



**AD HOC COMMITTEE ON HOUSING
Thursday, March 1, 2018 @ 4:00 p.m.
City Council Conference Room**

The meeting was called to order at 4:01 p.m.

Council Member Jody Washington, Chair
Council Member Peter Spadafore, Vice Chair
Council Member Brian T. Jackson, Member

Others Present:

Sherrie Boak, Council Office Manager
Jim Smiertka, City Attorney
Brian McGrain, Economic Development & Planning
Eric Schertzing, Ingham County Treasurer and Landbank
Dale Shrader
Dax Carpenter, Disability Network Capital Area
Megan Webber, Realtor Association of
Steve Japinga, Lansing Regional Chamber of Commerce
Kathy Miles
Rawley VanFossen, Capital Area Housing
Joe McDonald, City of Lansing HRCS

Introductions

Council Member Washington reiterated to new participants that the goal for the group will not to be a focus on how to get more low income housing, but will be to discuss it but not focus solely on it. Her focus of the Committee will be to see what the City has, and where the Committee wants to go. This will include attracting higher income earners and looking at how to provide housing to be appropriate for the diverse housing and population. All that were present were asked to provide Council staff with their email address, so they receive future information electronically. Council Member Washington then referred to the proposed funding allocation in FY2016/2017 CDBG budget, which she stated she would forward, that promotes home ownership for low and moderate-income households and promote deconcentration of poverty; Maintain at current levels the number of public and assisted housing units available to low and moderate-income households. The City of Lansing Design Master Plan was also referenced, specific to page 87-89 which spoke to Land Use; Neighborhoods. Council Member Washington concluded by encouraging the group that this is an opportunity for revitalization, and will provide

them with demographic comparisons. Affordable housing has to be regional and a regional conversation.

Council Member Washington asked Mr. Schertzing to provide a map on Land Bank properties in the City so the group can provide perspective on what can be done on those, and Mr. Schertzing can also provide insight into what the Land Bank vision for those.

Council Member Washington asked Mr. McGrain how many homes are “red-tagged” at any given time. Mr. McGrain did not have that information, but would provide those. He was also asked to provide information on how long the average red tag is posted, and what the plan of action is for the long term red tagged homes.

Council Member Washington asked Mr. McDonald to provide details on the weatherization program including what programs are out there, what the funds are, and if there is a waiting list of low income.

Council Member Washington asked Mr. McGrain to produce an overlay map showing any large empty space; private or public, not including parks, with no definite zoning.

Council Member Washington referenced a study she read that cited Kansas City’s partnership with their local colleges. Mr. McGrain stated he would look into the steps to strengthening relationships with high schools for building trades classes, and partnerships with revitalization. He noted that it was done in the past, but the labor and material became extensive and they were need of a project manager. With age of the housing in the City, comparing Lansing to their peer cities, the home ownership/ occupancy is at 80% in a pre1980 home. Council Member Washington was encouraged with providing kids real life skills. Mr. McGrain asked for specifics on the programs and partnerships Council Member Washington was asking for and defining partnerships. Council Member Washington stated she wanted any partnerships with the City and groups.

Council Member Washington asked Mr. VanFossen to provide a list of partnerships or organizations that are available for housing.

Council Member Washington asked Mr. McGrain to provide an update to the group on his plans for Code Enforcement since it was transferred to his department. Mr. McGrain offered to provide statistics and goals to the group. He noted that they plan to train the officers, and equip staff with the tools they need. Council Member Washington offered the April 14th meeting.

Council Member Washington then emphasized to the group that they need to have the discussion on moving past affordable, and discuss what is happening around the City, and why the regional partners do not share in the housing issues. Her belief is that Lansing cannot afford to keep doing what they are doing, and the regional partners need to help.

Mr. Schertzing confirmed his understanding that there is a partnership with the County, Land Bank and the City, and in a 10 year span they have renovated 250 homes, and 80% were 80% of the area’s median income. Council Member Washington asked a general question to the group; what do we do to attract buyers.

Council Member Spadafore stated that to reach the goal, and 80% of the homes were built before 1980, unless someone does a large-scale development, the appraisals will not come in. There needs to be a discussion out the strategy in existing housing stocks to improve the value.

Mr. McGrain agreed, but noted that a high percentage cannot afford it, and Council Member Washington added that the City offers programs to help people get into a home, but then there is nothing to help them maintain it. Council Member Spadafore recommended a multi-prong approach, and the group consensus was that there needs to be housing where they can grow with their wealth, and continue to get regional buy-in.

Mr. Schertzing informed the group that what Tri-County is doing to get the region to do, is de-densify poverty in the region, which hasn't been done in the City. When the map is brought in at the later meeting, he noted they will see that some areas were never hit by the foreclosure, and other areas were hit with huge numbers.

Council Member Washington then asked the group if they thought this Ad Hoc on Housing should continue or if they thought there are already programs and housing is addressed. Mr. Schertzing stated the County has been trying for year to work on the issue. Mr. McGrain added that a regional piece needs to be laid out, and noted he had a future meeting with MSDHA and would speak to them on what products should be asking for and also find out what points need to be changed to gain more points. Council Member Washington asked the question to be asked, if MSHDA is approaching every application with low income.

Mr. VanFossen informed the group that there are capital partnership and they work with servicing the Tri-County area. There are 30 senior housing, 120 in Haslett, 120 in Meridian Township. Some senior housing is income eligible. Council Member Washington pointed out that the median income is different across the region, and a County wide approach should be considered. Mr. Schertzing referred to the Bailey School in East Lansing where there are 26 units and 50% will be area median income or seniors, and that is with the Capital Area partnership.

Council Member Washington again asked the group if they wanted to proceed because what she was hearing was that the City is already doing what they need to do, so she would consider discontinuing the Committee and not worry about bringing in higher income.

Mr. Carpenter suggested the Lansing Community College use their resources and tolls on a donate parcel, even considering suspending the taxes on the property until it is completed.

Council Member Spadafore asked what could be done on an individual plot, at which Mr. McGrain stated there are options, depending on what the group would consider, including higher end housing, integrate residents, and they could inquire into what would prohibit the City from doing tax incentives for higher end homes. Council Member Spadafore asked if the City can suspend property tax collection on a property. Mr. Schertzing noted that the Land Bank has information on federal home loans.

Mr. Carpenter suggested identifying one neighborhood to start a program; renovate, and attract people to the neighborhood. Council Member Washington agreed that there are plenty of apartments for high end and low income, but not enough single family.

Council Member Jackson asked if there was a program to upgrade owner occupied no matter of the location. Mr. McGrain believed the program that exists, but it income qualified.

Mr. Schader's comment for the discussion was that the empty nesters are being ignored.

Council Member Spadafore asked if there was any potential to partnership with a lending institution, he then asked Ms. Webber what empty nesters looking for. Ms. Webber stated that detached condos are a need, but none are being built and when they are built they go quickly. Regarding financing, she stated that the interest rate is separate from the Federal funds, so it would have to be a portfolio lending and could ask them.

Council Member Washington asked the group their thoughts on how to recruit a larger infill development and market large spots of property. Ms. Webber acknowledged that the apartments on Michigan Avenue have brought a young community to downtown, so there is potential in 5 years they are going buy a home.

Council Member Spadafore asked Mr. Carpenter to speak on the needs of the disability in housing. Mr. Carpenter acknowledged it is different than the empty nesters, they want to stay where they are and make their home accessible.

Mr. McGrain stated at the next meeting he can provide place-making.

Council Member Washington informed the Committee that she would compile information and email to them. Her approach would agree with the multi-prong approach, but is discouraged with the issuance of funds. Her goal for the Committee is to look for a vision, with bold ideas, and bold action. She then again asked if the consensus of the group was to continue.

Mr. Carpenter spoke in support of continued meetings with a focus on empty nesters, segment the City into areas, then develop each area on a universal design. Mr. Shrader asked to share ideas on historic homes also.

Mr. Japinga suggested the group fill out goals, and also consider working on which are State properties and not on the tax rolls. Mr. Japinga acknowledged the Chambers working relationship with Tri County Planning and reach out to them also for partnerships.

Council Member Washington canceled the March 15, 2018 meeting and asked everyone to come back the first meeting in April with their goals for the group. She stated she would also reach out and have someone present to talk about districts and strategy.

Mr. McDonald acknowledged there are tremendous needs for what the group has been talking about, and from the neighborhood stabilization aspect they need to find a way to limit the rentals and attract different demographics. The group also needs to leverage the assets but be cognizant of what goes into the infill. Mr. McDonald then spoke briefly about a co-op option and consideration.

Mr. McGrain suggested the group make a consensus of the documents his department can present to developers, and Council Member Washington suggested he bring his suggestions for those documents as his goals.

Public Comment

No comments.

Council Member Washington stated she would forward information.

Minutes

MOTION BY COUNCIL MEMBER SPADAFORE TO APPROVE THE MINUTES FROM FEBRUARY 1, 2018 AS PRESENTED. MOTION CARRIED 3-0.

ADJOURN

Adjourn at 5:19 p.m.

Submitted by,

Sherrie Boak, Recording Secretary

Lansing City Council

Approved by the Committee on March 5, 2018