



**AD HOC COMMITTEE ON RENTAL AND
LAND CONTRACT HOUSING CONDITIONS
Thursday, January 14, 2016 @ 8:30 a.m.**

Council Member Dunbar called the *meeting* to order at 8:30 a.m.

Councilmember Kathie Dunbar, Chair
Councilmember Judi Brown Clarke, Member
Councilmember Tina Houghton, Member
Councilmember Carol Wood, Member

Others Present:

Sherrie Boak, Council Office Manager
Judge DeLuca, District Court
Gary Caulkins
Scott Sanford, Code Compliance
Joe Abood, Deputy City Attorney

Court Update

Judge DeLuca introduced himself and stated he was available to answer questions in regards to the specialty court for landlords. The Judge noted that in (2) two days in 2016 they have seen 100 filings, and each judge handles around 40 cases a week. In the terms of land contract forfeiture's there were 78 fillings in 2015. Some of those are repeat offenders. Judge DeLuca informed the Committee that the Assessor has to receive the Transfer Affidavit within 45 days, per State law, which should put the City on notice that the land contract is in the process. Theoretically a land contract would be a traditional exchange that allows someone to take over property, so they can put equity into it. But the now buyers aren't taking ownership. They need to be educated on this. When they come to courts, then judges need to make the rulings, but they can't prejudge and will have to listen to the proofs. Council Member Dunbar agreed that there is an education component that needs to be addressed, and there are also landlords who prey on those they know don't understand. With the repeat offenders how many on the same property, which the Judge could not answer because they are not logged by property. The Court does not police just resolve the dispute.

Mr. Sanford informed the Committee that under the Rental Registration Code they require they file the land contract with the County or Transfer Affidavit with the City. Code Compliance is looking for someone to put something on the record that there is someone else that has interest in the property.

Council Member Brown Clarke asked the Judge, out of 78 cases, are there trends. Judge DeLuca state typically they default, which means usually the parties don't even show up in

court. His court has seen ordinary land contracts, but others are hand written. If they don't pay there is an assumption they move on and try to sell to the next guy. The Courts only see the contracts if it is contested, but often they are not contested. The Court does not make a ruling on whether a contract is legal, there is no dispute.

Council Member Dunbar informed the Judge of instances where Council Members hear of situations where immigrants are being taken advantage of. Judge DeLuca stated that would be a criminal investigation.

Council Member Dunbar stated that currently the City does not mandate that the new owner file with the County, but we do require the Transfer Affidavit be filed and that requires supporting documentation.

Council Member Wood voiced her concern with the number of homes in the Landbank being sold. Mr. Sanford confirmed that out of all the Landbank homes over 4-5 years, there have not been a lot of issues with them, maybe 1-2 and he is working with Eric Schertzing on those.

Judge DeLuca noted to the Committee that the Transfer Affidavit clearly states if it is not filed by State Law there is a \$200 penalty.

Council Member Dunbar suggested obtaining a list of all land contracts and reaching out to them to educate them.

Mr. Caulkins asked if filing the affidavit would require the City to lower their taxes. It was confirmed this form does not lower the taxes that would be the Homestead form.

Judge DeLuca asked if the immigrants are receiving any direction from social agencies. Council Member Wood informed the Judge that the agencies provide assistance for up to 6 months. Council Member Dunbar noted there are also resources at MSU.

Council Member Dunbar referenced information that was provided by Eric Schertzing from the last meeting and asked the Committee to review for the next meeting.

No one from Assessing was present at this meeting to address questions.

Council Member Wood asked Council Member Dunbar to invite representatives from Refugee Services to a meeting to let the Committee what tools they would need to better educate.

Minutes

Action on minutes will be taken at the next meeting.

The next meeting will be February 11, 2016 at 8:15 a.m. and Assessing will be asked to provide what "script" they use at their counter when a new property owner drops off their paperwork. Also if they can provide a report on the tracking of types of property sales.

ADJOURN

Adjourn at 9:30 a.m.

Submitted by,

Sherrie Boak, Recording Secretary

Lansing City Council

Approved by the Committee on March 24, 2016