



**MINUTES**  
**AD HOC COMMITTEE ON HOUSING**  
**Thursday, April 5, 2018 @ 4:00 p.m.**  
**City Council Conference Room**

The meeting was called to order at 4:00 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  
Brian McGrain, Economic Development & Planning  
Eric Schertzing, Ingham County Treasurer and Landbank  
Dax Carpenter, Disability Network Capital Area  
Steve Japinga, Lansing Regional Chamber of Commerce  
Kathy Miles  
Rawley VanFossen, Capital Area Housing  
Elaine Womboldt  
Gina Puluzis, Ingham County Landbank  
Julee Rodocker  
Rawley VanFossen, Capital Area Housing  
Richard Williams, Lansing Association of Realtors  
Greg Venker, Assistant City Attorney - arrived at 4:06 p.m.

Introductions

**Minutes**

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

**Goals**

Council Member Washington informed the group that she had invited the Financial Health Team to speak about revenue, but they were not able to attend at this time. There was also reference to information from Dale Schrader who was not present, but no one in the group received it, so Council Member Washington stated she would forward it on.

Mr. Carpenter distributed to the group a proposal for a tiny home district with universal design. This proposal would allow aging in place and a location proposed close to campus. It was noted

that there are proposals for similar sites in Grand Rapids and Detroit and the AARP endorses tiny homes for the elderly.

Council Member Washington asked Mr. McGrain how many cottages were planned by Dave Mullen. Mr. McGrain confirmed there were four (4) but there is room for six (6). Council Member Washington proposed speaking to Brent Forsberg on the idea. Ms. Puluzis informed the group that there are certain certifications the trade groups can gain. With housing initiative, universal design is attractive to the elderly and the millennials. Council Member Washington referenced research that shows the majority of people are over housed, and Mr. McGrain added to the comment that trends are now showing large houses are not what people want. There was a brief reference to an article recently on the housing for residents or their family members with autistic needs. In addition to the proposed tiny houses and cottages, the group discussed other options to consider including are co-ops, "granny flats" and what they are doing in other states with living spaces in garages.

The discussion moved to "step up" housing, and Mr. McGrain acknowledged the information he has reviewed is people want the asset of housing, but do not know how to or want the up keep, so co-op buildings are a consideration where everything is taken care of.

Mr. Japinga asked Mr. McGrain if they have already done so or would consider placing housing definitions and explanations on their website. (City of Lansing Economic Development & Planning). Mr. McGrain confirmed they do not, but there could be a way to express there are many models out there. Mr. Japinga encouraged it as a way to put the information out there but also attract future talent. The college students know about tiny homes and co-ops. Mr. McGrain agreed and added that a discussion needs to be held on what is being built between SFR and large family homes.

Ms. Puluzis pointed out that there are Federal funds in the City and that new construction has to mimic the surrounding neighborhood character. The questions she stated that might need to be asked is "Who can modify that" and "Is that working to retain people or can we look into what be accommodated?"

Council Member Spadafore brought up the topic for discussion of the cost of fixing up projects, and that some municipalities are looking at "public banking" which provides low interest banking. This will help with capital and agreeable terms for developers and individuals to invest as a banking priority for community. Mr. Japinga added a point of interest that the US Senate passed changes in the Dodd-Frank Law which affects Credit Unions. The group then discussed the property the Landbank inherited on Miller and Aurelius' and their challenge to sell since banks are not offering low amount mortgages. Under the Community Investment Act, they are required to reinvest into the community, and recently Flagstar Bank has provided an opportunity to get mortgages for the low amounts. They have to go through the City down payment system, and with that out of the 10 they had last July they have sold 8. Ms. Puluzis suggested the group research what has been done in Holland regarding Council Member Spadafore's suggestion, because they are expanding dollars for repairs. Council Member Spadafore then encouraged the group to consider partnerships with commercial banks, where they can generate more capital. Council Member Washington asked Council Member Spadafore and Mr. Japinga to work on updates on the recent legislation.

Mr. Williams voiced a concern with the multi-level buildings on Michigan Avenue and the first floor commercial.

Mr. Venker advised the group that they need to be aware that there is a prohibition on lending of credit by a municipality, the City cannot set up their own "bank".

Council Member Washington distributed flyers provided by Mr. MacDonald with HRCS who could not attend. These included information from the Home Weatherization Program, BWL and Consumers Energy.

Ms. Puluzis noted to the group that if they were interested in lobbying Congress, the low income program is one of the best Federal programs because money is expended to help low income families deal with utility bills and hire local contractors.

Council Member Washington then went briefly through all the materials that were emailed to the group since the last meeting.

Council Member Washington Mr. McGrain for any updates on the property where Life O'Riley was located. Mr. Schertzing replied stating that his office, Ingham County Treasurer acquired the property on Tuesday, April 3, 2018. Mr. McGrain stated the property itself if 30+ acres, will need site preparation and a new infrastructure. Ms. Puluzski added that if the City does not want it, then it will go through the Landbank. Council Member Washington encouraged all three that spoke to reach out to developers.

Ms. Puluzski asked the Council Members if there is a real estate firm in the Lansing Area that is similar to the Taubman School at U of M that would help evaluate and develop the discussion with developers in the area.

Council Member Spadafore mentioned that sometimes the fees for the permit might out weight doing the work. Mr. Japinga suggested that they look at the housing and permitting because they are different. Council Member Washington mentioned that they also need to look at the tax incentives.

Mr. McGrain pointed out that currently in East Lansing it costs \$1,500 to register a rental, so the City should look at that fee also. His department is working with developers to start the process early so they have an understanding; his department is also working with LEAP, and the Landbank.

Ms. Puluzski referred the group back to the discussion earlier on the condos at Aurelius, and she noted in those cases they were specially priced because there were CDBG funds for rehabilitation. There were 13 townhomes at the market rate. She then referenced a map provided by Mr. Schertzing, and highlighted areas in Ward 3 where there are larger parcels. The map was also labeled with Landbank owned homes, areas which are in the flood hazard zone which the City is working with FEMA. Council Member Washington suggested a discussion in the future on Baker Denora area, with discussions on smaller homes, and partner with a social agency to teach skills

## **ADJOURN**

Adjourn at 4:59 p.m.

Submitted by,

Sherrie Boak, Recording Secretary

Lansing City Council

Approved by the Committee on May 3, 2018