



**OFFICIAL PROCEEDINGS OF  
THE CITY COUNCIL  
CITY OF LANSING  
PROCEEDINGS OF JULY 28, 2008**

City Council Chambers  
Lansing, Michigan

The City Council of the City of Lansing met in regular session and was called to order at 7:00 p.m. by President Jeffries.

PRESENT: Councilmembers Allen, Dunbar, Hewitt, Jeffries, Quinney, Robinson, Wood

ABSENT: Councilmember Kaltenbach

The Council observed a moment of Meditation followed by the Pledge of Allegiance led by President Jeffries

### SPECIAL CEREMONIES

- Special Ceremonies

Councilmember Quinney stated that Dorothy Kennedy has touched many lives in the community over the years and thanked her for her dedication to the City of Lansing.

City Clerk Swope read the following resolution:

**RESOLUTION#419**

BY COUNCILMEMBERS QUINNEY AND TIM KALTENBACH  
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, Dorothy Kennedy was born August 4, 1908 in Stranton, Virginia, to Chester Arthur and Annie E. Struthers and spent her early years in Pennsylvania where she attended elementary and high school; and

WHEREAS, Ms. Kennedy graduated from Washington High School in Washington, Pennsylvania and later attended and graduated in 1930 with a Liberal Arts Degree from Bennett College for Women in Greensboro, N.C.; and

WHEREAS, Dorothy continued her education at California Teachers College pursuing a degree in Secondary Education and became active in her church where she taught Sunday School, gave dramatic readings, and directed religious plays impressing her minister who ultimately helped her secure a scholarship to Wilberforce University, Ohio in 1941, where she later graduated with a Bachelor's Degree in Social Administration; and

WHEREAS, Ms. Kennedy joined the Lincoln Community Center staff (an agency of Lansing Parks and Recreation) in 1947 as Program Secretary for Women and Girls. There Dorothy organized luncheon clubs; cooking classes; arts and crafts classes; Senior Citizen's Clubs; counseling referral; summer playground programs; and the Lincoln Center Youth Conference; and

WHEREAS, after serving for ten years as an advisor for the Lincoln Center Youth Conference, Dorothy received the Lincoln Center Award for her years of service and dedication to the youth of Lansing; and

WHEREAS, Ms. Kennedy's dedication to community services is well known by her participation with the Girl Scouts of USA, YWCA Board of Directors, Social Services Community Board, United Way, Lansing

Association of Women's Clubs, Interracial Fellowship Group, Alpha Kappa Alpha Sorority, Trinity AME Church, and as a founding member of the National Black Caucus of Aging; and

WHEREAS, Dorothy has been recognized for her achievements and awards through the years, receiving the Lincoln Center Award, her 50th year Golden Sorority pin from Alpha Kappa Alpha Sorority, Mother of the Year Award from the Messiah Missionary Baptist Church, the Lifetime Achievement Award for service to the Youth of Mid-Michigan, and the Zonta Yellow Rose for outstanding community participation in 2005; and

NOW, THEREFORE, BE IT RESOLVED, that Ms. Kennedy was selected as the Grand Marshal for the Annual African American Family Heritage Parade and Festival on August 2, 2008.

BE IT FURTHER RESOLVED that the Lansing City Council, hereby, wishes to extend our heartfelt congratulations to Dorothy Kennedy on her 100th birthday on August 4, 2008, and deep appreciation for her extraordinary contributions to the Lansing Community.

By Councilmember Quinney

Motion Carried

Mayor Bernero stated that women and the young of Lansing are very fortunate to have had Dorothy Kennedy's support over the years. He wished her a Happy Birthday and thanked her for making a difference.

Dorothy Kennedy gave praise to the City Council for this honor and thanked all who support her for attending the ceremony.

### COUNCILMEMBERS' COMMENTS AND CITY CLERK'S ANNOUNCEMENTS:

Councilmember Hewitt spoke about the Allen St. Market.

Councilmember Wood announced the upcoming African American Parade and Picnic, as well as Sunsets with Shakespeare's Romeo and Juliet presentation.

Councilmember Allen spoke about rock and country music events and wished Councilmember Wood a happy birthday.

Councilmember Quinney spoke about last weekend's Saturday in the Park and Westside Alliance events.

Council President Jeffries announced St. Casimir's Corn Roast and spoke about last weekend's Elie's Race fundraiser.

Councilmember Dunbar announced the upcoming JazzFest in Old Town.

City Clerk Swope reminded citizens of next Tuesday's Primary Election. He informed citizens that this is a partisan primary and a vote for only one political party's candidates can be cast. He stated that the ballot has races/issues on both sides and reminded citizens to consider votes on each side. He spoke about various ways to obtain an absentee ballot.

### SPEAKER REGISTRATION FOR

## PUBLIC COMMENT

Clerk Swope announced that the public comment registration form(s) for those intending to address Council on legislative or City government 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 Bernero stated that last week it was truly an honor to host the 17th Annual US-Africa Sister Cities Conference here in Lansing. Delegates from 14 nations across the African continent gathered in Lansing for three days of dialogue on a wide range of topics of mutual interest, including health care, economics, agriculture and education. Also this past weekend more than 5,000 people turned out for the Second Annual West Side Summer Fest, organized by the West Side Alliance, which is a program of the Northwest Initiative. It was a great day for a wonderful event. Also on Saturday he attended the Second Annual Saturday in the Park festivities at Hunter Park on Lansing's East Side. He spoke about several items on tonight's agenda including a public hearing is the Industrial Facilities Exemption Certificate for BRD Printing, under Communications from his office, the Purchase Agreement between the City of Lansing and Lansing Community College for the sale of the North Capitol Parking Ramp to LCC and the great news that our Planning Board has voted unanimously to approve the sale of the Lansing City Market to make way for a brand new City Market as well as the \$25 million Market Place development along our downtown riverfront. He was proud to report that our Michigan Avenue rain gardens have received national recognition from a leading trade publication. Water, Environment and Technology magazine devoted an 8-page spread to our innovative rain gardens in their July edition, which you can find online at [www.wef.org/magazine](http://www.wef.org/magazine). He announced several items of interest coming up this week, including the next edition of our very popular Concert in the Park series, Blues on the Square and this coming weekend is the 14th annual Jazzfest in Old Town. Finally, he asked for a moment of silence to remember Kenneth Frazier, who was taken from his loved ones in a drowning accident in northern Michigan late last week. Kenneth was 12 years old and he was a HOPE Scholar student at Otto Middle School. He would have been in the 7th Grade this fall.

## SHOW CAUSE HEARINGS

- Comment on Scheduled Show Cause Hearings:

1. In consideration of the issuance of orders for Make Safe or Demolish to the owners of property located at 1222 Lathrop St.

### REFERRED TO THE COMMITTEE ON PUBLIC SAFETY

2. In consideration of the issuance of orders for Make Safe or Demolish to the owners of property located at 221 E. Randolph St.

### REFERRED TO THE COMMITTEE ON PUBLIC SAFETY

3. In consideration of the issuance of orders for Make Safe or Demolish to the owners of property located at 1308 N. Walnut St.

### REFERRED TO THE COMMITTEE ON PUBLIC SAFETY

There were no speakers for these Show Cause Hearings

## PUBLIC COMMENT ON LEGISLATIVE MATTERS

- Public Comment on Legislative Matters:

Legislative Matters included the following public hearings:

1. In consideration of an Application for Obsolete Property Rehabilitation Act (OPRA) District filed by 3323 LLC for property located at 3323 N. East St.
2. In consideration of IFT-01-08; Application for Industrial Facilities Exemption Certificate filed by BDR Printing, Inc. for property located at 912 W. St. Joseph St.
3. In consideration of an Ordinance of the City of Lansing to Amend Chapter 888, Section 888.06 of the Lansing Codified Ordinances by changing the sponsor, increasing the annual service charge for Public Services in lieu of all real estate taxes and modifying the term of the Ordinance and other changes

Councilmember Wood gave a brief overview of Public Hearing #1 and #2.

Councilmember Quinney and Lynn Martinez of the Greater Lansing Housing Coalition gave a brief overview of Public Hearing #3.

Sandra Finley of 3936 Hunters Ridge Dr. spoke in support of a grant application for Hunters Ridge Land Acquisition.

Robert Ovalle of P.O. Box 222 spoke about various legislative matters.

Bob Gray of 422 Dadson Dr. spoke in opposition to a new City Market.

Linda Appling of 4010 Thackin Dr. spoke in support of a grant application for Hunters Ridge Land Acquisition.

Lynn Martinez of 1017 W. Lapper St. spoke in support of the Ballantine Ordinance.

Jessica Holland of 3818 Blue River Dr. spoke in support of a grant application for Hunters Ridge Land Acquisition.

Christine Timmon of 2519 S. Washington Ave. spoke in opposition to a recent proposed raise for the Director of the Board of Water and Light.

John Pollard of 1718 Blair St. spoke in opposition to tax abatements.

Charlene Decker of 2711 Pleasant Grove Rd. spoke in support of a grant application for Hunters Ridge Land Acquisition.

Thomas Ryan of 4336 Chadburne Dr. spoke in support of a grant application for Hunters Ridge Land Acquisition.

Kathi Raffone of 1221 Muskegon Ave. spoke about various legislative matters.

## REFERRAL OF PUBLIC HEARINGS

1. In consideration of an Application for Obsolete Property Rehabilitation Act (OPRA) District filed by 3323 LLC for property located at 3323 N. East St.

### REFERRED TO THE COMMITTEE ON DEVELOPMENT AND PLANNING

2. In consideration of IFT-01-08; Application for Industrial Facilities Exemption Certificate filed by BDR Printing, Inc. for property located at 912 W. St. Joseph St.

REFERRED TO THE COMMITTEE ON DEVELOPMENT AND PLANNING

- 3. In consideration of an Ordinance of the City of Lansing to Amend Chapter 888, Section 888.06 of the Lansing Codified Ordinances by changing the sponsor, increasing the annual service charge for Public Services in lieu of all real estate taxes and modifying the term of the Ordinance and other changes

REFERRED TO THE COMMITTEE OF THE WHOLE

**PUBLIC COMMENT  
ON CITY GOVERNMENT RELATED MATTERS:**

Michael Morofsky of 1300 Woodbine Ave. spoke about lack of information related to a shooting earlier this year.

John Boise of 4921 Tenny St. spoke about various city matters.

John Hooper of 8855 Musgrove, Dewitt, spoke about the City Market.

John Decker 4734 Ballantine Rd. spoke about the City Market.

Ammahad Shekarakki of 902 W. Willow St. spoke about honoring Malcolm X.

Joel Weise of 311 Strathmore Rd. spoke about the City Market.

Loretta Stanaway of 546 Armstrong Rd. spoke about the City Market.

Frank S. Curtis X. of 1137 W. Allegan St. spoke about various city matters.

Jim Harken of 315 S. Bingham St. spoke in opposition to a recent proposed raise for the Director of the Board of Water and Light.

Robert Ovalle of P.O. Box 222 spoke about various city matters.

Bob Gray of 422 Dadson Dr. spoke about various city matters.

Ted Boettcher of 320 W. Northrup St. spoke about the public improvement for Northrup. St.

Ronald Kruger of 3333 Moores River Dr. spoke about various city matters.

John Brady of 614 W. Northrup St. spoke about the public improvement for Northrup. St.

Charlene Decker of 2711 Pleasant Grove Rd. spoke about various city matters.

Christine Timmon of 2519 S. Washington Ave. spoke about various city matters.

Hugh Clarke of 519 W. Kalamazoo spoke about the Lansing School District.

John Pollard of 1718 Blair St. spoke about various city matters.

Thomas Ryan of 4336 Chadburne Dr. spoke about various city matters.

Kathi Raffone of 1221 Muskegon Ave. spoke about various city matters.

Norris Gibson of 110 W. Willow St. spoke about tax abatements.

Carl Calille of 306 Harriet Ave. spoke about various city matters.

**LEGISLATIVE MATTERS**

**RESOLUTIONS**

**RESOLUTION #420**

BY THE COMMITTEE ON INTERGOVERNMENTAL RELATIONS  
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, the Tri-County Aging Consortium, known as Tri-County Office on Aging, produced the Annual Implementation Plan Fiscal Year 2009 as required by the Older Americans Act and the Older Michigianians Act; and

WHEREAS, the Lansing City Council has reviewed the Tri-County Office on Aging's Annual Implementation Plan Fiscal Year 2009;

NOW, THEREFORE, BE IT RESOLVED, that the Lansing City Council, hereby, approves said document as presented.

By Councilmember Robinson

Motion Carried

**RESOLUTION #421**

BY THE COMMITTEE ON PUBLIC SERVICE  
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

**PUBLIC IMPROVEMENT V**

WHEREAS, it is a public necessity to do sidewalk repair in front of and adjacent to the properties described below:

**PROPERTY BENEFITTED: SIDEWALK REPAIR PROJECT**

- 1) Along Cedar Street between Miller Road and Kaynorth Street
- 2) Along Martin Luther King Jr. Blvd between Hughes Road and Jolly Road
- 3) Martin Luther King Jr. Blvd between the Grand River Bridge and N. Grand River Avenue

(Excepting all public streets and alleys and other land deemed not benefited)

ASSESSMENT ROLL B080	ESTIMATED COST	ACTUAL COST	DIFFERENCE
	\$141,097.86	\$136,616.33	\$4,481.53

RESOLVED, by the City Council of the city of Lansing, that the supplementary Special Assessment Roll **B080**, Public Service # **01080**, known as **SIDEWALK REPAIR** as returned by the City Assessor, be and the same is hereby ratified and confirmed, and that the Mayor be and hereby is directed to affix within ten days, his warrant directing the City Treasurer to refund to all persons who have paid said tax as originally assessed the pro rata amount of difference as shown in said supplementary roll, and collect all unpaid tax as shown on said roll 90 days after approval.

By Councilmember Hewitt

Motion Carried

**RESOLUTION #422**

BY THE COMMITTEE ON PUBLIC SERVICE  
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

**PUBLIC IMPROVEMENT IV**

WHEREAS, pursuant to the Public Improvement III resolution adopted by this council, the City Assessor held a public hearing on July 7, 2008, for Assessment Roll # B-090 for sidewalk construction and repair, and furnished the following information:

PROJECT TITLE: 2008 New Sidewalk Project  
P.S. #01092

PROPERTY BENEFITED:  
SIDEWALK:

Along the north side of Edgewood Blvd. from 200 E. Edgewood to S. ML King Jr. Blvd.  
Also, along the east side of S. ML King Jr. Blvd from Edgewood to Miller,  
Also along the south side of Miller Rd. from S. Pennsylvania Ave. to Beechfield,  
And also along the west side of North Larch in front of Otto School.  
Excepting all public streets and alleys and other land deemed not benefited.

**ENGINEER'S ESTIMATE, COST OF IMPROVEMENTS:**

ASSESSMENT ROLL NO. B-090	CITY <u>CONTRIBUTION</u>	ASSESSABLE TO <u>PROPERTY OWNER</u>
SIDEWALK	\$ 129,954.03	\$ 63,020.13
CURB AND GUTTER	\$ 4,720.32	\$ 4,982.56
<u>OTHER COSTS</u>	<u>\$ 8,457.98</u>	<u>\$ 0.00</u>
TOTAL COSTS	\$ 143,132.33	\$ 68,002.69

NOW, THEREFORE, BE IT RESOLVED the Lansing City Council hereby directs that special assessment roll number B-090 as returned by the City Assessor, be ratified and confirmed.

By Councilmember Hewitt

Motion Carried

**RESOLUTION #423**

BY THE COMMITTEE ON WAYS AND MEANS  
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, Lansing Police Department (LPD) has been approved as the sub-grantee for a Buffer Zone Protection Program (BZPP) reimbursement grant from the U.S. Department of Homeland Security, Office of Infrastructure Protection for the fiscal year period July 1, 2009 to June 30, 2009. ; and

WHEREAS, the principal intent of the Buffer Zone Protection Program grant to LPD is the deterrence and prevention of terrorist activities in and around Emergent Bio-Solutions; and

WHEREAS, The BZPP project has an acceptable Buffer Zone Plan and an acceptable Vulnerability Reduction Purchase Plan (eligible equipment) to protect the site and surrounding area of Emergent Bio-Solutions (formerly Bioport); and

WHEREAS, threats to Emergent Bio-Solutions will be addressed by the use of terrorist-deterrent/preventive equipment and the use of law enforcement personal protection; and

WHEREAS, the grant amount awarded to the Lansing Police Department equals \$946,520 (100% federally-funded) for the purchase of equipment to be shared variously among LPD, Lansing Fire Department, Ingham County, Clinton County, and DeWitt Township; and

NOW, THEREFORE, BE IT RESOLVED, the Lansing City Council approves acceptance of the Buffer Zone Protection Program reimbursable grant in the total amount of \$946,520 (zero local match) for

the city fiscal year 2009 grant period (July 1, 2008 through June 30, 2009) to fund the purchase, installation, and deployment of eligible Homeland Security equipment and the management of related law enforcement protective actions; and

BE IT FINALLY RESOLVED, that the Administration is authorized to create appropriate accounts and to make the necessary operating transfers for the expenditure and control of the balance of the grant funds.

By Councilmember Dunbar

Motion Carried

**RESOLUTION #424**

BY THE COMMITTEE OF THE WHOLE  
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, the Board of Water and Light is a public utility owned by the citizens' of the City of Lansing; and

WHEREAS, the Board of Water and light is controlled by a Board of Commissioners who are vested with the management of the operations of the Board, including the authority to hire a Director/General Manager and set compensation, pension, and other benefits and conditions of employment; and

WHEREAS, on July 22, 2008, the Board of Water and Light Commissioners approved a new contract of employment with its Director/General Manger which consisted of a \$49,000 a year pay raise, \$500 per month car allowance, payment of all annual dues to the University Club and the Country Club of Lansing, increased pension benefits in a defined benefit pension program, a severance package which included six months severance pay, six months employer paid COBRA premiums, and out placement services; and

WHEREAS, the Board of Water and Light is responsible to the City Council for its management responsibilities in a manner consistent with best practices; and

WHEREAS, on July 24, 2008, the Lansing City Council reviewed the Board of Commissioner's compensation increase and contract amendment resolution at its Committee of the Whole meeting. Further, considering the increases in electric and water rates recently approved by the Board of Commissioners, many Councilmembers found the compensation increases and amendments to be offensive, exorbitant, and out-of-touch with the economic reality facing our community;

NOW, THEREFORE, BE IT RESOLVED that the Lansing City Council strongly opposes the compensation and contract amendment for the Board of Water and Light Director/General Manager as approved by the Board of Commissioners on July 22, 2008.

BE IT FINALLY RESOLVED that the Lansing City Council strongly recommends and encourages the Board of Water and Light Commissioners to convene a special meeting of the Board to reconsider its compensation and contract amendment resolution.

By Councilmember Quinney

Motion Carried

**RESOLUTION #425**

BY THE COMMITTEE OF THE WHOLE  
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, the Capital Area Transportation Authority currently provides bus service to Forest Road between Aurelius Road and Stoneleigh Drive; and

WHEREAS, requests have been made by residents of Tammany Hills to extend the bus service to Michigan State University on Forest Road from Stoneleigh Drive to Collins Road; and

WHEREAS, transportation is an essential service that should be provided to residents and business owners within the City of Lansing to promote quality of life;

NOW, THEREFORE, BE IT RESOLVED that the Lansing City Council, hereby, urges the Capital Area Transportation Authority to extend the bus service on Forest Road from Stoneleigh Drive to Collins Road.

By Councilmember Quinney

Motion Carried

**RESOLUTION #426**

BY THE COMMITTEE OF THE WHOLE  
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, the City of Lansing's Waterfront Study encourages city departments to actively seek out and obtain waterfront property within the City limits; and

WHEREAS, the City of Lansing's Department of Parks and Recreation, "5 Year Parks and Recreation Plan 2005 – 2010" states as a goal "To routinely assess park lands for acquisition/expansion, disposal and/or leasing;" and

WHEREAS, the City of Lansing's Department of Parks and Recreation, "5 Year Parks and Recreation Plan 2005 – 2010" states as a goal "The department will continue the development of other significant projects along the river that will provide residents access to and use of the water resources and adjacent park lands;" and

WHEREAS, the Michigan Natural Resources Trust Fund (the "NRTF") provides matching grants to local units of governments for the acquisition of lands suitable for park development; and

WHEREAS, the City of Lansing's Department of Parks and Recreation has identified a wooded parcel covering approximately 28.5 acres with 500 feet of Grand River shoreline available for purchase, commonly referred to as "Hunter's Ridge" (the "Parcel"); and

WHEREAS, residents in the neighborhoods surrounding this parcel have consistently expressed their support for protecting the natural area and wildlife on the Parcel; and

WHEREAS, the owners of the Parcel (the "Owners") have stated that if the grant is awarded, they will donate to the City of Lansing 25% of the state appraised value of their property (in-kind) and 25% of the city's "incidental costs" in order to fulfill the NRTF local match requirement, and

WHEREAS, this plan has been presented, reviewed and recommended to the Mayor by the City of Lansing Park Board; and

WHEREAS, the amounts and sources of the project funding are as follows:

Total Estimated Land/Property Value	\$ 997,500
Estimated Incidental Costs	\$ 49,460
Total Project Cost	\$1,046,960
Amount Requested from NRTF (75% grant):	\$ 785,300
Amount Donated by Owners (25% match):	\$ 261,660

WHEREAS, the NRTF requires a resolution from the governing body of the applicant supporting the application and committing the amount and source of the required match specified in the application;

NOW, THEREFORE, BE IT RESOLVED that the City Council supports the City of Lansing's grant application to the NTRF for acquisition of the Parcel and commits to the amount and source of the local match of 25%, provided that said match is donated by the Owners.

BE IT FINALLY RESOLVED that if the grant is awarded:

1. The Administration is authorized to create appropriate accounts and transfer necessary funds to administer and monitor the grants;
2. The City of Lansing will maintain satisfactory financial accounts, documents, and records to make them available to NRTF for auditing at reasonable times.
3. The Mayor of the City of Lansing will be the local authorized representative to sign documents on behalf of the City of Lansing.

By Councilmember Quinney

To place an affirmative roll on the resolution

By Councilmember Robinson

To recuse Councilmember Dunbar for possible conflict of Interest

Motion Carried

The question being the motion to place an affirmative roll on the resolution

Motion Carried by the following roll call vote

Yeas: Councilmembers Allen, Hewitt, Jeffries, Quinney, Robinson and Wood

Nays: None

(Councilmember Dunbar Abstaining)

**RESOLUTION #427**

BY THE COMMITTEE OF THE WHOLE  
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, certain adjustments are needed to close out the 2007/2008 fiscal year including allocation of the FY 2008 vacancy factor and anticipated costs as a result of the recent storms;

NOW, THEREFORE, BE IT RESOLVED that the following FY 2007/2008 year-end budget amendment be approved:

	<u>Amount</u>	<u>Reason</u>
<b>GENERAL FUND</b>		
<u>Revenues</u>		
Increase Revenues - BWL Equity Payment	\$1,100,000	Update per BWL Estimate
Increase Revenues - Income Tax Revenues	314,000	Delinquent Tax Collection Efforts
Use of Fund Balance - Storm Cleanup	<u>350,000</u>	2008 Storm Cleanup
	<u>\$1,764,000</u>	
<u>Expenditures</u>		
Clear Out Vacancy Factor	\$1,800,000	Distribute Vacancy Factor
Decrease Council Wages	(23,700)	Distribute Vacancy Factor
Decrease Council Fringes	(22,000)	Distribute Vacancy Factor
Decrease Cable Wages	(8,900)	Distribute Vacancy Factor
Decrease Clerk Wages	(24,100)	Distribute Vacancy Factor

Decrease PND Fringes	(23,000)	Factor Distribute Vacancy
Decrease Finance Wages	(76,500)	Factor Distribute Vacancy
Decrease Finance Fringes	(131,000)	Factor Distribute Vacancy
Decrease Human Resources Wages	(32,000)	Factor Distribute Vacancy
Decrease Human Resources Fringes	(27,000)	Factor Distribute Vacancy
Decrease Fire Fringes	(128,400)	Factor Distribute Vacancy
Decrease Fire Wages	(63,000)	Factor Distribute Vacancy
Decrease Public Service Operating (Engineering)	(80,000)	Factor Distribute Vacancy
Decrease HRCS Wages	(17,500)	Factor Distribute Vacancy
Decrease HRCS Fringes	(30,000)	Factor Distribute Vacancy
Decrease Parks Wages	(213,300)	Factor Distribute Vacancy
Decrease Parks Fringes	(116,000)	Factor Distribute Vacancy
Decrease Dist. Court Wages	(70,000)	Factor Distribute Vacancy
Decrease Dist. Court. Fringes	(35,000)	Factor Distribute Vacancy
Increase City Attorney Wages	22,000	Temp. Help Needs During Paid Leave
Increase City Attorney Fringes	8,000	Temp. Help Needs During Paid Leave
Increase Police Wages (Overtime)	200,000	2007 Homicide Investigations
Increase PND Wages	65,000	New Positions Underbudgeted/Storm Cleanup
Increase Fire Wages	20,000	2008 Storm Cleanup
Increase Parks Wages	150,000	2008 Storm Cleanup
Increase Public Service Wages	70,000	2008 Storm Cleanup
Increase Public Service Operating	80,000	2008 Storm Cleanup
Decrease Public Service Operating	(60,000)	Lower FY08 Liability Insurance Costs
Decrease PND Operating	(15,000)	Lower FY08 Liability Insurance Costs
Decrease Finance Operating	(15,000)	Lower FY08 Liability Insurance Costs
Decrease Police Operating	(40,000)	Lower FY08 Liability Insurance Costs
Decrease Fire Operating	(100,000)	Lower FY08 Liability Insurance Costs
Decrease Parks Operating	(30,000)	Lower FY08 Liability Insurance Costs
Increase Library Rental	4,400	Prior Budget Amend't Amt Overstated
Increase Debt Service	33,700	Income Tax Software Debt Underbudgeted
Increase Debt Service	16,300	Income Tax Software Debt Underbudgeted
Decrease Transfer to Stadium Fund	(70,000)	2007 (new) bond payments overestimated
Increase Transfer to Major Streets Fund	10,000	2007 (new) bond payments nderestimated
Increase Transfer to Local Streets Fund	26,000	2007 (new) bond payments nderestimated
Increase Transfer to Building Safety Fun	400,000	Revenue shortfalls
Increase Transfer to Golf Fund	<u>310,000</u>	Revenue shortfalls
	<u>\$1,764,000</u>	
<b>MAJOR STREETS FUND</b>		
<u>Revenues</u>		
Increase Transfer from GF payments	10,000	2007 (new) bond underestimated
<u>Expenditures</u>		
Increase Debt Service payments	10,000	2007 (new) bond underestimated
<b>LOCAL STREETS FUND</b>		
<u>Revenues</u>		
Increase Transfer from GF payments	26,000	2007 (new) bond underestimated
<u>Expenditures</u>		
Increase Debt Service payments	26,000	2007 (new) bond underestimated
<b>STADIUM FUND</b>		
<u>Revenues</u>		
Decrease Transfer from GF	(70,000)	2007 (new) bond

payments		overestimated
<u>Expenditures</u>		
Decrease Debt Service payments	(70,000)	2007 (new) bond overestimated
<b>BUILDING SAFETY FUND</b>		
<u>Revenues</u>		
Increase Transfer from GF	400,000	Revenue shortfalls
Decrease Building Safety Revenue	(281,000)	Revenue shortfalls
Decrease Use of Fund Balance	<u>(119,000)</u>	Revenue shortfalls
	<u>0</u>	
<b>GOLF FUND</b>		
<u>Revenues</u>		
Increase Transfer from GF	310,000	Revenue shortfalls
Decrease Golf Revenues	<u>(310,000)</u>	Revenue shortfalls
	<u>0</u>	
<b>CEMETERY FUND</b>		
<u>Revenues</u>		
Increase Use of Fund Balance	29,000	Additional Seasonal Workers
<u>Expenditures</u>		
Increase Wages	35,000	Additional Seasonal Workers
Decrease Fringes	<u>(6,000)</u>	
	<u>29,000</u>	

By Councilmember Quinney

Motion Carried

**REPORTS FROM COUNCIL COMMITTEES**

**RESOLUTION #428  
COMMITTEE REPORT**

THE COMMITTEE OF THE WHOLE met on July 24, 2008, in which to consider the amendment to the City of Lansing Codified Ordinances to amend Chapter 888, Section 880.06 by changing the sponsor, increasing the annual service charge for public services in lieu of all real estate taxes, modifying the term of the ordinance, and other changes.

The Committee recommends adoption of the amendment to the City of Lansing Codified Ordinances to amend Chapter 888, Section 880.06 by changing the sponsor, increasing the annual service charge for public services in lieu of all real estate taxes, modifying the term of the ordinance, and other changes.

By the Committee of the Whole

Signed: Brian Jeffries, Chair

Derrick Quinney, Vice Chair

July 28, 2008

By Councilmember Quinney

To receive to Committee Report

Motion Carried

**ORDINANCES FOR PASSAGE**

By Councilmember Quinney

That we move to the passage of Ordinances

By Councilmember Quinney

That the Ordinance when read by its title be considered as read in its

entirety.

By Councilmember Quinney

To accept a substitute Ordinance for the one originally placed in the packet

Motion Carried

BY THE COMMITTEE OF THE WHOLE

By Councilmember Quinney

That:

An Ordinance of the City of Lansing to Amend Chapter 888, Section 888.06 of the Lansing Codified Ordinances by changing the sponsor, increasing the annual service charge for Public Services in lieu of all real estate taxes and modifying the term of the Ordinance and other changes

be placed on order of immediate passage.

BY THE COMMITTEE OF THE WHOLE

By Councilmember Quinney

That:

An Ordinance of the City of Lansing to Amend Chapter 888, Section 888.06 of the Lansing Codified Ordinances by changing the sponsor, increasing the annual service charge for Public Services in lieu of all real estate taxes and modifying the term of the Ordinance and other changes

be now passed.

YEAS: Councilmembers Allen, Dunbar, Hewitt, Jeffries, Quinney, Robinson and Wood

NAYS: None

ABSENT: Councilmember Kaltenbach

By Councilmember Quinney

THAT THIS ORDINANCE, BEING NECESSARY FOR THE IMMEDIATE PRESERVATION OF THE PUBLIC, PEACE, HEALTH OR SAFETY SHALL TAKE EFFECT UPON ITS PASSAGE

Motion Carried

**ORDINANCE #1135**

AN ORDINANCE OF THE CITY OF LANSING, MICHIGAN, TO AMEND CHAPTER 888, SECTION 6 OF THE LANSING CODIFIED ORDINANCES TO ADD AN EXPIRATION DATE AND TO ADD A NEW SECTION 31 TO PROVIDE FOR AN ANNUAL SERVICE CHARGE FOR PUBLIC SERVICES IN LIEU OF ALL REAL ESTATE TAXES FOR RENTAL PROPERTIES LOCATED AT 821-825 NORTH PENNSYLVANIA.

THE CITY OF LANSING ORDAINS:

Section 1. That Chapter, Section, of the Codified Ordinances of the City of Lansing, Michigan, be and is hereby amended to read as follows:

**888.06. Stepping stones.**

(a) *Purpose.*

(1) It is acknowledged that it is a proper public purpose of the State and its political subdivisions to provide transitional housing for its homeless single mothers of low income with not more than two minor children and to encourage the development of such housing by providing

for a service charge in lieu of property taxes in accordance with the State Housing Development Authority Act of 1966, being Public Act 346 of 1966, as amended (M.C.L.A. 125.1401 et seq.). The City is authorized by such Act to establish or change the service charge to be paid in lieu of taxes by any or all classes of housing exempt from taxation under such Act at any amount it chooses, not to exceed the real estate taxes that would be paid but for such Act. It is further acknowledged that such housing for homeless single mothers of low income with not more than two minor children is a public necessity, and as the City will be benefited and improved by such housing, the encouragement of the same by providing certain real estate tax exemption for such housing is a valid public purpose. It is further acknowledged that the continuance of the provisions of this section for tax exemption and the service charge in lieu of taxes during the periods contemplated in this section are essential to the determination of economic feasibility of the housing development known as Stepping Stones, which is to be constructed and financed in reliance upon such section and service charge.

(2) The City acknowledges that Ballentine Stepping Stones Nonprofit Housing Corporation, a Michigan nonprofit housing corporation (referred to herein as the "sponsor"), has offered, subject to receipt of adequate financing from the Authority and adoption of this section by the City, to rehabilitate, own and operate a housing development identified as Stepping Stones on certain property located in the City, for the purpose of serving and assisting homeless single mothers of low income with not more than two minor children. The sponsor shall pay the City, on account of said development, an annual service charge for public services in lieu of all real-estate taxes on the housing development as set forth in this section.

(b) *Definitions.*

(1) "Act" means the State Housing Development Authority Act, being Public Act 346 of 1966, as amended.

(2) "Authority" means the Michigan State Housing Development Authority.

(3) "Commencement of construction" means the commencement of the rehabilitation of the existing facility located at 821-825 North Pennsylvania Avenue, Lansing, Michigan, 48906.

(4) "Housing development" means a development which contains 16 apartments for single mothers and such elements of other housing, commercial, recreational, industrial, communal and educational facilities as the Authority may determine will improve the quality of the development as it relates to housing for single mothers. For purposes of this section, the name of this project shall be Stepping Stones.

(5) "HUD" means the Department of Housing and Urban Development of the United States Government.

(6) "Mortgage loan," "advance" or "grant" means a loan, advance or grant to be made by the Authority and/or the HUD or other governmental entity to the sponsor for the rehabilitation and/or permanent financing of the housing development.

(7) "Single mother" means a homeless single female head of household, with not more than two minor children, who meets the income limitation set by the Authority and/or the Federal Government through the HUD.

(8) "*Sponsor*" means persons or other entities who or which have applied to either the Authority for a mortgage loan, advance or grant to finance the housing development or to another governmental entity for a Federally-aided loan, advance or grant as defined by the Act. For purposes of this section, the sponsor is Ballentine Stepping Stones Nonprofit Housing Corporation.

(c) *Establishment of Annual Service Charge.*

(1) The housing development and the property on which it shall be constructed shall be exempt from all real estate property taxes from and after the commencement of construction. The City, acknowledging that the sponsor and the Authority and/or the HUD or other governmental entity, in the case of the sponsor receiving a mortgage loan, advance or grant from the Authority, the HUD or other governmental entity, have established the economic feasibility of the housing development in reliance upon the enactment and continuing effect of this section and upon the qualification of the housing development for exemption from all real estate taxes as established in this section, will accept payment as set forth below of an annual service charge for public services in lieu of all real estate taxes.

(2) The total annual service charge shall be \$10.00 per annum.

(d) *Payment of Annual Service Charge.* The service charge in lieu of taxes, as established under this section, shall be payable in the same manner as general property taxes are payable to the City, except that the annual payment shall be made on or before July 1 of the year following the year upon which such charge is calculated.

(e) *Contractual Effect.* Notwithstanding the provisions of Section 15(a)(5) of the Act to the contrary, a contract between the City and the sponsor, with the Authority as third party beneficiary under the contract, to provide tax exemption and accept payments in lieu of taxes as previously described, will be effectuated by the enactment of this section by Council.

(f) *Duration; Commencement of Construction.* The property tax exempt status of the housing development approved by this section shall remain in effect and shall not terminate so long as the housing development is used for the purposes set forth in this section, and provided that the rehabilitation of the housing development commences within one year from the effective date of this section. If the rehabilitation of the housing development does not commence within one year from the effective date of this section, this section shall automatically expire and be of no effect, and the housing development and the property on which it is constructed shall become immediately taxable pursuant to the property tax laws of the State.

(g) THIS SECTION SHALL TERMINATE ON OCTOBER 31, 2009.

**3v888.31. RENTAL PROPERTIES LOCATED AT 821-825 NORTH PENNSYLVANIA.**

(a) *PURPOSE*

IT IS ACKNOWLEDGED THAT IT IS A PROPER PUBLIC PURPOSE OF THE STATE AND ITS POLITICAL SUBDIVISIONS TO PROVIDE HOUSING FOR ITS RESIDENTS OF LOW AND MODERATE INCOME AND TO ENCOURAGE THE DEVELOPMENT OF SUCH HOUSING BY PROVIDING FOR A SERVICE CHARGE IN LIEU OF PROPERTY TAXES IN ACCORDANCE WITH THE STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966, BEING PUBLIC ACT 346 OF 1966, AS AMENDED [MCL 125.1401, ET SEQ.]. THE CITY IS AUTHORIZED BY SUCH ACT TO ESTABLISH OR CHANGE THE SERVICE CHARGE TO BE PAID IN LIEU OF TAXES BY ANY OR ALL CLASSES OF HOUSING EXEMPT FROM TAXATION UNDER SUCH ACT AT ANY AMOUNT IT CHOOSES, NOT TO EXCEED THE TAXES THAT WOULD BE PAID BUT FOR THIS ACT. IT IS FURTHER ACKNOWLEDGED THAT SUCH HOUSING FOR PERSONS OF LOW AND MODERATE INCOME IS A PUBLIC NECESSITY, AND AS THE CITY WILL BE BENEFITED AND IMPROVED BY SUCH HOUSING, THE ENCOURAGEMENT OF THE SAME BY PROVIDING CERTAIN REAL ESTATE TAX EXEMPTION FOR SUCH HOUSING IS A VALID PUBLIC PURPOSE.

(b) *DEFINITIONS.*

(1) "Act" means the State Housing Development Authority Act, being Public Act 346 of 1966, as amended.

(2) "Annual shelter rents" means the total collections during an agreed annual period from all persons of low or moderate income, occupying the housing development representing rents for occupancy, which rental amounts shall be exclusive of charges for gas, electricity, heat or other utilities furnished to the occupants.

(3) "Authority" means the Michigan State Housing Development Authority.

(4) "Housing development" or "development" means a development which contains a significant element of housing for persons of low and moderate income and such elements of other housing, commercial, recreational, industrial, communal and educational facilities as the authority may determine will improve the quality of the development as it relates to housing for persons of low and moderate income. For the purpose of this section, the name of this development is BALLENTINE Apartments, and consists of EIGHTEEN (18) units of rental housing located within Lansing at 821-825 NORTH PENNSYLVANIA, AND LEGALLY DESCRIBED AS THE EAST 19 FEET OF LOT 3 EXCEPT THE NORTH 106 FEET, ALSO THE SOUTH 27.5 FEET OF THE WEST 106 FEET LOT 5, ALSO LOTS 6 & 7 WILEYS SUBDIVISION, City of Lansing, Ingham County, Michigan, according to the recorded plat thereof.

(5) "HUD" means the Department of Housing and Urban Development of the United States government.

(6) "Low Income Housing Tax Credit Program" means the program established by Section 42 of the United States Internal Revenue Code.

(7) "Low or moderate income" means low or moderate income eligibility under the authority Act or rules.

(8) "Mortgage loan" means a loan to be made by a private entity and insured by HUD, or a loan from the authority for the financing of the purchase and rehabilitation of the housing development.

(9) "Sponsor" means a person or other entity with a housing development which is financed or assisted pursuant to the Act. For purposes of this section, the sponsor of the Ballentine Apartments Housing Development is Ballentine Limited Dividend Housing Association limited partnership.

(10) "Utilities" means fuel, water, sanitary sewer and/or electrical service, which is paid for by the housing development.

(c) *Establishment of annual service charge.*

(1) The City acknowledges that the sponsor and the authority have established the economic feasibility of the Ballentine Apartments Housing Development in reliance upon the enactment and continuing effect of this section and upon the qualification of the eighteen (18) units of housing in the housing development for exemption from all property taxes as established in this section.

(2) Subject to the conditions and requirements of this section and the Act, the eighteen (18) units in the housing development for persons of low and moderate income identified as Ballentine Apartments and the property on which they are constructed shall be exempt from all property taxes for not more than fifteen (15) years, commencing with and including tax year 2010.

(3) In lieu of all said property taxes on the eighteen (18) units in the housing development, the sponsor shall pay, and the City will

accept, an annual service charge for public services, in the sum equal to, four (4%) percent of the difference between the annual shelter rents actually collected and utilities.

(4) The exemption provided under this section shall commence when the sponsor complies with Section 15a(1) of 1966 PA 346, as amended, codified as MCL 125.415a(1), which provides: the owner of a housing project eligible for the exemption shall file with the local assessing officer (the City Assessor) a notification of the exemption, which shall be in an affidavit form as provided by the authority. The completed affidavit form first shall be submitted to the authority for certification by the authority that the project is eligible for the exemption. The owner then shall file the certified notification of the exemption with the local assessing officer before November 1 of the year preceding the tax year in which the exemption is to begin.

(5) In addition to the certification required pursuant to subsection (c)(4), the sponsor shall provide for the housing development annually in writing to the City Assessor for the preceding year in which the property tax exemption was in effect:

a. The annual audited accounting report for the payment in lieu of taxes; and

b. A certified statement identifying all the units rented to persons of low of moderate income; and

c. If requested by the City, proof that the housing development units have not increased, decreased, or been altered in any form, unless the City has otherwise amended the provisions of this section.

(d) Limitation on the payment of the annual service charge. Notwithstanding subsection (c), the service charge to be paid each year in lieu of taxes for the part of the housing development project that is tax exempt and occupied by other than low or moderate income persons shall be equal to the full amount of the taxes that would otherwise be due and payable on that portion of the housing development project if the project were not tax exempt.

(e) Payment of annual service charge. The service charge in lieu of taxes, as established under this section, shall be payable in the same manner as general property taxes are payable to the City, except that the annual payment shall be made on or before July 1 of the year following the year upon which such charge is calculated.

(f) Contractual effect. Notwithstanding the provisions of Section 15(A)(5) of the Act to the contrary, a contract between the City and the sponsor with the authority as third party beneficiary under the contract, to provide tax exemption and accept payment in lieu of taxes as previously described, is effectuated by the enactment of this section.

(g) Duration. This section shall remain in effect and shall not terminate for fifteen (15) years, commencing with and including tax year 2010, provided that the sponsor complies with the requirements of the Act and this section, and further provided that the housing development continues to be rented to low or moderate income persons at rents determined under the low income housing tax credit program, as the same maybe further amended or superseded, or there is an authority-aided or Federally-aided mortgage on the housing development as provided in the Act, or the authority or HUD has an interest in the property; but in no event beyond December 31, 2024. If the sponsor changes the scope or purpose of the eighteen (18) units of housing within the development without the consent of the City of Lansing, by and through its representatives, and in accordance with the requirements of the Lansing City Charter, this section shall automatically expire and be of no effect.

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

**REPORTS FROM CITY OFFICERS, BOARDS, AND COMMISSIONS;  
COMMUNICATIONS AND PETITIONS;  
AND OTHER CITY RELATED MATTERS**

By Councilmember Quinney that all items be considered as being read in full and that President Jeffries make the appropriate referrals

Motion Carried

• Reports from City Officers, Boards and Commissions:

- a. Letter from the City Clerk submitting:
  - i. Applications for a Public Display of Fireworks filed by Lansing Lugnuts and Roger Bonney of Night Magic Displays to be held on August 9, 22, and 28, 2008 with an undetermined rain date at this time

REFERRED TO THE COMMITTEE ON GENERAL SERVICES AND REFERRED TO THE CITY ATTORNEY

- ii. An Application for a Peddler and Transient Merchants License filed by Arthur Lee Benson Jr. of 900 Long Blvd to sell food and soft drinks at 5135 S. Pennsylvania Avenue

REFERRED TO THE COMMITTEE ON GENERAL SERVICES AND REFERRED TO THE CITY ATTORNEY

- b. Letters from the Mayor re:
  - i. ACT-4-08; Planning Board recommendations regarding the Lansing City Market

REFERRED TO THE COMMITTEE OF THE WHOLE

- ii. Buy/Sell Agreement for the North Parking Capitol Ramp

REFERRED TO THE COMMITTEE ON DEVELOPMENT AND PLANNING

- iii. Transfer of Funds; Cemetery Fund

REFERRED TO THE COMMITTEE ON WAYS AND MEANS AND INTERNAL AUDIT

- iv. Designation of Susan Graham as Chief Labor Negotiator for the City of Lansing

REFERRED TO THE COMMITTEE OF THE WHOLE

• Communications and Petitions, and Other City Related Matters:

- a. Letter from the Ingham County Corrections Advisory Board requesting the Lansing City Council to approve the 2008-2009 State of Michigan – Office of Community Corrections Funding Application

REFERRED TO THE COMMITTEE ON PUBLIC SAFETY

- b. Letter from the Lansing Regional Chamber of Commerce urging the Lansing City Council to support the new City Market Project

REFERRED TO THE COMMITTEE OF THE WHOLE

- c. Affidavit of Disclosure filed by Richard Thacker of the Lansing Police Department/Communications

REFERRED TO THE ETHICS BOARD AND REFERRED TO THE CITY ATTORNEY

- d. Applications for Community Funding filed by:
  - i. Moores Park Neighborhood for their Moores Park Neighborhood Kids Carnival held July 12, 2008

REFERRED TO THE COMMITTEE ON GENERAL SERVICES

- ii. Colonial Village Neighborhood Association for the replacement of their neighborhood sign

REFERRED TO THE COMMITTEE ON GENERAL SERVICES

- e. Letter from Gary Andrews of the Lansing Public Access Producers Group regarding local Public Access Television

REFERRED TO THE CABLE ADVISORY BOARD REFERRED TO THE CITY ATTORNEY AND REFERRED TO THE COMMITTEE ON INTERGOVERNMENTAL RELATIONS

- f. Letter from Heidi Paseka regarding an Ordinance to ban motorized scooters in the City of Lansing

REFERRED TO THE COMMITTEE OF THE WHOLE

- g. Electronic mail messages regarding plans for a new City Market (66 in support, 2 in opposition)

REFERRED TO THE COMMITTEE OF THE WHOLE

**MOTION OF EXCUSED ABSENCE**

By Councilmember Allen

To excuse Councilmember Kaltenbach from tonight's proceedings

Motion Carried

**REMARKS BY COUNCILMEMBERS**

Councilmember Hewitt spoke about a citizen's request to have microphones turned down at City Council meetings. He addressed comments made by Councilmember Dunbar regarding the grant application for Hunters Ridge.

Councilmember Wood asked Jerry Ambrose, Executive Assistant to Mayor Bernero, when State owned medians would be mowed and asked for an update related to City Employees taking retirement incentives.

Councilmember Dunbar addressed comments made by Councilmember Hewitt regarding the grant application for Hunters Ridge.

**REMARKS BY THE MAYOR  
OR EXECUTIVE ASSISTANT**

Jerry Ambrose, Executive Assistant to Mayor Bernero, stated that 9 employees have taken the retirement incentive and will relay strategies to control the budget in the near future. He addressed tonight's speakers and Councilmembers' comments regarding tax abatements, the public

improvement for Northrup St., the City Market and golf courses.

Council President Jeffries stated that comments made by Jerry Ambrose were conflicting with conversations that actually took place regarding Northrup St.

Councilmember Quinney echoed Council President Jeffries statements regarding what actually occurred during negotiations related to Northrup St.

**ADJOURNED TIME 10:11 P.M.**

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**CHRIS SWOPE, CITY CLERK**