time as required by law.

IN WITNESS WHEREOF, the City of Lansing, Counties of Ingham and Eaton, State of Michigan, by authority of its City Council, has caused this bond to be signed for and on its behalf and in its name by the manual or facsimile signatures of the Mayor and Clerk of the City, and the official seal of the City or a facsimile thereof to be impressed or printed hereon, all as of the Date of Original Issue.

CITY OF LANSING
Counties of Ingham and Eaton
State of Michigan

By__________________________________

Its Mayor

Countersigned:

By__________________________________

Its City Clerk

[FORM OF SCHEDULE I]

Name of Issuer: CITY OF LANSING
EGLE Project No.: ________
EGLE Approved Amt:

SCHEDULE I

Based on the schedule provided below unless revised as provided in this paragraph, repayment of principal of the Bond shall be made until the full amount advanced to the City is repaid. In the event the Order of Approval issued by the Department of Environment, Great Lakes, and Energy (the "Order") approves a principal amount of assistance less than the amount of the Bond delivered to the Authority, the Authority shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule approved by the City and described below provides for payment of a total principal amount greater than the amount of assistance approved by the Order, or (2) that less than the principal amount of assistance approved by the Order is disbursed to the City by the Authority, the Authority shall prepare a new payment schedule which shall be effective upon receipt by the City.

Due Date	Amount of Principal Installment

Interest on the bond shall accrue on principal disbursed by the Authority to the City from the date principal is disbursed, until paid, at the rate of ____% per annum, payable [date], and semi-annually thereafter.

The City agrees that it will deposit with U.S. Bank National Association, or at such other place as shall be designated in writing to the City by the Authority (the "Authority's Depository") payments of the principal of, premium, if any, and interest on this bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise. In the event that the Authority's Depository has not received the City's deposit by 12:00 noon on the scheduled day, the City shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment.

Section 13. Reimbursement; Non-Arbitrage Covenant. The City declares that it reasonably expects to make advances of funds to make 2023 SRF Improvements. The City makes the following declarations for the purpose of complying with the reimbursement rules of Treas. Reg. §1.150-2 pursuant to the Internal Revenue Code of 1986, as amended (the **"Code"**):

(a) As of the date hereof, the City reasonably expects to reimburse the City for the expenditures described in (b) below with proceeds of debt to be incurred by the City.

(b) The expenditures described in this paragraph (b) are for the costs of acquiring and constructing the 2023 SRF Improvements which were or will be paid subsequent to sixty (60) days prior to the date hereof.

The City covenants and agrees with the holders of the 2023 SRF Bonds that as long as any of the 2023 SRF Bonds remain outstanding and unpaid as to either principal or interest, the City shall not invest, reinvest or accumulate any moneys deemed to be proceeds of the 2023 SRF Bonds pursuant to the Code in such a manner as to cause the 2023 SRF Bonds to be "arbitrage bonds" within the meaning of the Code. The City hereby covenants that, to the extent permitted by law, it will take all actions within its control and that it shall not fail to take any action as may be necessary to maintain the exemption of interest on the 2023 SRF Bonds from gross income for federal income tax purposes, including but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure and investment of bond proceeds and moneys deemed to be bond proceeds, all as more fully set forth in the Non-Arbitrage and Tax Compliance Certificate to be delivered by the City with the 2023 SRF Bonds.

Section 14. Municipal Advisor. The City hereby confirms Robert W. Baird & Co. Incorporated, as Municipal Advisor for the 2023 SRF Bonds.

Section 15. Negotiated Sale; Application to EGLE and Authority. The Council has considered the option of selling the 2023 SRF Bonds through a competitive sale and a negotiated sale and determines that it is in the best interest of the City to negotiate the sale of the 2023 SRF Bonds to the Authority because the State Revolving Fund financing program provides significant savings to the City compared to a competitive sale in the municipal bond market. The Authorized Officer and the City's Director of Public Works are authorized to apply to the Authority and to EGLE for placement of the 2023 SRF Bonds with the Authority. The actions taken by the Authorized Officer and the Director of Public Works with respect to the 2023 SRF Bonds prior to the adoption of this Resolution are ratified and confirmed. The Authorized Officer is authorized to sell the 2023 SRF Bonds to the Authority and to execute and deliver the Purchase Contract, the Supplemental Agreement and the Issuer's Certificate in the forms provided by the Authority. The Authorized Officer and the Director of Public Works are further authorized to execute and deliver such contracts, documents and certificates as are necessary or advisable to qualify the 2023 SRF Bonds for the State Revolving Fund program.

Section 16. Bond Counsel. The City hereby appoints Dykema Gossett PLLC as Bond Counsel with respect to the 2023 SRF Bonds notwithstanding Dykema's occasional representation of the Authority in other unrelated transactions.

Section 17. Acceptance of Grant. The Council accepts the Grant in an aggregate amount of approximately Seventeen Million Dollars ($17,000,000), or approximately fifty-two percent (52%) of the amount of the 2023 SRF Improvements eligible for financing through the State Revolving Fund program and appropriates such funds as necessary to support the financing of or provide security for the 2023 SRF Improvements. The total amount of the Grant funds may be received in one or more distributions. An Authorized Officer is authorized to cause to be created appropriate accounts to make necessary operating transfers for the expenditure and control of the balance of the awarded Grant for the benefit of the 2023 SRF Improvements as ultimately designed. The acceptance, approvals and authorizations contained in this Resolution will apply to the Grant, including if the amount of the Grant is increased from time to time, and including the negotiation and execution of any additional documentation reflecting such increases.

Section 18. Other Actions. The officers, administrators, agents and attorneys of the City are authorized and directed to take all other actions necessary and to facilitate issuance, sale, and delivery of the 2023 SRF Bonds and receipt of the Grant, and to execute and deliver all other agreements, documents, and certificates and to take all other actions necessary or convenient to complete the issuance and delivery of the 2023 SRF Bonds and receipt of the Grant in accordance with this Resolution, and to pay costs of issuance including Bond Counsel fees, Municipal Advisor fees, filing fees with State Treasury, costs of printing the 2023 SRF Bonds, and any other costs necessary to accomplish sale and delivery of the 2023 SRF Bonds. The Authorized Officer is authorized to determine final bond details for the 2023 SRF Bonds and the final Grant details, to the extent necessary or convenient to complete the transactions authorized by this Resolution, to exercise the authority and make determinations authorized pursuant to

Section 7a(1)(c) of Act 94, including but not limited to determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, and other matters.

Section 19. Rates and Charges. Rates shall be fixed and revised from time to time by the Council so as to produce amounts that are sufficient to pay the expenses of administration and the costs of operation and maintenance of the System, to provide an amount of revenues adequate for the payment of principal of and interest on the SRF 2023 Bonds, reserve, replacement and improvement requirements, if any, and to otherwise comply with all requirements and covenants provided herein; and such that are reasonably expected to yield annual Net Revenues of the System to maintain compliance with Section 19 of Ordinance No. 29-A for any then Outstanding Senior Lien Bonds and equal to at least 100% of the average annual principal and interest thereafter maturing in any fiscal year on the then Outstanding Junior Lien Bonds; and promptly upon any material change in the circumstances which were not contemplated at the time such rates and charges were most recently reviewed, but not less frequently than once in each fiscal year, review the rates and charges for its services and promptly revise such rates and charges as necessary to comply with the foregoing requirement. The rates and charges for all services and facilities rendered by the System shall be reasonable and just, taking into consideration the costs and value of the System, the cost of maintaining, repairing, and operating the System, and the amounts necessary for the retirement of all SRF 2023 Bonds and interest accruing on all SRF 2023 Bonds, and there shall be charged such rates and charges as shall be adequate to meet the requirement of this and the preceding sections.

Section 20. No Free Service. No free service shall be furnished by the System to the City or to any individual, firm or corporation, public or private, or to any agency or instrumentality.

Section 21. Defeasance. In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay at maturity or irrevocable call for earlier optional or mandatory redemption, the principal of, premium, if any, and interest on any of the 2023 SRF bonds, shall be deposited in trust, this Resolution shall be defeased with respect to such Bonds (the **"Defeased Bonds"**), and the owners of the Defeased Bonds shall have no further rights under this Resolution except to receive payment of the principal of, premium, if any, and interest on the bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange bonds as provided herein. Defeased Bonds shall be treated as if they have been redeemed for all purposes under this Resolution.

Section 22. Fiscal Year of System. The fiscal year for operating the System shall coincide with the fiscal year of the City.

Section 23. Repeal, Savings Clause. All ordinances, resolutions of orders, or parts thereof, in conflict with the provisions of the Ordinance are repealed.

Section 24. Severability; Paragraph Headings, and Conflict. If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such action, paragraph, clause or provision shall not affect any of the other provisions of this Resolution. The paragraph headings in this Resolution are furnished for convenience of reference only and shall not be considered to a part of this Resolution.

Section 25. Publication and Recordation. This Resolution shall be published in full in the Lansing City Pulse, a newspaper of general circulation in the City of Lansing, qualified under State law to publish legal notices, promptly after its adoption, and shall be recorded in the Ordinance Book of the City and such recording authenticated by the signatures of the President of the Council and the City Clerk.

Section 26. Effective Date. As provided in Act 94, this Resolution shall be effective upon its adoption.

By Vice President Wood

Motion Carried

Vice President Wood addressed questions about the hiring of an Internal Auditor and gave updates on progress being made.

Ordinances for Passage

Passage of Ordinance

An Ordinance of the City of Lansing, Michigan to amend the Lansing Codified Ordinances by Adding Chapter 291, Sections 291.01-291.04, to establish a conflict of interest policy and regulations for U.S. Department of Housing and Urban Development (HUD) Programs and Funding; including, but not limited to, Continuum of Care (24 CFR 578.95); Emergency Services Grants (24 CFR 576.404); and CDBG (24 CFR 570.611, 24 CFR 578.95, 24 CFR 576.404); and to provide penalties for any violations of the provisions of this ordinance.

Was read a second time by its title and adopted by the following roll call vote:

Yeas: Council Members Brown, Daniels, Garza, Hussain, Jackson, Spadafore, Spitzley, Wood

Nays: None

Ordinance #1309

An Ordinance of the City of Lansing, Michigan to amend the Lansing Codified Ordinances by Adding Chapter 291, Sections 291.01-291.04, to establish a conflict of interest policy and regulations for U.S. Department of Housing and Urban Development (HUD) Programs and Funding; including, but not limited to, Continuum of Care (24 CFR 578.95); Emergency Services Grants (24 CFR 576.404); and CDBG (24 CFR 570.611, 24 CFR 578.95, 24 CFR 576.404); and to provide penalties for any violations of the provisions of this ordinance.

The City of Lansing Ordains:

Section 1. That the Code of Ordinances of Lansing, MI be and is hereby amended by adding Chapter 291, Sections 291.01-291.04 and shall read as follows:

291.01 – Establishment

This Ordinance adopts a Conflict of Interest Policy, including regulations, for U.S. Housing and Urban Development (HUD) programs administered by the City of Lansing (City).The purpose of this policy is to adopt the process and regulations by which the City of Lansing ("City") administers the use of HUD funds for the administration, including financial administration, of any program established and funded by HUD, including, but not limited to, Continuum of Care, (24 CFR 578.95); Emergency Services Grants, (24CFR576.404); Community Development Block Grant (24 CFR 570.611);, and the HOME Investment Partnership Program, (24 CFR 92.356) and of 2 CFR 200.318 to prevent any real or perceived conflict of interest with regard to the use of these funds. A conflict of interest exists where there is an actual or perceived potential gain or bias by an employee of the City. An apparent conflict of interest arises when a City employee is involved in a particular matter and the circumstances are such that a reasonable person with knowledge of the relevant facts would question the impartiality of the employee in the matter. Family member, for purposes of this policy, is defined as any person related by blood or adoption as detailed in the City Personnel Policy.

In addition, the federal procurement standards found at 2 CFR 200.318 are incorporated by reference into this policy as regulations.

- **(a) Conflict of Interest Application. Conflict of interest provisions are applicable to any person or entity including any benefitting business, utility provider, or other third-party entity that is receiving assistance, directly or indirectly, under a contract or award from the City pursuant to a HUD-funded activity or program, or that is required to complete some or all work under the contract that might potentially receive benefits from Lansing from the HUD-funded activity or contract.**
- **(b) Conflicts Prohibited. Except for the use of HUD funds to pay salaries and other related administrative or personnel costs as allowable, the general rule is that no persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to HUD supported activities, or who are in a position to participate in a decision making process or to gain inside and/or confidential information with regard to such activities, may obtain a financial interest or benefit from a HUD assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a HUD assisted activity, or with respect to the proceeds of the HUD assisted activity, either for themselves or those with who they have family or business ties and/or associations, during their tenure or for one year thereafter.**
- **(c) Persons Covered. The conflict-of-interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient, or of any designated public agencies, or subrecipients which are receiving HUD funds. This Ordinance shall also apply to: City employees and/or their family members; to City oversight boards; subrecipients of grants and funding; and organizations that request assistance in the form of grants, payments, or loans funded by HUD and administered by the City; or other activities funded by HUD and administered through City programs.**

291.02. Scope and application of this policy.

As per 24CFR 570.611 (CDBG) this Ordinance shall apply in the procurement of supplies, equipment, construction, and services by the City and its subrecipients, subgrantees and subawardees. As per 24 CFR 92.356 (HOME) this Ordinance shall apply in the procurement of property and services by the City (the Participating Jurisdiction), its subrecipients and developers. This Ordinance also applies to the procurement of goods and services under Emergency Service Grants (24CFR576.404).

In the administration and potential award of HUD funds for employees and for subrecipients, the following conflict of interest provisions shall apply:

No employee, officer, agent, consultant, or elected/appointed official of the recipient City, or of any designated public agencies, or of subrecipients that are receiving funds under any of the HUD-funded grant programs cited in this Ordinance may participate in the selection, award, or administration of a contract or grant supported by a Federal HUD award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract or grant. The officers, employees, and agents of the non-Federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontractors or parties to subcontracts in connection with any of the programs cited in this Ordinance.

Exceptions to any of the provisions of this Ordinance can only be permitted by HUD.

291.03. Process.

Disclosure of a potential conflict of interest must be made by a City Employee, Oversight Board Member, or potential subrecipient of HUD funding before the commencement of the administration, or application for, any HUD funding whatsoever by such persons or entities or before an employee gains any financial interest in any project or contract to be assisted with HUD funds. Disclosure shall be made on the Statement of Financial Interest and Personal Interest Form described in Chapter 290.08 and shall apply to those persons covered by Chapter 291.01(c). The Statement of Financial Interest and Person Interest form shall be filed with the City Clerk who shall transmit to the City Finance Director and the City Attorney. In addition, The Finance Department and the Human Resources Department shall review each potential award, grant or contract utilizing HUD funds of any nature, including a review of: any filed Statement of Personal Interest and Financial Interest Forms; Verification of legal status, including Articles, Bylaws, Annual Reports; Business Filings; and Officer/Director filings with regulatory agencies for potential conflicts of interest. A current Board roster signed by the Board Chair shall accompany all non-profit submissions and shall be compared with current public documents on file with the applicable regulatory agency.

291.04. Penalties.

A violation of any provision of this Ordinance shall constitute a misdemeanor and subject the offender to a $500 fine and/or 90 days imprisonment.

Section 2. All ordinances, resolutions or rules, parts of ordinances, resolutions or rules inconsistent with the provisions herein are repealed.

Section 3. Should any section, clause or phrase of this ordinance be declared to be invalid, the same shall not affect the validity of the ordinance as a whole, or any part thereof other than the part so declared to be invalid.

Section 4. This ordinance shall take effect on the 30th day after enactment, unless given immediate effect by City Council and shall expire December 31, 2031.

Passage of Ordinance

An Ordinance of the City of Lansing, Michigan, to amend the Lansing Codified Ordinances by repealing Chapter 844, Sections 844.27 through 844.99, to eliminate City permitting requirements for solicitors of charitable and religious donations.

Was read a second time by its title and adopted by the following roll call vote:

Yeas: Council Members Brown, Daniels, Garza, Hussain, Jackson, Spadafore, Spitzley, Wood

Nays: None

Ordinance #1310

An Ordinance of the City of Lansing, Michigan, to amend the Lansing Codified Ordinances by repealing Chapter 844, Sections 844.27 through 844.99, to eliminate City permitting requirements for solicitors of charitable and religious donations.

The City of Lansing Ordains:

Section 1. That Chapter 844, Sections 844.27 through 844.99, of the Code of Ordinances of the City of Lansing, Michigan be and is hereby repealed in their entirety and shall be null and void and of no effect.
Section 2. All ordinances, resolutions or rules, parts of ordinances, resolutions or rules inconsistent with the provisions are repealed.
Section 3. Should any section, clause or phrase of this ordinance be declared to be invalid, the same shall not affect the validity of the ordinance as a whole, or any part thereof other than the part so declared to be invalid.
Section 4. This ordinance shall take effect on the 30th day after enactment, unless given immediate effect by City Council.

Speaker Registration for Public Comment on City Government Related Matters

City Clerk Swope announced that the public comment registration form(s) for those intending to address Council on City government matters will be collected and that only those persons who have fully completed the form(s) will be permitted to speak.

Reports From City Officers, Boards, and Commissions; Communications and Petitions; and Other City Related Matters

By Vice President Wood that all items be considered as being read in full and that President Hussain make the appropriate referrals

Motion Carried

- Reports from City Officers, Boards and Commissions:

Letter(s) from the City Clerk re:

None

Letter(s) from the Council President re:

Ordinance to rename the Planning Board to the Planning Commission to comply with State Law (PEND-3130)
Referred to the Committee on Development and Planning and the Planning Board

Setting a Public Hearing on an Ordinance to rename the Planning Board to the Planning Commission to comply with State Law (PEND-3131)
Referred to the Committee on Development and Planning and the Planning Board

Letter(s) from the Mayor re:

Reappointment; Laurie Baumer as a member of the Michigan Avenue Corridor Improvement Authority Board of Directors for a term to expire June 30, 2026 (PEND-3115)
Referred to the Committee on Development and Planning

Act-7-2022; Permanent Easement, 0 Par Place (PID # 33-01-02-32-220-777) for the City to construct a public sidewalk (PEND-3125)
Referred to the Committee on Development and Planning

Workers Compensation Settlement 2062876-01325 (PEND-3126)
Referred to the Committee on Ways and Means and to the Internal Auditor and Place on File

Easement; Consumers Energy Pipeline on Board of Water and Light property (PEND-3129)
Referred to the Committee on Development and Planning

Appointment; Hugh McNichol as the 2nd Ward member of the Board of Public Service for a term to expire June 30, 2026 (PEND-3120)
Referred to the Committee on City Operations

Appointment; Jarrod LaRue as the 2nd Ward member of the Board of Fire Commissioners for a term to expire June 30, 2026 (PEND-3119)
Referred to the Committee on Public Safety

Appointment; Raquel Sparkman as the 3rd Ward member of the Diversity, Equity, and Inclusion Advisory Board with a term to expire June 30, 2023 (PEND-3124)
Referred to the Committee on Equity Diversity and Inclusion

Appointment; Emily Sorroche as an At-Large member of the Diversity, Equity, & Inclusion Advisory Board for a term to expire June 30, 2026 (PEND-3123)
Referred to the Committee on Equity Diversity and Inclusion

Appointment; Eric Sudol as an At-Large member of the Lansing Entertainment and Public Facilities Authority Board of Commissioners for a term to expire June 30, 2025 (PEND-3121)
Referred to the Committee of the Whole

Remarks by Council Members

Council Member Jackson thanked Council Member Daniels for his service on the City Council.

Council Member Daniels thanked the First Ward and the opportunity to serve on the City Council and to represent the residents of the First Ward.

Vice President Wood thanked Council Member Daniels and his family for the efforts they have all made on behalf of the City of Lansing.

Council Member Spadafore thanked Council Member Daniels for his time on the City Council and the work they have done together.

Council Member Spitzley thanked Council Member Daniels for his service and for being an advocate for the First Ward.

Council Member Brown thanked Council Member Daniels for his service.

Council Member Garza thanked Council Member Daniels for his service on the City Council and to the country.

President Hussain thanked Council Member Daniels for his professionalism during his time on the City Council. He also recognized the work that the City Council has done over the past year, and thanked City TV, the City Clerk's Office, the City Administration, the Law Department, and the constituency for making that work possible. He thanked Vice President Wood for serving as his Vice President. Finally, he acknowledged Sherrie Boak and Renee Richmond for their work in the City Council Office and the work of the Public Safety Officers.

Remarks by the Mayor Or Executive Assistant

Chief of Staff DiSessa, on behalf of the Mayor's Office, thanked Council Member Daniels for his service

Public Comment on City Government Related Matters

Maggie Daniels thanked the City Council and Council Member Daniels

Kelsey Hudson spoke about various City Matters.

Michael Morofsky spoke about various City Matters.

Kyle Richard spoke about homelessness.

Adjourned Time 7:55 P.M.

Chris Swope

Chris Swope, City Clerk