



AGENDA
Committee on Development and Planning
Thursday, November 10, 2016 @ 10:00 a.m.
10th Floor Conference Room, City Hall

Councilmember Jody Washington, Chair
Councilmember Jessica Yorke, Vice Chair
Councilmember Judi Brown Clarke, Member

- 1. Call to Order**
- 2. Public Comment on Agenda Items**
- 3. Minutes:**
 - October 27, 2016
- 4. Discussion/Action:**
 - A.) ORDINANCE – Transparency in the Bidding and Opening of Bids for Projects that Receive Certain Economic Incentives Approved by the Lansing City Council
- 5) Other/Place on File**
- 6) Adjourn**

DRAFT



MINUTES

**Committee on Development and Planning
Thursday, October 27, 2016 @ 10:00 a.m.
10th Floor Conference Room, City Hall**

CALL TO ORDER

The meeting was called to order at 10:00 a.m.

ROLL CALL

Council Member Jody Washington, Chair
Council Member Jessica Yorko, Vice Chair-arrived 10:04 a.m.
Councilmember Judi Brown Clarke, Member

OTHERS PRESENT

Sherrie Boak, Council Staff
Karl Dorshimer, LEAP
Susan Stachowiak, Planning & Neighborhood Development
Mary Farr, Looney Moon, LLC

PUBLIC COMMENT

No Public Comment

MINUTES

MOTION BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE MINUTES FROM OCTOBER 13, 2016 AS PRESENTED. MOTION CARRIED 2-0.

RESOLUTION – Set a Public Hearing; Z-7-2016; Rezoning from “F” & “DM-2” to “E-1” ; Dunkel & Collins Road

Ms. Stachowiak reminded the Committee that they had approved a rezoning do DM-2 a few years ago for the developer to renovate for student housing, however that marketing plan did not work so they are now seeking this rezoning to market as apartments.

MOTION BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING for Z-7-2016 FOR DECEMBER 12, 2016. MOTION CARRIED 3-0.

RESOLUTION – Set a Public Hearing; OPRA District; 204 E. Grand River; Looney Moon LLC

Ms. Farr provided photos of the existing structure and their plans for the renovation. They are projecting a \$1.4 million project which will consist of 5 floors including the basement. The owner

DRAFT

currently owns 200-202 E Grand River and purchased 204 and 206 E. Grand River. The common staircase will be removed and all will access via 200-202. The plans for this project include an office area in the basement, office & retail on the 1st and floor, studio apartments on the 2nd micro apartments and the 3rd-4th floors will be two story apartments. This will give 4 apartments total, 2-studios and 2- one bedroom.

Council Member Yorke questioned what the proposed work would do the historical integrity of the site, but Ms. Farr stated the upper floor additions will not be visible from the front façade. Council Member Washington asked what prospects they have for the office and retail. Ms. Farr confirmed they do not have any signed leases because they are not sure on the finish date, however they are meeting with potential clients and do hope to finish by December 2018.

Mr. Dorshimer distributed an OPRA financial breakdown that outlined base value, personal property, real property, taxes paid, taxes abated, and taxes collected on the project. The OPRA is a 7 year OPRA with the following abatements and values. Those details include:

Base Land Tax Value - \$3,300 Base Building Property Tax Value - \$15,100
New Personal Property Total Investment - \$1,150,960
Total Real Property Taxes Collected in the 7 years - \$76,972
City Portion of those taxes Collected - \$2,504
Amount of Real Property Taxes Abated - \$133,763
City Portion of Real Property Taxes Abated - \$55,097
Total Taxes Paid by Developer- \$83,153 Total Taxes Abated - \$133,763
Total Lansing Taxes Collected - \$4,193 Total Lansing Taxes Abate - \$55,097
Increase in Total Taxes Collected - \$73,992
Increase in City Taxes - \$1,689

Council Member Yorke asked for the breakdown on what the amounts would be after seven (7) years, and Mr. Dorshimer roughly calculated it would be close to taxes at \$7,800 annually.

Ms. Farr added to the conversation that this project will also bring in up to 15 new employees and additional full time residents.

MOTION BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR NOVEMBER 28, 2016 THE OPRA DISTRICT FOR 204 E. GRAND RIVER. MOTION CARRIED 3-0.

RESOLUTION – Set a Public Hearing; OPRA Certificate; 204 E. Grand River; Looney Moon LLC

MOTION BY COUNCIL MEMBER BROWN CLARKE TO APPROVE THE RESOLUTION TO SET THE PUBLIC HEARING FOR NOVEMBER 28, 2016 FOR THE OPRA CERTIFICATE FOR 204 E. GRAND RIVER. MOTION CARRIED 3-0.

The Committee acknowledged Mr. Dorshimer for the detailed handout he provided.

Council Staff discussed upcoming Committee dates, and the Committee agreed to meet on Wednesday, November 23, 2016 as their second meeting in November. Council Member Brown Clarke will be absent and excused at that meeting.

Adjourn at 10:25 a.m.

Submitted by, Sherrie Boak, Recording Secretary, Lansing City Council

Approved by the Committee on _____

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF LANSING, MICHIGAN, TO ADD SECTION 206.25 TO CHAPTER 206 OF THE LANSING CODIFIED ORDINANCES BY REQUIRING TRANSPARENCY IN THE BIDDING AND OPENING OF BIDS FOR PROJECTS THAT RECEIVE CERTAIN ECONOMIC INCENTIVES APPROVED BY THE LANSING CITY COUNCIL.

THE CITY OF LANSING ORDAINS:

Section 1. That Section 206.25 be added to Chapter 206 of the Codified Ordinances of the City of Lansing, Michigan to read as follows:

(A) PURPOSE. THE PURPOSE OF THIS SECTION IS TO PROMOTE FAIRNESS IN BIDDING ON DEVELOPMENTS AND CONSTRUCTION PROJECTS THAT RECEIVE ECONOMIC INCENTIVES FROM THE CITY OF LANSING BY ENSURING TRANSPARENCY IN THE DISTRIBUTION, OPENING, AND AWARDING OF BIDS. THE ORDINANCE ADOPTING THIS SECTION CONSTITUTES A PUBLIC PURPOSE OF THE CITY OF LANSING.

(B) DEFINITIONS. AS USED IN THIS SECTION:

(1) “APPLICANT” MEANS A PERSON, CORPORATION, PARTNERSHIP, OR OTHER ENTITY THAT HAS APPLIED FOR AND RECEIVED ECONOMIC INCENTIVES APPROVED BY LANSING CITY COUNCIL.

1 (2) **“BID”** MEANS A SEALED OFFER TO PROVIDE SERVICES PURSUANT TO A
2 SOLICITATION FOR BIDS.

3 (3) **“BID QUOTE”** MEANS THE TOTAL BID AMOUNT IN DOLLARS AS READ ALOUD
4 AND RECORDED AT THE BID OPENING.

5 (4) **“CONSTRUCTION WORK”** MEANS THE ACT OF CONSTRUCTING A BUILDING
6 OR INFRASTRUCTURE (INCLUDING DEMOLITION WORK) OR CLEARING A SITE
7 **WHICH REQUIRES A PERMIT** FOR IMPROVEMENT OR ALTERATIONS.

8 CONSTRUCTION WORK DOES NOT REFER TO ANY OTHER ACT THAT MIGHT BE
9 ASSOCIATED WITH A PROJECT SUCH AS PLANNING AND/OR ARCHITECTURAL
10 WORK.

11 (5) **“ECONOMIC INCENTIVE(S)”** MEANS ANY OF THE FOLLOWING: PAYMENT IN
12 LIEU OF TAXES (PILOT) THAT IS CONTINGENT ON RECEIVING APPROVAL FROM
13 LANSING CITY COUNCIL; A TAX ABATEMENT ISSUED UNDER PUBLIC ACT 328 OF
14 1998; A BROWNFIELD APPROVED UNDER PUBLIC ACT 381 OF 1996; OR, AN
15 OBSOLETE PROPERTY REHABILITATION ACT ABATEMENT ISSUED UNDER
16 PUBLIC ACT 146 OF 2000.

17 (6) **“PERMIT”** MEANS A BUILDING PERMIT, MECHANICAL PERMIT, ELECTRICAL
18 PERMIT, OR PLUMBING PERMIT, ISSUED BY THE LANSING BUILDING SAFETY
19 OFFICE.

1 (7) **“PROJECT”** MEANS A REAL ESTATE DEVELOPMENT IN THE CITY OF LANSING
2 WHICH IS RECEIVING AN ECONOMIC INCENTIVE AND THE CONSTRUCTION WORK
3 THAT WILL BE DONE ON THE DEVELOPMENT PURSUANT TO A PERMIT.

4 (8) **“PUBLICLY ACCESSIBLE LOCATION”** MEANS ONE OF THE FOLLOWING
5 LOCATIONS: LETTS COMMUNITY CENTER; ALFREDA SCHMIDT COMMUNITY
6 CENTER, GIER COMMUNITY CENTER, FOSTER COMMUNITY CENTER, LANSING
7 CITY HALL CITY COUNCIL CHAMBERS, OR A CITY-OWNED BUILDING DURING
8 REGULAR BUSINESS HOURS.

9 (9) **“PUBLICLY ADVERTISED”** MEANS:

10 (a) ADVERTISED AT A TIME AND LOCATION CUSTOMARY IN THE RELEVANT
11 TRADE; AND,

12 (b) PUBLISHED ONCE IN A NEWSPAPER.

13 (10) **“TRANSPARENT AND FAIR BIDDING PROCESS”** MEANS: A BIDDING
14 PROCESS THAT INCLUDES:

- 15 • OPENESS AND TRANSPARENCY;
- 16 • BID OPENINGS AT PUBLICLY ACCESSIBLE LOCATIONS;
- 17 • PUBLIC ADVERTISEMENTS OF BIDS WITH THE DATE, TIME, AND LOCATION
18 FOR RESPONSE AND BID OPENING;
- 19 • SOLICITATION OF BIDS FROM ~~A REASONABLE NUMBER~~ **THREE OR MORE**
20 SUPPLIERS REGARDLESS OF LABOR ORGANIZATION AFFILIATION;

- 1 • ~~A REASONABLE SUFFICIENT TIME~~ SEVEN BUSINESS DAYS OR MORE TO
2 RESPOND FOR PROSPECTIVE BIDDERS;
- 3 • PUBLIC DISCLOSURE OF ALL BIDDERS AND BID AMOUNTS; AND
- 4 • NOTIFICATION TO BIDDERS NOT SELECTED OF THE BIDDER SELECTED
5 AND THE AMOUNT OF THE SUCCESSFUL BID.

6 **(C) REQUIREMENTS.**

7 EVERY PROJECT SUBMITTED TO THE LANSING CITY COUNCIL FOR APPROVAL OF
8 AN ECONOMIC INCENTIVE REQUESTED BY AN APPLICANT SHALL INCLUDE THE
9 WRITTEN AGREEMENT OF THE APPLICANT CONSISTING OF, AND INCLUDING,
10 THE FOLLOWING:

- 11 (1) THAT THE APPLICANT WILL ABIDE BY THE PRINCIPLES OF A
12 TRANSPARENT AND FAIR BIDDING PROCESS AS DEFINED IN THIS SECTION;
13 AND
- 14 (2) THAT ANY ECONOMIC INCENTIVES AWARDED TO THE APPLICANT'S
15 PROJECT ARE SUBJECT TO REVOCATION OR OTHER PENALTIES OR
16 SANCTIONS ALLOWED BY THE AUTHORIZING STATUTE FOR THE
17 PARTICULAR ECONOMIC INCENTIVE; AND
- 18 (3) A CERTIFICATION ~~UNDER OATH BY THE APPLICANT~~ THAT THE
19 APPLICANT IS NOT IN FINANCIAL DEFAULT TO THE CITY OF LANSING
20 RELATING TO TAXES, LICENSES, PERMITS, OR FEES; AND
- 21 (4) PROOF OF A VALID TAX IDENTIFICATION NUMBER, REQUIRED LICENSES,

- 1 AND CERTIFICATES OF INSURANCE NECESSARY FOR THE PROJECT; AND
- 2 (5) THE SPECIFIC PLAN OF THE APPLICANT TO ABIDE BY THE PRINCIPLES OF A
- 3 TRANSPARENT AND FAIR BIDDING PROCESS, INCLUDING ANY
- 4 CONSTRUCTION WORK INCLUDED WITHIN THE RESPONSIBILITIES OF A
- 5 GENERAL CONTRACTOR; AND
- 6 (6) A DISCLOSURE OF ANY CITATION FOR A VIOLATION OF A TRANSPARENT
- 7 AND FAIR BIDDING PROCESS; AND
- 8 (7) A DISCLOSURE OF ANY GOVERNMENTAL DEBARMENT OR SUSPENSION
- 9 FROM BIDDING OR CONTRACTING.

10 **(D) APPLICATION.** THIS SECTION SHALL ONLY APPLY TO A PROJECT FROM THE

11 TIME THE ECONOMIC INCENTIVE IS APPROVED BY THE LANSING CITY COUNCIL

12 UNTIL PROJECT COMPLETION AS DEFINED BY A DEVELOPMENT AGREEMENT

13 BETWEEN THE APPLICANT AND THE CITY OF LANSING; OR, IF NO AGREEMENT

14 EXISTS, BY THE ISSUANCE OF A CERTIFICATE OF OCCUPANCY BY THE CITY OF

15 LANSING. THE ACCEPTANCE OF AN APPLICATION BY THE CITY DOES NOT

16 CONSTITUTE THE APPROVAL OF AN ECONOMIC INCENTIVE. THE APPLICANT

17 MAY INCLUDE INFORMATION IN THE APPLICATION TO ENABLE COUNCIL TO

18 DETERMINE WHETHER, AND TO WHAT EXTENT, THE APPLICANT HAS ENGAGED

19 IN A PRE- CONSTRUCTION TRANSPARENT AND FAIR BIDDING PROCESS PRIOR TO

20 THE ~~APPLICATION'S~~ **APPLICANT'S** FILING. THIS SECTION SHALL NOT APPLY TO

21 ECONOMIC INCENTIVES INITIATED BY THE INGHAM COUNTY LAND BANK OR

1 THE DEWITT CHARTER TWP. – CITY OF LANSING NEXT MICHIGAN DEVELOPMENT
2 CORPORATION. THIS ORDINANCE SHALL NOT APPLY TO ANY ECONOMIC
3 INCENTIVE OR PROJECT APPROVED PRIOR TO THE EFFECTIVE DATE OF THE
4 ORDINANCE ADOPTING THIS SECTION.

5 **(E) PROJECT LABOR AGREEMENTS.** NOTHING IN THIS SECTION SHALL BE
6 INTERPRETED TO PROHIBIT OR REQUIRE AN APPLICANT, OR ANY CONTRACTOR
7 OR SUBCONTRACTOR OF AN APPLICANT, FROM REQUIRING IN BID
8 SPECIFICATIONS THAT A SUCCESSFUL BIDDER ENTER INTO A PROJECT LABOR
9 AGREEMENT OR OTHER COLLECTIVE BARGAINING AGREEMENT AS A
10 CONDITION OF CONTRACT AWARD.

11 **(F) VIOLATIONS.** IN THE EVENT AN APPLICANT VIOLATES THE REQUIREMENTS
12 OF THIS ORDINANCE, THE CITY MAY TAKE WHATEVER ACTION LEGALLY
13 PERMISSIBLE TO REVOKE ANY ECONOMIC INCENTIVE **PURSUANT TO THE**
14 **WRITTEN AGREEMENT** GRANTED AND MAY CAUSE THE APPLICANT TO BE
15 INELIGIBLE FOR FUTURE ECONOMIC INCENTIVES. ANY COMPLAINT MADE
16 CONCERNING AN ALLEGED VIOLATION OF A PROJECT'S WRITTEN AGREEMENT
17 MADE PURSUANT TO SECTION 206.25 (C) SHALL BE SUBMITTED TO THE CITY
18 ATTORNEY AND THE CITY COUNCIL **WITH SUPPORTIVE DOCUMENTATION.**

19 Section 2. All ordinances, resolutions or rules, parts of ordinances, resolutions or rules
20 inconsistent with the provisions hereof are hereby repealed.

1 Section 3. Should any section, clause or phrase of this ordinance be declared to be
2 invalid, the same shall not affect the validity of the ordinance as a whole, or any part thereof
3 other than the part so declared to be invalid.

4 Section 4. This ordinance shall take effect on the 30th day after enactment, unless given
5 immediate effect by City Council.

6 **SUNSET FIVE YEARS AFTER ENACTMENT.**

7

8
9
10
11
12
13
14

Approved as to form:

City Attorney

Dated: _____

15