CITY OF EAST LANSING
REGULAR COUNCIL MEETING
MINUTES
June 20, 2017

Present: Altmann, Draheim, Woods, Beier, Meadows
Absent: 0

The meeting was called to order at 6:05 p.m. by Mayor Meadows. The meeting was held in Council Chambers of the 54-B District Court, 101 Linden Street, East Lansing.

Item 1                                Approval of the Agenda

Moved by Draheim, seconded by Woods to approve the agenda.

ALL YEAS
MOTION CARRIED

Item 2                                                   Approval of the Minutes

Moved by Altmann, seconded by Woods to approve the minutes for the June 06, 2017 regular meeting.

ALL YEAS
MOTION CARRIED

Item 3                                                                             Written Communication

Document of written communication received by Council as of today’s date is in agenda packet and available to the public on Granicus system on City website www.cityofeastlansing.com.

Mayor Meadows reported a total of 82 communications relating to the Center City project. He cited 8 emails were in opposition and 74 were in support of the project.

Mayor Meadows, also, reported 20 communications regarding the Farmer’s Market issue. He stated 18 were in opposition and only 2 were in support.

Item 4                                      Communications from Audience

- Tyler McCastle, 2310 West Washtenaw, spoke in support of the Harbor Bay – Center City Project.
- Mike Crawford, 1026 N. Washington Ave, Lansing, spoke in support of the Center City Project.
- Betty Nocera, 1000 Coleman Rd, spoke in support of the Center City Project.
- John Kaumeyer, 2112 Holiday Lane, Lansing, spoke in support of the Center City project.
- Amanda Tickner, 630 Sunset Lane, spoke in opposition to the Harbor Bay – Center City Project.
Item 5  Communication from Mayor and Council Members

Councilmember Altmann:
  • No report.

Councilmember Woods:
  • No report.

Councilmember Draheim:
  • No report.

Mayor Pro Tem Beier:
  • No report.

Mayor Meadows:
  • No report.

Item 6  City Manager’s Report

City Manager George Lahanas:
  • No report.

Item 7  City Attorney’s Report

City Attorney Tom Yeadon
  • No report

Item 8  Public Hearing – Site Plan and S.U.P

Consideration of a Site Plan and Special Use Permit application from Harbor-Bay Real Estate Advisors for the properties at 125, 135, and 201 East Grand River Avenue and 200 Albert Avenue to demolish existing structures to construct a 12-story (140 feet in height) mixed-use building with the following uses:

  • 22,225 square feet of retail on Grand River
  • 23,917 square feet of retail on Albert Avenue
  • 273 market rate apartments
  • 92 apartments reserved for 55 years and older
  • Parking structure with 715 parking spaces

The properties are located in the B3, City Center Commercial District.

Resource Tim Dempsey, Director of Planning, Building & Development

Meadows opened the item for public comment:

  • Ralph Monsma, 1350 Red Leaf Lane, spoke in opposition to the Center City Project.
  • Jay Brant, 1300 Blanchette Drive, spoke in opposition to the Center City Project.
• David Krause, 117 Center, spoke regarding the Center City Project.
• Alice Dreger, 621 Sunset, expressed concern regarding the Center City Project.
• Jill Rhode, 220 MAC, spoke in support of the Center City Project.
• Kate Powers, 6077 Horizon Drive, spoke in support of the Center City Project.
• Tom Eastwood, 1523 Picadilly Drive, Haslett, spoke regarding the Center City Project.
• Jj Kidder, 630 Sunset Lane, spoke in opposition to the Center City Project.
• Linda Dufelmeier, 211 MAC Avenue, spoke in opposition to the Harbor Bay Project.
• Dave Sell, Tin Can, spoke in support of the Center City Project.

No further comment, the public comment period was closed.

Dempsey updated Council and answered questions about the site plan.

Moved by Draheim, seconded by Altmann to approve a Site Plan and Special Use Permit application from Harbor-Bay Real Estate Advisors to demolish all existing structures on the properties at 125, 135 and 201 East Grand River Avenue and 200 Albert Avenue, and construct a 12-story (132 feet in height) mixed-use development with the following uses:

• 22,225 square feet of retail on Grand River
• 23,917 square feet of retail on Albert Avenue
• 273 market rate apartments
• 92 apartments reserved for 55 years and older
• Parking structure with 715 parking spaces

Subject to the following conditions:

1. Water and sanitary sewer extensions and connections shall be approved by the City Engineer in accordance with all applicable State and local regulations.

2. Final grading, soil erosion control, paving and utility plans for the site shall be approved by the City Engineer in accordance with all applicable local requirements.

3. The required permit(s) shall be obtained from the City of East Lansing and the Michigan Department of Environmental Quality if any filling or excavation is to be done within regulated wetland/flood plain areas.

4. Prior to the completion of the project, the City's Engineering Department will evaluate the existing sidewalks along the property being developed or re-developed to determine if any of the existing sidewalk is considered hazardous based on the Policy Resolution 2016-5 and the City's Sidewalk Repair Criteria.

5. Final landscaping and screening details shall be designed in accordance with section 50840 of the City Code. A final landscape plan shall be approved by the Planning and Zoning Administrator and signed-off on prior to installation.

6. Bike racks shall be installed sufficient to accommodate at least 288 bicycles.
7. Site lighting shall be installed in accordance with the requirements of section 50-155 of the City Code.

8. The trash containers shall be constructed and screened in accordance with the requirements of section 50-147 of the City Code.

9. Recycling containers shall be provided in accordance with section 36-86 of the City Code.

10. The required permit(s) shall be obtained from the Department of Planning, Building, and Development for all exterior signs, in accordance with Chapter 32 – Signs of the City Code.

11. The project shall be designed and developed in accordance with all applicable State and local statutes, codes and regulations.

12. A Memorandum of Special Use Permit shall be filed with the County Register of Deeds per section 50-96 of the City Code.

13. The project shall meet the design requirements established in the “East Lansing Design Guidelines” developed in 2014.

14. The applicant shall meet the requirements for Public Art established in the City Code.

15. The developer shall secure approvals from Michigan Department of Transportation for all work within the Grand River Avenue right-of-way.

16. The developer shall submit final design and construction documents for all public infrastructure improvements to be approved by the City Engineer.

17. The master deed and bylaws for condominiums shall be approved by the City Attorney in accordance with local requirements.

18. The developer shall develop the project in accordance with the approved construction containment plan. Deviations from the approved construction containment plan shall be approved by the City Engineer.

19. The developer, Downtown Development Authority, Brownfield Authority, and City Council must enter into a Development Agreement which shall stipulate what entity will be responsible maintenance and security of the 200 Albert Avenue building pedestrian walkway.

20. A variance for one foot of setback of Grand River Avenue.
21. The developer shall provide for directional business signage clearly visible from pedestrian walkways on M.A.C. Avenue, Grand River Avenue and Abbot Road.

22. All sidewalk and driveway intersections shall be paved concrete and brick patterns to alert pedestrians of vehicle driveways.

23. The developer shall provide a lighting plan for the pedestrian walkway and alley for administrative approval.

24. Deliveries to the site shall be approved for the hours between 6:00 a.m. and 10:00 p.m.

25. The parking ramp shall be designed such that temporary access can be made available via the alley during special circumstances/events.

Discussion:

Altmann stated he is in support of the site plan.

Beier spoke in support of the site plan and noted how she worked to improve the project.

Draheim explained why she is in favor of the site plan.

Woods expressed her support for the site plan.

Meadows revealed his connection with the Ballein family. He, also, highlighted why he is supportive of the site plan.

MAIN MOTION:
ALL YEAS
MOTION CARRIED

Item 9  Public Hearing – Brownfield Plan #24
Consideration of Brownfield Plan #24 for the Center City District to be located at 125 and 133, 135, 201-209 East Grand River Avenue and 200 Albert Avenue

Resource: Lori Mullins, Community and Economic Development Administrator

Meadows opened the item for public comment:

- Jay Brant, 1300 Blanchette Drive, spoke in opposition to the Center City Project.
- Alice Dreger, 621 Sunset, expressed concern regarding the Center City Project.
- Ralph Monsma, 1350 Red Leaf Lane, spoke in opposition to the Center City Project.

No further comment, the public comment period was closed.

Mullins gave a brief overview of the Brownfield Plan #24 and answered Council’s questions.
William J. Danhof (Miller-Canfield) answered questions regarding bond default.

Moved by Beier, seconded by Draheim to approve a resolution to adopt Brownfield Plan #24 for the City of East Lansing, approving tax increment financing for the redevelopment of the Center City District located at 125, 133, 135, and 201-209 East Grand River Avenue and 200 Albert Avenue East Lansing, Michigan in compliance with the provisions of Act 381, Public Acts of 1996 as amended.

Discussion:

Altmann provided insight into his support for the 100% tax capture rate.

Beier addressed a public comment concerning the un-redacted market survey.

Draheim addressed the development density issue.

Meadows noted building the City upward is environmentally better than building outward.

MAIN MOTION:
ALL YEAS
MOTION CARRIED

CITY OF EAST LANSING
EAST LANSING CITY COUNCIL

A RESOLUTION TO ADOPT BROWNFIELD PLAN #24
FOR THE CITY OF EAST LANSING, APPROVING TAX INCREMENT FINANCING FOR THE REDEVELOPMENT OF THE CENTER CITY DISTRICT LOCATED AT 125, 133, 135, AND 201-209 EAST GRAND RIVER AVENUE AND 200 ALBERT AVENUE EAST LANSING, MICHIGAN IN COMPLIANCE WITH THE PROVISIONS OF ACT 381, PUBLIC ACTS OF 1996 AS AMENDED.

WHEREAS, on August 15, 2000, the City of East Lansing Council, pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, being Act 381 of the Public Acts of the State of Michigan of 1996, as amended (the “Act”), established the City of East Lansing Brownfield Redevelopment Authority (the “Authority”) to facilitate the implementation of plans relating to the identification and treatment of eligible properties in East Lansing; and

WHEREAS, on August 15, 2000, the City of East Lansing Council adopted the original Brownfield Plan for the City of East Lansing; and

WHEREAS, the property located at 201-209 East Grand River Avenue and 200 Albert in the City of East Lansing have been determined to be a “Facility” as defined by Act 381 of Public Acts of 1996; and
WHEREAS, the property located at 125, 133, 135, and 201-209 East Grand River Avenue and 200 Albert Avenue City of East Lansing (the “Property”) have all been determined to be a “Facility” or “Adjacent and Contiguous” as defined by Act 381 of Public Acts of 1996; and

WHEREAS, a brownfield redevelopment plan has been prepared as Brownfield Plan #24 for the City of East Lansing (the “Plan”), to restore the environmental and economic viability of the property; and

WHEREAS, pursuant to and in accordance with Section 13 of the Act, the Brownfield Authority, on May 22, 2017 approved Brownfield Plan #24; and

WHEREAS, East Lansing City Council has reviewed the Plan, and has provided a reasonable opportunity to interested persons to express their views and recommendations regarding it in accordance with Section 13(12) of the Act; and

WHEREAS, all taxing jurisdictions that levy taxes under the Act were notified by mail of both public hearings regarding Brownfield Plan #24, informed of the fiscal and economic implications of Brownfield Plan #24, and provided an opportunity to be heard in accordance with Section 13(13) of the Act; and

WHEREAS, a second public hearing was scheduled for June 13, 2017 and that meeting was rescheduled to June 20, 2017 with written notice of the rescheduled meeting being sent to all taxing jurisdictions that levy taxes under the Act.

WHEREAS, the City of East Lansing Council held a public hearing on May 9, 2017 and June 20, 2017 to receive comment on the proposed Brownfield Plan #24 in accordance with Sections 13(10) and 13(12) of the Act; and

WHEREAS, on June 20, 2017, East Lansing City Council deemed that Brownfield Plan #24 meets all requirements of a Brownfield Plan under the Act, the plan constitutes a public purpose, the proposed method of financing the costs of eligible activities is feasible, the costs of eligible activities are reasonable and necessary to carry out purposes of the Act, and the amount of captured taxable value estimated to result from adoption of Plan is reasonable.

NOW THEREFORE BE IT RESOLVED, that the Council for the City of East Lansing accepts the recommendation of the Authority, and approves the adoption of the Brownfield Plan #24 with the following condition. Only the expenses that are detailed in an approved Master Development Agreement Exhibit N “City Approved Eligible Activities” shall be financed with Brownfield Revenue Bonds payable solely from the pledged tax increments revenues from the Eligible Property and payment of those bonds will be the only eligible expenses to be reimbursed for Brownfield Plan #24.

Item 10 Public Hearing – Development Agreement
Consideration of a development agreement between the City of East Lansing, East Lansing Brownfield Redevelopment Authority, East Lansing Downtown Development Authority, and HB BM East Lansing, LLC, for the Center City District redevelopment project

Resource: Tim Dempsey, Director of Planning, Building & Development

Meadows opened the item for public comment:
Jay Brant, 1300 Blanchette Drive, spoke in opposition to the Center City Project.
Alice Dreger, 621 Sunset, spoke regarding the Center City Project.
Joseph Kulminski, 102 Albert Ave, spoke in opposition to the Center City Project.
Jj Kidder, 630 Sunset Lane, spoke in opposition to the Center City Project.

No further comment, the public comment period was closed.

Dempsey briefed Council and answered questions regarding the development agreement.

Yeadon answered questions relating to the development agreement.

William J. Danhof (Miller-Canfield) answered questions regarding bonds.

Moved by Beier, seconded by Altmann to approve the East Lansing Center City District Development Agreement, dated 6/20/2017.

Discussion:

Moved by Meadows, seconded by Draheim to amend Article V Section 5.1 on page 11 of the Ground Lease to read as follows: “Rental payments shall begin on the first day of the first month following the date on which a Certificate of Occupancy is issued for the Parking Structure Unit (the “Rental Unit Rent Date”) and shall be due at a total annual rental of [$80,000.00], to be paid in equal monthly installments of [$6,667.00]; and to also amend page 12 of Article V Section 5.3 to read as follows: “Rental payments shall begin on the first day of the first month following the date on which a Certificate of Occupancy is issued for the Parking Structure unit (the “Active Adult Housing Unit Rent Date”) and shall be due at a total annual rental of [$120,000.00], to be paid in equal monthly installments of [$10,000.00]; and”

ALL YEAS
MOTION CARRIED

Moved by Meadows, seconded by Draheim to amend Section VI subparagraph D to read as follows: “If the results of the report are not satisfactory then the City must provide a Notice of Termination within two business days.”

ALL YEAS
MOTION CARRIED

Moved by Meadows, seconded by Beier to amend page 3 of the Parking Agreement by striking the bracketed portion and to amend page 4 subparagraph (b) to read as follows: “There has been the passage of thirty (30) days written notice and opportunity to cure by Developer, if such cure has not been effected within the said thirty (30) day period after the written notice.”

ALL YEAS
MOTION CARRIED
Moved by Meadows, seconded by Beier to amend the Parking Agreement to conform with the Development Agreement on the number of parking spaces [116].

ALL YEAS
MOTION CARRIED

Discussion:

Beier gave her thoughts on the new revenue generated from the project.

Altmann stated he is in favor of the revenues and he offered to talk with anyone who is concerned about the project.

Meadows explained why he is in support of the project and noted this is not a final agreement.

MAIN MOTION, AS AMENDED
ALL YEAS
MOTION CARRIED

Item 11 Adjournment

Without objection, the meeting was adjourned at 10:08 p.m.

Mark S. Meadows
Mayor

Jodie Seaver
Administrative Secretary