



MINUTES
Committee of the Whole
Monday, June 24, 2024 @ 5:30 p.m.
Tony Benavides Lansing City Council Chambers

CALL TO ORDER

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

PRESENT

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

OTHERS PRESENT

Renee Richmond, Council Staff
Lisa Hagen-Lawrence, OCA
Greg Venker, OCA
Barb Kimmel, Economic Development & Planning
Judge Lisa McCormick, Ingham County
Jake Brower, CSO
Dr. Shondra Marshall, Dir. Racial and Social Justice MPH
Charles Richardson, Strategy Mgr. Advance Peace
DeLisa Fountain, DNACE
John Paul Beitler, Beitler Real Estate
Jay P. Beitler, Beitler Real Estate
Mayor Schor - arrived at 5:38pm
Loretta Stanaway

Minutes

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE MINUTES FROM JUNE 10, 2024 AS PRESENTED. MOTION CARRIED 7-0.

Public Comment

Ms. Stanaway spoke on city hall and suggested an independent look, the parking situation if building a hotel and for the City to retain ownership of the building and develop themselves.

Presentations

Ingham County Specialty Courts Highlights

Judge McCormick highlighted that she formed the coalition to inform the public about all the different courts that have come together, 30th Circuit, 54-A District, 54-B District, and 55th District, and what they are doing and how they are handling specialty courts. The resource book is for the community and to inform them and how the coalition is following best practices for those that enter the criminal justice system, have contact with business court and abuse cases. Secondly, is for the judges to sit down and collaborate together, trouble shoot and improve, and focus on solutions. Lastly Judge McCormick went to a national training and brought information to the group, they plan to meet quarterly to discuss issues and streamline.

Councilmember Pehlivanoglu thanked all the Judges for the presentation, their work, and how important it is.

Advance Peace

Dr. Marshall thanked everyone for the support and investment in Advance Peace (AP), and to fund for a fourth year. Michigan Public Health Institute (MPHI) is a locally operated and staffed center along with AP. To date AP has staffed a Strategy Manager, 5 peacekeepers, 3 NCAs (Neighborhood Change Agent) and 1 administrative support and 1 field worker. The multiple funders are City of Lansing, Ingham County Dept., MDHHS, US DOJ, and City of East Lansing. Explaining that AP and MPHI work to understand how individual families and community health is influenced by exposure to the child welfare and juvenile justice and criminal justice systems.

Mr. Richardson introduced himself and mentioned the four documents provided, the 18-month data & evaluation report, 18-month shooting report, budget report, and the AP evidence-based practices. Noting since 2022 they had 1100 hours of community interaction and 850 of those were building trust in the community as well as to engage people in working together and provide a safe space. They mediated 146 community conflicts during that time, and believe they helped prevented 41 shootings. They've added working in Lansing School District with peacekeepers (3) at the High Schools, and possibility additional engagement in other schools, community partners, i.e. Village Lansing, Child and Family Charities, Eastside Community Action Center, and coming together and strategizing together. They realize things are happening outside of the city as well that can impact the City of Lansing. Mr. Richardson acknowledged the individuals in the audience and added they could not do what they do without the help and hard work of them.

Councilmember Garza asked if there are any programs for the parents. Mr. Richardson answered yes, but not specifically through AP, they may be indirectly available. Councilmember Garza asked about them on the timeline for area maybe into the Northwest area. Mr. Richardson indicated they will begin in July, they are still actively engaging in the community as well and recruiting those that want to participate in the fellowship.

Councilmember Hussain asked if East Lansing is actually funding in Lansing or is it separate, Mr. Richardson responded EL is funding the efforts in EL and AP has one NCS and Peacekeeper there. Councilmember Hussain then asked if the purpose is to ensure they are identifying the most at risk and how are they ensuring those are who they are working with. Mr. Richardson mentioned it involves research, digging in, and getting intel and getting those to share information. Being able to build the trust, and relationships go a long way in identifying those individuals.

Councilmember Jackson stated his concerned if a NCA takes a weapon from someone and then gets stopped and they have that on them. Mr. Richardson indicated they have

discussions in trainings, there is some degree of risk, but they are not engaging in life risk situations and might save someone's life by removing the weapon.

Mayor Schor thanked them for all the work they are doing and appreciates everything.

Highlights of Lansing Hotel Summary

Mr. Beitler introduces himself and his CEO, John (JP) Beitler, and spoke on the redevelopment of the building. He briefly summarized when he first became interested in real estate and saw the current City Hall. Noting back in 2017 when City Hall was first being looked at for relocation and his interest in turning it into a hotel. He explained the building has an architectural heritage that is the cornerstone of the city's buildings downtown and doesn't want to see it torn down.

Mr. Beitler III, spoke on the City Hall's design being "L shaped", the demand for office space since COVID has changed and isn't needed as much, people are working from home and now people are looking to convert to something else. He continued noting the six essentials to redevelopment:

- 1. Higher & Better use
- 2. Location
- 3. Parking
- 4. Zoning
- 5. Feasibility
- 6. Timing

Adding they are looking at a ground floor pool, retail stores, meeting rooms, and a fitness center. The 7th floor is ideal for a restaurant that can be accessed by the public through the front and hotel guest by inside with a keycard. Timing for a new City Hall is expected to be 6 months period to design with 14 months of construction. During that time they will be planning and developing and identifying a hotel brand and flag. He finished summarizing the purchase prices of 2.78 million with a 183 room hotel, the agreement is "as is". They are not asking for any tax incentives and the city will retain 100% of taxes generated. He referenced the 60 parking spaces in the garage, they have asked for an additional 100 spaces offsite, that would be at market rate for guests and they will preserve the westside wall as it is.

Councilmember Jackson asked when the most recent appraisal was done. Councilmember Hussain added the first offer in 2017 from an appraisal in 2015 and wanted to know who appraised then and now. Mayor Schor answered an appraisal was done in March 2023 by Valbridge and will look for the 2015 and get them for Council, but noted the building is deteriorating and not surprised offer is lower. Councilmember Hussain noted the Charter requires when disposing of property that there is an appraisal and the sale price is at least at that price, was there any effort to negotiate higher. Mayor Schor indicated no, that they'll clean all asbestos and because of the 'as is' clause thought it was good. Councilmember Hussain asked what market study was used to determine a 183 room hotel. Mr. Beitler III stated studies are not current, it is a big cost to issue a deep underwriting feasibility study. They will be doing a new study in conjunction with when they select their brand.

Councilmember Carter asked if there is a timeline on how long an RFP is on file since they were the only ones to respond back in 2017. Mr. Beitler III, answered they were one of four but the only ones proposing reuse of the building. Councilmember Carter asked if they know where the 100 spaces offsite will be and how many employees they estimate for jobs, Mr. Beitler III answered unsure of the parking spaces location and employee numbers, that could depend on the restaurant and brand. Mr. Beitler spoke on the additional advantages on top of

jobs, noting opportunities for taxis, laundry services, food services, entertainment, and liquor stores.

Mayor Schor informed Council on the City Hall website they have both appraisals in 2023 at \$2.78 million and 2021 at \$3.5 million both completed by Valbridge. Councilmember Garza asked if another will be done since they are a few years apart, Mayor Schor is concerned that it would be lower. Councilmember Hussain asked OCA in terms of D3 downtown core district in terms of lodging, is this by right use or does it require a special land use, Mr. Venker believes it is bright. Councilmember Hussain inquired about reading this would come fully to city tax roll for at least 20 years.

Councilmember Pehlivanoglu left at 6:38

Mr. Venker stated restrictions on alienation are disfavored by courts, clauses are put in when selling a downtown city asset.

Councilmember Garza asked what their commitment to local labor is.

Councilmember Pehlivanoglu returned at 6:40

Mr. Beitler responded yes, he's been in talks with Price Dobernick since 2017, this is a plumbers dream and they will need confident plumbers and believes getting involved in local workforce is important. Councilmember Garza encouraged them to reach out to all building trades and asked about any name possibilities. Mr. Beitler III, stated they have several brands they are in talks with but nothing definitive. Councilmember Garza asked if they were available on July 8th for the public hearing and to reach out to the other Councilmembers if they have questions.

Councilmember Jackson expressed his concern if there is a conflict and if Councilmember Garza would have to recuse himself if they are "talking" to his Union. Mr. Venker believes only if he personally bid on the work and will look further into it.

Discussion/Action

RESOLUTION – Workers Compensation Settlement; Claim #WC 2062876-01517

Ms. Hagen-Lawrence referenced a request for a settlement claim for total of \$57,000. There are typically 5 questions asked which are as follows:

1. Claimant will not return to work, they retired
2. Was not offered another position in another job due to retirement
3. Approved for duty disability retirement
4. They are collecting benefits from the City
5. Full and complete redemption of any and all claims against the city

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE WORKERS COMPENSATION SETTLEMENT FOR CLAIM #WC 2062876-01517. MOTION CARRIED 7-0.

RESOLUTION – Grant Acceptance; Byrne State Crisis Intervention Program (SCIP) Grant to fund a regional gun violence reduction program

Mr. Brower mentioned this was a development partially in partnership with strategy analyst assisting with the application for funds, with collaboration between several departments. The award is going towards expanding the Advance Peace program, total amount of \$40,000 with a portion going toward administrative costs.

Councilmember Garza asked if this is a state grant with MSP, Ms. Fountain confirmed. Councilmember Garza asked them to expand on the \$40,000 for administration and reporting. Mr. Browner indicated it's not unusual, they try to caption the overall overhead going into administering grants. Councilmember Kost asked this is an additional \$400,000 to what the City already gave correct, Ms. Fountain confirmed.

Councilmember Garza asked if this is a reoccurring or onetime grant and that all money is to be used by 2025, Ms. Fountain said it is a onetime and yes by 2025. Councilmember Hussain noted since it's onetime eligible expenses are personnel only, if expand capacity, can get additional strategists, NCA's that respective funders would have to cobble together the money to support. Mr. Brower confirmed and this doesn't promise additional funding, they'd operate by existing funding. Councilmember Hussain noted the local operator being MPH, they kick the \$360,000 from general fund, they spend and City gets reimbursed by state, how does it work. Mr. Brower believes they would receive invoices as occurred and reimburse. He can't remember if they are paying upfront or they kick back to the state for reimbursement.

Councilmember Kost noted on the grant form it says annual not onetime, Mr. Brower noted that is a clerical error, it is a onetime award. Mayor Schor confirmed Byrne grants are every year, but this particular grant is a onetime grant. Councilmember Garza asked if it can be used for additional police officers, the Mayor answered no.

Councilmember Kost stated the grant states staff and reducing gun violence in Lansing's Northwest region, which is it. Ms. Fountain said it will be for three additional Peace Keepers, and a NCA responsible for street outreach conflict mediations and gun violence interruptions. Mayor Schor added it is for 18 months not one year. Councilmember Kost is concerned in giving additional money to AP and not funding travel. Councilmember Garza asked what happens after 18 months to those four people. Ms. Fountain said they will be identifying additional grant funding to keep it going forward.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE GRANT ACCEPTANCE FOR THE BYRNE STATE CRISIS INTERVENTION PROGRAM (SCIP) GRANT TO FUND A REGIONAL GUN VIOLENCE REDUCTION PROGRAM. MOTION CARRIED 7-0.

RESOLUTION – Budget Amendment; National Opioid Settlement Funds

Mr. Browner noted they received the next distribution on the national opioid settlement funds, reminder that this is received from a variety of sources. There is a national opioid site if they are interested in more information on possible. Some of the eligible uses to date they have split funds between the following departments:

- Police Department – proposing to use for partnerships with advocacy groups who work to treat and support addiction
- Fire Department – proposing to support community risk reduction programs, including public access to AED and community CPR initiatives
- HRCS Department - proposing to host a community health and wellness fair and to fund local programs providing support and treatment to opioid usage

He continued to encourage talks during budget priorities and welcomes ideas.

Councilmember Jackson requested if there is a way to fund deceased families in a way like kids' school or restorative justice base to help them. Mr. Brower stated possibly, but he is not an expert, he offered to send him the resource he refers to which is Exhibit E of the settlement agreements, indicating generally this is toward the treatment. Councilmember Jackson added maybe Lansing should look into some type of restorative manner for the people. Mr. Brower

stated some uses are for mental health treatment, opioid use disorder, and housing and transportation support. Mayor Schor said they looked at the three departments most affected and asked what they would like to see, it's a great idea maybe look at a future fund that can go to victims.

Mr. Brower continued they are projected to receive about 3.6 million over 18 years, will receive large distributions in the first few years, and then level out to about \$200,000 a year.

Councilmember Garza asked are they able to use funds to replace AED's in community centers as they do expire but are valuable lifesaving equipment. Mr. Brower believes so. Councilmember Hussain encourage the administration to look at all eligible expenses and think about uses best implemented, and departments best utilized.

Mr. Brower lastly acknowledged the law department and Lansing was a quick participant in the opioid settlements which resulted in a larger distribution.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE BUDGET AMENDMENT FOR THE NATIONAL OPIOID SETTLEMENT FUND. MOTION CARRIED 7-0.

RESOLUTION – Budget Amendment; Fiscal Year 2023-2024 Fourth Quarter

Mr. Brower noted this adjustment is a final reconciliation of the year end revenues, but net impact is zero, also the year end reconciliation of vacancy factor. One exception the Fire department going over budget due to overtime costs, but on charges for services received additional revenue from them balancing out. Within streets fund a portion of revenue coming from federal projects, and they added a line item. Lastly, public media fund, donations for LPMA addressed to the city with being the recipient they need to appropriate the funds.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE BUDGET AMENDMENT FOR THE FISCAL YEAR 2023-2024 FOURTH QUARTER. MOTION CARRIED 7-0.

RESOLUTION – CDBG Budget

Ms. Kimmel indicated they received allocations from Department of Housing and Urban Development (HUD), and able to complete Annual Action Plan, the link is available on city website. There was some reduction in funding of some grants including the Home grant, those reductions were taken incrementally across the budgeted projects. Councilmember Hussain asked if there is any explanation to the reduction. Ms. Kimmel answered no, these are allocated by HUD, sometime may get a boost sometimes a decrease.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE CDBG BUDGET. MOTION CARRIED 7-0.

RESOLUTION – City Council Carry Forward FY2023/2024 Budget to FY2024/2025

Councilmember Garza recommended to the Administration that the remaining unspent City Council dollars be carryforward into city council line items that deal with miscellaneous operating, city council training, and support for community events.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE CITY COUNCIL CARRYFORWARDS TO FY2024/2025. MOTION CARRIED 7-0.

Councilmember Jackson left at 7:15

Councilmember Garza also mentioned the carryforward amount of \$27,769.

RESOLUTION – Set a Public Hearing; Sale of City Hall Property

Councilmember Garza reiterate the presentation, the public hearing is July 8th, no additional questions from Council. Councilmember Hussain stated the Purchase agreement was place on file June 3rd.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR JULY 8, 2024 FOR THE SALE OF THE CITY HALL PROPERTY. MOTION CARRIED 7-0.

Councilmember Jackson returned at 7:18

RESOLUTION – First Amendment to the Lansing Public Media Authority Articles of Incorporation

Mr. Venker stated in the original articles of incorporation, in article 5 section 1, it describes the number of people on the board, originally, he said 8 voting members and when counted there are 7 not 8. Noted his error, so need this amendment to fix that.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION WITH THE FIRST AMENDMENT TO THE LANSING PUBLIC MEDIA AUTHORITY ARTICLES OF INCORPORATION. MOTION CARRIED 7-0.

CLOSED SESSION

MOTION BY COUNCIL MEMBER HUSSAIN AT 7:19P.M. Pursuant to MCL 15.268(e), that City Council we recess into closed session to consult with the City Attorney in connection with the following specific pending litigation. An open meeting will have a detrimental financial effect on the litigating or settlement position of the City of Lansing concerning these cases.

Atkinson v. City of Lansing
People of the City of Lansing v. Miggins
City of Lansing, et al. v. Purdue Pharma, et al. (Opioid Litigation)
City of Lansing v. Woodside Meadows Apts Owner LLC (Sycamore Townhomes)
Fisher v. City of Lansing
Fitzpatrick v. City of Lansing, et al.
Harken v. City of Lansing
Hokenson v. City of Lansing, et al.
Howlett v. City of Lansing
Hulon v. City of Lansing, et al.
Lynn v. City of Lansing (2019)
Lynn v. City of Lansing, et al. (2023)
OPV Partners, LLC v. City of Lansing, et al.
Phillips v. City of Lansing, et al.
Romero v. City of Lansing, et al.
Simmons v. City of Lansing
Ward v. City of Lansing, et al.

ROLL CALL VOTE. MOTION CARRIED 7-0.

RECONVENE

Council President Garza reconvened the meeting at 7:40p.m.

OTHER

No other topics at this time.

Adjourn

The meeting adjourned at 7:40pm

Respectfully Submitted by,

Renee Richmond, Recording Secretary,

Lansing City Council

Approved by the Committee July 8, 2024