MINUTES
Committee of the Whole
Monday, November 18, 2024 @ 5:30 p.m.
Tony Benavides Lansing City Council Chambers

CALL TO ORDER
Council President Garza called the meeting to order at 5:30 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 -arrived at 5:37 p.m.
Charles Randall, Internal Auditor
Chris Mumby, Mayors Office
Jennifer Czeiszperger, City Assessor
Brett Kaschinske, Parks and Recreation Director
John Gentilozzi
Paul Gentilozzi
Karl Dorshimer, LEDC
Kris Klein, LEDC

Minutes
MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE MINUTES FROM OCTOBER 28, 2024, AS PRESENTED. MOTION CARRIED 8-0.

Public Comment
No public comment at this time.

Discussion/Action
RESOLUTION -Principal Shopping District Special Assessment Roll (2024,2025,2026,2027,2028)
Ms. Czeiszperger confirmed this is for the 2024 assessment tax roll, which is a 3%, and it was submitted late and that is why there is an urgency for the hearing and action in the same night.

Council Member Spadafore asked for clarification on the roll for 2025-2028 and Ms. Czeiszperger confirmed the resolution does speak to the percentage increase for 2025-2028 and that is why it states that.

Council Member Hussain referenced the original referral which stated the percentage was 5%. Ms. Czeiszperger confirmed the original resolution was an error on her behalf and it has been corrected to what Council approved; 3%.

Ms. Pehlivanoglu noted downtown businesses, and warehouse businesses on the roll and asked if the type of businesses determined where you were assessed or not assessed. Ms. Czeiszperger explained there is a difference between non-profits who have a reduced rate, and tax funded government are not assessed, and then businesses; not type of business. Council Member Hussain asked if that was driven by state statue, and Ms. Czeiszperger state the percentage is driven by the Council resolution but not familiar if the state statue speaks to it also. Council Member Spadafore noted code 211.7 speaks to state exemption status, so it so those are state statue.

Council Member Hussain noted that zones are assessed at different rates, and why Zone A pays more. Ms. Czeiszperger confirmed Zone A is in the “heart” where most of the events occur and businesses, and other zones support that area.

Council Member Garza referred to a correspondence Council received from a wholesaler and asked how they would get rated, and Ms. Czeiszperger confirmed it is different and lower.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE PRINCIPAL SHOPPING DISTRICT SPECIAL ASSESSMENT ROLL FOR 2024,2025,2026,2027,2028. MOTION CARRIED 8-0.

<u>RESOLUTION – Ballot Proposal; Parks and Recreation Millage Renewal</u>

Mr. Kaschinske explained to the committee that this has been around since 1990, and this would be for the August 2025 ballot. This will be a one mill millage renewal and goes for a number of parks and recreation systems, maintenance of the park system, cemetery, golf, and comes in every year in form of the budget. At the same time of the budget they speak to how to spend. Mr. Kaschinske confirmed this would be a 5-year for 2026-2031 assessed in the next fiscal year.

Council Member Hussain asked what the actual amount would estimate to be and Mr. Kaschinske estimated it at around $3.2-$3.3 million, but could confirm the exact amount and get it back to council. Council Member Hussain asked if when they apply for grants, does having millage supported in place, score better on their grant applications. Mr. Kaschinske confirmed any grant applications want to see a grant match from the municipality, so this allows for the match with DNR, trust fund grants, county, and bring them able to leverage.

Council Member Hussain asked where they were at with their 5-year master plan. Mr. Kaschinske confirmed they have engaged Spicer Group and in 2025 they will have meetings with the public to see what they want to see for the next five year parks master plan. The plan will be due February 2026.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR THE PARKS AND RECREATION MILLAGE RENEWAL BALLOT PROPOSAL. MOTION CARRIED 8-0.

RESOLUTION – Set Public Hearing; Transformational Brownfield Plan #87; New Vision (Multiple Addresses)

Mr. Dorshimer made introductions and began speaking on the five (5) projects that will be completed within 5 years and over $300 million in investment. The request for Committee and Council was to set the public hearing for December 2, then plan to have action on December 16th to approve the brownfield plan.

The Gentilozzi's spoke first on their past work projects in the city, and then went over the presentation in the pack. Since the initial meeting with Council, there is a 25% increase with adding in an Old Town project and increases in two other projects. Highlighted on the Washington Square and Tower on Grand was that some work has started, gone out to bid and the packet provided scope details. Highlighted in the Old Town project was utilizing a current parking lot with retail and apartments. The presentation continues to outlined each project. Regarding the Tower on Grand they highlight proposed improvements along the river walk trail, a bridge across the grand river, and parking improvements. Regarding the fundamentals of the economic construction costs, for every $100 they pay, the city keeps $13, they get reimbursed $87.

Council Member Spadafore referred back to the update on Washington property where it was noted it was already started, and he asked what progress they had made. It was acknowledged they have started demolition, and they hope to occupy in Fall 2025. The hope to have "coming soon" signs up after the Brownfield approval. Council Member Spadafore asked what portion of the $15 million brownfield eligible is public improvements and what they are. The Gentilozzi's noted the bridge over the river and river trail upgrades, between Shiawassee and Kalamazoo, and they are working with other stakeholders on lighting as well. Council Member Spadafore asked for confirmation it would only be on the riverfront, and Mr. Dorshimer noted that is still to be determined, once plans are approved they will put together a working group for ideas and use to leverage. Council Member Spadafore asked how the public improvements were being financed, and the Gentilozzi's noted it would be a combination; for the river walk the developer is putting in $3 million, and BWL is also participating. Council Member Spadafore asked again about the $15 million, and Mr. John Gentilozzi stated that the money retained by the LBRA taken from the tax payments from developer and accumulated. Can be leveraged later on; sold for present value, overall they are trying to accomplish to bring people who have a common interest to provide space and funding. Council Member Spadafore asked about the proposed 25% parking increase, and asked if they have had discussions on using the existing parking to meet their demand. Mr. Paul Gentilozzi provided examples of residential needs on site based on their research. Council Member Spadafore noted it will be a $316 million total project, $63 million state grants, and wanted to know how much tax capture would be coming back. Mr. Dorshimer stated there are different types; traditional captures property taxes $88 million to the developer, but the total amount is doubled. Council Member Spadafore asked again for the total amount of Brownfield eligible activity would be coming back, and how much reimbursed over the life. Mr. John Gentilozzi stated that under Act 381 Brownfield, $88 million, of which that is the limit of the increment created. A further $30 million that will go unreimbursed because they do not meet the increment.

Council Member Jackson asked Mr. Dorshimer if during the LEDC negotiations with the developer on the Brownfield, how the City benefits, and also asked if the requested 30 year span can be shortened. Mr. Dorshimer stated they are asking for 30 because it takes that long to be reimbursed, there is a majority stated sources stop at 20, and 30 is the maximum they can ask for. Council Member Jackson asked again what the City benefits from out of this so that LEDC negotiated in the best interest of the City. Mr. Dorshimer stated there is a certain amount for public improvements, and once the term expires, the funds go to the City.

Mr. John Gentilozzi added that throughout the life of the plan, the LBRA will receive $186,000 per year to fund; $3.75 million total. They collection $15 million infrastructure, and $9 mill interest. These projects will bring additional units in downtown and an estimated $750,000 in income tax increase. Council Member Jackson asked about offering some of the units to Section 8 vouchers. Mr. Paul Gentilozzi stated that is a program they do not qualify for; it is a complex program for developers to qualify. Council Member Jackson asked them to look into why they cannot do it legally.

Council Member Hussain asked about a time line; if they need MEDC approval, etc. Mr. Paul Gentilozzi stated they met with MEDC on 11/10, and they have an independent outside review with Anderson Company which has adjusted their schedule.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR DECEMBER 2, 2024. MOTION CARRIED 8-0.

Adjourn
The meeting adjourned at 6:50 pm
Respectfully Submitted by,
Sherrie Boak Recording Secretary,
Lansing City Council
Approved by the Committee December 2, 2024