



Minutes
Ad Hoc on Housing and Resident Safety
Friday, July 8, 2022 @ 8:30 a.m.
City Council Conference Room

CALL TO ORDER

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

PRESENT

Council Member Spitzley, Chair- excused
Council Member Wood, Vice-Chair
Council Member Brown, Member

OTHERS PRESENT

Sherrie Boak, Council Office Manager
Lisa Hagen, OCA
Susan Stachowiak, EDP
Craig Puckett, Real Estate Association
Jim Smiertka, OCA
Belinda Fitzpatrick
Dr. Charla Burnett, HRCS Board Member
Joy Gleason
Doug Benson, RPOMM

MINUTES

MOTION BY COUNCIL MEMBER BROWN TO APPROVE THE MINUTES FROM JUNE 24, 2022 AS PRESENTED. MOTION CARRIED 2-0.

PUBLIC COMMENT

Ms. Fitzpatrick spoke on the form based code and residential neighborhoods.

Dr. Burnett spoke about citizens complaints the HRCS Board has heard on sale of properties of the Lansing Housing Commission, and what she has witnessed when visiting some of the sites. She outlined her future plans to file civil lawsuits through The Fledge. Council Member Wood asked if a study was done through HRCS or independent. Ms. Burnett stated she was told by Ms. Coleman that a study could not be done by the HRCS Board, and she also told them they cannot have Council attend their meetings and they have asked to have Mr. Fleming with LHC attend and were told by Ms. Coleman he cannot attend. Mr. Smiertka stated he intends to attend the next HRCS Board meeting to provide them an update on all the duties and responsibilities they haven.

Ms. Gleason spoke on residential properties owned by LHC, and the lack of options provided to the residents to purchase the homes they live in. Ms. Gleason then spoke on her concerns with the rental ratio in the City.

Council Member Wood noted that the Lansing City Council does not have any oversight over the Lansing Housing Commission, the LHC Board Members are appointed by the Mayor but Council does not do any recommendation appointments. The last records of inspections the Council did get copies of was back in 2018 and 2019.

PRESENTATIONS

City of Lansing Economic Development and Planning – Form Based Code Residential

Council Member Wood informed Ms. Stachowiak that at past meetings there were questions on small homes and if form based code supports that, and if not is there a way to amend to allow.

Ms. Stachowiak summarized the ordinance, anything 40' greater in width, minimum is 24' x 24'. If lot is less than 40' in width, it is 20' x 20' minimum size home. When writing the form based code, it was discussed and they determined 400 sq ft was the minimum they would go. If someone had a large tract of land, they could petition the City for that and it would be considered a "trailer park" because they can be moved because they are so small. If that does occur there would be a public hearing. Ms. Stachowiak reiterated that they support the decision, and to her knowledge the only community she is aware of in Michigan tiny houses are allowed is Detroit. In the City of Lansing homes have to have a pitched roof, have to be put on a foundation, and meet buildings codes. They believe this was not an oversight and feel this was done to protect the character and property values of the existing neighborhoods, and not unique to Lansing.

Council Member Wood recapped that on a residential property there needs to be foundation, and Ms. Stachowiak confirmed it has to have a permanent foundation and no skirting. Council Member Wood asked if there has been anyone that has approached planning for a 20' x 20'. Ms. Stachowiak stated the Capital Area Housing is considering a 20' wide on some 36' lot sizes, but there has been no inquiries for a home, but have been asked to put a trailer on a lot and were told they cannot. Council Member Wood asked if someone does apply for a trailer park, would it fall under the State, and so the City would have not ability at that point because they are then regulated by the State. Ms. Stachowiak confirmed they would be regulated by the State, but the City would determine when they could do.

Real Estate Association

Council Member Wood noted Mr. Puckett was invited to discuss the small home information that was just presented and also information on details for housing from Nations Outside request for when to consider criminal records.

Mr. Puckett stated they did support the form based code, and he confirmed he has not heard of any in this area, and any discussions he has heard are occurring in Eaton Rapids but they are larger than the City. Mr. Puckett then spoke briefly on the inventory shortage, labor shortage, increase in material cost, and noted it is a nationwide problem. With the housing shortage there are bidding wars, and making home unaffordable for many people. He added they are also having issues with the landbank on the 20 year restriction and working with the Ingham County Commissioners on making a change. Regarding Nation Outside, Mr. Puckett confirmed he has attended one of their meetings and stated the Association opposes any form of discrimination, and members are required to do annual trainings. Concerns with what Nation Outside is proposing include the delays they want for a background check, the vagueness of what they are looking on what criminal records are admissible or not, and lastly there are Federal guidelines so could be hypocritical to impose stronger restrictions than the governments would. Mr. Puckett concluded by asking the City to consider best practices for fair housing, and HUD does already have guidelines.

Mr. Benson first acknowledged he does not live in the City but has 65 rentals in the City. Mr. Benson then stated HUD has guidelines of what they cannot do, and cannot prevent someone

from housing if they have a criminal record. Mr. Benson did not support moving extreme cases into his family units, noting in the final analysis some people will not make it past the bar of people landlords want living in their building.

Mr. Puckett added that he would be interested in how the City would enforce and if there would be a penalty if there was a violation. Mr. Benson noted if someone moves in and then becomes a criminal afterwards he as a landlord can evict them.

Home Builders Association of Greater Lansing

Council staff reached out to the organization but never heard back, and no one was in attendance.

Discussion/Action

ORDINANCE – Discussion – Updates to Chapter 297 – Human Rights Ordinance

Ms. Hagen distributed a draft document. Mr. Smiertka stated they looked at the Human Rights Ordinance and could not do amendments, so proposed a stand alone ordinance.

Ms. Hagen outlined a new ordinance Chapter 296.20 to 296.31 to address the fair chance to housing that has been discussed. There was a pause in the meeting so Ms. Hagen could sent the document to the printer for copies for the public. The intern was asked to go to the OCA office and get copies.

Ms. Hagen went through the document on creating Fair Chance Access to Rental Housing, noting there has not been in the court of law where something like this has been tested, so has been untested and possible open to litigation. Council Member Wood asked if they have looked at the HUD practices when they put this together, and Ms. Hagen stated they have but this is a working document and will continue to look at HUD best practices.

Council Member Brown noted when people have a low credit score they are denied as well, they just get a letter. Is that how the current HUD background check is or is there data. Asking who would the objective review be done. Ms. Hagen stated the intent of the ordinance is to be permissive for the property owner because they have a lot of rights under law as the property owner. Regarding HUD best practices, Ms. Hagen stated she would have to do further research.

Mr. Puckett distributed a summary from the Fair Housing Act on Criminal History Based Practices and Policies, noting it is his understanding that the City of Jackson has adopted something. He asked for it to be vetted and time taken. Council Member Wood stated the Committee intent is to gather information, and moving recommendations to the full Council in September per the Ad Hoc charge.

OCA Intern presented copies of the draft ordinance, and Council Member Wood reiterated that this is informational only. Mr. Smiertka added that the OCA has an ordinance review committee and will be legally analyzed.

Ms. Hagen began outlining the ordinance, noting the scope does not require a landlord to provide preference or unqualify. Moving onto the definitions she highlighted line 11 – adverse action. Council Member Wood noted there are certain HUD requirements that deal with adding people to leases, and if there is someone on the lease and they commit a crime they can no longer be at that residence. Ms. Hagen this does take that into consideration, and the ordinance does speak to what the eligibility can be based on. Another definition highlighted speaks to directly-related conviction starting on line 16; page 4 line 11 eligible housing noting they might consider changing “rental” to “real”. On page 5, line 8 speaks to housing provider, page 6 starts Section 292.22 which is applicability. In the document, when getting to 296.23 it

speaks to the prohibition and states no criminal history check. Mr. Benson spoke as a landlord asking questions verbal inquiry, and Ms. Hagen referenced the ordinance where it speaks to what the housing provider can state up front if there are specific convictions they will not be considered. Ms. Hagen reiterated that the OCA has only drafted what this could look like, they are not advocating for a certain position. Council Member Wood acknowledged this is the first time everyone has seen it, and Chairperson Spitzley will review the document in the future as well.

Ms. Hagen moved onto outlining the details of the draft beginning again on page 7.

Council Member Brown referred back to an earlier statement, that if the landlord states upfront they will not accept, that would include as an unqualified tenant, and Ms. Hagen confirmed it is listed in the ordinance, and a housing provider can state on their website. Council Member Brown asked if the property owner states that does it supersede this, and Ms. Hagen stated they can still go through the process and they can apply and provide mitigating factors.

Council Member Wood referenced “conditional lease” and asked if that means the applicant can take possession. Ms. Hagen stated a “conditional lease”, it is similar to a conditional offer on the background.

Mr. Smiertka noted page 9 line 11, speaks to “conviction”.

Ms. Hagen moved onto 296.25, 296.26.

The next meeting will begin back at 296.26 where the presentation was stopped.

Council Member Wood asked OCA why not adding to the Human Rights Ordinance to protect. Ms. Hagen stated that ordinance is broad, and this is going to be specific. Later in the proposed ordinance the complaint process is tied into the HRCS process with Human Rights Ordinance.

Council Member Wood asked OCA to look up the HUD practices and policies and if they were adopted as a policy of resolution. Ms. Hagen asked if those were for all properties in the City, and Council Member Wood asked for it if a best practice was done.

Mr. Smiertka confirmed before the next meeting it will be vetted again and come back at draft 3.

Dr. Burnett asked how many convicted in the City, and Ms. Hagen stated it was not looked into and the ordinance is based on the charge of the Committee to look into this.

Council Member Wood asked for any concerns to be sent onto the Council Office Manager and they will be forwarded to the City Attorney. She reiterated that this draft was based on a request from the Committee and will be sent onto the full Council and this current document is not the final document, and the Committee is not recommended at this time.

DISCUSSION – Recommendations to Council
Discussions will occur at the next meeting.

Adjourn

Adjourned at 9:46 a.m.

Submitted by,

Sherrie Boak, Recording Secretary

Lansing City Council

Approved by the Committee July 22, 2022