



MINUTES
Committee on Development and Planning
Wednesday, August 23, 2023 @ 4:00 p.m.
City Council Conference Room

CALL TO ORDER

Council Member Spitzley called the meeting to order at 4:01 p.m.

PRESENT

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

OTHERS PRESENT

Sherrie Boak, Council Office Manager
Lisa Hagen-Lawrence, OCA
Susan Stachowiak, EDP
Simon Verghose, EDC
Greg Venker, OCA
Woody Isaacs
Saevn Kesto
Lena Sharak
Steve Sharak
Dustin Howard
Mark Criss, City Rescue Mission
Harry Hepler
Bill Morris

MINUTES

Any discussion or action on the minutes was moved to the next meeting.

Public Comment

No public comment on this time.

Discussion/Action

RESOLUTION -Obsolete Property Rehabilitation Act (OPRA) District; Homes on Holmes LLC for 230 S Holmes Street

Mr. Verghose stated there are no issues with the district. The request is to establish these for 5 years, total cost is \$54,000 over all taxing jurisdictions. The City of Lansing position of that is \$20,000 in tax abatement. The project over 5 years is a residential redevelopment, the assessor has determined obsolete; lack of heating; electrical; unstable walls; lack of other

utilities. Ms. Stachowiak confirmed there was a fire a few years ago as well. Mr. Verghose continued that this will be converted into 6 residential units, up to 80% AMI, and interior buildout of the property maintaining the structure. There is an estimated increase of \$3,000 income tax over the life of the 5 years, and continue. Regarding property taxes, currently \$2,000, which will remain the same over the life of the OPRA, and then increase to \$9,300 in year six.

MOTION BY COUNCIL MEMBER BROWN TO APPROVE THE RESOLUTION FOR THE OPRA DISTRICT FOR 230 S HOLMES. MOTION CARRIED 2-0.

RESOLUTION -Obsolete Property Rehabilitation Act (OPRA) Certificate; Homes on Holmes LLC for 230 S Holmes Street

Mr. Verghose clarified there are changes to the resolution, one being last WHEREAS on page 1, changed to March 15, 2024 due to the delay in the Council approval process, and since resolved. On Page 2 in third WHEREAS remove "retain employment" since there are no employees and will be residential.

MOTION BY COUNCIL MEMBER BROWN TO APPROVE THE AMENDED RESOLUTION FOR THE OPRA CERTIFICATE FOR 230 S HOLMES. MOTION CARRIED 2-0.

RESOLUTION – OPRA Certificate Revocation; Summit Street Development LLC for 700 May Street

Mr. Verghose presented a handout and went through a handout outlining the property, previous approvals on Prudden Wheel Lofts. In April 2019 deemed obsolete determined by Assessor, and in 2022 Council approved. Since approval the cost has increased by over \$3 million due to construction cost and interest rates. Due to that, the Act requires owner request revocation. They spoke briefly on their plan for a NEZ for 12 years, which has yet to be presented.

Mr. Heppler explained that interest rates doubled in a year, a certificate has not been transferred to the owners for an OPRA, and NEZ does not have that requirement.

Council Member Brown noted that the NEZ Ordinance is currently out of compliance and so the Council is currently amending the ordinance. He has a concern with the presentation today on an NEZ today since the ordinance has not been amended. Council Member Spitzley asked when the applicant will submit for an NEZ. Mr. Venker stated a request for an NEZ and in that discussion, and an application has not been made and will not be until the ordinance is changed. There are other timelines for when the application goes to the Clerk and other jurisdictions. Ms. Boak confirmed that the ordinance could be approved on September 11, 2023. Mr. Venker stated the ordinance will be in effect by the time an application for an NEZ can be voted on.

MOTION BY COUNCIL MEMBER BROWN TO APPROVE THE RESOLUTION FOR THE REVOCATION OF THE OPRA CERTIFICATE FOR 700 MAY STREET; SUMMIT STREET DEVELOPMENT LLC. MOTION CARRIED 2-0.

ORDINANCE – Z-7-2023; 3712 S Cedar Street; Rezoning to S-C Suburban Commercial

Ms. Stachowiak summarized the project noting the property is mid block on S. Cedar, and the applicant rezoning would allow for automobile repair. There are two categories; one allowing everything. The Planning Commission recommended denial because is in violation zoning code, and adjoins residential structures. There is no doubt the applicant would do a great job, and not have a nuisance, but the fact is once it is rezoned it could allow for any businesses.

Council Member Brown, stated if they make change to the zoning, the owner could sell. Ms. Stachowiak confirmed that, and if rezoning this to accommodate a use, and someone across the street wants the same thing, how could they deny.

Council Member Spitzley asked if there was a public hearing on August 14th and any comment.

Mr. Kesto went through a presentation for a rezoning to permit a motor vehicle repair facility on the property. Mr. Kesto spoke briefly on his family businesses in the City.

Council Member Brown asked when the property was purchased, and told November 2022. Mr. Kesto stated it is a current mechanic shop. Council Member Brown asked if the plan when purchase was for a motor vehicle repair, and Mr. Vester stated it was not intention but a rental. The business owners approached Mr. Vester and it appeared to have a setup for auto repair. Council Member Spitzley asked what is across the street, and it was confirmed it a catholic church. Mr. Vester assured the tenants have a five year lease, and plan to put \$200,000 into the property for investment.

Council Member Brown asked Ms. Stachowiak about concerns with the neighboring residences, and why the department has concerns. Ms. Stachowiak stated it is not proper planning and zoning practice to take a parcel to rezone when everything in the area is not similar. It affords that property something the other properties will not have.

MOTION BY COUNCIL MEMBER BROWN TO APPROVE THE ORDINANCE OUT OF COMMITTEE TO REZONE 3712 S CEDAR STREET TO SC SUBURBAN COMMERCIAL. MOTION CARRIED 2-0.

Mr. Morris spoke as the tenant of the property, and assured Committee that they are spending the money to make sure it improves the area. The equipment has safety vacuums and filtration. Council Member Brown asked Ms. Stachowiak if there is a five year lease, and it gets rezoned, and the business leaves, the City cannot change zoning back, and Ms. Stachowiak confirmed.

RESOLUTION – Introduction and Set Public Hearing; Z-8-2023; 415 and 421 W Kalamazoo St; Rezoning from DT-3 Urban Core to R-AR Residential Adaptive Reuse District

Ms. Stachowiak spoke on the rezoning and SLU which would relocate the men's shelter on Michigan Avenue, offering a greater capacity, and this will also allow relocation of the shelter for single women, freeing up that space at the S. Cedar location for women with families and overall double the capacity. There is a need and this appears to be the best location, close to proximity to other uses, education, and bus stops. Ms. Stachowiak concluded that staff supports this rezoning and special land use.

Council Member Spitzley asked about the 400 W Kalamazoo property on the map, and was informed it is a vacant house owned by the credit union that used to be in proximity.

Council Member Spitzley asked Mr. Criss if by taking this property over if it will double capacity for men, and separate the shelter for the women with families. Mr. Criss said currently they house about 110 men on Michigan avenue and the same at the women' shelter. Since 2019 the shelter on N. Larch near the Quality Dairy has been a drop in center for after hours. The increase of this facility will bring the capacity up to 400.

Ms. Stachowiak explained the current zoning does not allow for a shelter, so with a rezoning and subsequent special land use for a sheltered care facility it will be possible. Council Member Brown asked how this selective rezoning was different from the earlier rezoning of Z-7-2023 for the automobile repair facility. Ms. Stachowiak stated the rezoning of Residential Adaptive Reuse District allows for institutional and adaptive reuses specific to these uses. Examples included churches and medical facilities. Council Member Spitzley asked what happens if in the future the shelter leaves the site. Mr. Venker stated the zoning does not revert back to DT-3 Urban Core, but the next action item SLU would be specific to the shelter. The zoning for R-AR does allow for many SLU possibilities, but a new owner would need to obtain their own SLU approval from Council because the SLU for this property would terminate once they leave.

Council Member Brown asked if the public hearing received any input, and Ms. Stachowiak confirmed they sent 500' to owners and tenants. There were five (5) people who spoke at the hearing all in objection.

The Committee reviewed the map in the packet of the area and uses.

MOTION BY COUNCIL MEMBER BROWN TO APPROVE THE RESOLUTION TO INTRODUCE AND SET A PUBLIC HEARING FOR SEPTEMBER 18, 2023 FOR Z-8-2023 TO REZONE 415 AND 421 W KALAMAZOO TO R-AR RESIDENTIAL ADAPTIVE REUSE DISTRICT. MOTION CARRIED 2-0.

RESOLUTION – Set Public Hearing; SLU-2-2023; Special Land Use 415 and 421 W Kalamazoo to authorize a sheltered care facility

MOTION BY COUNCIL MEMBER BROWN TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR SEPTEMBER 18, 2023 FOR SLU-2-2023 FOR AN AUTHORIZED SHELTER CARE FACILITY. MOTION CARRIED 2-0.

DISCUSSION – Budget Priorities for FY 2024/2025 Committee Priorities

Council Member Spitzley stated these will be addressed at the 9/6/2023 meeting for action.

Other

No other topics.

Adjourn

Adjourned at 5:06 p.m.

Submitted by Sherrie Boak

Recording Secretary, Lansing City Council

Approved by the Committee on September 6, 2023