MINUTES
Committee of the Whole
Monday, May 6, 2024 @ 5:00 p.m.
Tony Benavides Lansing City Council Chambers

CALL TO ORDER
Council President Garza called the meeting to order at 5:00 p.m.

PRESENT
Councilmember Peter Spadafore
Councilmember Adam Hussain
Councilmember Tamera Carter
Councilmember Trini Pehlivanoglu
Councilmember Jeffrey Brown
Councilmember Ryan Kost
Councilmember Jeremy Garza
Councilmember Brian T. Jackson

OTHERS PRESENT
Sherrie Boak, Council Staff
Lisa Hagen-Lawrence, OCA
Greg Venker, OCA
Mark Lawrence, Mayor's Office
Jake Brower, Chief Strategy Officer and Acting Budget Director
Jackson Mills, Budget Analyst
Chief Sosebee, LPD Chief
Chief Backus, LPD Deputy Chief
Cathleen Edgerly, DLI
Jennifer Czeiszperger, Assessor
Sharon Frischman, Assessor
Tristan Wright, LEPFA
Karl Dorshimer, LEDC
Kris Klein, LEDC
Jim DeLine, Interim Internal Auditor
Cheryl Rupperecht, LPD Budget Director
Brandy Standler - LEDC

Minutes
MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE MINUTES FROM APRIL 15, 2024, AS PRESENTED. MOTION CARRIED 8-0.

Public Comment
No public comment.

Presentation
Department Budget Presentations
Police
Chief Sosebee went through the budget questions.

- What is the difference with your budget from current fiscal year to the proposed budget?
  There was a difference of $4,464,507 resulting due to increase on fleet, parking, rental and fringe benefits.
- Are there any changes in services that your department is responsible for and if so, why?
  No
- Are there any rate or fee increases and if so, why?
  No
- Are there any major equipment purchases proposed in your budget?
  No
- Are there any eliminating, combining or contracting of positions in your budget, and if so, provide specifics.
  No
- Are you able to perform all necessary departmental responsibilities with this budget?
  Yes, all efforts will continue.
- Are there any new initiatives or services your department will be providing with this budget?
  L-CAP – new project.
- Who are the top 2 largest vendors for your department and when were they last bid?
  Share vendors with other departments, and theirs is AXON – the camera's, body camera's and that bid was two years ago into an 8 year contract. They also share vendor for fleet purchases.
- What (if any) operational changes have you made to become more efficient in your department? What were the savings?
  One change is record management, digitizing records – in process. The long-term savings are projected but not accurate until complete. The L-CAP initiative is a resource.

Council Member Jackson asked for details on L-CAP for where traditional law enforcement is not necessary. Chief Sosebee is a police officer, social worker and paramedic that is proactive and reactive. It is dispatched, not in uniform and there are currently three. In the last month there were 29 calls, services 34 citizens in some sort of crisis.

Mr. DeLine noted the mayor presentation and 15 officers with proposed public safety revenue sharing and if it was approved, and Chief Sosebee stated it has not at this time.

Council Member Kost asked about CPO is being expanded into all neighborhoods, and Chief Sosebee stated they are working on that and working hard to get all positions filled.

Council President Garza asked about 15 officers, and if those are out of the academy. Chief Sosebee stated last academy there were 15 and today there were 6 sworn in today. Council President Garza asked how many officers in the budget and current; 212 and currently have 198.

Council Member Brown asked about if when getting new officers are current officers promoted. Chief Sosebee stated there are two detective positions, and those will remain open until he is comfortable filling those promotions.

Council Member Jackson noted the difference between funded and actual officers, and asked if that difference has ever been under 10. Chief Sosebee stated in the last 4-5 years it has been around 10. The recent 15 and 6 are not counted in the total number until they have completed their training.

<u>Downtown Lansing Inc.</u>
Ms. Edgerly went through the questions.

- What is the difference with your budget from current fiscal year to the proposed budget?
  Reduced by $2 million due to expending State, CDBG and ARPA funds.
- Are there any changes in services that your department is responsible for and if so, why?
  No
- Are there any rate or fee increases and if so, why?
  Assessment increase in this current fiscal year.
- Are there any major equipment purchases proposed in your budget?
  No
- Are there any eliminating, combining or contracting of positions in your budget, and if so, provide specifics.
  No.
- Are you able to perform all necessary departmental responsibilities with this budget?
  Yes, due to State funding and private investors.
- Are there any new initiatives or services your department will be providing with this budget?
  New tenant improvement program being introduced this year. With MEDC funding they are offering small business training.
- Who are the top 2 largest vendors for your department and when were they last bid?
  Lakestate -Landscaping; bid every 3-5 years, and in currently bidding.
  Smith Group – awarded in 2022 for comprehensive analysis.
- What (if any) operational changes have you made to become more efficient in your department? What were the savings?
  Implemented a new project management system to increase efficiency, business recruitment and grant management. Implement over last two months and will evaluate over the year.

Council Member Kost noted double in beautification, and asked what those things are. Ms. Edgerly stated that is the increase in income for cleanliness of public spaces. Council Member Kost asked if there are any new beautifications planned for this year. Ms. Edgerly stated with the CSO along Washington square they anticipate changes.

<u>Assessing</u>
Ms. Czeiszperger and Ms. Frischman went through the list of questions.

- What is the difference with your budget from current fiscal year to the proposed budget?
  Inflation, staff and supplies.

- Are there any changes in services that your department is responsible for and if so, why?
  No
- Are there any rate or fee increases and if so, why?
  Does not apply.
- Are there any major equipment purchases proposed in your budget?
  Does not apply.
- Are there any eliminating, combining or contracting of positions in your budget, and if so, provide specifics.
  Do have contract employees, but temporary to fill gaps while hiring FTE.
- Are you able to perform all necessary departmental responsibilities with this budget?
  Yes
- Are there any new initiatives or services your department will be providing with this budget?
  Nothing
- Who are the top 2 largest vendors for your department and when were they last bid?
  KCI – mailing services, and Krejci – data supplier. It is half the cost of the former data supplier.
- What (if any) operational changes have you made to become more efficient in your department? What were the savings?
  Nothing specific, but always looking.

Council Member Spadafore referenced the difference between 2023 – 2025 and was that reduction in staff. Ms. Frischman stated they have not officially eliminated but have been understaffed. There have been 2 admins for a couple years, and those tasks have been combined, do they will probably not fill the 3rd administrative position.

Council President Garza noted that assessing opted out of 311. Ms. Frischman explained that the staff has been answering phones, and under PAA 360 that anyone answering assessing questions has to be trained and certified. 311 would write up a ticket, but assessing has technical and complicated questions, it seems more work and less tax payer friendly for 311 to have it. IT has been going well with no 311 assistances.

Council Member Jackson asked if any of their calls are not assessing, that maybe 311 could have redirected. Ms. Frishman acknowledged they always get other department calls. They forward or an email if that situation occurs.

<u>LEPFA</u>
Ms. Wright presented and answered questions and introduced Kirby Doidge the Finance Director.

- What is the difference with your budget from current fiscal year to the proposed budget?
  Ms. Wright noted the LC contribution was reduced by 38%, Groesbeck reduced by 19% and Jackson Field reduced by 6%. The building rental and food and beverage have been increased to address the reduction from the city.
- Are there any changes in services that your department is responsible for and if so, why?
  No
- Are there any rate or fee increases and if so, why?

Did increase at Groesbeck from 4-11%, depending on carts, green fees, rentals, etc. 9 holes or 18 holes, and week day or weekend. The fleet of carts was also increased. The fees are comparable to similar courses.

- Are there any major equipment purchases proposed in your budget?
  No major equipment purchases. Major projects fall out of their operating budget. Groesbeck has a budget positive so they are looking to reinvesting. At Jackson Field based on the MLB requirement there will be a new turf field, screens, HVAC.
- Are there any eliminating, combining or contracting of positions in your budget, and if so, provide specifics.
  No, but there are turf consultants for Jackson Field and Groesbeck. There are contractual for temporary seasonal staff.
- Are you able to perform all necessary departmental responsibilities with this budget?
  Yes
- Are there any new initiatives or services your department will be providing with this budget?
  Frequently review pricing on services, naming rights, rentals.
- Who are the top 2 largest vendors for your department and when were they last bid?
  Gordon Foods is top vendor- not bid but top vendor. Chase creative – preferred customer vendor, but if a vendor wants to bring in their own they can for their audio visual.
- What (if any) operational changes have you made to become more efficient in your department? What were the savings?
  Changed credit card processing fees, and estimate $5,000 a month savings. Turning accounts into interest barring account and with lighting changes at Jackson Field they are saving $30,000 a year in savings.

Mr. DeLine asked about the reimbursement items. (page 90-92 in the budget book). Mr. Brower came from discussions with working with LEPFA on budgeted vs. actual expenditures. Mr. DeLine stated no other department reflect this, and Mr. Brower stated they only do it in the vacancy factor. Since that time LEPFA might have come up with a precise allocation.

Council Member Brown asked in general what their barriers are for the properties. Ms. Wright stated it depends on customer spending, dynamics of the Lansing Center dependent on a form of funding mechanism. Council Member Brown asked if there is an internal team to research how to create revenue in this market. Ms. Wright stated they work closely with Choose Lansing that help in marketing and bookings. Council Member Brown asked with the grant, what is it used. Ms. Wright stated it is for the life fire system allowing it to work with 911 directly, elevator repair work, etc.

Council Member Spadafore stepped away at 5:38 p.m.

Ms. Wright also outlined the repairs at the Lansing Center.

Council Member Kost asked about the end net position for each fund, and asked what those numbers are. Mr. Doidge stated $3,506,364- Lansing Center; $484,665- Jackson Field; $1,205,845 – Groesbeck Golf Course. Council Member Kost asked about why they want the subsidy when there are funds in the bank. Ms. Wright acknowledged that LEPFA is looking to reinvest into the golf course specifically the irrigation.

Council Member Kost asked what would happen at the golf course if the subsidy was cut. Mr. Wright stated they would do no repairs. The current funds are earmarked for irrigation that needs to be done, club house upgrades and the master plan.

Council Member Spadafore returned to the meeting at 5:41 p.m.

Council Member Jackson referred to the Lansing Center budget comparison to last years actuals. Noting all the revenues are lower then the proposed 2025, but they are looking at expenditures; specifically where security is now $226,000 but in the past it was $26,000. Mr. Doidge stated previously security was with events, was pulled out because it is 24 hour security. Council Member Jackson asked why the marketing was half. Mr. Doidge state that the Silver Bells event used to be in the Lansing Center budget, but now that is in its own special events budget. Council Member Jackson asked why the personnel and food expenses have not gone up with all the new bookings. Mr. Doidge stated in the past it included staffing, that is now lower staffing and temp services to bridge the gap. They did anticipated higher food costs, but never saw that. With the subsidy being cut they are not doing larger projects at the Lansing Center. During the budgeting they project what the future looks like, hoping to get $1 million but will not know that until it happens. In December when budget is created, they have to project without the bookings.

Council Member Kost referenced the comparison to the last 15 years and the subsidy to LEPFA. The goal when it was created was to level out, and not the City and LEPFA still are not there. The subsidy didn't grow this year, but it has been. He then asked for a long-term strategy to get off the City subsidy. Ms. Wright confirmed the long term goal is to reduce, and there are State Legislative Bills out there right now that would allow for hotel/motel tax earmarked towards similar Lansing Center venues. They all hope to reduce rental cost, market more rentals at Lansing Center, naming rights for the Lansing Center, generating events that they may not have had in the past.

Council Member Garza asked about the MLB standards and deadlines. Ms. Wright stated they have met the deadline to renovate locker rooms, and the second extension of batting tunnel. They now have to meet the field turf by 2025 season. Turf is to be replaced in the fall season and they are hoping for fall 2024. They will also install the safety net extensions. Council Member Garza then asked how reducing the subsidy would affect the day to day operations and Ms. Wright assured them that at this moment they are running strong.

Council Member Spadafore asked Mr. Venker if the Lansing Center, Groesbeck golf course and the Jackson Field are park land. Mr. Venker stated they are not. Council Member Spadafore then asked Mr. Venker if it would require a vote of the citizens to sell those properties. Mr. Venker stated he would have to get back to Council on that. Council Member Spadafore asked the OCA to look into what the process would be since there appears to be a concern with the subsidy. Mr. Brower stated that the fund Groesbeck through the parks millage. Council Member Hussain asked what the debt services is at the Lansing Center, and Mr. Doidge stated they cannot carry any debt. Mr. Brower stated that is paid through the GF debt service and can provide a spreadsheet on that to Council, he then corrected him self stating it is the stadium that has the debt service not the Lansing Center.

<u>LEDC</u>
Mr. Dorshimer and Mr. Klein went through the questions.

- What is the difference with your budget from current fiscal year to the proposed budget?
  Little change, just operational expenses close to the current fiscal year, but have reduced office expenses.
- Are there any changes in services that your department is responsible for and if so why?
  No
- Are there any rate or fee increases and if so why?
  No, however periodically review the total cost of services they provide. If necessary they will raise fees as costs increase.
- Are there any major equipment purchases proposed in your budget?
  No
- Are there any eliminating, combining or contracting of positions in your budget, and if so provide specifics.
  No
- Are you able to perform all necessary departmental responsibilities with this budget?
  Yes
- Are there any new initiatives or services your department will be providing with this budget?
  Yes, Lansing Equitable Initiative; Strategic Site Readiness Grant for former GM site.
- Who are the top 2 largest vendors for your department and when were they last bid? (tape)
  DBI – for new office space.
- What (if any) operational changes have you made to become more efficient in your department? What were the savings?
  Reorganization has allowed them to assess operations, rebranding, strategic planning processes, etc. Not a savings but provide efficiencies.

Mr. DeLine referred to the packet and asked what their role in in the Street Corridor authorities. Mr. Klein stated as part of the LEDC contract they staff and manager those Authority Boards. Mr. DeLine then referred to budget page 102-103 where it showed revenues for the Saginaw Street Corridor Authority and Michigan Avenue, but no expenses. Mr. Klein confirmed they received funds from ARPA in the amount of $100,000 each and they have gone through that but they are not defined in the budget. Regarding Michigan Avenue they have done website design, façade improvements, and Saginaw Street has done marketing.

Council Member Hussain stepped away from the meeting at 6:03 p.m.

Mr. Klein continued by stating they are also doing placemaking in those corridors and some of the expenses for that are coming from those ARPA funds. Mr. DeLine asked for an estimate, and Mr. Klein was not able to provide that or a date when he would have it, but stated they hoped to have a spending plan by the end of the fiscal year.

Council Member Kost asked if there are plans west of the 2000 block of Michigan Avenue for the façade improvements because that has more blight. Mr. Klein could not speak to that, but stated it is a board decision and Council can speak to them.

Council Member Hussain returned to the meeting at 6:05 p.m.

Council Member Kost asked what happens for those businesses that have already done their facades, and Mr. Klein stated they can apply to be reimbursed.

City Council and Internal Auditor

Council President Garza stated the Council costs were cut by $50,000 in miscellaneous. There are no changes to the Internal Auditor budget. He then introduced the interim auditor, Jim DeLine and the posting to fill the position is scheduled to go out Tuesday with having it filled at the start of the fiscal year.

DISCUSSION/ACTION:

RESOLUTION – Multiple Reappointments

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR REAPPOINTMENTS.

Council Member Hussain noted the CATA language on the resolution, which he has not seen before, asking why note using the articles and by laws.

Mr. Venker originally the resolution stated June, and when lookgin at articles and by laws and they do not have specific dates. Annual meeting is in September, and after that meeting the terms begin. Mayor appointes, council approves, they serve the term of the by laws. OCA made the change.

MOTION CARRIED 8-0.

DISCUSSION– Budget Policies FY Budget 2024/2025

Council President Garza encouraged all Council Members to review the document and forward any recommendations to Council staff by Thursday, May 9th so they can be compiled into the resolution for consideration at the next meeting.

RESOLUTION – Appointment; Gregory S. Venker as City Attorney

MOTION BY COUNCIL MEMBER HUSSAIN TO REMOVE THE RESOLUTION FROM THE TABLE. MOTION CARRIED 8-0.

Council Member Jackson noted his concern with the position under the Charter. He added that the OCA currently, according to the Charter, serves Council and administration, and sometimes there are different interests, and sometime competing interests, and wondered if there is an underlying side. He concluded by speaking hopeful that the Charter Commission will be considered.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION TO APPROVE THE APPOINTMENT OF GREG VENKER TO CITY ATTORNEY.

Council Member Brown asked the Administration to explain the statement in the resolution about the required 16 hours of management needed and they are asking it to be waived. Mr. Lawrence was not able to explain it and deferred to Mr. Venker. Mr. Venker stated he never took the classes while in school not knowing he would need them for this type of position. In his experience this requirement is waived all the time, and Council has a provision where they can waive the requirement. The resolution was written that way.

MOTION CARRIED 8-0.

OTHER

CLOSED SESSION

MOTION BY COUNCIL MEMBER HUSSAIN AT 6:16 P.M. Pursuant to MCL 15.268(1)(h), that City Council we recess into closed session to consult with the City Attorney to consider material exempt from discussion and disclosure by state statute. Specifically, to discuss written material from the City Attorney provided under attorney-client privilege and attorney work-product, and which is also exempt from disclosure under the Freedom of Information Act pursuant to MCL 15.243(1)(g)

ROLL CALL VOTE. MOTION CARRIED 8-0.

RECONVENE
Council President Garza reconvened the meeting at 6:36 p.m.

Adjourn
The meeting adjourned at 6:36 p.m.
Respectfully Submitted by, Sherrie Boak, Recording Secretary,
Lansing City Council
Approved by the Committee May 13, 2024