



MINUTES

Committee on General Services

Monday, September 25, 2017 @ 3:00 p.m.

City Council Conference Room, City Hall 10th Floor

CALL TO ORDER

The meeting called to order at 3:15 p.m.

ROLL CALL

Councilmember Tina Houghton, Chair

Councilmember Jody Washington, Vice Chair- arrived at 3:19 p.m.

Councilmember Carol Wood, Member

OTHERS PRESENT

Sherrie Boak, Council Office Manager

Nicholas Tate, Assistant City Attorney

Scott Sanford, Code Compliance

Rev. Kent Bowden

Art Ostaszewski

LaSondra Jones

Gerald Patterson

Brooke Comer

Michael McGill

Eric Harmon

Peter Juarez

Minutes

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE MINUTES FROM AUGUST 24, 2017 AS PRESENTED. MOTION CARRIED 2-0.

Public Comment on Agenda Items

No public comment at this time, but taken during the agenda items.

Council Member Houghton informed the Committee and the public that item A) Appointment of Julie Rowe would be moved to the October 26th meeting so Ms. Rowe can attend.

Mr. Tate informed the Committee that item D) Claim for 114 W. Willow will also need to be removed because there is pending litigation and the City Attorney does not believe this is the appropriate venue to discuss. The facts are still relevant in the case and since it is pending, the City Attorney is recommending it be pulled from the agenda until the case is settled.

Mr. Ostaszewski informed the Committee that in his opinion Mr. Tate was wrong, and tried to appeal that one litigation case was against the City for trespassing and one case is against Eric's Refuse as an individual not the City contractor. Mr. Ostaszewski stated he believed he had the right to appeal the claim he felt was invalid.

Council Member Houghton informed Mr. Ostaszewski that she was unaware the item was in litigation and being asked to be removed from the agenda until the City Attorney advised her today. Therefore, she stated as Council they must take the advice of law regarding a pending litigation to make sure there are no conversations. Mr. Ostaszewski asked Council Member Houghton if the fine was valid, at which point she stated the fine was part of the pending litigation and cannot be discussed. Council Member Wood asked Mr. Tate, if once the litigation is settled, if the claim still exists if the Committee can then look at the claim. Mr. Tate stated he needed to confirm that answer with Mr. Smierka and will submit that opinion to the Committee in writing. Council Member Wood also asked Mr. Tate to confirm that since the claim was filed in the appropriate time, if the fine would be added to the taxes or not added until the claim is reviewed by the Committee. Mr. Tate could not answer that question either and stated he would confer with the City Attorney.

Council Member Houghton removed item D)- Claim by A. Ostaszewski based on the advice from the City Attorney office that due to a pending law suit the claim cannot be heard at this time.

Mr. Ostaszewski asked Mr. Tate if both litigations are settled if he can come back to the Committee on his claim. Mr. Tate states that as long as any pending litigation is settled, it will be brought back forth.

Council Member Washington arrived and apologized for arriving late.

Mr. Ostaszewski left the meeting.

Discussion/Action

RESOLUTION – Appointment of Julie Rowe; At- Large Human Relations & Community Services Board; Term Expire June 30, 2018

Per the request of Ms. Rowe, due to a work emergency in Detroit, she was not able to attend and this action item was moved to the October 26th meeting.

RESOLUTION- Community Funding Request; Back the Badge

Council Member Wood stated that the event had occurred on September 23, 2017 and run by a non-profit raising funds for multiple police agencies. The applicant had informed her that they had approached the Mayor's office for sponsorships but it was not addressed, and that is why they came to her shortly before the event. The Committee reviewed the application and list of other sponsors, and then confirmed the request was for \$700.

MOTION BY COUNCIL MEMBER WOOD TO APPROVE THE RESOLUTION FOR COMMUNITY FUNDING IN THE AMOUNT OF \$700.00 FOR BACK THE BADGE FOR THEIR EVENT ON SEPTEMBER 23, 2017 WITH THE UNDERSTANDING THAT IF THE FINAL FIGURE IS DIFFERENT SHE WOULD MAKE MOTION ON THE COUNCIL FLOOR TO AMEND IT. MOTION CARRIED 3-0.

Council Member Houghton explained to the public the procedures for the meetings were as follows; Code Compliance will be asked to provide dates, statistics and details to the Committee, then the claimants will be able to provide their appeal.

RESOLUTION – Reconsideration of Claim Appeal; McGill; 211 West Gier Street

Mr. Sanford provided a timeline on the claimant with the violation occurring on 9/13/2016 with a compliance date of 9/20/2016. On 9/26/2016 the Code Officer re-inspected and the violations were still present. A notice was sent to the address on record at the time; however the claimant had changed the address when they registered it as a rental after they were cited for failure to register it.

Mr. McGill appealed his case stating that in the past when they have had violations and claims, the letters on the violations from the Claims Review Committee were sent to the correct address, so he was now questioning why this claim was not sent to the correct address. Noting that if it was they would have been made aware of the violation before the deadline. Council Member Houghton asked if the claims that were sent to the Claims Review Committee were granted. Mr. Tate confirmed they were but not for the reason that it was sent to the wrong address.

Mr. McGill appealed his case citing he believed the contractor was overpriced. Mr. McGill's contractor spoke, stating he had cleaned the front of the house and deck, and placed the construction material in a neat pile in preparation for their continued project. Council Member Houghton reiterated to Mr. McGill that anything they find in violation they can take, and Mr. Sanford added the site has to remain clean during a construction project.

The Committee reviewed the invoice and questioned 11 additional hours charged. Mr. Sanford stated the charges are man hour at minimal hourly charge. Council Member Washington questioned the amount of time Eric's Refuse charged and the amount of time they stated it took.

Council Member Wood asked Mr. Sanford for a recommendation on the reduction of hours it should have taken. Mr. Sanford stated he would take the Committee recommendation. Council Member Wood suggested reducing the amount of hours by 1/3 or 1/2 and Mr. Sanford agreed.

Mr. McGill then appealed the amount of 30 yards of material taken. He then proposed to escrow funds, put material on the site, clean the site and document the time, then offered to donate the funds to a Committee charity of choice.

Council Member Wood recommended reducing the claim by \$825.00 by taking the 1615 hours and reducing it 50%. This would make the new amount of the claim at \$1,967.00. Mr. McGill again appealed for the amount to be lowered to \$1,200.00 - \$1,300.00. Council Member Wood then spoke to Mr. McGill directly informing him that it is inappropriate for Mr. McGill to make offers to Council Members charities. Lastly, she recapped that the City is not in the business of cleaning up garbage, and even though it might be able to get done cheaper and faster somewhere else, the Committee is attempting to come up to something amenable.

MOTION BY COUNCIL MEMBER WOOD TO REDUCE THE CLAIM BY \$825.00 REDUCING THE AMOUNT OF TIME TAKEN, AND DENY THE CLAIM APPEAL IN THE AMOUNT OF \$1,967.00 FOR 211 WEST GIER STREET. MOTION CARRIED 3-0.

Council Member Houghton informed Mr. McGill he would have his claim in front of the full Council at the meeting later at this date. Mr. McGill completed his appeal by providing his

opinion that Eric's Refuse is running a fraudulent business. Mr. Sanford stated that it is not fraudulent and that Mr. McGill has had multiple violations over the last year.

RESOLUTION Claim Appeal; #1453; A. Ostaszewski; 114 W Willow Street; \$3,652.00

Per the advice of the City Attorney's office, this claim cannot be heard by the Committee due to a pending lawsuit filed by the claimant against City.

RESOLUTION – Claim Appeal; #1446; M. Moore; 1408 Pontiac Street; \$2,930.50

Mr. Moore was not present and the claim was moved to the October 26, 2017 meeting.

RESOLUTION – Claim Appeal; #1461; D. Comer; 212 Allen St.; \$4,518.00

Mr. Sanford stated their records show the home was purchased in a bank foreclosure sale. The only contact their office received was regarding an "after-hours" authorization to work. At that time they informed the owner there were back assessments and they needed to go to the title company for payment. Further research showed the claimant did not own the property at the time of the violation, and Mr. Sanford's opinion was that they had no authority to claim.

Ms. Comer stated they purchased the property in December, 2016. The claim was for board up and grass and weed clean up. She provided their history on the purchase which was an online auction through their LLC. Through the online auction they were not able to see the home before they purchased, and but went online and searched the records, and called to make sure there were no other assessments. They obtained Title Insurance (submitted), however since this situation occurred have gone back to the Title company, and they have disputed it. The claimant understands they were not the owners at the time of the violations, but they have taken the steps to go back on the Title Company and the bank. Ms. Comer then brought to the Committee's attention the photos and the amount invoiced of \$4,518.00, in her opinion was excessive.

Mr. Sanford stated on 7/26/2017 he spoke to one of the LLC partners at which point he told him the work was done before the sale, and the assessments were not on the bill until 7/2017 because the City missed the cutoffs. Mr. Sanford defended the department that if they were to call Code Compliance they could have told them of any violations, but the claimant never called them looking for assessments. Council Member Washington recapped an earlier claim, and stated the same situation that the buyers call for any assessments, but since they are not on the taxes because they missed the timeline, they are never informed. She then asked if there was a way to educate the buyers on where to check for any violations and assessments. Mr. Sanford defended the process stated his department did everything they are required to do. Ms. Comer said they placed a bid on 11/25/2017 and until closing, and they placed calls and checked online, and questioned how it was not available. Mr. Sanford stated on 12/20/2017 was the first time he spoke to any of the new claimants for an "after hours" authorization, but he did not ask about any pending assessments or violations.

Council Member Houghton stated to the Committee and Law, that since this was prior to ownership, the claimant has no authority to file the claim. Mr. Sanford agreed and spoke for the City Attorney's office, stating it was their opinion also. It is an assessment against the real property and stays with the property. Mr. Tate agreed it goes with the property.

Council Member Houghton sympathized with the claimant, and Ms. Comer asked if there was any area for leniency. Council Member Houghton asked Mr. Tate if there were any options.

Council Member Washington stated that because there is a large amount, however there is no information of what the items were that were picked up to make the charges, she cannot make a recommendation or motion. Council Member Houghton recapped that the claimant is actually appealing the taxes, and understood everyone's concern, but was also considering if something was granted if this was a precedence.

Council Member Wood stated that the fees were when the bank owned it, but they no longer own it so they can't file a claim either. Mr. Tate agreed. Council Member Wood then asked if anyone can appeal the claim. Mr. Tate stated he was not comfortable confirming that.

Council Member Houghton asked Law to research the issue on if anyone can appeal the claim since the violations occurred with the bank owned, but since they do not own now, and if the new owner can appeal the claim and has any legal standing. No action was taken and Council Staff was directed to contact the claimant when Law had a report on who would have legal standing on the claim.

RESOLUTION – Claim Appeal; #1462; E. Harmon; 6512 Somerset; \$5,000.00

Mr. Sanford provided the history on the violations which began on 1/31/2017 with a clean up deadline of 1/20/2017. On 1/23/2017 the inspector went back on site and found large piles of debris on the property. Mr. Sanford confirmed that there had not been any work done on the property in months, and the notice was acknowledged as delivered.

Mr. Harmon informed the Committee that he was not present when the contractor arrived and removed the items, then presented a letter from neighbor. He then confirmed that he received the violation letter on 1/19/2017 and cleaned his property, noting that the house is under construction, and all material was accumulated from house. His opinion was that nothing was visible from the road, and also believed that there were tools on the site. Mr. Harmon spoke briefly on his hardships.

Council Member Houghton pointed out to Mr. Harmon the violation notice clearly states that if there are other violations on the property they can remove them.

The Committee held further discussions on the material shown in the photos.

Council Member Wood pointed out that the violation notice and material from staff stated the violation was \$2,716.00 but Mr. Harmon was asking for \$5,000. Mr. Harmon confirmed he was asking for the amount of \$5,000 because his opinion he should be granted that amount for all the material taken he uses for his livelihood and distress.

Council Member Houghton informed Mr. Harmon the Committee can only consider and make a determination on the \$2,716.00 assessment.

MOTION BY COUNCIL MEMBER WASHINGTON TO DENY THE CLAIM APPEAL FOR 6512 SOMMERSET IN THE AMOUNT OF \$2,716.00. MOTION CARRIED 3-0.

Council Member Houghton informed Mr. Harmon that after the Council meeting later this date, if it was denied his next steps would be Circuit Court.

RESOLUTION – Claim Appeal; Eastside Community Action Center; \$1961.71

Mr. Sanford read details on claim however the Committee did not have copies of that information.

Ms. Jones stated that the violations were not sent to the property. Council Member Wood asked Ms. Jones if they had already appealed to the State and had their taxes abate, and Ms. Jones confirmed. The Committee then determined that since it was abated, the special assessments were part of that abatement, and therefore nothing for the Committee to take action on at this meeting.

RESOLUTION – Claim Appeal; K. Bowden; 508 W Grand River; \$2,914.00

After a review of all the documents, the Committee asked Mr. Sanford to compile all information into a spreadsheet along with the same breakdown for the next claim by Mr. Bowden(1207 N Chestnut) and present it at the next meeting. Mr. Bowden stated that he would be out of town in October and asked to be placed on the November agenda. The Committee agreed to have Mr. Bowden at their meeting November.

The Committee reviewed the calendar and determined with the Thanksgiving holiday the meeting for that month would be moved to Monday, November 13, 2017 at 3:30 p.m.

RESOLUTION – Claim Appeal; K. Bowden; 1207 N. Chestnut

Mr. Bowden attempted to explain the multiple claims he filed on this property, but after attempts to review the multiple documents in the packet and additional information provided by Law after the packet was posted and distributed, the Committee asked Mr. Sanford to compile all information into a spreadsheet showing the breakdown of claims, dates, violations, ownership changes, etc. This claim was also moved to the November 13, 2017 meeting.

DISCUSSION- Budget Priorities

The consensus of the Committee was that there were no updates or changes.

Council Staff was directed to have the City Clerk present at the next meeting to address all the items listed under “Pending” and “Placed on File” on this agenda. Those items will all be moved to pending on that agenda. (10/26/2017)

Pending

- Notice from the Michigan Liquor Control Commission regarding the Transfer of all membership interest through merger from existing member Pizza Hut, Inc. to Pizza Hut, LLC; and by dropping existing member Pizza Hut, LLC and adding new member Pizza Hut Holdings, LLC 6200 S. Cedar Street
- Transfer of Ownership Escrowed 2017 Class C License; Transfer Location from 601 E. Michigan to 313 N. Cedar; New SDM, Non-Transferable, Sunday Sales Permit (PM), Sunday Sales Permit (AM), Dance-Entertainment Permit, Outdoor Service Area and Catering Permit for Cul, LLC.

Place on File

- Notice from the Michigan Liquor Control Commission: New Brewpub License, Lansing Ale, Inc., 2101 E Michigan Avenue
- Conditional Liquor License; 320 E Michigan LAF Fine Dining, Inc; Transfer Ownership 2017 Class C and SDM Licensed Business with Sunday Sales Permit (PM) and Outdoor Services
- New Wholesaler Liquor License; Gyina Distribution Inc

Adjourned at 5:30 p.m.

Submitted by Sherrie Boak, Office Manager, Lansing City Council

Approved by the Committee on October 26, 2017