



MINUTES
Committee on Development and Planning
Wednesday, February 9, 2022 @ 3:30 p.m.
City Council Conference Room

CALL TO ORDER

Council Member Garza called the meeting to order at 3:30 p.m.

PRESENT

Council Member Jeremy Garza, Chair

Council Member Patricia Spitzley, Vice-Chair

Council Member Brian T. Jackson, Member - arrived at 3:36pm

OTHERS PRESENT

Renee Richmond, Council Staff

Lisa Hagen, OCA

Greg Venker, OCA

Kris Klein, LEAP

Mitch Zimmerman, LEAP

Barb Kimmel, EDP

Mikki Droste, Hillsdale Properties

Jordan Sutton

Eric Heller, LBRA

Chris Stralkowski, LBRA

PUBLIC COMMENT

No public comment at this time.

MINUTES

Councilmember Garza asked to move the approval of the minutes to the end to wait for Councilmember Jackson to arrive.

Discussion/Action

RESOLUTION – Appointment; Jordon Sutton; At Large Member Economic Development Corporation/Tax Increment Finance Authority/Lansing Brownfield Redevelopment Authority Board of Directors; Term to Expire February 28, 2027

Councilmember Garza summarized Ms. Sutton's application and asked what holding a Series 7 and 66 is. Ms. Sutton verified she is licensed to trade stocks. Councilmember Garza asked if she would be willing to attend constituent ward meetings once they begin again. Ms. Sutton responded yes that she is excited to learn more about the city. There were no further questions.

Greg Venker arrived at 3:32pm

MOTION BY COUNCIL MEMBER SPITZLEY TO APPROVE THE RESOLUTION FOR THE APPOINTMENT OF JORDON SUTTON TO THE EDC/TIFA/LBRA BOARD WITH A TERM TO EXPIRE 2/28/2027. MOTION CARRIED 2-0.

RESOLUTION – Setting a Public Hearing for Brownfield Plan #80; 2130 W. Holmes Road

Mr. Stralkowski and Mr. Heller presented different design boards for the project, and explained the property is 4 acres the plan is to demolish the building as the walls/hallways had different widths/lengths and did not accommodate reuse. This was a property previously sold to a Charter School and then went to tax collection. Ingham County Landbank cleared the title and retained ownership at which it was a struggle to keep water out of the basement and had complaints from residents because of the volume and during winter it accumulated ice. They continued that moving forward now there will be two distinct buildings, one residential and one commercial. Mr. Stralkowski continued that in 2016 there was a survey completed with residents on wants, needs, and hopes and in 2021 this was updated and looked at on what their requests were. Mr. Stralkowski indicated they are in talks with multiple companies i.e., Sparrow, McLaren, Capitol National Bank, LAFCU and more. They have a meeting next week with LAFCU and CNB, looking to get away from the check cashing places. There will be a medical component for things like healthy diets, high blood pressure, ailments, cholesterol checks, etc. Another program is a technical SMASH program to get the community connected to education and skilled trades for students that aren't aware of the opportunities, where we can have a person at a desk and help direct people on where to go. Mr. Stralkowski added that the current building is the kindergarten school of Malcom X and they want to recognize and honor the memory and history. They are hoping to have his daughter at the groundbreaking and reaching out to the community on some sort of tribute whether it is a statue (in and outside) or something else. Councilmember Spitzley said she had two questions and the first was on environmental issues like asbestos and what is the origin of the water coming into the basement is it from pipes. Mr. Heller stated it is from the ground, it is a low-lying area, and it just comes in like a constant stream. He continued to say the investigations for soil were minimal and Councilmember Spitzley asked even with tanks. Mr. Heller indicated they found a void but appears to be no tanks and they looked based on historical data. He added that driving a lot of the cost is the asbestos, and Mr. Stralkowski included that it is literally a bomb shelter, and they are doing everything they can do to refurbish the limestone and use what they can. Councilmember Spitzley asked her second question that the medical portion is not an urgent care correct. Mr. Stralkowski confirmed that it is along the line of Allen Neighborhood for a holistic approach with assistance in what was mentioned previous with screenings, diet, etc.

Mr. Heller went on to say they met with Representative Slotkin and they are helping on the 30 unit housing piece targeting veterans affairs and hope to have it sorted out in 2-3 months. Rents are low in this area and they've spent time with LEAP and the Assessors office. Councilmember Spitzley asked about the cost of the whole project and Mr. Heller indicated that at this time last year it was \$14 million investment and from fall to now it rose 12%. One factor is materials and their availability and to get them in a timely manner. Mr. Heller stated because in the landbank they get the 550 rule there are two policies to maintain LBRA, they asked for a 10% variance and was approved. Councilmember Spitzley commented why would we approve the 10% passthrough and you not come to us in perpetuity when the 550 rule is only, Mr. Heller interrupted that the 550 is legislative and they can't change that. He added that they are getting competitive bids and hoping the numbers come down, there is a lot against them but a lot for them too. Mr. Stralkowski said a breakeven project is not profitable and are hoping to do something similar for Benton Harbor or Muskegon. Councilmember Garza revisited the

healthcare portion and asked if it was both McLaren and Sparrow and Mr. Stralkowski comment that only one. Councilmember Garza then asked again about the 10% passthrough and was it because the project went up in cost or not do able. Councilmember Garza asked with 30-year Brownfield plan are you able to get another low interest loan, is that something they are looking at. Kris Klein commented that the goal is to help the developer, so portions of the loan is forgivable and a portion payable if criteria is met. Councilmember Jackson asked if things don't go the way they expect and pan out how does that change things. Mr. Heller indicated they would come back and amend it but are not looking to do a bank switch.

MOTION BY COUNCIL MEMBER SPITZLEY TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR BROWNFIELD #80 FOR FEBRUARY 28, 2022. MOTION CARRIED 3-0.

RESOLUTION – Setting a Public Hearing; ACT-1-2022; 1020 W Hillsdale; Real Estate Purchase Agreement; Gryphon Group LLC

Councilmember Garza mentioned he sees this includes lots 8, 9, 10, 13, 14, 15 and 11 and 12. Councilmember Spitzley asked if that's the church footprint. Ms. Droste stated it was Union Missionary Baptist Church and it was demolished in 2007 and left vacant. They did an RFI in 2021 and Gryphon was the only respondent. Councilmember Garza stated he has never heard of Gryphon and Ms. Droste indicated they are located in DeWitt. Councilmember Spitzley asked if this is affordable housing and Ms. Droste confirmed yes and with 40 units. Councilmember Jackson asked what the definition of affordable was, and Ms. Droste stated an application is submitted and if you look at slide 7 it has the units, and she added that 14 will target special needs. Councilmember Spitzley asked if they would need a PILOT and Ms. Droste said they submitted for 10%. Councilmember Jackson asked what does that equal in dollars, Ms. Droste pointed the Committee to look at slide 7 of the print out see handed out and the right column indicates the rents. Councilmember Garza asked if anyone reached out to surrounding areas and Ms. Droste did not believe that has happened yet. Councilmember Garza asked if this is time sensitive for a public hearing and Ms. Kimmel said April 1st. Mr. Venker stated there is plenty of time as it is within 10 days. Councilmember Garza mentioned he sees it passed the Planning Board and asked if before the public hearing they could reach out to the area, Ms. Droste and Ms. Kimmel agreed.

MOTION BY COUNCIL MEMBER SPITZLEY TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR ACT-1-2022 FOR FEBRUARY 28, 2022. MOTION CARRIED 3-0.

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MOTION BY COUNCIL MEMBER JACKSON TO APPROVE THE JANUARY 26, 2022, MINUTES AS PRESENTED. MOTION CARRIED 3-0.

Other

No other topics to discuss at this time.

Adjourn

Adjourned at 4:35p.m.

Submitted by Renee Richmond

Recording Secretary, Lansing City Council

Approved by the Committee on