



MINUTES

**Committee on Development and Planning
Monday, February 6, 2017 @ 3:30 p.m.
Council Conference Room, City Hall 10th Floor**

CALL TO ORDER

Called to order at 3:30 pm.

PRESENT

Council Member Brown Clarke, Chair
Council Member Yorko, Vice-Chair
Council Member Houghton, Member
Council Member Hussain, Member-arrived at 3:35 p.m.

OTHERS PRESENT

Sherrie Boak, Council Staff
Carolyn Condell
Jim Papesch
JP Buckingham, TriTerra
Will Matthews, Hosmer Storage LP
Eric Pratt, LEAP
Heather Sumner, City Attorney Office
Mark Dotson, City Attorney Office
Susan Stachowiak, Planning & Neighborhood Development

PUBLIC COMMENT

Will be addressed during the agenda items.

MINUTES

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE MINUTES FROM DECEMBER 20, 2016 AS PRESENTED. MOTION CARRIED 3-0. .

DISCUSSION/ACTION

RESOLUTION – OPRA District; 506 S. Hosmer Street

Mr. Pratt referred the Committee to the market study the Council requested at the Public Hearing on January 30, 2017. The study was made part of the packet and addressed some of the questions. Mr. Pratt then gave a quick overview of the history of the form REO Olds property, condition of the property which also lacked the currently needed amenities of elevators to code, stair cases and stair wells to code, ADA compliance needs, and mechanicals. The property will also require structural repairs on the existing brick. All of the 670 self-storage units

will be climate controlled and the project will address all structural issues by modernizing the building. On the exterior, Mr. Pratt stated they will add landscaping, new parking and lighting. It was also noted the total estimated investment of \$3 million, with the creation of 2-3 temporary jobs, and over 100 for construction and trade. In the requested 12 year OPRA every taxing jurisdiction will get additional revenue from real and personal property and income tax. Lastly, Mr. Pratt confirmed the Assessor has reviewed the site and an engineering firm has done a base line environmental testing.

Council Member Yorko stepped away from the meeting at 3:38 p.m.

Mr. Matthews apologized for not providing the market study earlier, he assumed all the questions were asked the last time he was at Committee. He did note that the contractor that did the study only does market studies on storage facilities and in 2016 they had recommended 50% of their clients to not proceed, but this applicant was given recommendation in the top 1/3 to proceed. The study was done in a 3 miles radius due to the location, population and usage in the area. The comparison were done on similar uses per/sq. ft. in the Lansing average. They also spoke to those similar facilities in the 3 mile radius. They found 5 similar locations for the comparison; U-Haul (Waverly), All Store, Devon Self-Storage on MLK, Affordable Mini Storage (Lake Lansing).

Council Member Brown Clarke asked what their hours would be for access and Mr. Matthews stated 7 am to 10 pm.

Council Member Yorko returned to the meeting at 3:44 p.m.

There was an extended discussion on storage facilities in the area and how the Market Study determined to compare.

Council Member Yorko stepped away from the meeting at 3:45 p.m.

Council Member Brown Clarke asked if the facility will house vehicles. Mr. Matthews confirmed there would be no cars, however there will be ramps installed for easy unloading.

Council Member Hussain asked for the tax amount currently being paid on the property. Mr. Buckingham stated it had a taxable value at \$266,850, and Mr. Pratt added that based on the application they pay \$5,100 annually in city taxes real and personal.

Council Member Yorko returned to the meeting at 3:46 p.m.

Mr. Pratt added that with the 12 year OPRA in place the City will go from \$1,500 to \$6,000, over 12 years that is \$78,500 while in place. OPRA is a "freeze" on the property, then once the OPRA completes it will be \$80,000, and will be realized by all other taxing agencies. Council Member Hussain asked what the will be captured and put back in the life of the OPRA, and Mr. Pratt noted it would be \$157,000. They will invest an estimate of \$3 million into the property, and LEAP receives nothing. LEAP would have only received something if the applicant chose to pursue a Brownfield or TIF. LEAP supports only pursuing the OPRA for this property.

Council Member Hussain asked Mr. Matthews if the development would still be viable if they did not get the OPRA. Mr. Matthews noted the issue becomes the return on capital and can you make it work on capital cost. He noted that they did not pay much, but there is a lot of work on fire suppression, elevators, asbestos removal, stairwells, and making the structure sound.

Currently there is an early estimate of \$400,000 of brick work, and there will be roof work. The project is projected to be complete in 6 months but it could be 9 months.

Council Member Brown Clarke asked Mr. Matthews what the cost of a brand new building would be of the same size. Mr. Matthew speculated at \$4.8 million.

Council Member Yorko asked for the age of the building, and Mr. Pratt confirmed it was occupied in 1906, and there are no local or state historical designations.

MOTION BY COUNCIL MEMBER HOUGHTON TO APPROVE THE RESOLUTION FOR THE OPRA DISTRICT FOR 506 HOSMER. MOTION CARRIED 4-0.

RESOLUTION – OPRA Certificate; 506 S Hosmer Street

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE RESOLUTION FOR THE OPRA CERTIFICATE FOR 506 S HOSMER. MOTION CARRIED 4-0.

Ms. Condell spoke in opposition to the use in the neighborhood. Her concerns included increased traffic and impact on the family neighborhood.

Council Member Brown Clarke noted the parcel is currently ear marked for an industrial use.

Mr. Matthews assured Ms. Condell the storage use is a quiet use with not a lot of traffic. There could be 20 cars over a 30 day period. With the configuration of the building, the traffic will come from Kalamazoo down Hosmer into the court yard for parking and unloading. There will be (2) unloading bays for larger vehicles and 10 other vehicle spaces. The main office will be located inside the building. The structure itself is structurally strong, and the engineering testing that was done does not show any issues with footings and foundations.

RESOLUTION - LS-18-2016; Lot Split for 3209 Felt Street Habitat for Humanity

Ms. Stachowiak confirmed for the Committee that Habitat for Humanity owned the property and will be utilizing the lot split to build two homes. There is a subdivision requirement that each lot had to be 100', however because it is a subdivision requirement they cannot seek a variance but need this lot split approval for the new depth of 96'. There was a public hearing at the Planning Board and there was one person present who spoke in support of it. The required mailing is 150' however the department chose to go 300' and again only received one comment and that was in support. Council Member Yorko noted this was in her Ward and she was in support.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR LS-18-2016; LOT SPLIT FOR 3209 FELT STREET HABITAT FOR HUMANITY. MOTION CARRIED
MOTION BY HUSSAIN . MOTION CARRIED 4-0.

Adjourn at 4:20 p.m.

Submitted by, Sherrie Boak, Recording Secretary,
Lansing City Council

Approved by the Committee on March 6, 2017