



310 Seymour Lansing, MI 48933 Telephone: (517) 487-6550 Fax: (517) 487-6977

AGENDA
LANSING HOUSING COMMISSION
September 7, 2011

- 1. Call to Order.**
- 2. Roll Call.**
- 3. Resolution # 1133 - Authorization to Amend the Disposition Application for Oliver Tower**
- 4. Resolution #1134 - Authorization to enter into a Renovation Contract for Hildebrandt**
- 5. President Comments**
- 6. Public Comment – limit 3 minutes per person**
- 7. Other Business.**

Adjournment.



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**Minutes of Special Meeting
Lansing Housing Commission
September 07, 2011**

Present: President Tony Baltimore
Commissioner Gina Nelson
Commissioner Jimmie Robbins
Commissioner Greg Frens

Staff: Director Lake, Dona Davenport, Jennifer Burnette, Kim Shirey

Guests: None

President Baltimore called the meeting to order at 4:38 p.m.

Resolution #1133 –Approval to modify the U. S. Department of Housing and Urban Development (“HUD”) Disposition authorization for Oliver Towers to permit disposition through a negotiated sale involving swap/trade with Davenport College and the City of Lansing at Fair Market Value, as appraised, was presented to the Board. The Commissioners raised several concerns which the Secretary was asked to record in full:

Discussion 1: The Lansing Housing Commission (“LHC”) has very limited resources as demonstrated in our budget and HUD’s funding reductions. How is the LHC going to fund the move from our current location to a new location? LHC anticipated paying one time moving costs from Swap/trade proceeds. Because of the timing of this transaction it appears someone will need to move twice. LHC cannot afford the expenses associated with a double move nor the inconvenience to our customers. We do not have funds to move twice.

Board Consensus: Any development agreement must make LHC whole as it relates to moving costs.

Discussion 2: How does LHC pay for the cost of renovation or organization for the space in the Davenport facility? LHC staff should determine what building components are included in the swap/trade. Someone needs to make a detailed list of all of the non structural amenities which will remain at no cost to the LHC.

Board Consensus: The Development Agreement should include an itemized list of the interior appointments (furniture and fittings) which are part of the swap/trade.

Discussion 3: The Director must make sure HUD does not have any objection to LHC's offices being located in a Floodplain or Floodway. LHC must determine: what if any mitigation activities are necessary, how significant they are, the level of difficulty, the costs, and the source of payment for mitigating the problem.

President Baltimore requested that Director Lake explain the Floodplain – Floodway issue.

Director Lake- stated the 100 year Floodplain means there is a 1% chance, in any given year, a flood may occur in that building because it is below the floodplain. 1/3 or less of the building is below the floodplain. However, if any portion, no matter how small, is located below the floodplain the entire building is consider below the floodplain.

According to a survey completed by Wolverine Engineers & Surveyors the lowest portion of the building (other than the basement is 1 foot 2 inches below flood plain. The basement (which is a very small portion of the building is more than 9 feet below the floodplain.

LHC can mitigate the potential effects of a flood by raising the base level of the affected area above the floodplain, storing any critical items outside of those two areas, eliminating the basement area and sealing/waterproofing the exterior of the building.

Board Consensus: Prior to any action, by the board, affirming the development agreement, LHC must receive HUD acknowledgement this transaction is acceptable.

Discussion 4: How have we engaged the Community? Why is this, the right thing to do? LHC has engaged the staff, (staff wants to stay downtown with free parking). We have not surveyed our customers. However, the new office is near public transportation, handicapped accessible and parking is free. The biggest challenge is getting information out regarding the new address. This meeting and all Commission meetings are open to the public. The City Council meetings will be open to the public and televised. LHC is shall engage the public as requested.

Board Consensus: The LHC should provide input into the various public forums discussing the swap/trade as appropriate.

Discussion 5: LHC should not be homeless for any period of time before the move into the new location. HUD will not allow us to pay for a double move. Those costs would be more than should be incurred by LHC. Our customers would have a difficult time figuring out who is on first if we are at 310 Seymour one week, somewhere else the next month and 405/419 Cherry the next month.

Board Consensus: We need stability, one move from Seymour to Cherry.

Discussion 6: Pat must Bargain hard to insure LHC's interests are addressed, after all – once the agreement is signed- the building is ours – we own it. The agreement must

detail when and how LHC receives the \$100,000.00 difference in appraised value and it must be in writing no verbal anything.

Board Consensus: The Development agreement must detail how the \$100,000.00 difference in Fair Market Value will be addressed.

Questions raised include the following

Question 1:

How long does it take to get HUD approval?

Response: Approximately 30-60 days

Question 2: Do we pay taxes on new building –

Response: We do not pay taxes now and it will be the same at the new location

Commissioner Nelson moved to authorize Director Lake to modify the U.S. Department of Housing and Urban Development disposition authorization for Oliver Towers to permit disposition through a negotiated sale involving a swap/trade with Davenport College and the City of Lansing at fair market value. The motion was seconded by Commissioner Frens.

Approved: Unanimously

Resolution #1134 - Renovations to the Hildebrandt Office and Maintenance Garage. Blue prints of the existing building and of the new building and garage layout were presented to the Board. Commissioner Nelson moved to adopt Resolution #1134 which authorizes the Executive Director to execute a contract not to exceed \$550,000.00 to completely renovate the office, community space and maintenance garage at Hildebrandt. Commissioner Frens seconded the motion.

Director Baines-Lake must inform the board of the final contract price and the window selection.

Approved: Unanimously

President Baltimore again thanked the staff for all their hard work. Thanked Director Lake for the great job at the press conference.

No public comment.

There being no more business the Regular meeting adjourned at 5:44 p.m.


Tony Baltimore, President


Patricia Baines-Lake, Executive Director and Secretary

9/7/11
Date
10/2/11
Date