

AGENDA

Ad Hoc on Housing and Resident Safety AGENDA FOR AUGUST 26, 2022 AT 8:30 AM



Lansing City Hall, City Council Conference Room
124 W. Michigan Avenue, 10th Floor

To provide input or ask questions on any item that is listed on the agenda,
members of the public may contact the City Council at city.council@lansingmi.gov or (517) 483-4177 prior to the meeting.

Councilmember Spitzley, Chairperson
Councilmember Wood, Vice Chairperson
Councilmember Brown, Member

1. **Call to Order**
2. **Roll Call**
3. **Minutes**
 - A. August 12, 2022
4. **Public Comment on Agenda Items (Up to 3 Minutes)**
5. **Discussion/Action:**
 - B. DISCUSSION - Recommendations to Council
 - C. DISCUSSION - Fiscal Year 2023/2024 Budget Priorities
6. **Other**
7. **Adjourn**

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Minutes
Ad Hoc on Housing and Resident Safety
Friday, August 12, 2022 @ 8:30 a.m.
City Council Conference Room

CALL TO ORDER

Council Member Wood called the meeting to order at 8:31 a.m.

PRESENT

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

OTHERS PRESENT

Sherrie Boak, Council Office Manager
Lisa Hagen, OCA- left the meeting at 9:32 a.m.
Jim Smiertka, OCA
Brian McGrain, EDP
Norma Bauer
Jody Washington
Norma Bauer
Charla Burnett
Craig Puckett
Council Member Hussain – arrived at 9:45 a.m.
Council Member Daniels – arrived at 9:32 a.m. left at 9:41 a.m.

MINUTES

MOTION BY COUNCIL MEMBER BROWN TO APPROVE THE MINUTES FROM JULY 22, 2022 AS PRESENTED. MOTION CARRIED 3-0.

PUBLIC COMMENT

Ms. Bauer asked about the County Treasure sale for properties, and asked if the City works with the County on those homes.

Ms. Burnett spoke about a concern with homeless shelters not allowing HIV positive members of the City in the shelters. She asked that someone work with the shelters to provide liability insurance. Lastly she spoke about another concern on what she has heard about shelters having forced religious events, work that she considers human trafficking, requests for payment from the homeless shelter residents.

Ms. Washington also spoke in support of liability insurance for the homeless shelters and asked the Committee to consider Council to do an Ad Hoc on homeless residents. She then spoke on

the low income housing Council is acting on, believing the nation trend that says we are not to be going to low income, but single family homes, co-op living, and spoke on her frustration with PILOT's.

Mr. Puckett spoke on the fair chance housing ordinance and had suggestions that he offered to send to the Committee.

PRESENTATIONS

Economic Development and Planning; Housing Rule – Director Brian McGrain

Mr. McGrain went through a presentation in the packet. This included the demographic of population, housing and families & living arrangements. He noted according to the recent census the City lost a couple 1000 people, the income is below state average. Council Member Spitzley asked if he had specific income figures. Mr. McGrain referred the Committee to the US Census website. With the housing units, Mr. McGrain noted they are looking at 2019 data for housing data, and for the housing-stock in 2021 over 80% of Lansing residential buildings are over 50 years old. Council Member Spitzley asked about the examples of housing market rate, and Mr. McGrain stated some are market rate, rental product which is market rate, and Allen Place example was a combination. The presentation moved into the housing resources and efforts including federal funding, state funding, local funding, rental registration, grant dollars and HRCS along with DNACE. The Block Grant the City gets is up to \$2 million per year, but there has always been discussions annually about eliminating that. With that funding the City funds home owner rehab program, programs run by other non-profits, community park remodels, but is a small resource. Home funds are dollars to support affordable developments in the City and that number is about \$700,000-\$800,000 per year. Over the years have worked with a number of groups on those funds, and currently Eastside Community Action, and Capital Area Housing. Council Member Spitzley noted she is interested in getting landlords to accept or be incentivized to take Section 8 vouchers, and plans to put in budget priorities to incentivize, and asked if this would be eligible under Home. Mr. McGrain these funds do come with federal "strings" so would have to look at the approach she is thinking of. He noted that Michigan Environmental Council is starting to talk about housing, and put \$2.5 billion stated wide on the table. Mr. McGrain moved on in the presentation to ESG federal funding which is \$200,000 for emergency sheltering grant and used for emergency housing; homelessness. With LIHTC is the low income housing tax credit, allocated to states on population bases and goes to MSHDA to distribute in 2 rounds. Council Member Spitzley asked if market rate multi housing is available, and Mr. McGrain said it is for affordable housing. The ball park PILOT recently did get LIHTC funding and can have lower rents, one as a senior housing and one as a family building. Council Member Wood asked about PILOT applications, and if they are asking a portion are market rate, or setting a criteria. Mr. McGrain in general support he idea of mixed income, but can be difficult to do. Council Member Wood proposed an idea where the City can say there is a proportionable amount and not just lump and put them in areas. Mr. McGrain concurred on the philosophy and having the mix. Council Member Spitzley noted the City has to make sure the landlords are keeping the homes used for rentals up to code, and a vibrant housing stock requires good code compliance.

Council Member Spitzley stepped away from the meeting at 9:04 a.m.

Mr. McGrain spoke on housing with MSHDA requirements and pushing funds towards developments.

Council Member Spitzley returned to the meeting at 9:05 a.m.

Council Member Wood stated when developers come before the City they always say they are doing it for the housing, but it is evident is for the profit, and Mr. McGrain concurred.

Mr. McGrain moved onto the state funding options, including Lead Safe remediation and RAP grants.

Council Member Spitzley asked about the % of 2900 rentals are registered, and Mr. McGrain confirmed that is what is registered. Council Member Spitzley asked how they find out about new rentals in the City. Mr. McGrain stated there are 500 letters per year sent out for those they find. Council Member Spitzley asked about any Airbnb is a registered rental and Mr. McGrain said if they do not reside in there they have to register the rental. They watch Zillow, Airbnb and look at homestead exemptions, look at owners names, and look at people who lives outside the City. Council Member Wood spoke on the area of rental registered, the department philosophy in the past is, send a letter, receive payment for the inspection, if landlord does not make an appointment, the department is slow in getting the appointment set up. Mr. McGrain confirmed they are up to a several weeks in getting the inspection done, and honestly sometimes officers get pulled out of the field, but are putting floating inspectors out there to have it done in a couple weeks tops. Council Member Wood provided an example of a recent child death in a rental that was not registered. Mr. McGrain flagged the property, visited and it was vacant. At some point it was sold, new hands and they chose to rent, and no interaction by the owners. So it was an unregistered rental when it changed hands, but before that sale it was a registered rental and vacant. Council Member Wood spoke about working with Assessing on the ownership changes, so Code is getting the details. Mr. McGrain noted in the example it was already a 0% homestead so when it sold again, the homestead never flagged because it went 0% to 0% homestead. In terms of partnership they work with assessing, treasury, but sales records do not update instantly.

Mr. McGrain moved on with the presentation and was asked on their interaction with the housing Ombudsman. Mr. McGrain noted that during their inspections they do come across situations and have a great partnership with HRCS, Community Police, animal control, and LPD. Council Member Spitzley asked about coordination on education with housing Ombudsman for the tenants.

Council Member Wood stepped away at 9:20 a.m.

Mr. McGrain confirmed they never provide legal information, but when they see issues on tenants they do send them to the housing Ombudsman. When it comes to landlords, they are about partnerships, and work with realtors, etc. The department goes to the County housing auction and speak to them about purchasing houses for rentals.

Council Member Wood returned to the meeting at 9:22 a.m.

Mr. McGrain ended the presentation with the list of housing challenges in the document. Some of those are difficult interactions with the housing Ombudsman because code is saying the tenants cannot stay in the home, and Ombudsman wants them to provide what needs to be done so the people can stay. Council Member Spitzley asked Mr. McGrain to think about policies and procedures for Council to consider about a middle ground for taking landlords to court or entering into an agreement where they have guidelines and steps where owners don't go to court. Mr. Smiertka stated it has to start with the nuisance, get the landlord in and file a nuisance into court, and however work at that time after the violation has been filed. Council Member Wood stated when a house is pink tag, the funds should go into escrow so the landlord does not get paid. But the tenant does not know how to do the escrow, and Council Member Spitzley agreed, but the housing Ombudsman needs to educate the tenants. Mr. McGrain finished the presentation, and admitted working on increasing fees for Council approval on escalating those immediately. They have also created a red tag focus group about issues, the

process, the delay in courts, and have reached out to the courts. Council Member Spitzley asked if the department has considered options since during the violation monthly process with the owner and courts, is there something that can be done for when the landlord is noticed immediately to start a process on to fix the violations instead of having the tenants live or be moved out for the process for courts. Council Member Wood asked if the tenants can enter into a class action suite against the landlord for substandard housing, and Mr. Smiertka state if there are unsanitary conditions they can, but the City OCA cannot. There needs to be a “hammer” where there is a house with lots of problems, the City can file a nuisance action in court, and as part of that. It can also be done with multi family. Mr. McGrain referred back to the housing challenges, which they have created a red tag focus group, but the challenges included age, price of construction, need more generation of resources for citizens, lack of access or knowledge of the programs they have.

Council Member Spitzley noted to the Committee she will work on the agendas from the Committee and create a list of topics to have the Office Manager for an outline on 8/26. That meeting will also be for budget priorities. Council Member Wood concurred that this Committee goals should roll into the budget priorities, and by the end of the year when this Ad Hoc dissolves, some ideas can be referred to other committees. Council Member Spitzley reiterated that Council cannot tell the Administration on policies, but make recommendations. One would be to increase the housing Ombudsman department, another would be the nuisance process to bring in goals and guidelines with the court so if they do not follow through it would be contempt of court. The Committee concurred.

DISCUSSION/ACTION

DISCUSSION – Recommendations to Council

The Committee concurred to address these on August 26, 2022

DISCUSSION – Fiscal Year 2023/2024 Budget Priorities

The Committee concurred to address these on August 26, 2022.

DISCUSSION – Ordinance Updates

Council Member Wood stated there is was some confusion on this request. The request by her was to have OCA look into the Human Rights Ordinance how to address, and OCA took it to create an ordinance, and she was not implying to write an ordinance. When OCA went through the first draft they even confirmed they didn't think some language was not legal. So based on these items, acknowledge OCA, but something for the future for more discussion and research, but her goal was not for a newly created ordinance.

Council Member Spitzley stated briefly she is frustrated with the participation in this Committee, and the Committee was clear on what ordinances they wanted to look at, but were told by OCA that they were not legal, however the same ordinances in Jackson and Grand Rapids were not challenged. Her frustration is that time was wasted with OCA, because the Committee had a charge from Committee that was not taken by OCA. Council Member Wood recapped about earlier questions on changing the fees, and Council Member Spitzley noted Committee was told it was not legal. Council Member Wood asked if anyone has done a fee study to determine the City fees are high, and in the past the Committee has heard from OCA having a ratcheting up fees schedule, this would be for the ones that have repeat offenders. The Committee agreed to add this to the recommendation list. Council Member Spitzley stated she will start working on the list for a requirement for policies and procedures. In this list she noted she is adamant on working with MSU legal for tenants rights, work on recommendations for housing Ombudsman to work with tenants. Council Member Wood asked for Administration to develop a criteria for having PILOTS have market rate component, or Council will not look at it. Council Member

Spitzley added there needs to be an overlay map on the website where you can find deficiency in housing.

Adjourn

Adjourned at 9:49 a.m.

Submitted by,

Sherrie Boak, Recording Secretary

Lansing City Council

Approved by the Committee

Ad Hoc on Housing and Resident Safety

** Policy Recommendation

++ Budget Priority

- I. Economic Development and Planning
 - a. Prioritize completing rental inspections **
 - b. Create a report of red tag statistics annually to provide to Council during budget discussions to determine if there are fees that need to be added or updated in the upcoming budget cycle. ++
 - c. Prioritize inspections of rental housing **
 - d. Create a landlord registry through their housing inspections that shows recalcitrant landlords **
- II. HRCS
 - a. Closer coordination between code enforcement and Housing Ombudsman when homes are pink and/or red tagged **
 - b. Housing Ombudsman update Council annually **
 - c. Prepare education materials for renters. ++
 - i. Rights as a renter
 - ii. Know before you sign a lease
 - iii. Eviction Court information
 - iv. Conduct at least two housing fairs in City with MSU Law each year
 - v. Creation of a brochure by the Administration on where tenants can go for assistance if they are forced to relocate due to red tags or violations by the landlord.
 - d. Implement program to incentivize landlords to accept Section 8 vouchers ++
- III. City Council
 - a. Update Human Rights Ordinance to address concerns on tenant applications considering criminal backgrounds of incarcerations, to address the request for a "Fair Chance Housing Ordinance" by Nation Outside. **
 - b. Address regulations on small homes based on the new Form Based Code **
- IV. Law/Courts
 - a. Amend Chapter 203 Municipal Civil Infraction and Section 297.15 Civil Infractions with the Specialty Court options of Eviction Court and Community Court **
 - b. Support the creation of a Community Court with 54-A District Court. ++
 - c. Update annually on the statistics of enforcement and penalties for unsafe conditions in homes, per the administrative code of civil infractions. **

- d. Implement policy where Nuisance Actions filed against recalcitrant landlords enabling City Attorney to enter into voluntary compliance agreements. ++

RESOLUTION #

BY THE COMMITTEE OF THE WHOLE
RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANSING

WHEREAS, the Charter of the City of Lansing requires the Council to adopt an annual statement of Budget Policies and Priorities serving to guide the Administration in developing and presenting the Fiscal Year 2023/2024 Budget; and

WHEREAS, the City Council established the following Mission;

The City of Lansing's mission is to ensure quality of life by:

- I. Promoting a vibrant, safe, healthy and inclusive community that provides opportunity for personal and economic growth for residents, businesses and visitors,
- II. Securing short- and long-term financial stability through prudent management of city resources,
- III. Providing reliable, efficient and quality services that are responsive to the needs of residents and businesses,
- IV. Adopting sustainable practices that protect and enhance our cultural, natural and historical resources,
- V. Facilitating regional collaboration and connecting communities; and

WHEREAS, the standing committees of the City Council have met to evaluate the budget and recommend an annual statement of budget policies and priorities to guide the Administration in developing and presenting the Fiscal Year 2023/2024 budget.

NOW, THEREFORE BE IT RESOLVED, that the Lansing City Council has established the following as its Fiscal Year 2023/2024 Budget Policies and Priorities and requests that the Administration review them and encourages that they, to the extent practical, be included in the Administration's budget presented due to the City Council by the fourth Monday in March 2023.

BE IT FURTHER RESOLVED, the Committee of the Whole has established the following priorities:

1. \$100,000: (1) FTE focus specifically on housing legal assistance for tenants and homeowners in the City.
2. Fund sidewalk repair by \$200,000 for a total of \$500,000, with a priority placed on underserved areas.
3. Fund local street repair funding by \$1.7 million for a total of \$5 million, with a priority placed on underserved areas.
4. Funding for GED prep and passage program.
5. Funding to disseminate information on how to file a Complaint against the police.
 - a. Printing costs to add text to reverse side of of LDP business cards.

HIGHLIGHTED SECTIONS REPRESENT WHAT WAS PRESENTED TO THE ADMINISTRATION FROM THE COMMITTEES IN 10/1/2021 FOR THE CURRENT FY 2022-2023 BUDGET

6. \$250,000 for the creation of a cold case unit in the Lansing Police Department. This unit would consist of 2 detectives, 1 administrative assistant, 1 data technician, 1 investigator, and 1 attorney.
7. The creation of a Business Analyst position in the Office of Financial Empowerment to assist small business in the City of Lansing.

BE IT FURTHER RESOLVED, the **Committee on Development and Planning** has established the following priorities:

1. \$80,000: (1) FTE Financial Empowerment Employee; RE: Focus on Small Business, Minority Businesses; Female Owned Businesses
2. \$215,000: Reactivation of the Façade Improvement Grant Program
3. \$50,000: Analysis of Facade Improvement Grant Program to include Return on Equity Report on Previous Façade Grants provided to small businesses
4. \$40,000: Initiate an RFP for Engagement of Stakeholders and Completion of Community Facilities Plan, including school and county buildings, complete with inventory of assets and goals/objectives for facilities, that will serve as the basis for community facility decisions into the future.

BE IT FURTHER RESOLVED, the **Committee on Equity, Diversity, and Inclusion** has established the following priorities:

1. \$500,000: (4) FTE Social Workers-(1) FTE Administrative Assistant (LFD)
2. \$125,000: (1) FTE Grant Writer (Neighborhood Citizen Engagement OR HRCS); RE: Assist Local Groups and organizations in grant research, grant writing and monitoring.
3. The City of Lansing will include in their FY2022/2023 Budget public safety planning, a commitment, support and a partnership with Advance Peace which will help lives and reduce the life altering trauma experienced by people living in the impacted communities and by the service providers who support them, including law enforcement. Council asks the Administration to focus the budget allocations to fully fund the City portion for FY2022/2023.
4. **Need Based Vouchers for Quality Child Care**
The Administration should include money in its budget to offset the high, prohibitive costs of quality childcare, including before and after care. Studies are clear that the benefits of quality childcare include better brain development, school readiness and is a determining factor of future success. The pandemic has strained many families' abilities to work and provide quality care for their children. These challenges are exacerbated especially in low income and single parent households. The Administration should use partnerships and/or Federal stimulus money to achieve this priority. "Childcare" is explicitly mentioned as a permissible use under the Act (see question/answer 2.16 of official U.S. Treasury Q&A). The Administration should establish a needs based voucher program that will allow parents to use the voucher at a childcare provider of their choice.

HIGHLIGHTED SECTIONS REPRESENT WHAT WAS PRESENTED TO THE ADMINISTRATION FROM THE COMMITTEES IN 10/1/2021 FOR THE CURRENT FY 2022-2023 BUDGET

5. \$125,000 – MRJEA – Acquire an outside auditor to evaluate the metrics of the MRJEA Program and performance measures on the policies.

BE IT FURTHER RESOLVED, the **Committee on City Operations** has established the following priorities:

1. \$5,000: Training Modules on Ethics Ordinance and Related Policies, Conflicts of Interest Policies, and the Open Meetings Act, among others, for Boards and Commissions (Dept. OCA)
2. \$10,000: Printing Costs to Provide Written Materials to Residents who do not have access to computers, internet or cell phones with document capability

BE IT FURTHER RESOLVED, the **Committee on Public Safety** has established the following priorities:

1. Traffic Speed Wagons (Public Service Department)
2. Portable Speed Bumps (Public Service Department)
3. Reinstate the LFD apprenticeship/intern program (Lansing Fire Department)

BE IT FURTHER RESOLVED, the **Committee on Ways and Means** has established the following priorities:

1. Encourage the Administration to focus in on budget allocations and centralize the fees and costs associated with items such as Information Technology, utilities, etc.
2. Encourage the Chief Strategy Officer to perform an audit report on short and long term resolutions for the current forecast of the City's revenues and expenditures within all departments.

BE IT FURTHER RESOLVED, the City Council would like to continue its commitment, if funding is available, to:

- Maintain and improve the City's infrastructure;
- Preserve and ensure clean, safe, well-maintained housing and neighborhoods;
- Provide comprehensive and affordable recreational programs and youth and family services;
- Explore alternatives for improved efficiency in service and delivery.

BE IT FURTHER RESOLVED, the City Council has accepted the following recommendations from the Board of Public Service:

1. Increase general fund support for implementation of the City's Street System Asset Management Plan, with a priority placed on reconstructing and preserving neighborhood streets, especially in those areas of the city which have been historically underserved. We encourage the Department to continue utilizing new and innovative ways to extend the life of our existing streets;

**HIGHLIGHTED SECTIONS REPRESENT WHAT WAS PRESENTED TO THE ADMINISTRATION FROM
THE COMMITTEES IN 10/1/2021 FOR THE CURRENT FY 2022-2023 BUDGET**

2. Maintain and expand funding for sidewalk repairs and right-of-way maintenance and improvement, with a priority placed on underserved areas; this should all be done while keeping safety a priority for Lansing residents and visitors, and meeting or exceeding the compliance with the Americans with Disabilities Act;
3. Maintain and expand funding to update and improve the fleet of city vehicles, with specific priority for the Department;
4. Establish Lansing as a leader in PFAS regulation, testing, monitoring and enforcement through maintaining and increasing funding for educational and training purposes, and working with relevant federal, state, county and local governments, and non government organizations;
5. Expand opportunities for multi-family residential and business recycling;
6. Follow recommendations (to the greatest extent feasible) of the energy audit of all facilities and properties to save on energy and cut costs by replacing wasteful devices with ones that are energy efficient and reduce the carbon footprint of the City of Lansing.

Resolution #2022-010

By Council Member Hussain
Resolved by the City Council of the City of Lansing

WHEREAS, the City Council has a duty to represent the citizens of Lansing and ensuring a safe and healthy community; and

WHEREAS, an Ad Hoc Committee on Housing and Resident Safety will be established to review current ordinances and policies, to meet with stakeholders, community members and city staff, and to address and assist residents in housing safety and tenant issues.

NOW BE IT RESOLVED, Lansing City Council President Hussain appoints Council Member Spitzley as Chair of the Ad Hoc Committee on Housing and Resident Safety, Council Member Wood as Vice Chair, and Council Member Brown as Member.

BE IT FURTHER RESOLVED, the Ad Hoc Committee on Housing and Resident Safety will report their findings and recommendations to the Committee of the Whole no later than September 1, 2022.

BE IT FINALLY RESOLVED, the Ad Hoc Committee on Housing and Resident Safety will meet on the days and times set by the Chair and will be dissolved by December 31, 2022.