MINUTES
Committee on Development and Planning
Monday, November 6, 2017 @ 4:00 p.m.
Council Conference Room, City Hall 10th Floor

CALL TO ORDER
Called to order at 4:00 p.m.

PRESENT
Council Member Brown Clarke, Chair
Council Member Yorko, Vice-Chair
Council Member Houghton, Member- arrived at 4:03 p.m.
Council Member Hussain, Member

OTHERS PRESENT
Sherrie Boak, Council Staff
Susan Stachowiak, PND
Bill Rieske, PND
Karl Dorshimer, LEAP
Attorney for MySpace Self-Storage on MLK
Deb Parrish
Kathy Miles
Elaine Womboldt'
Mr. Marquette
TriTerra Representative
NEOGEN Treasurer
Mr. Yono

PUBLIC COMMENT
No public comment at this time.

MINUTES
MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE MINUTES FROM OCTOBER 23, 2017. MOTION CARRIED 3-0.

DISCUSSION/ACTION
RESOLUTION - SLU- 3-2017; Del Vista, LLC; Vacant Property South of 322 Pere Marquette; Residential Use in a "H" Light Industrial District
Council Member Brown Clarke noted there were not comments made during the public hearing at Council.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION FOR SLU-3-2017 FOR 322 PERE MARQUETTE. MOTION CARRIED 3-0.

RESOLUTION – Set the Public Hearing; Brownfield Redevelopment Plan #71; Neogen 1000 Hosmer Redevelopment Project

Mr. Dorshimer introduced representatives from NEOGEN and they distributed details and a presentation on the Brownfield. It was noted to the Committee that the property currently sits obsolete, all water and sewer have to be redone, there is no hearing and cooling in the building, and currently the roof is open. They have begun work on the roof, and expect the expenditures into the project to be between $1 million and $1,200,000. The facility will be the new location for Ideal Instruments, and will bring in 25 new equipment jobs in the first 2 years. The primary cost for demolition, site preparation and infrastructure will run about $135,000. Funds were contributed by the Brownfield Authority with a 17 year plan, with the total reimbursement of $201,000. There will be $190,000 in new taxes throughout the plan, and 10% of the new taxes are passed to the local municipality with no school taxes captured. Over the life of the plan they will collect $414,000 in new taxes, and the developer will get $193,000 over that period. Because it is a pass through, local taxes will get $191,000.

Council Staff confirmed the Committee would be setting a hearing for November 27, 2017.

Council Member Brown Clarke asked for more details on Ideal Instruments and NEOGEN. Mr. Dorshimer confirmed they are a subsidiary of NEOGEN, and the expansion will bring in 25 new jobs, and they have had a 20% growth over the last year. Council Member Hussain asked about the pay for the new jobs. The NEOGEN representative stated it would be well above the living wage but did not have specifics or an average. The estimate was $15-$17/hour.

Council Member Brown Clarke asked when it would be completed, and she was informed it would be done in phases working from the front of the building to the rear, with phase one to be completed in a 2 year build out. They plan to use 1/3 of the building with this financial commitment. Phase 2 will be reserved for a future expansion.

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR NOVEMBER 27, 2017 FOR BROWNFIELD PLAN #71; NEOGEN AT 1000 HOSMER. MOTION CARRIED 4-0.

RESOLUTION- Set the Public Hearing; SLU-4-2017; Funk Zone Investors, LLC; 735 E. Hazel Street; Residential Use in a “I” Heavy Industrial District

Ms. Stachowiak informed the Committee that the building was a multi-story brick building which used to house an industrial use, and was once used for the Michigan Treasury. Recently it was mostly used for storage. The investors wish to use the property for residential uses and there were no objections at the Planning Board public hearing.

Council Member Hussain asked if there was any information on the number of units, rental costs, and types. Ms. Stachowiak stated it would be mixed units, 160 residential apartment units. The applicant has also stated they may have some commercial and office uses in the building as well, both of which are permitted. The allowable number of units is based on each efficiency dwelling unit shall be 500 sq. ft, one-bedroom shall be 700 sq. ft, two bedroom shall be 950 sq ft and a three bed room shall be 1,400 sq. ft. Council Member Hussain asked about the impact, and Ms. Stachowiak noted there was no heavy manufacturing in the area, and the earlier applicant, NEOGEN is their neighbor. That used will not create high impact or truck

traffic. Council Member Yorko asked Mr. Dorshimer for any detail on the two uses, and impact. Ms. Stachowiak noted that the owner was not present, but was aware of NEOGEN's plans, and they have held public forums on the uses. The owner will be asked to address the two uses next to each other at the public hearing.

MOTION BY COUNCIL MEMBE R HOUGHTON TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR DECEMBER 11, 2017 FOR SLU-4-2017 FOR 735 E. HAZEL STREET. MOTION CARRIED 4-0.

RESOLUTION – Set the Public Hearing; ACT-1-2017; Sale of R. E. Olds Museum; 240 Museum Drive

Mr. Rieske informed the City that the Administration supports the sale and does not see a need to own the property for a museum to exist and R.E. Olds feels the same way. With a sale R. E. Olds will own and manage the museum as they see fit. The Planning Board also concurred. Mr. Rieske added that the sale will require the vacation of part of the street for sewer improvements and a storm drain. At this time, he was not aware of any City assistance in this project.

Council Members confirmed they too had heard support from the public.

Council Member Dunbar asked if there was a requirement for it to remain a museum. Mr. Venker confirmed there was a statement in the sale, and it must stay a museum for 30 years, and if they deviate from that the City will get it back free.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR ACT-1-2017; SALE OF RE. OLDS MUSEUM AT 240 MUSEUM DRIVE. MOTION CARRIED 4-0.

RESOLUTION – Set the Public Hearing; ACT-13-2012; Sale of Waverly Park and Michigan Avenue Park

Mr. Rieske noted that a hearing was held years ago, and after a vote of the people the City chose to dispose of the property. Since that decision the City has been dealing with Schostak Brothers and Lansing Township, in which the property is located. Council Member Brown Clarke asked if the issue with the Township was resolved. Mr. Rieske confirmed it was not, but the new purchaser is willing to take the sale rest of the way with that issue still outstanding. Council Member Brown Clarke asked why another hearing since there was one 5 years ago to sell. Mr. Rieske stated this is a new deal, so a new hearing must be held. The hearing will be for Waverly Park and Michigan Avenue Park. Council Member Houghton asked if the sledding hill will be maintained, because it was a topic of discussion during the last sale option. Mr. Rieske stated that he could not confirm that. Ms. Stachowiak added that there is an issue with a public sledding hill on private property and the liability. Council Member Yorko recapped the earlier sale option from years ago which would not have required the sledding hill to stay then, because Council did not make it a restriction in the sale.

Mr. Venker informed the Committee that the City is currently in litigation on the property with the Township, but nothing in that litigation encumbers the property from being sold; there is nothing in that litigation that would create a stop to the transaction.

Council Member Hussain noted for the Committee and public that an affirmative vote to set the hearing does not show full support of the actual sale. He stated his opinion that he believes the

property is prime property, and there could be more interest in the future if the City and Township worked in tandem.

Ms. Miles voiced a concern with the sale. Ms. Stachowiak assured the public and Committee that the property is not in the City, and therefore the City has no control over what it is zoned for or can be used for. The Township is keeping it park land, which limits the usage for any sales other than a park. Ms. Womboldt asked her why the City tax payers voted on the sale then. Ms. Stachowiak stated the City owns it, just not in the City limits. The City will receive funds from the sale.

Ms. Womboldt spoke in support of a more detailed investigation into selling for more money.

Ms. Parrish questioned the viability of North Capital Investments LLC.

MOTION BY COUNCIL MEMBER HUSSAIN TO APPROVE THE RESOLUTON TO SET THE PUBLIC HEARING FOR ACT-13-2012 FOR NOVEMBER 27, 2017 FOR THE SALE OF WAVERLY PARK AND MICHIGAN AVENUE PARK. MOTION CARRIED 4-0.

ORDINANCE – Z-1-2015; 930 W. Holmes Road; Rezoning from "F" Commercial to "G-2" Wholesale District

Ms. Stachowiak confirmed they had researched the history of the sale and property owners, and the list was in the Committee packet. The applicant has standing to continue the rezoning. A letter in the packet also noted those standings from Martin Holmes. The option to purchase is sufficient interest in the property to do that. They have not addressed contract zoning, but they intent storage and would reserve strips for future out lots in the F-commercial district.

Council Member Brown Clarke noted that there is a condition in the aspect that the purchaser will assume any outstanding taxes and make it whole.

Council Member Hussain asked what the action at this meeting would be, and Council Member Brown Clarke noted it was intended to move out of Committee for a Council vote. Council Member Hussain voiced his concern on note setting a second public hearing, and the reason it had failed was because of verification of ownership. Council Member Brown Clarke referenced the packet and the materials verifying the ownership. Council Member Hussain again appealed for a second public hearing for current property owners to speak. Council Member Brown Clarke reiterated that a second public hearing is not required and the purchaser is seeking the rezoning and will develop the building, the parking lot, the front parcels and make the outstanding taxes whole.

Mr. McGregor, via telephone, outlined his business of Deal Point Merrill, which has bought developer and redeveloped shopping centers over the last 30 years. They redevelop into storage units, where 30% of their users are small business, offering someplace safe and dry.

Council Member Yorko stepped away from the meeting at 4:49 p.m.

Mr. McGregor outlined their plans for the interior, and their history at other locations of bringing in other large users for the out lots, providing the example of their development in Saginaw where they brought in two large retailers in their out lots.

Mr. Yono spoke on his time involved in the property and his efforts to sell.

Mr. McGregor spoke more on the typical users of their storage units.

Council Member Brown Clarke asked if they would offer storage for cars and boats. Mr. McGregor stated they typically do not, but it would depend on the demand.

Council Member Hussain spoke in opposition to the rezoning unless a second public hearing was held, based on the concern of new businesses over the last 2 years that would not have an opportunity to speak, along with his concern of outstanding code issues. Council Member Hussain also voiced his concern that there would be more wholesale in the future in the area and unintended consequences.

Council Member Brown Clarke reiterated the Law had already advised Council that a second hearing was not required.

Mr. McGregor informed the Committee their purchase was under a contracted limited time, and a second public hearing would exceed that time, and the offer would cease. Their company plans to invest $10 million and want a favorable site. The contract is set to expire in 60 days, and currently Mr. McGregor stated they are 30 days into it.

Council Member Hussain again voiced his concern that the applicant was basing their proposal on an old market study from a few years ago, and asked if anew market study was done. Mr. McGregor stated there was one done recently, and not much had changed in demand and supply. They feel comfortable with the results.

Attorney for My Space Self-Storage on MLK spoke in opposition to the rezoning. She stated that some businesses were not present when the first hearing was held. It was also noted that they are requesting a new application and a new hearing. The Attorney lastly stated that her client was required to meet different setbacks then this applicant.

Council Member Brown Clarke stated that Ms. Stachowiak can address the setback requirements, and also that Mr. Yono was the applicant the first time in 2015 and is still the applicant.

Ms. Womboldt stated her concern that there were items the Committee got at the meeting that were not in the packet on line.

Council Member Yorko returned to the meeting at 5:18 p.m.

Ms. Womboldt spoke in opposition to the rezoning, and would prefer a new application and process be followed.
Ms. Miles asked if the owners would be asking for and OPRA and Brownfield which she believed they asked for the first time. She also inquired about union jobs and any partnership with the automotive industry. Lastly she mentioned her concerns with the proposed Form Based Code in that area.

Council Member Brown Clarke assured the Committee that with the sale of the property the taxes would have to be paid as part of that sale. Council Member Yorko agreed with Council Member Brown Clarke, and stated to the Committee and public that it is not uncommon to see things like this in the pre-transfer state of a sale.

MOTION BY COUNCIL MEMBER YORKO TO APPROVE THE ORDINANCE FOR THE REZONING OF 930 W. HOLMES FROM COMMERCIAL TO G-2 WHOLESALE.

Council Member Brown Clarke asked Ms. Stachowiak to respond to the earlier statements regarding setbacks for other self-storage uses. Ms. Stachowiak stated the setback is specific to each zoning district, and G-2 is a slightly smaller setback.

Ms. Parrish asked if when the first public hearing was held if the MySpace Storage was already opened on MLK, and asked for another public hearing. She also questioned if it was rezoned if they could put in a medical marihuana use. Ms. Stachowiak stated the current zoning would allow medical marihuana.

MOTION CARRIED 3-1.

Adjourn

Adjourn at 5:30 p.m.
Submitted by, Sherrie Boak,
Recording Secretary,
Lansing City Council
Approved by the Committee on November 20, 2017