MINUTES
Committee on Development and Planning
Monday, September 17, 2018 @ 4:00 p.m.
Council Conference Room, City Hall 10th Floor

CALL TO ORDER
Council Member Hussain called the meeting to order at 4:02 p.m.

PRESENT
Council Member Hussain, Chair
Council Member Spitzley, Vice-Chair- arrived at 4:03 p.m.
Council Member Washington, Member

OTHERS PRESENT
Sherrie Boak, Council Staff
Jim Smiertka, City Attorney
Wayland Sanford
Susan Stachowiak, Economic Development & Planning
Bill Rieske, Economic Development & Planning
Karl Dorshimer, LEAP
Greg Venker, Assistant City Attorney
Nicholas Consol
Eric Helzer
Chris Beland
Casey Kandow, McLaren
Nick Kowieski
Austin Holcomb
Brent Forsberg
Jeff Deehan
Dave VanHaanen
Elaine Womboldt
Mindy Jones

PUBLIC COMMENT
Public Comment taken at each agenda items.

MINUTES
MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE MINUTES FROM AUGUST 20, 2018 AS PRESENTED. MOTION CARRIED 2-0.

DISCUSSION/ACTION

RESOLUTION – Brownfield #73; Waypoint Residential LLC; 3600 Dunckel Road

Mr. Dorshimer confirmed nothing had changed in the plan since the first presentation to Committee and the public hearing.

The applicant briefly out the project.

Council Member Spitzley stepped away from the meeting at 4:05 p.m.

The project will be multi-family with 286 units at market rate. The marketing will be towards young professionals, working families and not student housing. They units will be 898 square feet consisting of 1, 2, and 3 bedroom units with amenities on site and fully staffed leasing.

Council Member Spitzley returned to the meeting at 4:06 p.m.

Council Member Hussain inquired into what the $500,000 public improvement from the Brownfield will cover. The applicant outlined the project as a 20 year plan, with $6.6 million in eligible expenses and $1.2 million in infrastructure improvements and they will set aside $500,000 for a public improvement feature. The funds will capitalize and be put aside for that activity, which has yet to be determined. Mr. Dorshimer noted they will have a public space design committee incorporating City staff, LEAP and architects for the area at Dunckel and Collins. The developer will set aside that money up front. It was noted that they also plan to work with McLaren project, MSU and MDOT.

Council Member Hussain asked about the new tax revenue, and Mr. Dorshimer stated it was estimated each year at $125,000 per year in new income tax, and $2.5 million in 20 years. IN the 20 years there will be $13.7 million in new taxes generated (property taxes), and $6.6 million for Brownfield eligible activities. There will be $7.3 million to be captured for activities.

Council Member Washington asked fi the applicant had met with the local labor on an agreement and prevailing wage. It was confirmed they had met with the general contractor and union representatives and plan to, with every intention, bid out to local labor. Council Member Washington referenced an agreement that the Administration brought to Council on another development (Red Cedar) and asked Mr. Dorshimer if a similar agreement was being done with this developer. Mr. Dorshimer stated that the agreement being used is the new universal agreement, and the one that was drafted specific for the Red Cedar is not being used as of yet.

Council Member Washington asked the Chairperson to table the resolution request until there is clarification on obtaining an agreement with this developer. Council Member Hussain stated his opinion that his understanding was that there was a discussion with the Council President and the Mayor and it was determined then that the Administration was going to present this developer an agreement similar to the Red Cedar. Council Member Washington stated her opinion that Weiland does not have a good track record with using local labor.

Mr. Dorshimer confirmed they have had discussions with labor and are waiting on their input. The agreement in front of the Committee has a section that the developer has to agree to pledge to make best efforts to hire local. They will not have a final version until they hear back from all parties. Council Member Spitzley also acknowledged this agreement was mentioned at the public hearing and does support the development.

MOTION BY COUNCIL MEMBER WASHINGTON TO TABLE THE BROWNFIELD FOR AN AGREEMENT WITH LOCAL LABOR.

Council Member Spitzley noted that procedurally things were done, however the applicant was asked for an agreement similar to the recent Red Cedar. Council Member Hussain asked for evidence that they reached out to local labor.

Ms. Womboldt supported the development.
Mr. Dorshimer confirmed they would work on it and get back.

Council Member Spitzley was hoping the Committee could vote before Monday, and if they do not then the Committee can take off the agenda.

Council Member Hussain scheduled a special meeting of the Committee for Friday, September 21st at 4:00 p.m. for this item and the PRD-1-2018 that also applies to this property.

MOTION CARRIED 2-1.

RESOLUTION - PRD 1-2018; 3600 Dunckel Road (South 9.6 Acres) & Adjoining Vacant Parcel
Council Member Hussain moved the agenda item to the special meeting on Friday, September 21, 2018.

Ms. Stachowiak acknowledged she was not able to attend a special meeting on Friday, so detailed what a PRD was.

RESOLUTION - Set Public Hearing; Brownfield #70; 735 Hazel Street Redevelopment
Mr. Forsberg handed out a presentation on the proposed "The Wing" development. He then went through the handout a residential mixed use, with 64 apartments in Phase 1. The building will also include small business use with entrepreneurship. The owners have been in contact and working with the DEQ for 1 ½ years with a series of mitigation systems, capping and containment to allow full capture. There are three (3) buildings and they will have $2.6 million in environmental; of that dealing with public programs that lend towards the loan. Some activities cannot be financed by a bank. The Brownfield is a 15 year term repayment and low interest. The developer will provide $5.8 million, and the plan is a 30 year plan and deferred for 2 years. They hope to deliver in January 2020 and start to capture then, so the 30 years will start then.

Mr. Dorshimer went through the flow of funds. There will be $235,000 Grant to LEDC, $1,483,000 Loan to LEDC from the MEDQ hey will then distribute to the Brownfield Redevelopment Project and the LBRA will provide a $400,000 loan to the developer. Mr. Venker stated that because of the loan, it is requiring the City to pledge funds. Therefore, the resolution was drafted to have the language to be acceptable to the DEQ and it will state that if the developer defaults, then the City gets their funds and the developer has to pay back.

It was noted that there could be costs to do the amendments and could require an amendment as part of Phase 2.

Ms. Womboldt spoke in support of the project.

Mr. Forsberg confirmed that the local labor they have spoken to thus far have confirmed, but their focus is now getting through the Brownfield which could take 8 months. He admitted that some parts will have an open bid and if it is a specialized trade they will rely on their developer to choose the contractor.

Council Member Washington stated that since the applicant was a local developer she felt confident to move forward without tabling waiting on an agreement with local labor.

MOTION BY COUNCIL MEMBER WASHINGTON TO SET THE PUBLIC HEARING FOR BROWNFIELD #70, 735 HAZEL STREET, FOR OCTOBER 8, 2018. MOTION CARRIED 3-0.

RESOLUTION – ACT-5-2018; Vacate Alliance Drive and a portion of Technology Blvd.
Mr. Candow informed the Committee that the reason for the request to vacate and close Alliance Drive and Technology Blvd. was to accommodate the development replacement facility of McLaren at that location, and those roads will become part of the property.

Council Member Spitzley asked if this was step one in the process of the development and the applicants confirmed there is a purchase agreement ready to wrap up in mid-December, there is a Certificate of Need that needs to be obtained and this ACT will be contingent on the closing of the property.

The Commission asked questions on the overall development including addressing noise and light pollution, drainage, impact on the wildlife and transparency in the planning of the project. Council Member Washington had specific questions she would forward to Ms. Stachowiak and Mr. Candow. A statement was relayed that the public was under the impression they could not make any public comment on the project. Ms. Stachowiak clarified that the hospital use is permitted on the site, so there are no meetings required such as a rezoning that would require a public hearing at Council. A variance for the height will be needed along with a hospital on a minor principal arterial road because Collins and Forest are collector roads. Council Member Spitzley inquired into the access to the bus line for service to the new location. Ms. Stachowiak explained that the difference between a minor arterial road and a collector is volume and type of traffic. Currently Collins and Forest do not have the traffic to be deemed minor arterial, however after the hospital is built it will probably change.

Ms. Jones cited her concerns which included the County drain, rumors of widening on Forest Road and gave her opposition to that, asked that the hospital pay for infrastructure on the roads, and lastly stated another rumor that MSU and East Lansing will annex the property once it is built.

The applicants confirmed they have no plans to widen Forest but it will have some work on it for utilities and egress. They are also working with MDOT to work on the exits from highway, but there are no current talks on egress onto Forest. Mr. Candow noted that the final traffic study has not even been finalized yet, so as the site evolves it could change.

Mr. Venker stated that Law would look into if there is an option for annexation into East Lansing or MSU, but noted that in general they require both actual governments to agree.

MOTION BY COUNCIL MEMBER WASHINGTON TO APPROVE THE RESOLUTION FOR ACT-5-2018 FOR THE VACATION OF ALLIANCE DRIVE AND A PORTION OF TECHNOLOGY BLVD. MOTION CARRIED 3-0.

RESOLUTION – Appointment; Wayland Sanford; At Large Member of Board of Zoning Appeals; Term to Expire June 30, 2021

Mr. Sanford detailed his resume which included working with the City Development & Planning office from 2011-2016; and attending the MSU Urban Planning School. Ms. Stachowiak confirmed this position would be the last vacancy that needed to be filled on the BZA. Council Member Washington asked Mr. Wayland if he could research each appeal and stand on his decision not on the advice of others and he stated he could.

MOTION BY COUNCIL MEMBER SPITZLEY TO APPROVE THE RESOLUTION FOR THE APPOINTMENT OF WAYLAND SANFORD; AT LARGE MEMBER OF THE BOARD OF ZONING APPEALS WITH A TERM TO EXPIRE JUNE 30, 2021. MOTION CARRIED 3-0.

Adjourn
Adjourned at 5:38 p.m.
Submitted by, Sherrie Boak,
Recording Secretary,
Lansing City Council
Approved by the Committee on October 1, 2018