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## **MINUTES**

**Committee on Intergovernmental Relations  
Wednesday, October 3, 2018 @ 8:30 a.m.  
Council Conference Room, City Hall**

### **CALL TO ORDER**

The meeting was called to order at 8:36 a.m.

### **ROLL CALL**

Council Member Kathie Dunbar, Chairperson  
Council Member Brian T Jackson, Vice Chairperson  
Councilmember Peter Spadafore- excused

### **OTHERS PRESENT**

Sherrie Boak, Council Staff  
Jim Smiertka, City Attorney  
Mark Dickens, Realtor Association

### **PUBLIC COMMENT ON AGENDA ITEMS**

No Public Comment

### **MINUTES**

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE MINUTES FROM SEPTEMBER 5, 2018 AS PRESENTED. MOTION CARRIED 2-0.

### **DISCUSSION**

#### **Greater Lansing Realtor Association**

Council Member Dunbar recapped that at the meeting with the LSD IGR Committee there was a discussion and interest in talking about the needs for students in safe affordable housing, and working in collaboration.

Mr. Dickens did not have statistics at this time and asked for guidance on what the Committee was looking for.

The Committee and Mr. Dickens discussed affordable housing issues not just in Lansing, and Mr. Dickens opinion was that the market works on supply on demand, not "if you build it and remodel to increase the value, others will come up to that". The group discussed the buying and cost of building a new home, including the current difficulties which include labor shortage, the large cost of new construction, material costs, and material delivery delays due to new

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trucking standards on driving. The Committee inquired into the possibility of an ordinance that would regulate all the homes being bought for rentals. The Committee asked Mr. Dickens to look into trending of people buying homes to flip or use as rentals, trending stats on those, and price. Mr. Dickens admitted they do not regulate the "purpose of the sale". Mr. Dickens offered to include in his information the average home sale price (low and high), explain what that property is; broken down by neighborhood, and the number of houses on the market. Mr. Dickens was asked if when the realtors do open houses if they could market the schools, providing a list of neighborhood schools. Mr. Dickens was not able to confirm but offered to ask. The Committee then asked Mr. Dickens to include in his information at the next meeting information on new builds and what they are selling for, including multi-units. Mr. Dickens pointed out that another concern with new builds is that the cost to build is higher, but if they do not appraise high, the bank will only finance what it is appraised for, so it could be better buy to remodel. With the new tax credits, Mr. Dickens acknowledged it appears it is better right now to rent then to buy.

Council Member Dunbar invited Mr. Dickens to attend their meeting with the LSD IGR Committee on October 29<sup>th</sup> at 1 p.m. Mr. Dickens accepted but stated he would have to speak to his supervisors before he could commit.

Council Member Dunbar asked what other factors the realtor's database held that could be provided to the Committee. Mr. Dickens confirmed he would gather what was asked so far and get out to Council staff within a week. He again stated, in his opinion there needs to be a collaborative effort of labor, builders, realtor, and education to see if there are funds available. The question might be if it apartments are the best option to market for the schools, and he also stated in his opinion the Landbank has homes they will not sell, and they do not need to have all the properties. He suggested the Landbank tear down some homes and do something good with a vacant lot. Council Member Dunbar reiterated an earlier statement though, that it is costing more for new build, so maybe it is better to do the rehab to have the density in the neighborhood. There is no benefit to the other abutting neighborhood homes to get the vacant parcel, because their taxes are then increased. She suggested at a future meeting having the Landbank come to speak on their homes, numbers and maintenance. Mr. Dickson stated if the realtors got homes they would market them.

Council Member Dunbar asked Mr. Dickens if there was anything the City Council can do. Mr. Dickens stated they need increased collaboration on how to solve the issue, not just in Lansing, but the tri-county area. Council Member Jackson asked if they believe the City could create and support a neighborhood of new \$200,000 homes, and Mr. Dickens said no, stating the comps because they would not appraise for what they cost to build.

The meeting on October 17<sup>th</sup> will once again be with the Realtor Association who will provide information.

Adjourned at 9:30 a.m.  
Submitted by,  
Sherrie Boak, Recording Secretary,  
Lansing City Council  
Placed on File