



Agenda

City Commission Business Meeting

City of Kalamazoo

Monday, March 7, 2022

7:00 PM

City Commission Chambers – 241 West South Street

A. CALL TO ORDER/ROLL CALL

B. OPENING CEREMONY

1. Invocation: Pastor Mark Holeman Northeastern Baptist Church
2. Pledge of Allegiance
3. Introduction of Guests
4. Proclamations

C. ADOPTION OF FORMAL AGENDA

D. COMMUNICATIONS

E. PUBLIC COMMENTS

F. PUBLIC HEARINGS

G. CONSENT AGENDA

(Action: Motion to approve items “1-17” and authorize the City Manager to sign all documents on behalf of the City)

1. Approval of a contract with NTH Consultants for consulting services related to the Allied Paper Landfill site in the amount of \$225,000.
2. Approval of a contract supplemental and change order with DLZ Michigan, Inc. in the amount of \$439,700 for construction administration and LEED certification for Public Safety Station 2.

3. Approval of a contract and purchase order with Allied Mechanical Services, Inc. for the Station 11 Filter Upgrades Project, in the amount of \$627,400.
4. Approval of a contract extension with Earth Works Lawn and Landscape for 2022 property maintenance services in the amount of \$116,350.
5. Approval of an agreement with Wightman & Associates for construction engineering services for the Stadium Drive Project in the amount of \$361,500.
6. Approval of the release of the draft Program Year (PY) 2022 Action Plan for a 30-day public comment period to begin on March 14, 2022, and end on April 13, 2022, as required by the City's Citizen Participation Plan and the U.S. Department of Housing and Urban Development (HUD).
7. Adoption of a RESOLUTION scheduling a public hearing on May 16, 2022 regarding the approval of a Development Plan and Tax Increment Financing Plan for the City of Kalamazoo Northside Cultural Business District Authority.
8. Adoption of a RESOLUTION granting a Payment in Lieu of Taxes for Kalamazoo Creamery Limited Dividend Housing Association Limited Partnership at 1101 Portage Street, pursuant to Section 35-4 of the Kalamazoo City Code.
9. Adoption of a RESOLUTION approving a Payment in Lieu of Taxes for 530 Rose St. Limited Dividend Housing Association Limited Partnership for Rose St. Senior located at 530 S. Rose Street (Parcel No. 06-22-119-026), pursuant to Section 35-4 of the Kalamazoo City Code.
10. Adoption of a RESOLUTION recommending approval of an application from Crawlspace Theatre Productions, L3C for a Redevelopment Liquor License at 315 West Michigan Avenue.
11. Adoption of a RESOLUTION authorizing the submission of an application for a Michigan Department of Natural Resources Trust Fund Grant in the amount of \$299,400 for the development of a playground and supporting trail amenities at the Kalamazoo Farmer's Market, with a local match commitment of \$300,000 supported by a grant from the Irving S. Gilmore foundation.
12. Approval of a Substantial Amendment to the 2017, 2019, and 2020 Action Plans for the HOME Investment Partnership grant to award funding to the affordable housing projects located at 530 South Rose Street and 1211 South Westnedge Avenue.

13. Approval of grant agreements with Kalamazoo Neighborhood Housing Services to provide a total of \$750,000 for the Kalamazoo Attainable Homes/Pathways Home Homeownership Initiative.
14. Authorization for the execution of two Releases of Claims between the City and Gary Apps, the owner of 1523 Washington Avenue, and between the City and Andrea Young, the tenant of the property, for damages sustained due to a public safety incident on November 11, 2021.
15. Approval of a request from ffp effects, Inc. to publicly display fireworks indoors at the Wings Event Center, 3600 Vanrick Drive, on March 9-10, 2022.
16. Approval of the appointment and assignment of City Commissioners to various committees, boards, and commissions.
17. Approval of amendments to the City Commission minutes from January 4, 2021 to comply with regulations from the US Department of Housing and Urban Development.

H. REGULAR AGENDA

1. Adoption of an ORDINANCE amending Chapter 30 of the Kalamazoo City Code, *Soil Erosion and Sediment Control*, to comply with state law.
2. Adoption of a RESOLUTION amending the face mask rules previously adopted on December 21, 2021 to make wearing face masks optional at public meetings of the City.

I. REPORTS AND LEGISLATION

1. City Manager's Report
2. Legislative Update
 - a. Correspondence to State Legislators Regarding Morrow Dam Legislation
(Action: Motion authorizing the Mayor to sign the proposed letters on behalf of the City Commission and directing the City Clerk to send the letters to the respective committee chairpersons)

J. UNFINISHED BUSINESS

K. POLICY ITEMS

L. NEW BUSINESS

M. COMMISSIONER COMMENTS

N. CLOSED SESSION

O. ADJOURNMENT

ADDITIONAL INFORMATION

Get news, information, and alerts from the City of Kalamazoo. Sign up at www.kalamazoocity.org/connect, follow @KalamazooCity on Twitter, and search for The City of Kalamazoo on Facebook.

Questions regarding agenda items may be answered prior to the meeting by contacting the City Manager's Office at 269.337.8047. Persons who wish to contact members of the City Commission prior to the meeting to provide input about items on the meeting agenda may do so via email to CityCommission@kalamazoocity.org.

Agendas for the regular meetings of the Kalamazoo City Commission are available on the Internet at: www.kalamazoocity.org.

The Kalamazoo City Commission's business meetings are held on the first and third Mondays at 7:00 p.m. and are shown live on the Public Media Network (channel 190 for Charter customers, channel 99 for U-Verse customers). Committee of the Whole meetings are held immediately prior to business meetings at 5:00 p.m. Both meetings are also streamed live on the City's Facebook page (<https://www.facebook.com/KalamazooCity/>) and YouTube Channel (<https://www.youtube.com/channel/UCIgXSSXLSDxThVaaiRMsR5Q>).

Public Media Network rebroadcasts these meetings on Tuesdays at 8:00 a.m., Wednesdays, at 1:00 a.m., and Thursdays at 3:00 p.m.

Community members have the option to provide public comments over the phone for City Commission meetings. Members of the public who wish to provide comments by phone can call 888-382-9556 during the public comment period. They will enter a queue and will be prompted to offer their comments in turn. Callers will be commenting to the City Commission live and will no longer be able to leave a recorded message.



Calendar of Upcoming Meetings

City of Kalamazoo

City Commission (next 30 days)

Regular Business Meetings – 7:00 p.m. in the City Commission Chambers

Monday, March 21st, Monday, April 4th

Committee of the Whole Meetings – 5:00 p.m. in the City Commission Chambers

Monday, March 21st, Monday, April 4th

Advisory Boards, Commissions and Committees (next two weeks)

The **Citizen-Public Safety Review and Appeals Board** will meet on Tuesday, March 8, 2022, at 6:00 p.m., in the City Commission Chambers at City Hall.

The **Kalamazoo Historic Preservation Commission** will meet on Wednesday, March 9, 2022, at 6:00 p.m., in the Community Room at City Hall.

The **Utility Policy Committee** will meet on Thursday, March 10, 2022, at 8:30 a.m., at Oshtemo Township Hall, located at 7275 W. Main Street.

The **Traffic Board** meeting scheduled on Thursday, March 10, 2022, at 2:00 p.m., in the Main Conference Room at Public Services, located at 415 Stockbridge Avenue has been **RESCHEDULED** to meet on Thursday, March 10, 2022, at 2:00 p.m., in Conference Room A at the Water Reclamation/Wastewater Treatment Facility, located at 1415 N. Harrison Street.

The **Zoning Board of Appeals** will meet on Thursday, February 10, 2022, at 7:00 p.m., in the in the City Commission Chambers at City Hall.

The **Tree Committee** meeting on Tuesday, March 1, 2022, at 2:00 p.m., has been **RESCHEDULED** to Friday, March 11, 2022, at 9:00 a.m., in Conference Room A at the Water Reclamation/Wastewater Treatment Facility, located at 1415 N. Harrison Street.

The **Downtown Development Authority Board** will meet on Monday, March 14, 2022, at 3:00 p.m., in the Community Room at City Hall. The **Downtown Economic Growth Authority Board** will meet immediately following.

The **Kalamazoo Historic District Commission** will meet on Tuesday, March 15, 2022, at 5:00 p.m., in the Community Room at City Hall.

The **Environmental Concerns Committee** will meet on Wednesday, March 16, 2022, at 4:30 p.m., in the City Commission Chambers at City Hall.

The **Economic Development Corporation** will meet on Thursday, March 17, 2022, at 7:30 a.m., in the Community Room at City Hall. The **Brownfield Redevelopment Authority** will meet immediately following.

The **Building Board of Appeals** will meet on Thursday, March 17, 2022, at 4:00 p.m., in the City Commission Chambers at City Hall.

The **Kalamazoo Municipal Golf Association** meeting scheduled for Thursday, March 17, 2022, at 12:00 p.m., has been RESCHEDULED to take place on Wednesday, March 16, 2022, at 12:00 p.m., in the clubhouse at Milham Park Golf Course, located at 4200 Lovers Lane.

The **Northside Cultural Business District Authority Board** will meet on Thursday, March 17, 2022, at 6:00 p.m., at the Northside Association for Community Development, located at 612 N. Park Street.



City Commission Agenda Report

City of Kalamazoo

Date: **3/7/2022**

Item: **G.1.**

TO: Mayor Anderson, Vice Mayor Cooney, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: James J. Baker, PE, Public Services Director and City Engineer
Prepared by: Jean Talanda, Environmental Programs Manager

DATE: March 7, 2022

SUBJECT: Approve a Professional Service Agreement with NTH Consultants – United States Environmental Protection Agency (USEPA) Record of Decision/Remedial Action Implementation Allied Paper Landfill (Bid Ref#91843-002.0.9)

RECOMMENDATION:

It is recommended that the City Commission approve a contract with NTH Consultants in the amount of \$225,000 (\$75,000 each year 2022, 2023 and 2024) for consulting services related to the Allied Paper Landfill site.

BACKGROUND:

NTH Consultants is a pre-qualified firm. Their professional services will be used to provide oversight during the implementation of USEPA Remedial Action. The city has used NTH in the past and has been pleased with their level of service.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:



Safe Community- Creating a safe environment for living, working, and playing

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made

aware of the project.

FISCAL IMPACT:

The funding for this work will come from the Brownfield Development Authority and Water Fund operating budgets.



City Commission Agenda Report

City of Kalamazoo

Date: **3/7/2022**

Item: **G.2.**

TO: Mayor Anderson, Vice Mayor Cooney, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: Vernon Coakley Jr., Public Safety Chief
Prepared by: Ryan Tibbets, Assistant Chief-Fire Administration/Finance

DATE: March 7, 2022

SUBJECT: Contract Supplemental with DLZ for Construction Engineering Services for Station 2 (Bid Ref# 906-07-029.0)

RECOMMENDATION:

It is recommended that the City Commission approve a contract supplemental and change order with DLZ Michigan, Inc. in the amount of \$439,700 for construction administration and LEED certification for Public Safety Station 2.

BACKGROUND:

The City of Kalamazoo (COK) began acquiring properties for the new station 2 in 2014. In 2018, the COK solicited bids for Architecture and Engineering (AE) services for the new station. DLZ was selected as the AE firm to work with city staff on the design of the new station. The recommended change order is for construction administration and LEED services as the facility is constructed.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:



Safe Community- Creating a safe environment for living, working, and playing

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory

restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

The budget for the proposed change order in the amount of \$439,700 is available in the New Station #2 project in the General Capital Improvement Fund.



City Commission Agenda Report

City of Kalamazoo

Date: **3/7/2022**

Item: **G.3.**

TO: Mayor Anderson, Vice Mayor Cooney, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: James J. Baker, PE, Public Services Director and City Engineer
Prepared by: JoAnna C. Crandall, PE, Senior Civil Engineer – Water Resources

DATE: March 7, 2022

SUBJECT: Approval of a Contract with Allied Mechanical Services, Inc. for the Station 11 Filter Improvements (Bid Ref#91392-003.0)

RECOMMENDATION:

It is recommended that the City Commission approve a contract and purchase order with Allied Mechanical Services, Inc. for the Station 11 Filter Upgrades Project, in the amount of \$627,400.

BACKGROUND:

The City of Kalamazoo identified the Station 11 Filter Upgrades Project as a priority for 2022. Station 11 is a baseload station for the Northwest High Pressure District. In 1987, air stripping towers were installed to remove volatile organic compounds (VOCs) after which, the water is sent through two pressurized sand filters which remove the iron that is activated during the air stripper process. Over the years, Public Services has observed a reduced efficiency in sand filters and found that the sand media requires replacement.

Public Services worked with Fishbeck to design the filter upgrades project and went out to bid. Four bids were received on the project with Allied Mechanical Services, Inc. being the low responsive bid in the amount of \$627,400. Public Services finds this bid acceptable and recommends the approval of this contract.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:
Safe Community

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform

Discussion:

Sent letters to customers in the impacted area.

Engagement/Communication Tools

FISCAL IMPACT:

The funding for the project is available in the City's 2022 Water Capital Improvement Budget.
Project funding and estimated costs are as follows:

Funding: wat0200073 \$627,400.00

Costs: Construction \$627,400.00



City Commission Agenda Report

City of Kalamazoo

Date: **3/7/2022**

Item: **G.4.**

TO: Mayor Anderson, Vice Mayor Cooney, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: James J. Baker, PE, Public Services Director and City Engineer
Prepared by: Wendy Burlingham, Administrative Support Manager

DATE: March 7, 2022

SUBJECT: Approve a Contract Extension with Earth Works Lawn and Landscape for 2022 Property Maintenance 13 & 26 Frequency Services (Bid Ref# 98852-058.2)

RECOMMENDATION:

It is recommended that the City Commission approve a contract extension with Earth Works Lawn and Landscape for the 2022 Property Maintenance of thirteen and twenty-six frequency services in the amount of \$116,350.

BACKGROUND:

In February 2022, the City's Purchasing Division solicited renewal pricing for maintenance of City owned properties and right of ways.

Earth Works providing pricing with no increase from 2021. Earth Works Lawn and Landscape has held various mowing contracts with the City since 2017 and staff are pleased with their level of service.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:

Good Governance
Safe Community

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

Funds for these services have been allocated within the specific Division's budget:

Thirteen Frequency Service:

\$31,650.37 Water

\$30,554.63 Brownfield/General Fund

Twenty-Six Frequency Service:

\$24,473.44 Water

\$20,254.24 Wastewater

\$9,417.32 Brownfield/General Fund



City Commission Agenda Report

City of Kalamazoo

Date: **3/7/2022**

Item: **G.5.**

TO: Mayor Anderson, Vice Mayor Cooney, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: James J. Baker, PE, Public Services Director and City Engineer
Prepared by: George Waring, EIT, Public Works Senior Civil Engineer

DATE: March 7, 2022

SUBJECT: Approve a Professional Services Agreement with Wightman & Associates for Construction Engineering Services on the Stadium Drive Project (Bid Ref# 92549-001.0.11)

RECOMMENDATION:

It is recommended that City Commission approve the proposal from Wightman & Associates for Construction Engineering for the Stadium Drive Project in the amount of \$361,500 (Fixed-Fee) and authorize the City Manager to sign all documents.

BACKGROUND:

Stadium Drive is a key piece of the City of Kalamazoo's transportation system. It provides vehicle, non-motorized, and pedestrian passage to and from the City. A major road resurfacing and alignment effort is needed for summer 2022 to improve the roadway and sustain capacity and transportation operations. To facilitate this work, the City of Kalamazoo applied for Local Agency Project (LAP) funding through the area Metropolitan Planning Organization (MPO), KATS.

The scope of work for this project includes but is not limited to: 1.35 mi of hot mix asphalt resurfacing, cold milling concrete pavement, concrete curb and ramps and pavement markings on Stadium Drive from southwest of Howard Street to Lovell Street in the city of Kalamazoo.

To ensure construction meets industry standard quality and lives out the design lifetime of the assets constructed, it is advantageous to the City to use outside contractual services for the important Construction Engineering (CE) and inspection work. Wightman & Associates put together the design for the work, submitted the LAP project to MDOT, and have seen us through the work to bring the design to this point. Wightman is the best choice for providing CE services

on this job due to their in-depth knowledge of the program and project.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:

Shared Prosperity – Abundant opportunities for people to achieve shared prosperity

Safe Community – Creating a safe environment for living, working, and playing

Connected City – A city that is networked for walking, biking, riding, and driving

Inviting Public Places – Parks, arts, culture, and vibrant streets

Environmental Responsibility – A green and healthy city

Economic Vitality – Growing businesses and stabilizing the local economy to the benefit of all

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform

Discussion:

Social Media, COK Websites, Direct Contact with Affected Parties, etc.

Engagement/Communication Tools

FISCAL IMPACT:

Funds are available in MST0100251 for Construction Engineering and construction expenses.

Project Costs:

Construction Engineering – MST0100251 \$361,500



City Commission Agenda Report

City of Kalamazoo

Date: **3/7/2022**

Item: **G.6.**

TO: Mayor Anderson, Vice Mayor Cooney, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: Rebekah Kik, Community Planning & Development Director
Prepared by: Julie Johnston, Community Development, Compliance Specialist II

DATE: March 7, 2022

SUBJECT: HUD Program Year 2022 Action Plan - Opening the Thirty-day Public Comment Period

RECOMMENDATION:

It is recommended that the City Commission approve the release of the draft Program Year (PY) 2022 Action Plan for a 30-day public comment period to begin on March 14, 2022, and end on April 13, 2022, as required by the City's Citizen Participation Plan and the U.S. Department of Housing and Urban Development (HUD).

BACKGROUND:

A perceived Conflict of Interest has been identified with this funding recommendation. It is requested that the Commissioner(s) who has the conflict identify themselves. The minutes will reflect the perceived conflict and abstaining from the vote.

The development of the City of Kalamazoo PY2022 Action Plan requires an open process in which interested persons can provide input on the development of the Plan. The steps to ensure public involvement include a 30-day comment period and then public hearings with both the Community Development Act Advisory Committee (CDAAC) and the City Commission. This is the first step in the process, providing an opportunity for comments on the draft Plan and more specifically, the activities proposed for funding. It is anticipated that the City Commission public hearing for the PY2022 Action Plan will occur in May.

As this is the beginning of the public process, changes may still occur to the draft Action Plan. Direction can be provided to CDAAC for any requested modifications prior to their public hearing, which is planned to occur on April 28, 2022. The complete budget recommendations from CDAAC are located under **Attachment A** of this report and the full PY2022 Action Plan

can be found under **Attachment B**.

Available Funding

The final allocation from HUD has not yet been provided to the City of Kalamazoo. Therefore, the draft recommendation for funding was based on PY2021 funding levels. The City is expected to receive approximately \$2,149,481 from HUD under two federal entitlement programs: Community Development Block Grant (CDBG) - \$1,630,299 and HOME Investment Partnerships Program (HOME) - \$519,182. These funds may be used for eligible activities during PY2022 (July 1, 2022 – June 30, 2023).

In addition to entitlement funds, the City may utilize program income that is generated on an annual basis from past CDBG funded activities. Program income is defined as “any gross income received that was directly generated from the use of federal funds.” As part of the action plan process, any anticipated program income must be identified and assigned to an eligible project. Typically, the activity that generates the program income is allowed to retain the funds to assist in the continuation of that activity. The estimated program income in PY2022 is:

Table 1: Program Income Estimated for PY2022

Organization	Activity	Program Income
CPED	Small Business Revolving Loan Fund	\$5,000
CPED	HODAG Payment – Forest Hills	\$7,900
Kalamazoo Neighborhood Housing Services	Deferred Maintenance Program	\$18,000
Total Program Income:		\$30,900

Finally, staff completed an audit of CDBG funds for program years 2015 through 2021 and found unallocated dollars, as well as projects that were able to be completed but had funds remaining. The audit showed that a total of \$620,190 is available to reprogram to new activities. CDAAC was informed that additional funds were available, and they requested that all eligible PY2022 CDBG applicants be fully funded. In addition, staff set aside funds for a neighborhood enhancement project and to purchase available properties for the development of new affordable housing.

Based on all these sources, the anticipated total funding to be allocated to PY2022 activities is \$2,800,571. The following table provides these totals by federal program:

Table 2: Total PY2022 Anticipated Funding

	CDBG	HOME	TOTAL
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Entitlement	\$1,630,299	\$519,182	\$2,149,481
Program Income (anticipated)	\$30,900	\$0	\$30,900
Reprogrammed	\$620,190	\$0	\$620,190
Total:	\$2,281,389	\$519,182	\$2,800,571

Application Process

CDAAC used a competitive application process that focused on affordable housing for funding available to allocate to local nonprofit and developer partners. The affordable housing application combined both CDBG and HOME dollars and allowed for the following application types:

Table 3: Application Types

Funding Source	Activity
CDBG	Homeowner Rehabilitation
	Homeowner Down Payment Assistance
	Critical/Emergency Home Repair
HOME	Rental – New and Rehabilitation
	Property Redevelopment for Homeownership

A total of five CDBG and two HOME affordable housing applications were submitted for PY2022. Unfortunately, the application submitted by the Kalamazoo Eastside Neighborhood Association could not be reviewed as the application was incomplete. The CDAAC Application Scoring Subcommittee met to discuss the applications and then held interviews with each of the respective organizations. At the end of the interview process, the Subcommittee expressed a desire to fund all six applications as they each provided an important component to the affordable housing goals of the 2019-2023 Consolidated Plan.

At the January 27, 2022 meeting, funding recommendations from the Subcommittee were presented to the full CDAAC board, who agreed with the recommendations.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:



Complete Neighborhoods - residential areas that support the full range of people's daily needs



Economic Vitality - A supportive infrastructure for growing businesses and stabilizing the local economy for the benefit of all.



Good Governance- Ensuring the City organization has the capacity and resources to effectively implement the community's Strategic Vision in a way that is sustainable over the long term.



Safe Community- Creating a safe environment for living, working, and playing



Shared Prosperity - Abundant opportunities for all people to prosper



Youth Development - A place with supports where young people thrive

Discussion:

The PY2022 Action Plan supports a number of strategic vision goals as it funds a variety of activity types, including affordable housing, homeowner repair, youth development, crime awareness and prevention, and code enforcement. The activities planned in PY2022 align with the strategic vision in the following ways:

1. Youth Development

- Educational Development and Attainment: Strengthen and establish mentoring, tutoring, volunteering, and empowerment including vocational and technical opportunities.
- Basic Needs: Develop and maintain relationships with coordinated partnerships to provide safe housing, reliable and sustainable food sources, health care, and safe drinking water.

2. Good Governance

- Communication and Outreach: Facilitates timely and effective communication throughout the organization and with the public.

3. Safe Community

- Community Engagement: Encourages a sense of shared responsibility for personal safety by education, involving, and engaging the community in identifying and addressing safety concerns.
- Safe Building and Housing: Enforcement of regulations to ensure that homes and public spaces are structurally secure, clean, visually appealing, and promote community members' well-being.
- Neighborhood Assistance: Proactively reinvest in neighborhoods through support of programs to help residents fix, rehabilitate, and stabilize homes through critical home repair assistance, educational programs, and weatherization.

4. Shared Prosperity

- Family: Coordinate services to address basic needs and well-being, including

transportation, housing, childcare, and financial capability.

- Community Partnerships: Establish networks to act, connect, advocate, and cross-pollinate ideas across sectors, and establish common goals and metrics to measure success.

5. Complete Neighborhood

- Healthy Environment: Develop and implement long-term, built environment strategies to address health disparities with safe access to active transportation, parks and open space, fresh food, quality housing, health care, and resident services.

6. Economic Vitality

- Property Management: Promotes the revitalization and redevelopment of existing properties to encourage sustainable economic growth.
- Asset Management: Develop and sustain public infrastructure that serves the needs of the community including roads, utilities, water supply, and wifi.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Consult (two-way conversation) – the community will have a chance to react to the project through two-way conversation.

Discussion:

Per the City's Citizen Participation Plan, a public notice will be placed in the Kalamazoo Gazette noting the 30-day public comment period, if approved by the City Commission. In addition, notices will be sent to the applicants who are recommended for funding, as well as all the nonprofit partners who were involved with the development of the 2019-2023 Consolidated Plan. The PY2022 Action Plan will be placed on the City's website and will be available at the Community Planning and Economic Development office for review. Comments on the Plan will be received throughout the 30-day public comment period and at the public hearings planned with CDAAC and the City Commission.

On February 24, 2022, CDAAC reviewed the draft Action Plan, and in particular the PY2022 budget, and motioned to recommend the City Commission open the 30-day public comment period.

FISCAL IMPACT:

The PY2022 Action Plan is a benefit to the City's general fund, providing support to staff from Community Planning and Economic Development, Public Safety, and Parks and Recreation. All

recommendations utilize the annual federal allocation received by HUD or monies generated by that allocation. Through the award of these federal dollars in the manner recommended, the City of Kalamazoo's general fund is not required to address many of the community needs supported by the City and by outside nonprofit organizations.

The administration and monitoring of the projects will be conducted by the Community Investment Division of Community Planning and Economic Development.

PY2022 Draft Action Plan Budget

Organization	Activity Name	Funding Award
CDBG Entitlement Funds		
CDBG Administration¹		
City Community Development Division	CDBG Administration	\$326,000
CDBG Administration Total:		\$326,000
CDBG Public Service²		
Fair Housing Center of Southwest Michigan	Fair Housing Services – Outreach and Education	\$20,000
City Parks and Recreation Department	After School Youth Programs	\$15,000
City of Kalamazoo Public Safety	Crime Awareness and Prevention	\$180,000
CDBG Public Service Total:		\$215,000
CDBG All Other		
Community Homeworks	Emergency Home Repair Program	\$125,000
Kalamazoo Neighborhood Housing Services	Homebuyer Down Payment Assistance	\$110,000
Kalamazoo Neighborhood Housing Services	Homeowner Roof Replacement Program	\$159,759
Milestone Senior Services	Home Repair for the Elderly	\$150,000
City Housing Inspection / Code Team	Code Enforcement	\$400,000
City Housing Inspection / Code Team	Demolition	\$50,000
City Community Development Division	Lead Based Paint Hazard Control Program	\$94,540
CDBG All Other Total:		\$1,101,799
CDBG ENTITLEMENT:		\$1,630,299
CDBG Reprogrammed or Unallocated Funds		
Kalamazoo Neighborhood Housing Services	Homeowner Roof Replacement Program	\$40,241
Community Homeworks	Emergency Home Repair	\$125,000
City Community Development Division	Property Acquisition for Affordable Housing	\$127,475
City Community Development Division	Neighborhood Enhancement: Public Infrastructure Revitalization Project	\$327,474
Total CDBG Reprogrammed Funds:		\$620,190
CDBG Program Income		
City CPED	Small Business Revolving Loan	\$5,000
City CPED	HODAG Payment – Forest Hills	\$7,900
Kalamazoo Neighborhood Housing Services	Deferred Maintenance	\$18,000
CDBG Program Income Total:		\$30,900
CDBG TOTAL:		\$2,281,389

Organization	Activity Name	Funding Award
HOME Funds		
City Community Development Division	HOME Administration ³	\$51,918
Kalamazoo Neighborhood Housing Services ⁴	Kalamazoo Attainable Homes Partnership: Homeownership New Construction	\$250,000
Odyssey Community Improvement L3c	Rental Rehabilitation	\$71,000
Affordable Housing Program	Affordable Housing Program: Unallocated Funds	\$146,264
HOME TOTAL:		\$519,182
ALL PROGRAMS TOTAL:		\$2,800,571



Executive Summary

Introduction

The City of Kalamazoo is an entitlement community receiving federal funds from the U.S. Department of Housing and Urban Development (HUD). Each year the city is required to submit an Action Plan to HUD that will identify how the federal grant funds will be utilized during that program year. The activities described in the Annual Action Plan are a result of the goals and strategies outlined in the city's 2019 – 2023 Consolidated Plan. Program Year (PY) 2022 Annual Action Plan (July 1, 2022 through June 30, 2023) represents the fourth program year of the Consolidated Plan in which to address the housing and community development priority needs of its low and moderate income families and individuals.

The Action Plan constitutes the city's application to HUD for its Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) funds, which are the primary federal resources for addressing Kalamazoo's housing and community development needs. The city anticipates receiving \$2,149,481 in PY2022 funding through the CDBG (\$1,630,299) and HOME (\$519,182) entitlement grants. The city will also be utilizing approximately \$30,900 in anticipated program income in PY2022, as well as \$620,190 from either closed CDBG projects that did not utilize their full funding, or from unobligated funds from 2015 through 2019 program years. The complete available budget for PY2022 totals \$2,800,571.

The Community Development Division of the Community Planning and Economic Development Department will also report, to the extent possible, on other resources expected to be used in ways consistent with the Consolidated Plan. This includes both funds and resources of other organizations and agencies, foundations, local nonprofits, and for-profits which address the housing and community development needs of the city and its residents.

Summary of the Objectives and Outcomes identified in the Plan

The 2019-2023 Consolidated Plan outlines the highest priority community development needs to assist the city in targeting funding. The resulting goals and objectives were developed through a needs assessment of housing, homelessness, special needs populations, and community development, as well as consultations with area agencies and citizen input. Based on the analysis of needs and the input received, the city's highest priorities through 2023, in no particular order, are as follows:

1. Improve the amount of decent and affordable housing in the city.
2. Work towards ending homelessness by supporting the HUD's Strategic Plan to Prevent and End Homelessness implemented through the Kalamazoo County Continuum of Care.
3. Advance the sustainability of the CDBG-eligible neighborhoods identified in the Consolidated Plan through the continuation of city services and redevelopment of key neighborhood improvements.

4. Develop well-adjusted and productive adults through supporting youth programs and activities that provide positive experiences and opportunities to enhance interests, skills, and abilities into adulthood.

In support of these priorities, the city proposes to use its entitlement funds in PY2022 as follow:

- Support neighborhood revitalization by targeting core neighborhoods to improve the quality of life through crime awareness, code enforcement, and address public space improvements.
- Increase the amount of affordable housing by developing new owner- and rental-occupied housing.
- Rehabilitate or complete repairs to existing housing to improve the quality of housing stock in the community for low to moderate income persons and families.
- Provide afterschool educational opportunities for youth to promote efficacy, relationship building, belonging, and self-worth.
- Promote fair housing choice through education and outreach by the Fair Housing Center of Southwest Michigan in the CDBG-eligible neighborhoods.
- Utilize Community Development Division staff to provide oversight of the federal funds.

The activities that will be funded in PY2022 and their award includes the following:

Table 1: PY2022 Activities – Entitlement and Reprogrammed Funds

Organization	Activity Name	Award
CDBG		
City Community Development Division	CDBG Administration	\$326,000
Fair Housing Center of Southwest MI	Fair Housing Services – Outreach and Education	\$20,000
City Parks and Recreation	After School Youth Programs	\$15,000
City Public Safety	Crime Awareness and Prevention	\$180,000
Community Homeworks	Emergency Home Repair Program	\$220,000
Kalamazoo Neighborhood Housing Services	Homebuyer Down Payment Assistance	\$110,000
Kalamazoo Neighborhood Housing Services	Homeowner Roof Replacement Program	\$200,000
Milestone Senior Services	Home Repair for the Elderly	\$150,000
City Housing Inspection / Code Team	Code Enforcement	\$400,000
City Housing Inspection / Code Team	Demolition	\$50,000
City Community Development Division	Lead Based Paint Hazard Control Program	\$94,540
City Community Development Division	Property Acquisition for Affordable Housing	\$127,475
City Community Development Division	Neighborhood Enhancement: Public Infrastructure Revitalization Project	\$327,474

Organization	Activity Name	Award
HOME		
City Community Development Division	HOME Administration	\$51,918
Kalamazoo Neighborhood Housing Services	Kalamazoo Attainable Homes Partnership Program: Homeownership New Construction	\$250,000
Odyssey Community Improvement L3c	Rental Rehabilitation	\$71,000
Affordable Housing Program	Affordable Housing Program	\$146,264

It is the City of Kalamazoo's intent to utilize between 80 to 90 percent of its federal resources for activities that will benefit low and moderate income persons. Details about the individual activities to be accomplished during PY2022 can be found in the Projects section of this report (page 22).

Evaluation of Past Performance

Due to the COVID-19 pandemic, performance outcomes over the past two program years have slowed. Subrecipients, especially those working in improvements to housing, have experienced some difficulties completing projects. Supply chain issues, labor shortages, and the concern participants have with letting visitors into their homes have impacted contractors and subrecipients alike. At the same time, the Department of Community Planning and Economic Development was experiencing staffing changes that affected timeliness of programs.

The city is currently working with subrecipients to develop strategies to get back on track. The hope is to complete all PY2020 and the largest majority of PY2021 activities by the end of calendar year 2022. This will allow the subrecipients and the city to begin PY2022 on solid footing. With that said, there were some impressive performance outcomes that have occurred during this difficult operational time. From the start of the 2019-2023 Consolidated Plan, the following activities utilized federal dollars to support low to moderate income individuals or families, as follows:

- 133 owner-occupied homes received rehabilitation.
- 15 homes received lead-based paint remediation.
- 23 homebuyers received direct financial assistance.
- Two rental units were rehabilitated.
- Six blighted buildings were demolished, including one commercial building in the Eastside Neighborhood.
- 46 business were assisted with funds through the Coronavirus Aid, Relief, and Economic Security Act (CARES).
- Code enforcement was carried out in the city's core neighborhoods and a new program was developed and is currently underway to assist those homeowners who have received a citation to complete repairs to their homes.
- The neighborhood center for Kalamazoo Neighborhood Eastside Association received repairs to improve visibility and access.

Lead and Responsible Agencies

The lead entity for the administration of CDBG and HOME programs is the City of Kalamazoo through the Community Development Division of the Department of Community Planning and Economic Development. As the lead agency, the city is responsible for overseeing the development and implementation of the 2019-2023 Consolidated Plan, associated annual Action Plans, and year-end Consolidated Annual Performance Evaluation Reports. Community Development Division staff provides administrative and planning support for the use of the federal funds and acts as the primary staff to the Community Development Act Advisory Committee. This Committee is a 13-member board that is appointed by the City Commission to advise on matters related to community development, make recommendations on the expenditure of federal funds through an annual competitive process, assist with the development of HUD related documents, ensure citizen participation in all phases of the federal allocation process, and to promote community development activities within the city.

Table 2: Lead Agency Roles

Agency Role	Agency Name	Department
Lead Agency	City of Kalamazoo	Dept. of Community Planning and Economic Development
CDBG Administrator		
HOME Administrator		

Consultation

Introduction

As the lead agency, the City of Kalamazoo, through the Department of Community Planning and Economic Development, oversaw the consultation required to complete the 2019-2023 Consolidated Plan. Staff collaborated with a wide network of community services and housing providers, clients of those providers, government officials, business leaders, neighborhood representatives, and residents. Information was gathered in several ways which included a Community Needs Survey, stakeholder and neighborhood meetings, outreach at established community events, and provider meetings. The goals and strategies of the Consolidated Plan represented the information collected from this collaboration, as well as from public comment and public hearing opportunities.

The city engages in ongoing consultation with local service providers, community leaders, community development partners, and the public. Consultation includes correspondence with area agencies, attendance at local and regional meetings and committees, outreach by City Commissioners, and public meetings. The Community Development Division also consults with other city departments to identify public facility and community development needs.

Summary of Activities to Enhance Coordination between Public and Assisted Housing Providers and Private and Governmental Health, Mental Health and Service Agencies

United Way of Battle Creek and Kalamazoo is the lead agency for the Kalamazoo County Continuum of Care, the organization responsible for the planning and implementation of housing and homeless

programs in Kalamazoo County. Their mission is to provide equitable access to safe, affordable, and dignified housing.

Continuum of Care membership includes representation by housing, mental health, drug and alcohol treatment providers; emergency shelters and outreach organizations; faith-based organizations; youth services; and other interested organizations. Their goal is to increase the inventory of and access to affordable housing in our community while serving as the clearinghouse for information regarding the range of homelessness prevention, housing, and supportive services available in the County.

A priority of this goal is to improve coordination and integration with mainstream resources. They seek to provide a standardized and transparent entry, assessment, and referral process for people experiencing a housing crisis or homelessness to access community resources. And further, to improve collaboration, communication, efficiency, and transparency between agency service providers, as well as enhance service to program participants through a participant-focused and coordinated system. In accordance with the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009, and Notice Establishing Additional Requirements for a Centralized or Coordinated Assessment System (CPD-17-01), the Kalamazoo County Continuum of Care provides a comprehensive description of the policies and procedures of this Coordinated Entry System for those experiencing homelessness.

The city works with Continuum of Care partners and agency volunteers who represent public and assisted housing providers, and private and governmental health, mental health, and service agencies by serving on one or more of the following Continuum of Care committees and workgroups, including:

- Allocations & Accountability Committee: Establishes an open, fair, and impartial process for the solicitation of projects and project selection for funding.
- Systems of Care (SoC) Committee: Serves as the Continuum of Care interagency team to identify and eradicate barriers that prevent or limit access to housing and services in the community.
- Data Team: Provides monitoring and routine support for all aspects of the Homeless Management Information System (HMIS).
- Coordinated Entry Workgroups: Carries out HUD mandated coordinated entry processes, and includes the following committees:
 - Community Housing Matching Process (CHaMPs) Committee is the Coordinated Entry meeting for Kalamazoo County where partner agencies come together to manage resources and services for those experiencing homelessness.
 - MI-507 By-Name List team meetings is a place to review cases of youth, family, chronically homeless, and veterans.
- Eviction Diversion Committee: Works to establish relationships with service providers, landlords, the 8th District Court, and the Michigan Department of Health and Human Services to help reach an optimal outcome for tenants.
- Shelter Committee: A Collaboration between shelter providers and outreach organizations to be responsive to the needs of sheltered and unsheltered populations.

- Outreach Coordination Workgroup: An interagency collaboration of providers that conduct street outreach services to a specific subset of the HUD Category 1 homeless. Members employ a coordination care model approach to address the needs of households in a case conference setting. Together, members develop strategies to address household needs while identifying dignified living settings. The committee utilizes a by name list to track and manage household needs and progress. The group convenes on a weekly basis.

Semi-annually, the Continuum of Care holds a community-wide meeting at the city. In-person meetings were placed on hold during the COVID-19 pandemic, but virtual meetings were held. There is an intent to return to in-person meetings in 2022. Notice of the meetings are provided through a variety of venues including email distribution lists, announcement at Continuum of Care committee meetings, and postings on the Continuum of Care website. Email lists are inclusive of a broad range of community partners, formerly homeless, and non-member partners.

Describe Coordination with the Continuum of Care and Efforts to Address the Needs of Homeless Persons and Persons at Risk of Homelessness

The Continuum of Care has a 10-year plan to end chronic homelessness and yearly action plans that assist with strategic decision-making regarding program outcomes. The policy for Prioritization of Permanent Housing Beds addresses how permanent housing beds are prioritized to serve the chronically homeless and other homeless populations. The Continuum of Care Coordinated Entry System utilizes three tools for the purposes of prioritizing individuals and families for housing services. These tools are:

1. Vulnerability Index-Service Prioritization Decision Assistance Tool (VI-SPDAT), which is used for single adults and households without children under the age of 18.
2. Family Vulnerability Index-Service Prioritization Decision Assistance Tool (VI-F-SPDAT), which is used for households with at least one adult and one child under 18 years of age.
3. Transition-Age Youth Vulnerability Index-Service Prioritization Decision Assistance Tool (TAY-VI-SPDAT), which is used for youth aged 24 years and younger.

The Michigan Coalition to End Domestic and Sexual Violence is working to determine the effectiveness of the VI-SPDAT tool. In addition to compiling existing research and best practices, the Coalition intends to host focus groups with direct service providers to collect relevant and honest feedback. The goal of the project is to provide meaningful guidance for the development and selection of a new screening tool to meet the needs of all those who seek housing.

Consultation with the Continuum of Care on Allocation of ESG Funds

The Kalamazoo County Continuum of Care was instrumental in the development of the City of Kalamazoo's 2019-2023 Consolidated Plan. The priorities of the 10-Year Plan to End Homelessness called "Open Doors," which is a comprehensive community-wide homelessness planning and implementation strategy, was integral to the goals and priority needs of the Consolidated Plan. The Emergency Solutions Grant (ESG) program, established by the Homeless Emergency Assistance and Rapid Transition to Housing

Act of 2009 (which amended the McKinney-Vento Homeless Assistance Act) is one funding source to help implement these strategies. While the city no longer receives ESG funding, the Michigan State Housing Development Authority (MSHDA) provides their ESG funding to the Continuum of Care. Their funds are distributed through a single application process to local service providers to have the most coordinated impact on ending homelessness.

The city consults with the Continuum of Care in a number of ways, most significantly a member of city administration is appointed to a permanent seat on the Continuum of Care's governing body. In addition, city staff sits on the Continuum of Care's Allocations and Accountability Team. This enables the city to be an integral part of the development of strategies and goals of the Continuum of Care. It also allows staff to directly interact with agencies that work to end homelessness.

As a member of the governing body and important committees, the city assists in determining how ESG funds will be allocated. Staff is involved in developing the performance standards to evaluate outcomes of projects and activities assisted by ESG funds, as well as the policies and procedures for the operation and administration of HMIS. These procedures include a performance tracking system to help subrecipients meet their monthly, bi-annual, and yearly goals and the submission of quarterly HMIS reports and data to be reviewed by the Allocations and Accountability and Data teams.

All agencies serving or intending to serve Kalamazoo County residents experiencing homelessness or those at risk of becoming homeless and are eligible according to the Notice of Funding Availability (NOFA) and the grantor's defined rules, are encouraged to apply for funding. The ESG NOFA is distributed by email to more than 100 community partners and is posted in the local newspaper and on the Continuum of Care website. For an agency to be selected for funding, they must be able to illustrate that their organization:

- Participates in the coordinated entry process that includes all subpopulations: (1) adults without children, (2) adults accompanied by children, (3) unaccompanied youth, or (4) households fleeing domestic violence.
- Ensures priority of people with the greatest needs.
- Has a coordinated entry process that does not screen people out for assistance because of perceived barriers to housing or services.
- Has a "Housing First" orientation and approach. People are housed quickly without preconditions or service participation requirements.
- Utilizes rapid re-housing to help families resolve their immediate crises, find and secure housing, and connect to services if/when appropriate. This is a crisis-related, lighter-touch (typically six months or less) approach.
- Employs a "Navigator" who will work to eliminate barriers to housing services by participating in the Systems of Care Team.

In addition, the organization must collect and enter data through Service Point and participate in the community wide data sharing agreement, commonly referred to as the coordinated services agreement,

to allow sharing within HMIS. This agreement outlines the appropriate use of the data collected on individuals seeking assistance.

List of Housing, Social Service, and Other Organizations the City Consults

The strategy of the City of Kalamazoo is to promote integrated approaches to community development that provide decent housing, a suitable living environment, and expand economic opportunities for low and moderate income persons. The primary means towards this end is the development of partnerships among all levels of government and the private sector, including for profit and nonprofit organizations. This is an ongoing process that generally begins with the development of the consolidated plan and is reinforced through the creation of the annual action plans.

The following table outlines the organizations the city consulted, some of which will be receiving funding within this program year:

Table 3: Consultation PY20200

Agency/Group/Organization	Agency/Group/Organization Types	Section of Plan addressed by Consultation
Community Homeworks	Housing	Housing Needs Assessment; Non-Homeless Special Needs; Market Analysis; Lead-Based Paint
Fair Housing Center of Southwest Michigan	Services – Fair Housing	Housing Needs Assessment; Anti-Poverty Strategy
Kalamazoo County Continuum of Care		Housing Need Assessment; Lead-based Paint Strategy; Homelessness Strategy; Homeless Needs - Chronically Homeless; Homeless Needs - Families with Children; Homelessness Needs - Veterans; Anti-Poverty Strategy
Kalamazoo Neighborhood Housing Services	Housing	Housing Need Assessment; Lead-based Paint Strategy; Non-Homeless Special Needs; Economic Development; Market Analysis; Anti-poverty Strategy
Odyssey Community Improvement L3C	Housing	Housing Needs Assessment
Milestone Senior Services	Services – Elderly Persons	Non-Homeless Special Needs
Briefly describe how the Agencies/Groups/Organizations were consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?		

Agency/Group/Organization	Agency/Group/Organization Types	Section of Plan addressed by Consultation
The City has ongoing consultation with these organization as they are regularly funded through either the CDBG or HOME grants. Program interaction occurs during the application process and throughout the program year as individual projects are completed. Monthly reporting occurs to assist with project coordination and to understand needed staff support, capacity building, or other desired services.		

The next table outlines the organizations the city consistently works with to support direct neighborhood growth and development:

Table 4: Neighborhood Consultation

Agency/Group/Organization	Agency/Group/Organization Types	Section of Plan addressed by Consultation
Edison Neighborhood Association	Planning Organization Neighborhood Organization	Housing Needs Assessment Homelessness Strategy Non-Homeless Special Needs Economic Development Anti-Poverty Strategy
Kalamazoo Eastside Neighborhood Association		
Northside Association for Community Development		
Oakwood Neighborhood Association		
Stuart Neighborhood Association		
Vine Neighborhood Association		
Briefly describe how the Agencies/Groups/Organizations were consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?		
The neighborhood associations working within the CDBG-eligible census tracts of the city function in multiple roles and provide a variety of services to their residents. Consultation on neighborhood public infrastructure, public safety, housing, and other development needs is ongoing. A resident from each neighborhood sits on the Community Development Act Advisory Committee to provide insight into their neighborhood’s needs, as well as allowing each neighborhood organizations to weigh in on each annual action plan.		

The final table outlines additional community agencies, groups, and organizations that the city consulted either during the development of the 2019-2023 Consolidated Plan or this Action Plan:

Table 5: Consolidated Plan Consultation

Agency/Group/Organization	Agency/Group/Organization Types	Section of Plan addressed by Consultation
Bronson Hospital	Housing; Services - Homeless	Homelessness Strategy; Homeless Needs - Chronically Homeless; Homeless Needs - Families with Children; Homelessness Needs - Veterans; Homelessness Needs - Unaccompanied Youth;

Agency/Group/Organization	Agency/Group/Organization Types	Section of Plan addressed by Consultation
Building Blocks	Housing; Neighborhood Organization	Housing Need Assessment; Lead-based Paint Strategy; Homelessness Strategy; Non-Homeless Special Needs; Anti-poverty Strategy
CARES	Services - Persons with Disabilities	Housing Needs Assessment; Market Analysis; Homelessness Strategy; Anti-poverty Strategy
CDAAC	Civic Leaders	Housing Need Assessment; Homelessness Strategy; Homeless Needs - Chronically homeless; Homeless Needs - Families with Children; Homelessness Needs - Non-Homeless Special Needs; Anti-poverty Strategy
Disability Network of SW MI	Services - Persons with Disabilities	Housing Needs Assessment; Non-Homeless Special Needs
El Concilio	Services - Housing; Services - Children; Services - Health; Services - Education; Services - Employment; Services - Fair Housing	Housing Need Assessment; Non-Homeless Special Needs; Economic Development; Market Analysis; Anti-Poverty Strategy
GFM The Synergy Center	Services - Youth	Families with Children; Homelessness Needs - Unaccompanied youth; Non-Homeless Special Needs; Market Analysis; Anti-poverty Strategy
Gospel Mission	Housing; Services - Housing; Services - Homeless	Housing Needs Assessment; Homeless Needs; Homeless Strategy; Market Analysis; Anti-Poverty Strategy
Housing Resources Inc.	Housing; Services - Housing; Services - Homeless	Housing Need Assessment; Lead-based Paint Strategy; Homelessness Strategy; Homeless Needs - Chronically Homeless; Homeless Needs - Families with Children; Homelessness Needs - Veterans; Market Analysis; Anti-poverty Strategy
ISAAC	Civic Leaders	Housing Needs Assessment; Homeless Needs; Homeless Strategy; Market Analysis; Anti-Poverty Strategy
Kalamazoo Valley Habitat for Humanity	Housing; Services - Housing	Housing Need Assessment; Lead-based Paint Strategy; Economic Development; Market Analysis

Agency/Group/Organization	Agency/Group/Organization Types	Section of Plan addressed by Consultation
Kalamazoo Gospel Mission	Services - Homeless	Housing Need Assessment; Homelessness Strategy; Homeless Needs - Chronically Homeless; Homeless Needs - Families with Children; Homelessness Needs - Veterans; Homelessness Needs - Unaccompanied Youth; Anti-poverty Strategy
Local Initiative Support Corporation	Housing; Services - Homeless	Housing Need Assessment; Homelessness Strategy; Homeless Needs - Chronically Homeless; Homeless Needs - Families with Children; Homelessness Needs - Veterans; Homelessness Needs - Unaccompanied Youth; Non-Homeless Special Needs; Economic Development; Market Analysis; Anti-poverty Strategy
Ministry With Communities	Services - Homeless	Housing Need Assessment; Lead-based Paint Strategy; Homelessness Strategy; Homeless Needs - Families with Children; Homelessness Needs - Veterans; Homelessness Needs - Unaccompanied Youth; Non-Homeless Special Needs; Market Analysis
Momentum	Services - Employment	Housing Needs Assessment; Market Analysis; Economic Development; Anti-Poverty Strategy
Urban Alliance, Inc.	Housing; Services - Housing	Housing Need Assessment; Lead-based Paint Strategy; Economic Development; Market Analysis
Briefly describe how the Agencies/Groups/Organizations were consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?		
Consultation with these organizations is more sporadic but is important to the development of the priority needs in the Consolidated Plan. To support ongoing consultation and coordination, these organizations are encouraged to attend any community development meetings related to federal funding.		

Identify any Agency Types not Consulted and Rationale for not Consulting:

The city did not intentionally limit consultation as part of this annual Action Plan.

Other Planning Efforts Considered when Preparing the Plan.

As previously stated, the Kalamazoo County Continuum of Care has a 10-year plan to end homelessness called "Open Doors." This was a collaborative planning effort that included the City of Kalamazoo.

Therefore, the goals and priorities of that plan related to ending homelessness have been incorporated into the 2019-2023 Consolidated Plan and therefore, this annual Action Plan.

Citizen Participation

Summary of Citizen Participation Process (DRAFT until process is complete)

The City of Kalamazoo followed its published Citizen Participation Plan in carrying out the process used to develop this PY2022 Action Plan. The City Commission opened a 30-day comment period to gather input from the community at-large. The draft Action Plan was made available on the city's website and at the Community Planning and Economic Development office throughout the comment period, which ran from March 14, 2022 through April 12, 2022. After the comment period, a public hearing was held by the Community Development Act Advisory Committee, which occurred on April 28, 2022, and then by the City Commission on May 2, 2022. The notices of the public comment period and public hearings were posted in the local newspaper and on the city's webpage. In addition, the dates are emailed to all the applicants who submitted a request for funding for the 2022 program year. At the conclusion of the public process, the approved Action Plan is made available on the city's website.

Each year's action plan process, as well as the ongoing monitoring of activities, is used as an opportunity to reach out to the city's nonprofit partners to understand changing needs. This less formal interaction combined with the more formal public hearings of the Action Plan helps to ensure the ongoing implementation of the goals of the 2019-2023 Consolidated Plan. The actions the city will carry out or support through implementation of the PY2022 Action Plan are a direct result of these discussions, and of the ideas and testimony the city received through its more formal public processes.

The public process to understand the needs of the community began during the development of the city's Imagine Kalamazoo Master Plan and Strategic Plan. The extensive public outreach that was accomplished for Imagine Kalamazoo was combined with the public process of the 2019-2023 Consolidated Plan. This allowed better coordination of the goals and priorities of both plans. Outreach for the Consolidated Plan included a community-based needs survey; meetings with the CDBG-eligible neighborhoods, community stakeholders, city partners, and non-profit organizations; and formal public hearings. The priorities outlined in the Consolidated Plan were based on the feedback received during this public process, as well as the evaluation of housing, homeless, special needs population, and other relevant community development data. Finally, additional engagement occurred through an Innovation Grant from the Government Alliance on Race and Equity from the Michigan Department of Civil Rights. Outreach was conducted to better understand the housing experiences of Kalamazoo residents, especially the experiences of residents of color.

Summary of Public Comments

To be determined.

Summary of Comments or Views not Accepted

To be determined.

Expected Resources

Introduction

The expected federal financial resources for this annual Action Plan are from the CDBG and HOME programs. The city anticipates approximately \$1,630,299 in CDBG and \$519,182 in HOME federal entitlement grants. The city and its subrecipients will also utilize approximately \$30,900 in anticipated program income in PY2022. Finally, there are unallocated or reprogrammed CDBG dollars from previous program years that will be assigned to projects in PY2022 in the amount of \$620,190. The complete available budget for PY2022 totals \$2,800,571.

The Community Development Division will also report on other local, state, and federal resources expected to be used in ways consistent with the Consolidated Plan. This could include resources from other organizations, local nonprofits, and other agencies which address the housing and community development needs of the city and its residents.

PY2022 Budget

The table below outlines the complete budget for the federal resources planned in PY2022. The organization, activity, and funding are outlined to clearly describe how federal dollars will be utilized to assist low and moderate income households.

Table 6: PY2022 Action Plan Budget- Sources and Uses

Organization	Activity Name	Funding Award
CDBG Entitlement Funds		
CDBG Administration¹		
City Community Development Division	CDBG Administration	\$326,000
CDBG Administration Total:		\$326,000
CDBG Public Service²		
Fair Housing Center of Southwest Michigan	Fair Housing Services – Outreach and Education	\$20,000
City Parks and Recreation Department	After School Youth Programs	\$15,000
City of Kalamazoo Public Safety	Crime Awareness and Prevention	\$180,000
CDBG Public Service Total:		\$215,000
CDBG All Other		
Community Homeworks	Emergency Home Repair Program	\$125,000
Kalamazoo Neighborhood Housing Services	Homebuyer Down Payment Assistance	\$110,000
Kalamazoo Neighborhood Housing Services	Homeowner Roof Replacement Program	\$159,759
Milestone Senior Services	Home Repair for the Elderly	\$150,000
City Housing Inspection / Code Team	Code Enforcement	\$400,000
City Housing Inspection / Code Team	Demolition	\$50,000

Organization	Activity Name	Funding Award
City Community Development Division	Lead Based Paint Hazard Control Program	\$94,540
CDBG All Other Total:		\$1,101,799
CDBG ENTITLEMENT:		\$1,630,299
CDBG Reprogrammed or Unallocated Funds		
Kalamazoo Neighborhood Housing Services	Homeowner Roof Replacement Program	\$40,241
Community Homeworks	Emergency Home Repair	\$125,000
City Community Development Division	Property Acquisition for Affordable Housing	\$127,475
City Community Development Division	Neighborhood Enhancement: Public Infrastructure Revitalization Project	\$327,474
Total CDBG Reprogrammed Funds:		\$620,190
CDBG Program Income		
City CPED	Small Business Revolving Loan	\$5,000
City CPED	HODAG Payment – Forest Hills	\$7,900
Kalamazoo Neighborhood Housing Services	Deferred Maintenance	\$18,000
CDBG Program Income Total:		\$30,900
CDBG TOTAL:		\$2,281,389
HOME Funds		
City Community Development Division	HOME Administration ³	\$51,918
Kalamazoo Neighborhood Housing Services ⁴	Kalamazoo Attainable Homes Partnership: Homeownership New Construction	\$250,000
Odyssey Community Improvement L3c	Rental Rehabilitation	\$71,000
Affordable Housing Program	Affordable Housing Program: Unallocated Funds	\$146,264
HOME TOTAL:		\$519,182
ALL PROGRAMS TOTAL:		\$2,800,571

¹CDBG planning and administrative services are subject to a 20 percent cap.

²Public Service activities are subject to a 15 percent cap.

³HOME administration is subject to a 10 percent cap.

⁴CHDO funds will be applied to KNHS.

As outlined in the table, \$620,190 in CDBG funds from unallocated or reprogrammed dollars will be utilized in PY2022. Community Development Division staff completed an audit of CDBG funds available to the City from 2015 to 2021. In doing this, projects were able to be closed which resulted in dollars returning to the unexpended pot of funds. In addition, staff found that in some previous program years not all the CDBG entitlement grant was allocated to projects.

This additional money allowed the Community Development Act Advisory Committee to fully fund the applications that were submitted for PY2022. It has also allowed the city to provide dollars to a CDBG-eligible neighborhood improvement project and support acquisition of properties for the development of affordable housing. Finally, \$125,000 of these unobligated funds were allocated to Community Homeworks to assist the city with the code enforcement repair program. HUD has indicated the importance of providing a program that assists individuals who receive code enforcement citations from the Housing Inspection / Code Enforcement Team. Most of the citations relate to home repairs that could be accomplished under Community Homeworks Emergency Repair Program. They have the capacity and experience to manage repairs of this type, so additional funds were allocated to their program.

Additional Funds and Required Match Dollars

To maximize our federal funding, additional resources are leveraged by the city, our subrecipients, and project partners to address the priority needs established in the Consolidated Plan. These leveraged funds come from sources such as the Michigan State Housing Development Authority; foundations like the Foundation for Excellence or Kalamazoo Community Foundation; or other private sources.

In PY2022, the city will continue to utilize federal dollars received through the Coronavirus Aid, Relief, and Economic Security Act (CARES) and the American Rescue Plan Act (ARPA). The 2020 CDBG-CV funds provided through CARES awarded \$1,441,519 to the city, which was allocated to homeless prevention, small business grants, senior support services, and rehabilitation of property. These dollars are actively being utilized by city partners. Additional HOME funding in the amount of \$1,881,648 was provided through ARPA, which will be used for the development of affordable housing for qualified populations. These populations include the homeless, those at risk of becoming homeless through housing instability, persons fleeing domestic violence, and veterans. The city also received a grant from the Office of Lead Hazard Control and Healthy Homes to assist with lead-based paint remediation in owner-occupied housing. A total of \$1,994,122 was provided in 2018, which will continue to be spent through the current contract agreement date of November 2022.

In addition to federal resources, the Foundation for Excellence supports the City of Kalamazoo with many of its efforts to improve the lives of local residents. The Foundation funds youth programming, parks, infrastructure, career development, transportation, economic and business support, and housing. The Community Development team will utilize this funding to support affordable housing programs, such as homeowner critical and code repair, senior homeowner repairs, homeowner lease/purchase, and new construction. In PY2022, a total of \$1,971,500 will be leveraged with CDBG and HOME dollars for these affordable housing projects.

The city will also leverage its general fund dollars with CDBG funds for public infrastructure projects in the CDBG-eligible neighborhoods, as well as supporting crime awareness, youth programming, and code enforcement. Subrecipients of the city will leverage funding they receive through the state, as well as other private funding to expand their scope of assistance. Finally, many of the multi-unit affordable housing projects further leverage dollars through low-income housing tax credits administered by the state and payment in lieu of taxes through the city.

Many of the sources of leveraged dollars noted above can also be utilized as required match funding for the federal resources. Match requirements for the HOME program are often achieved through the

donation of property, labor and materials, as well as payments in lieu of taxes for affordable housing developments in the city. Acceptable sources of HOME match dollars are:

- Local or state general revenues
- Housing trust funds
- Foundations and donations
- Program income from HODAG, RRP or UDAG only after grant closeout
- Value of waived taxes, fees, or charges
- Appraisal value of land or real property not acquired with federal funds
- Difference between appraised value and acquisition cost if property is acquired with federal funds
- Interest rate loans to the project
- The cost of investments, not made with federal resources, for in-, on- and off-site infrastructure that is directly required for the affordable housing assisted with HOME funds
- Federal Home Loan Bank grants
- Value of donated material or labor
- Direct cost of supportive services that facilitate independent living or as part of a self-sufficiency program
- Direct cost of homebuyer counseling for families that complete a HOME assisted purchase

Expected Resources and Priorities

The table below consolidates the information provided in this section of the Action Plan into a concise review of funding sources, priorities for those sources, and expected allocations:

Table 7: Expected Resources - Priority Table

Source of Funds	Source	Use of Funds	Expected Amount	Expected remainder of Consolidated Plan
CDBG	Public - Federal	• Acquisition • Admin and Planning • Economic Development • Housing • Public Improvements • Public Services	Annual Allocation: \$1,630,299 Program Income: \$30,900 Prior Year Resources: \$620,190 Total: \$2,800,571	\$1,630,299
Narrative: CDBG funds will be leveraged with other federal grants, city general fund, and Foundation for Excellence dollars to support housing rehabilitation projects, public infrastructure investment, youth programming, and other city services. In addition, other state, federal, and local private funds will be leveraged by city subrecipients for housing and public service activities.				

Source of Funds	Source	Use of Funds	Expected Amount	Expected remainder of Consolidated Plan
HOME	Public - Federal	• Acquisition • Administration • Homebuyer Assistance • Homeowner Rehabilitation • Multifamily Rental New Construction • Multifamily Rental Rehabilitation • New Construction for Homeownership • Tenant Based Rental Assistance	Annual Allocation: \$519,182 Program Income: \$0 Prior Year Resources: \$0 Total: \$519,182	\$519,182
Narrative: HOME funds will be leveraged with additional HOME - ARPA funds and potential low-income housing tax credits, Foundation for Excellence dollars, as well as potential payment in lieu of taxes from the city depending on how the funding for the project is structured.				
Other Sources:				
2020 CDBG-CV	Public - Federal	Response to Coronavirus: • Acquisition • Economic Development • Public Services – Seniors • Rapid Re-Housing (Rental Assistance)	Prior Year Resource: \$1,441,519	\$0
2020 HOME - ARPA	Public - Federal	Response to Coronavirus:	Prior Year Resource: \$1,881,648	\$0
2018 Lead Hazard Control Grant	Public - Federal	Homeowner Rehabilitation	Prior Year Resource: \$1,994,122	\$0
Foundation for Excellence	Local	Affordable Housing: • Homeowner Critical and Code Repair • Senior Homeowner Repair • Homeowner Lease/Purchase • Clear and Clouded Title Repair • Tax Foreclosure Prevention • New Construction	Current Year Resource: \$1,971,500	Unknown
Narrative: These funds help leverage the CDBG and HOME grants received from HUD to increase performance outcomes of the federal dollars.				

Annual Goals and Objectives

Each annual Action Plan is intended to work towards the goals and accomplishments established in the 2019-2023 Consolidated Plan. Below is a review of the four goals, the needs that will be addressed this program year, and expected outcomes.

Table 8: Annual Goals

Goal:	Affordable Housing	
HUD Category:	Affordable Housing	
	Non-Housing Community Development	
Geographic Area:	CDBG-eligible census tracts	
	City-wide low-income households	
Priority Needs Addressed:	Rehabilitation of existing units	
	Acquisition of existing units	
	Production of new units	
	Down payment assistance	
	Administration of programs	
Funding:	CDBG - \$1,007,522	
	HOME - \$467,264	
Consolidated Plan Year:	2019-2023	
Annual Action Plan Year:	2022	
Outcome:	Affordability	
Objective:	Provide decent affordable housing	
Goal Outcome Indicator	Quantity	Units of Measure
Acquisition	10	Household housing unit
Rental units rehabilitated	2	Household housing unit
Homeowner housing added	6	Household housing unit
Homeowner housing rehabilitated	112	Household housing unit
Direct financial assistance to homebuyers	8	Households assisted
Narrative: The development and availability of affordable housing for low and moderate income individuals and families are a primary focus of the City of Kalamazoo. The majority of the city's CDBG and HOME funding supports affordable housing activities.		

Goal:	Neighborhood Enhancement	
HUD Category:	Non-Housing Community Development	
Geographic Area:	CDBG-eligible census tracts	
Priority Needs Addressed:	Public improvements / infrastructure	
	Public services	
	Economic development	
	Neighborhood improvements	
Funding:	CDBG - \$600,000	
Consolidated Plan Year:	2019-2023	
Annual Action Plan Year:	2022	
Outcome:	Sustainability	
Objective:	Creating suitable living environments	
Goal Outcome Indicator	Quantity	Units of Measure
Public facility or infrastructure activities	1	Household housing unit
Public service activities other than housing benefit	Persons in CDBG-eligible Census tracts	Persons assisted
Buildings demolished	3	Buildings
Housing code enforcement	1,000	Households housing units
Narrative: CDBG funds will be utilized within the city's core neighborhoods to support public service activities and removal of blighted properties. In addition, CDBG funds from previous program years will be spent in PY2022 on bricks and mortar projects that will enhance a specific neighborhood.		
Goal:	Youth Development	
HUD Category:	Non-Housing Community Development	
Geographic Area:	CDBG-eligible census tracts	
	City-wide low-income households	
Priority Needs Addressed:	Public services	
Funding:	CDBG - \$15,000	
Consolidated Plan Year:	2019-2023	
Annual Action Plan Year:	2022	
Outcome:	Availability/Accessibility	
Objective:	Create a suitable living environment	

Goal Outcome Indicator	Quantity	Units of Measure
Public service activity other than housing benefit	30	Persons assisted
Narrative: CDBG funds will be used for staffing and supplies of the after-school program managed by the city's Parks and Recreation Department.		
Goal:	Homeless Assistance	
HUD Category:	Homeless	
	Affordable Housing	
	Non-Homeless Special Needs	
Geographic Area:	City-wide	
Priority Needs Addressed:	Homeless outreach	
	Administration of programs	
Funding:	HOME – ARPA - \$1,881,648	
Consolidated Plan Year:	2019-2023	
Annual Action Plan Year:	2022	
Outcome:	Availability/Accessibility	
Objective:	Create suitable living environments	
Goal Outcome Indicator	Quantity	Units of Measure
Homeless prevention	17	Persons assisted
Narrative: No PY2022 dollars have been allocated to this goal. However, the city intends to utilize the available HOME - ARPA funds to develop between 17 and 22 new housing units that will be specifically designated to the homeless population. In addition, while the city no longer receives Emergency Solution Grant funds directly from HUD, the Michigan State Housing Development Authority funds provide a benefit to the city through the Kalamazoo County Continuum of Care.		

PY2022 Projects

Introduction

To support the goals, objectives and priority needs of the 2019-2023 Consolidated Plan, the city utilizes internal departments, nonprofit partners, and for-profit housing providers to implement services and activities. As previously stated, an emphasis is placed on the development or preservation of affordable housing in the city. The following projects will be funded in PY2022 through the CDBG and HOME programs:

Table 9: PY2022 Projects

Number	Organization	Activity
1	City Community Development Division	CDBG Administration
2	Fair Housing Center of Southwest MI	Fair Housing Services – Outreach and Education
3	City Parks and Recreation	After School Youth Programs
4	City Public Safety	Crime Awareness and Prevention
5	Community Homeworks	Emergency Home Repair
6	Kalamazoo Neighborhood Housing Services	Homebuyer Down Payment Assistance
7	Kalamazoo Neighborhood Housing Services	Homeowner Roof Replacement Program
8	Milestone Senior Services	Home Repair for the Elderly
9	City Housing Inspection / Code Team	Code Enforcement
10	City Housing Inspection / Code Team	Demolition
11	City Community Development Division	Lead Based Paint Hazard Control Program
12	City Community Development Division	Property Acquisition for Affordable Housing
13	City Community Development Division	Neighborhood Enhancement: Public Infrastructure Revitalization Project
14	City Community Development Division	HOME Administration
15	Kalamazoo Neighborhood Housing Services	Kalamazoo Attainable Homes Partnership Program: Homeownership New Construction
16	Odyssey Community Improvement L3c	Rental Rehabilitation
17	City Community Development Division	Affordable Housing Program

Each individual project and their performance outcomes are outlined below:

1	Project Name	CDBG Administration
	Project Description	The Community Development Division will manage the CDBG grant.
	Funding	CDBG - \$326,000
	Consolidated Plan Annual Goals Supported	Affordable Housing Homeless Assistance Neighborhood Enhancement Youth Development
	Target Areas	City-wide low-income households
	Target Date of Completion	06/30/2023
	Location Description	245 North Rose Street, Suite 100, Kalamazoo, MI 49007
	HUD Priority Needs Addressed	Administration of Programs

	Planned Activities	The Community Development Division will utilize available entitlement funding under the 20 percent administration cap for the management, monitoring, and coordination of subrecipients.
	Performance Outcomes	15 activities will be managed in PY2022, as well as any ongoing activities from previous program years.
2	Project Name	Fair Housing Services – Outreach and Education
	Project Description	The Fair Housing Center of Southwest Michigan will aid the city through activities that support the 2021 Assessment of Fair Housing Plan.
	Funding	CDBG - \$20,000
	Consolidated Plan Annual Goals Supported	Affordable Housing
	Target Areas	CDBG-eligible Census tracts, with specific emphasis on 1.00 (Eastside), 2.02 and 3.00 (Northside), 5.00 (Douglas/Stuart), 6.00 (Vine), 9.00 and 10.00 (Edison), and 11.00 (Edison/Southside)
	Target Date of Completion	06/30/2023
	Location Description	405 West Michigan Avenue, Suite 6, Kalamazoo, MI 49007
	HUD Priority Needs Addressed	Public Services
	Planned Activities	Outreach and training opportunities will be conducted within the CDBG-eligible Census tract on fair housing issues to inform residents and housing providers on fair housing rules and requirements.
	Performance Outcomes	Two training sessions per neighborhood.
3	Project Name	After School Youth Programs
	Project Description	After School Programs provide a place for youth to complete their homework, reading, or other schoolwork following the school day.
	Funding	CDBG - \$15,000
	Consolidated Plan Annual Goals Supported	Youth Development
	Target Areas	City-wide, with specific emphasis on CDBG-eligible Census tracts 1.00 (Eastside), 2.02 and 3.00 (Northside), 5.00 (Douglas/Stuart), 6.00 (Vine), 9.00 and 10.00 (Edison), and 11.00 (Edison/Southside)
	Target Date of Completion	06/30/2023

	Location Description	230 East Crosstown Parkway, Kalamazoo, MI 49001
	HUD Priority Needs Addressed	Public Services
	Planned Activities	Children will receive tutoring assistance and then educational games, computers, and more activities are available once schoolwork is completed.
	Performance Outcomes	A minimum of 30 children will be supported.
4	Project Name	Crime Awareness and Prevention
	Project Description	The City of Kalamazoo Public Safety Department will use CDBG funds to support two public safety officers for crime awareness and prevention activities in the CDBG-eligible neighborhoods.
	Funding	CDBG - \$180,000
	Consolidated Plan Annual Goals Supported	Neighborhood Enhancement
	Target Areas	CDBG-eligible Census tracts, with specific emphasis on 1.00 (Eastside), 2.02 and 3.00 (Northside), 5.00 (Douglas/Stuart), 6.00 (Vine), 9.00 and 10.00 (Edison), and 11.00 (Edison/Southside)
	Target Date of Completion	06/30/2023
	Location Description	150 East Crosstown Parkway, Suite A, Kalamazoo, MI 49001
	HUD Priority Needs Addressed	Public Services
	Planned Activities	The KDPS Community Policing Special Unit is intended to partner with the neighborhood associations to identify crime trends that negatively impact the quality of life within the CDBG-eligible neighborhoods, particularly Eastside, Edison, Northside, and Vine. The Community Police Officers will maintain close relationships with neighborhood directors and associations to stay apprised of problems, "hot-spots," and priorities of the neighborhoods. This will enable them to discuss prevention strategies and to develop a comprehensive prevention approach in a timely manner. The partnership between Public Safety and the citizens of the CDBG-eligible neighborhoods will assist in solving problems creatively to prevent crime.
	Performance Outcomes	The Officers will attend monthly neighborhood association meetings and neighborhood watch meetings. They will give presentations within the neighborhoods on an array of topics, mostly geared toward crime prevention and personal safety awareness.
5	Project Name	Emergency Home Repair
	Project Description	Community Homeworks will provide emergency and other needed repairs to single-family owner-occupied homes, as well as assist the city with repairs due to code violations.

	Funding	CDBG - \$220,000
	Consolidated Plan Annual Goals Supported	Affordable Housing
	Target Areas	City wide with special emphasis in CDBG-eligible Census tracts 1.00 (Eastside), 2.02 and 3.00 (Northside), 5.00 (Douglas/Stuart), 6.00 (Vine), 9.00 and 10.00 (Edison), and 11.00 (Edison/Southside)
	Target Date of Completion	06/30/2023
	Location Description	810 Bryant Street, Kalamazoo, MI 49001
	HUD Priority Needs Addressed	Rehabilitation of Existing Units
	Planned Activities	Provide minor, emergency, and code violation home repair to stabilize and improve the physical environment of the home to protect health and safety.
	Performance Outcomes	A total of 32 homes owned by low- to moderate-income families will be assisted.
6	Project Name	Homebuyer Down Payment Assistance
	Project Description	Kalamazoo Neighborhood Housing Services will provide down payment assistance to eligible homebuyers in the amount of \$10,000.
	Funding	CDBG - \$110,000
	Consolidated Plan Annual Goals Supported	Affordable Housing
	Target Areas	CDBG-eligible Census tracts 1.00 (Eastside), 2.02 and 3.00 (Northside), 5.00 (Douglas/Stuart), 6.00 (Vine), 9.00 and 10.00 (Edison), and 11.00 (Edison/Southside)
	Target Date of Completion	06/30/2023
	Location Description	1219 South Park Street, Kalamazoo, MI 49001
	HUD Priority Needs Addressed	Down Payment Assistance
	Planned Activities	Provide down payment assistance to income-eligible homebuyers that have completed the coaching provided by Kalamazoo Neighborhood Housing Services and plan to purchase a home in a CDBG-eligible Census tract.
	Performance Outcomes	A total of eight low- to moderate-income households will be assisted.

7	Project Name	Homeowner Roof Replacement Program
	Project Description	Kalamazoo Neighborhood Housing Services will repair or replace roofs for low-income owner-occupied households.
	Funding	CDBG - \$200,000
	Consolidated Plan Annual Goals Supported	Affordable Housing
	Target Areas	CDBG-eligible Census tracts 1.00 (Eastside), 2.02 and 3.00 (Northside), 5.00 (Douglas/Stuart), 6.00 (Vine), 9.00 and 10.00 (Edison), and 11.00 (Edison/Southside)
	Target Date of Completion	06/30/2023
	Location Description	1219 South Park Street, Kalamazoo, MI 49001
	HUD Priority Needs Addressed	Rehabilitation of Existing Units
	Planned Activities	Low-interest rate loans will be provided for roof repair or replacement costs.
	Performance Outcomes	A total of 15 low-income owner-occupied households will be assisted.
8	Project Name	Home Repair for the Elderly
	Project Description	Milestone Senior Services will provide critical and minor home repair for owner-occupied senior households. Repairs may resolve critical concerns or allow the senior to age in place.
	Funding	CDBG - \$150,000
	Consolidated Plan Annual Goals Supported	Affordable Housing
	Target Areas	City-wide, with an emphasis in the CDBG-eligible Census tracts 1.00 (Eastside), 2.02 and 3.00 (Northside), 5.00 (Douglas/Stuart), 6.00 (Vine), 9.00 and 10.00 (Edison), and 11.00 (Edison/Southside)
	Target Date of Completion	06/30/2023
	Location Description	918 Jasper Street, Kalamazoo, MI 49001
	HUD Priority Needs Addressed	Rehabilitation of Existing Units

	Planned Activities	Necessary repairs, such as structural, electrical, plumbing, and heating systems will be conducted to maintain the safety and security of the home. Barrier free renovations to ensure suitable living environment through improved/increased accessibility may be included.
	Performance Outcomes	A total of 50 low-income owner-occupied senior households will be assisted.
9	Project Name	Code Enforcement
	Project Description	The Housing Inspection and Code Enforcement team of the Community Planning and Economic Development Department will work in the CDBG-eligible Census tracts to reduce slum and blight.
	Funding	CDBG - \$400,000
	Consolidated Plan Annual Goals Supported	Neighborhood Enhancement
	Target Areas	CDBG-eligible Census tracts 1.00 (Eastside), 2.02 and 3.00 (Northside), 5.00 (Douglas/Stuart), 6.00 (Vine), 9.00 and 10.00 (Edison), and 11.00 (Edison/Southside)
	Target Date of Completion	06/30/2023
	Location Description	245 North Rose Street, Suite 100, Kalamazoo, MI 49007
	HUD Priority Needs Addressed	Neighborhood Improvement
	Planned Activities	The Housing Inspection and Code Enforcement team will contribute to the quality of housing and the aesthetics of neighborhoods through their enforcement efforts in the CDBG-eligible Census tracts. The team will manage the following types of activities: abandoned residential structures; secure and board structures open to casual entry; condemn structures; zoning violations; trash and weeds; issue graffiti violations, and general blight.
	Performance Outcomes	The program anticipates that it will issue 1,000 Housing Code violations affecting owner-occupied and rental housing units.
10	Project Name	Demolition
	Project Description	The Housing Inspection and Code Enforcement team will identify structures that are a detriment to public health and safety and then will follow the appropriate steps to have the dangerous buildings demolished.
	Funding	CDBG - \$50,000
	Consolidated Plan Annual Goals Supported	Neighborhood Enhancement

	Target Areas	CDBG-eligible Census tracts 1.00 (Eastside), 2.02 and 3.00 (Northside), 5.00 (Douglas/Stuart), 6.00 (Vine), 9.00 and 10.00 (Edison), and 11.00 (Edison/Southside)
	Target Date of Completion	06/30/2023
	Location Description	245 North Rose Street, Suite 100, Kalamazoo, MI 49007
	HUD Priority Needs Addressed	Neighborhood Improvement
	Planned Activities	The city's Housing Inspection and Code Enforcement team will identify and demolish dangerous buildings within the CDBG-eligible Census tracts.
	Performance Outcomes	Three buildings will be demolished.
11	Project Name	Lead-Based Paint Hazard Control
	Project Description	The Community Development Division will leverage CDBG funds with the Health Homes lead grant to remediate lead-based paint from owner-occupied homes owned by low-income families, with an emphasis on households with children under the age of six.
	Funding	CDBG - \$94,540
	Consolidated Plan Annual Goals Supported	Affordable Housing
	Target Areas	City-wide, with an emphasis in the CDBG-eligible Census tracts 1.00 (Eastside), 2.02 and 3.00 (Northside), 5.00 (Douglas/Stuart), 6.00 (Vine), 9.00 and 10.00 (Edison), and 11.00 (Edison/Southside)
	Target Date of Completion	06/30/2023
	Location Description	245 North Rose Street, Suite 100, Kalamazoo, MI 49007
	HUD Priority Needs Addressed	Rehabilitation of Existing Units
	Planned Activities	The City of Kalamazoo, in partnership with Kalamazoo Neighborhood Housing Services, Inc. and the Kalamazoo County Health Department, will use this match funding to mitigate and/or abate lead-based paint. A total of 72 homes are expected to be remediated over the life of the grant.
	Performance Outcomes	15 homes will receive lead-based paint remediation in PY2022.
12	Project Name	Property Acquisition for Affordable Housing
	Project Description	The Community Development Division will utilize CDBG reprogrammed funds to purchase available properties for the construction of new affordable housing units.

	Funding	CDBG - \$127,475
	Consolidated Plan Annual Goals Supported	Affordable Housing
	Target Areas	City-wide, with an emphasis in the CDBG-eligible Census tracts 1.00 (Eastside), 2.02 and 3.00 (Northside), 5.00 (Douglas/Stuart), 6.00 (Vine), 9.00 and 10.00 (Edison), and 11.00 (Edison/Southside)
	Target Date of Completion	06/30/2023
	Location Description	245 North Rose Street, Suite 100, Kalamazoo, MI 49007
	HUD Priority Needs Addressed	Production of New Units
	Planned Activities	Vacant and abandoned properties will be purchased to support development of new affordable housing units.
	Performance Outcomes	10 properties will be purchased for the development of new affordable homeowner housing units.
13	Project Name	Neighborhood Enhancement – Public Infrastructure Revitalization Project
	Project Description	The Community Development Division will work with Public Services and the CDBG-eligible neighborhood associations to provide a public infrastructure improvement that will be an area-wide benefit to the neighborhood.
	Funding	CDBG - \$327,474
	Consolidated Plan Annual Goals Supported	Neighborhood Enhancement
	Target Areas	CDBG-eligible Census tracts 1.00 (Eastside), 2.02 and 3.00 (Northside), 5.00 (Douglas/Stuart), 6.00 (Vine), 9.00 and 10.00 (Edison), and 11.00 (Edison/Southside)
	Target Date of Completion	06/30/2023
	Location Description	245 North Rose Street, Suite 100, Kalamazoo, MI 49007
	HUD Priority Needs Addressed	Neighborhood Improvements
	Planned Activities	The planned activity will be a public infrastructure improvement, but the specific activity is still to be determined.
	Performance Outcomes	An area-wide benefit will be provided to the residents of the neighborhood chosen.

14	Project Name	HOME Administration
	Project Description	The Community Development Division will manage the HOME grant.
	Funding	HOME - \$51,918
	Consolidated Plan Annual Goals Supported	Affordable Housing
	Target Areas	City-wide low-income households
	Target Date of Completion	06/30/2023
	Location Description	245 North Rose Street, Suite 100, Kalamazoo, MI 49007
	HUD Priority Needs Addressed	Administration of Programs
	Planned Activities	The Community Development Division will utilize available entitlement funding under the 10 percent administration cap for the management, monitoring, and coordination of subrecipients.
	Performance Outcomes	Three activities will be managed in PY2022, as well as any ongoing activities from previous program years.
15	Project Name	Kalamazoo Attainable Homes Partnership Program
	Project Description	Kalamazoo Neighborhood Housing Services will continue their partnership with the Home Builder's Association of West Michigan to develop new affordable housing in the city's core neighborhoods.
	Funding	HOME - \$250,000
	Consolidated Plan Annual Goals Supported	Affordable Housing
	Target Areas	CDBG-eligible Census tracts 1.00 (Eastside), 2.02 and 3.00 (Northside), 5.00 (Douglas/Stuart), 6.00 (Vine), 9.00 and 10.00 (Edison), and 11.00 (Edison/Southside)
	Target Date of Completion	06/30/2023
	Location Description	1219 South Park Street, Kalamazoo, MI 49001
	HUD Priority Needs Addressed	Production of New Units
	Planned Activities	HOME dollars will be utilized to subsidize the affordability gap between what an under 80 percent average median income household can afford and the value of the newly constructed home.
	Performance Outcomes	Three new homes will be constructed and sold to low-income households.

16	Project Name	Rental Rehabilitation
	Project Description	Odyssey Community Improvement L3C will utilize HOME funds to rehabilitate properties within the West Douglas Neighborhood for long-term affordability.
	Funding	HOME - \$71,000
	Consolidated Plan Annual Goals Supported	Affordable Housing
	Target Areas	CDBG-eligible Census tract 5.00 (Douglas/Stuart)
	Target Date of Completion	06/30/2023
	Location Description	2330 South Park Street, Kalamazoo, MI 49001
	HUD Priority Needs Addressed	Production of New Units
	Planned Activities	HOME funds will renovate one existing 947 square foot single-family dwelling and convert an existing 1,100 square foot accessory building into a single-family Accessory Dwelling Unit.
	Performance Outcomes	Two new rental homes will be rehabilitated for low-income households.
17	Project Name	Affordable Housing Program
	Project Description	The Community Development Division will work with local housing developers to identify potential projects that will provide new affordable housing units.
	Funding	HOME - \$146,264
	Consolidated Plan Annual Goals Supported	Affordable Housing
	Target Areas	City-wide, with an emphasis in the CDBG-eligible Census tracts 1.00 (Eastside), 2.02 and 3.00 (Northside), 5.00 (Douglas/Stuart), 6.00 (Vine), 9.00 and 10.00 (Edison), and 11.00 (Edison/Southside)
	Target Date of Completion	06/30/2023
	Location Description	245 North Rose Street, Suite 100, Kalamazoo, MI 49007
	HUD Priority Needs Addressed	Production of New Units
	Planned Activities	HOME funds will be held in reserve under the Affordable Housing Program to provide funding for potential affordable housing units.
	Performance Outcomes	Three to five new units.

Reasons for Allocation Priorities and Obstacles to Addressing Underserved Needs

There are several reasons for the allocation priorities of the PY2022 Action Plan. The first is a result of the extensive outreach that was conducted as part of the development of the 2019-2023 Consolidated Plan, as well as the public input from Imagine Kalamazoo 2025. This outreach was evaluated against the economic and demographic data collected for the Consolidated Plan; the realities the city must consider when determining priorities like yearly budgets, staff capacity, etc.; and the priorities of other funders in the community. Based on this evaluation, a set of priorities were established, and these priorities were vetted by the Community Development Act Advisory Committee and adopted by the City Commission as part of the 2019-2023 Consolidated Plan.

A new obstacle that has impacted the city and its subrecipients' ability to address the needs of the underserved is the rising cost of supplies and services due to the COVID-19 pandemic. Supply chain issues and labor shortages have impacted city nonprofit partners who work to serve the low to moderate income individuals and families in Kalamazoo. For example, typical costs of minor home repairs have increased by approximately 55 percent, which reduces the number of households that can be served.

The amount of affordable housing, particularly affordable supportive housing continues to be a concern in the city. According to the Consolidated Plan, approximately 4,612 households make 80 percent of the area medium income or less and have a housing cost burden greater than 50 percent of their income. As can be expected, extremely low-income households that make 30 percent or less of the area median income are most affected. A household of four has earnings of approximately \$15,156 (in 2022 dollars). The fair market rents for a two-bedroom apartment in Kalamazoo in 2022 is \$879. For a year, this equates to \$10,548, which is almost 70 percent of their household income.

The need for permanent affordable supportive housing continues to be a concern for persons experiencing homelessness and other special needs populations. The gap between the number of affordable units and those in need continues to be significant for the city and the region. The development of new affordable housing, particularly with supportive services, is a goal of the Continuum of Care. Partnerships with the City of Kalamazoo, local nonprofit housing providers, and Michigan State Housing Development Authority are needed to address the affordable housing shortage. The city will continue to invest in affordable housing through the CDBG and HOME grant programs, as well as the Foundation for Excellence.

Providing services, particularly housing, to the chronically homeless is an ongoing challenge in Kalamazoo. The small number of people with complex, unmet needs who experience homelessness are frequent users of shelters and emergency health care. They often have long histories of homelessness and untreated, or poorly managed, mental illnesses and addictions. Their recurrent stays in county or city jails, shelters, hospitals, etc., result in extraordinarily high costs in multiple public systems, but fail to improve the outcomes for the individuals. The Kalamazoo County Continuum of Care works to address these obstacles through their work groups, particularly the System of Care Team, to address the needs and barriers of the homeless population and those who may become homeless.

Geographic Distribution

Description of the Geographic Areas

The investment of HOME dollars will occur city-wide. As HOME is almost exclusively used for the development of new affordable housing, a city-wide approach allows affordable housing to be distributed more consistently throughout the community. This helps to prevent concentrations of poverty within one neighborhood. The City of Kalamazoo has chosen to focus CDBG funds where at least 51 percent of the residents are considered low and moderate income by HUD. These core neighborhoods and Census tracts are:

Table 10: CDBG Eligible Neighborhoods

Census Tract	Neighborhood
1.00	Eastside
2.01	Central Business District
2.02	Northside
3.00	Northside
5.00	Douglas/Stuart
6.00	Vine
9.00	Edison
10.00	Edison
11.00	Edison and Southside

The following table provides the percentage distribution of the location of projects that are being funded with PY2022 grant dollars. However, these percentages are somewhat skewed due to many of our subrecipient partners focusing their activities in the CDBG-eligible neighborhoods, even if the activity is allowed to be city-wide. For example, Community Homeworks assists low-income households regardless of their location in the city. But their policy is to focus their attentions to the core neighborhoods where the need is greatest.

Table 11: Geographic Distribution – Percentage of Funds in Target Area

Target Area	Percentage of Funds
City-wide low-income households	43.3%
CDBG-Eligible Census Tracts	56.7%

Rationale for Allocating Investments Geographically

There are several reasons for focusing CDBG funding within the Census tracts and neighborhoods noted in Table 10. Socioeconomic data shows large percentages of the population residing in these neighborhoods are considered low to moderate income by HUD, as seen in the table below:

Table 12: Percent Low to Moderate Income by Census Tract

Census Tract	Neighborhood	Percent Low to Moderate Income*
1.00	Eastside	82.68%
2.01	Central Business District	76.10%
2.02	Northside	75.48%
3.00	Northside	78.72%
5.00	Douglas/Stuart	69.19%
6.00	Vine	84.83%
9.00	Edison	82.51%
10.00	Edison	72.53%
11.00	Edison and Southside	61.04%

*Low to Moderate income Population by Tract, Department of Housing and Urban Development, HUD GIS

In addition to the higher concentrations of low to moderate income persons, these Census tracts also have a higher percentage of persons living in poverty. Approximately 28.4 percent of individuals residing in the City of Kalamazoo are living in poverty, according to the 2019 American Community Survey 5-Year Estimates. The average poverty rate for the tracts noted above is 30.87 percent. The Eastside, Douglas/Stuart, Northside, and Vine neighborhoods have the highest rates of poverty, with an average of 38.76 percent. According to the 2019 American Community Survey 5-Year Estimate, the average median household income within the CDBG-eligible Census tracts is \$31,492 compared with city-wide median household income of \$41,774. This calculates to \$34,632 and \$45,939 in 2022 dollars based on a 9.97 percent rate of inflation per the Bureau of Labor Statistics.

Finally, the core neighborhoods also have much older housing stock. Over 90 percent of the homes in Census tracts 2.02 (Northside), 6.00 (Vine), and 9.00 (Edison) were built before 1979, which raises the risk of lead-based paint. In addition, the 2019 American Community Survey 5-Year Estimate shows that approximately 55.6 percent of the homes found in all CDBG eligible census tracts were built prior to 1939. The advanced age of the housing stock indicates a need for continued maintenance, lead-based paint removal, weatherization, and energy efficiency upgrades.

Affordable Housing

Introduction

Since the approval of the 2019-2023 Consolidated Plan, housing costs continue to rise. The fair market rents posted by HUD for the Kalamazoo-Portage Metropolitan Statistical Area shows an increase of \$84 between 2019 and 2022 for a two-bedroom unit. To assist with the growth of new affordable housing, the city will utilize CDBG and HOME funds for the development of single-family housing for ownership, multi-family housing for rental, rehabilitation of existing units, and down payment assistance for first time homebuyers.

The following tables outline the Action Plan one-year goals for affordable housing utilizing PY2022 CDBG and HOME grants:

Table 13: Number of Households Supported

Population	Assisted
Homeless	17
Non-Homeless	88
Special Needs	50
Total:	155

Table 14: Affordable Housing by Type

Type of Support	Number of Units
Rental Assistance	0
Production of New Units	33
Rehabilitation of Existing Units	114
Acquisition of Existing Units	8
Total:	155

Discussion

While the city does not plan the use of CDBG or HOME entitlement funding specifically for the development of housing for the homeless, the HOME- ARPA grant will develop a minimum of 17 new housing units specifically for the homeless. In addition, the city will leverage the Foundation for Excellence dollars designated for the development of affordable housing to increase the number of new units. Approximately \$1.9 million will go towards the creation of new housing, rehabilitation and repair of affordable units, and a lease/purchase program.

Public Housing

The City of Kalamazoo does not own or manage any public housing. However, Kalamazoo County has a Public Housing Commission that helps residents gain access to affordable housing. The City of Kalamazoo will continue to be supportive of the Public Housing Commission's expansion of services, and views a partnership with the Commission as an important step in addressing the local issue of "fair share housing." Through this policy, affordable housing is available throughout the County, and not just concentrated within the City of Kalamazoo.

As the Kalamazoo County Public Housing Commission does not oversee any public housing facilities, the public housing agency is not designated as "troubled."

Homeless and Other Special Needs Activities

Introduction

The City of Kalamazoo has not received Emergency Solution Grant funds for several years. However, addressing homelessness and other special needs populations continues to be a goal of the Consolidated Plan. During the public outreach process, the city reconfirmed that homelessness is still a major issue the community faces. For this reason, the city continues to be active with the Kalamazoo County Continuum of Care who ensures coordinated efforts to help the homeless population. CDBG funds activities that benefit low-income persons for the prevention of homelessness, as well as addressing homeowners with special needs. In addition, the city will give priority funding to affordable housing projects that provide housing units to homeless persons or those of very low-income who may be in danger of becoming homeless.

PY2022 Goals and Action for Reducing and Ending Homelessness

The City of Kalamazoo will continue to support the Kalamazoo County Continuum of Care and the service providers working with this organization. The Continuum of Care receives a Michigan State Housing Development Authority Emergency Solution Grant, which is intended for homeless prevention in Kalamazoo County. The funding strengthens the supportive services provided to those experiencing or are in danger of experiencing homelessness. The following activities are funded:

- Street outreach through Integrated Services of Kalamazoo, who focus on special needs populations, and Catholic Charities Diocese of Kalamazoo, who focuses on homeless youth
- Rapid re-housing through Housing Resources, Inc.
- Homeless prevention through Housing Resources, Inc.
- Emergency shelters through Catholic Charities Diocese of Kalamazoo and Integrated Services of Kalamazoo

As stated, Integrated Services of Kalamazoo conducts outreach to homeless persons to try and understand their individual needs related to mental health, substance abuse, and housing. Ultimately, the outreach is to provide homeless individuals with the services they need and to help them find permanent and supportive housing. As stated previously, the Kalamazoo County Continuum of Care convenes an Outreach Coordination Workgroup that is an interagency collaboration of service providers conducting street outreach. Households are referred to the coordinated entry process and strategies are developed to address household needs.

Emergency Shelter and Transitional Housing Needs

Gryphon Place, which is a nonprofit organization that helps people navigate conflict and crises, is the local 2-1-1 provider for Kalamazoo County. This is a 24-hour information and referral service, which connects people to a variety of resources, including housing. Individuals are matched with the available housing

resources that best meets their needs. Persons with greatest need are referred to Housing Resources, Inc., who are the Housing Assessment and Resource Agency (HARA) for the city. A HARA provides centralized intake and housing assessment, helping to ensure a comprehensive and communitywide housing delivery approach. HARAs also practice shelter diversion and work to rapidly re-house those who are homeless. People with an urgent need are referred to area emergency shelters where a housing plan is developed in consultation with the HARA.

The housing plan utilizes the HMIS and prioritizes strength-based case management principles. Resources are provided based on need and may include case coordination, financial assistance, landlord/tenant education/engagement, linkage to community partner resources, and referrals to mainstream service providers. Emergency shelter services, with the goal of rapid re-housing, are provided to homeless households. These services include a shelter diversion assessment, shelter entry with the goal of rapid exit, financial assistance in the form of rental subsidy, and tenant-landlord engagement. Emergency shelters with rapid re-housing services have the goal of achieving sustainable permanent affordable housing.

The following emergency shelters are available to the homeless population in Kalamazoo:

- Kalamazoo Gospel Mission – serves single men, women, and families.
- Oakland House – hard to serve homeless, priority given to mental health clients and those referred by other agencies.
- Next Door – serves those who identify as single women.
- Open Door – serves those who identify as single men.
- YWCA – victims of domestic assault and their children.
- The Ark – youth between the ages of 10 and 22.

Helping Homeless Persons Make the Transition to Permanent Housing and Independent Living

Rapid re-housing is one of the most important strategies for moving persons and families quickly out of homelessness. Housing Resources, Inc., utilizing funding from the Continuum of Care, help approximately 70 households annually to rapidly re-house. Providing this permanent housing through cash assistance and housing subsidies offers relative stability so the household can focus on other concerns that may have contributed to the homelessness.

In addition, there are currently over 1,100 Housing Choice vouchers being utilized to help alleviate homelessness in the city. The Housing Choice voucher program is a federal program managed through the Michigan State Housing Development Authority that provides rental subsidies for very low-income individuals and families. The family provided the voucher may find their own housing in private homes or apartment complexes. The Continuum of Care was recently informed that an additional 1,000 new vouchers would be issued to persons and families on the current waiting list.

Additional resources focused on moving from homelessness to permanent housing include:

- Integrated Services of Kalamazoo Housing Recovery Center assists individuals with finding and maintaining affordable housing. The Housing Recovery Center provides a broad array of housing related services focused on individuals with a mental health and/or substance use issues.
- Housing Resources, Inc Housing Stabilization program, which provides post-shelter support to families that had previously experienced homelessness. With the use of rental subsidies, financial pressures are reduced allowing the participants to access more supportive services like financial/household management, employment referrals, housing plans, and other follow-up services.
- Catholic Charities Diocese of Kalamazoo The Ark shelter assists youth and their families become more stable through identifying healthy lifestyle behaviors and developing positive decision-making skills with the hope of ending homelessness.
- Open Doors Residence Community offers private apartments for low wage working individuals and families priced out of the housing market. Residents of the Open Doors homeless shelters often transition from the shelter home to an apartment within the Residence Community. Residents pay a monthly program fee which covers housing and additional personal support and assistance from Open Doors staff.
- Kalamazoo County Continuum of Care RentAble program provides funding for security deposits that help reduce the high cost of moving into a rental unit, providing support in securing affordable stable housing while reducing the risk to landlords renting to tenants with barriers to housing.

Helping Low-Income Individuals and Families Avoid Becoming Homeless (especially those being discharged from publicly funded institutions and systems of care)

Many of the housing activities supported by the CDBG and HOME programs help to ensure low-income individuals and families avoid becoming homeless. The home repair programs, particularly emergency home repairs help to ensure families, including the city's senior population, may remain in their homes. In addition, the new affordable housing units and down payment assistance programs planned in PY2022 provide opportunities that low-income families may not otherwise have to find affordable rental units or own their own home.

When considering those that are being discharged from a public institution or other system of care, housing is paramount to ensure stability to re-enter society. There are strong guidelines about discharge from the state hospitals and from the mental health unit at Borgess Hospital. Kalamazoo Integrated Services employ hospital liaisons to work with individuals prior to release to create a "person-centered plan" which includes next steps after discharge. They also fund a jail liaison position to connect people in jail with appropriate mainstream and Medicaid funded mental health services.

The following outlines the discharge guidelines for some public institutions or systems of care:

Foster Care: Local foster care providers are required to adhere to Michigan's laws, policies, and procedures applicable to adult and child foster care placement and discharge. Young adults (ages 18-21) transitioning out of foster care to independent living are assisted in finding suitable and sustainable living arrangements. They may be provided first month's rent, security/utility deposit, and monies to purchase household goods, food, and supplies. Discharge is guided by a needs assessment and the information collected in an individual service plan.

Health Care: Discharge assessment, planning, and follow-up procedures are managed by providing a multi-disciplinary team approach to patients with post-hospital needs. Discharge planning is the vehicle which moves the patient to the proper level of post-hospital care and/or to the proper facility.

Mental Health: Integrated Services of Kalamazoo follows the dictates of Section 330.1209b of the Mental Health Code which states that, "the community mental health services program will produce in writing a plan for community placement and aftercare services that is sufficient to meet the needs of the individual."

Veterans: The regional Veteran's Administration follows a set of discharge criteria when releasing patients into the community. Social workers and case managers assess and work with the patients who are homeless to find them emergency shelter, homeless housing, and/or other supportive services to assure suitable placement is achieved after discharge. The regional Veteran's Administration serves up to 14,000 veterans per year, half of whom are from the Kalamazoo County area.

The discharge procedures noted above often receive rental assistance from local providers like Housing Resources, Inc. and Catholic Charities Diocese of Kalamazoo to ensure housing stability when leaving an institutional setting.

Additional Information

The Kalamazoo County Continuum of Care conducts an annual 24-hour point-in-time count of those who are experiencing homelessness in our community. This count is intended to provide a snapshot of Kalamazoo County's homeless population. It is one way to collectively understand the scope and breadth of homelessness in our community. The count is an important effort that ensures the voices of people experiencing homelessness are heard and efforts are made to provide appropriate services. It also helps the Continuum of Care develop more effective plans and measure progress toward ending homelessness.

During the COVID-19 pandemic, onsite point-in-time counts were suspended, and instead information was collected from HMIS. While still an effective tool, it did not allow for direct interaction with the homeless population. A modified count is planned for 2022 due to the surge in the Omicron COVID-19 variant, which will be a sampling approach to limit the geographical area canvassed. This approach is in line with HUD's methodology guidance and recommendations. True onsite point-in-time counts will resume when health and safety allow.

Barriers to Affordable Housing

Introduction

Barriers to affordable housing are varied and complex, such as rising costs of construction, housing costs rising faster than incomes, public “not in my back yard” NIMBYism, and auto-dependence between housing and employment. In addition, public policies related to zoning ordinances and building codes may be barriers to the development of affordable housing. Social issues like poverty and lack of employment, and outside forces like reductions in federal and state funding to develop new housing also present a barrier.

The following are some of the barriers to affordable housing identified in the City of Kalamazoo:

Available Land: Most of the available land in the city has been developed. There are only a small number of large vacant tracts that remain, thereby limiting the number of new units that can be constructed. There are several smaller parcels that are vacant and suitable for infill construction of residential units, and while important, will have a smaller impact towards meeting the affordable housing need. There are also some vacant or underutilized commercial buildings that could be prime locations for redevelopment, with residential uses being included. However, redevelopment could be costly.

Environmental Issues: A barrier to the development and redevelopment of these infill sites is environmental contamination. In many of the lower income neighborhoods, the larger tracts of land that are available for redevelopment are environmentally contaminated, primarily due to overuse of the site or an adjacent contamination. Clean-up of these sites can be very costly, thereby limiting the ability to attract new business and housing. It is much easier and cheaper to develop “green fields” in the outlying communities than it is to develop the “brownfields” in the city.

Zoning Ordinances and Land Use Policies: Zoning regulations can be an impediment to affordable housing through density limits, height restrictions, parking requirements, and lengthy permitting processes. According to Brian Montgomery, former Deputy Secretary of HUD, overregulation can reduce the profitability of a development and can discourage developers. However, the city zoning ordinances must strike a balance between the needs of the community and goals of developers. Through the Imagine Kalamazoo 2025 Plan some barriers to infill development were identified including lot sizes, building restrictions, site standards and lot coverage.

Housing and Building Codes: Concerns have been raised that the rental certification program required by the city for all rental units, is a barrier to affordable housing because it adds an additional cost to the management of rental properties. However, in a city where over half of the residential units are rental, a program of this type is necessary to not only maintain the health, safety, and welfare of those who rent in Kalamazoo, but to preserve or improve property values in city neighborhoods.

Actions Planned to Remove or Ameliorate the Negative Effects of Public Policies that Serve as Barriers to Affordable Housing

The city is working on several initiatives that will help to remove barriers to affordable housing. Many of these activities are designed to lower the cost to construct or rehabilitate housing units making them attainable to low-income families.

Available Land: The city is working with the Kalamazoo County Land Bank Authority to amass vacant lots within the CDBG-eligible Census tracts for the purpose of developing neighborhood appropriate single- and multi-family affordable housing.

Environmental Issues: The Brownfield Redevelopment Authority promotes the revitalization of environmentally contaminated or blighted areas in the city. Tax increment financing allows the capture of incremental increases in tax revenue resulting from the redevelopment of the site to reimburse eligible environmental remediation expenses. Through this program, the costs to rehabilitate contaminated sites becomes more manageable. The Brownfield Authority has purchased many contaminated properties throughout the city. They then prepare these sites for redevelopment by removing the contamination. The properties are put back on the market and resold without the environmental contamination.

Zoning Ordinance and Subdivisions: The city's existing Zoning Ordinance permits multi-family housing in five of the eleven residential zoning districts. In addition, duplexes are permitted in two other districts in which multi-family residential is not permitted. Multi-family construction is also allowed in several commercial districts to promote mixed- use developments that encourage walkability.

The following actions are listed in the Imagine Kalamazoo 2025 Master Plan to help resolve this issue. The work completed to date for each action is noted below.

- Determine barriers to infill development throughout the city; review lot sizes, building restrictions, standards, and coverage.
 - In 2018, zoning ordinance amendments created the allowance for accessory dwelling units in our community.
 - In 2019, the residential zone district standards were amended to reduce the minimum lot width of a buildable lot, reduce the minimum lot area required for a buildable lot, and allow for increased dwelling unit density in the multi-dwelling residential districts.
- Update zoning districts to support Complete Neighborhoods and the City's attainable housing strategy.
 - In 2018, new zone districts were created named Live Work-1, Live Work-2 and NODE. These new districts offer more flexibility for all residential development with greater unit density than the prior zone districts, as well as allowance for mixed use development in these districts.
 - In 2020, the downtown zoning was amended to create three downtown zone districts each with different development intensities. The core downtown (Downtown 1) and the area just outside

the core (Downtown 2) allow for apartments and condos and include design standards to allow for limited residential on the ground floor level of buildings. The outer most area of the downtown (Downtown 3) allows commercial uses but also single family, duplex, row houses, apartments, or condos.

- What is planned to continue to support the City's attainable housing strategy?
 - Zoning ordinance amendments are being prepared for 2022 that will modify the restriction placed on ground floor residential units in several of our commercial districts. This package of amendments will also include reducing lot width and lot area minimums for the Residential - Mixed Use District which will increase the number of conforming, buildable lots in this zone.

Community Partners: The city will also address barriers to affordable housing through our community partners. In PY2022, approximately 55 percent of the award is going towards some type of housing activity. These funds will help to increase the supply of affordable housing, as well as help those in affordable units to remain housed. In addition, the city has encouraged, through the competitive application process, that housing providers form partnerships in the hopes of avoiding duplication of services and therefore greater assistance to larger numbers of low-income households. Most of these partners also provide needed social services that help households with long-term housing sustainability.

The City of Kalamazoo's code enforcement and anti-blight effort is funded with CDBG. One of the enforcement teams main purposes is the identification and resolution of blighted housing units, which can be made available for low-income households after rehabilitation, thereby increasing the number of affordable housing units in the city.

Some additional actions planned over the five-year period of the Consolidated Plan are:

- Focus CDBG funding on substandard housing and/or deferred maintenance of affordable housing units, particularly in the Eastside, Edison, and Northside Neighborhoods.
- Implement the housing repair program recently developed for low-income homeowners that receive code violations.
- Remediate lead-based paint hazards in single-family owner-occupied units, with a focus on homes with children under six years of age.

Additional Information

Many of the city's community partners also provide needed social services that help households with long-term housing sustainability. Removing barriers to affordable housing is the first goal, then ensuring stability for the long-term needs to be accomplished. The nonprofit partners receiving funding to assist with sustainable affordable housing in PY2022 are:

- Community Homeworks
- Senior Services, Inc.
- Kalamazoo Neighborhood Housing Services

In addition, during the time period of the 2019-2023 Consolidated Plan, the City of Kalamazoo will support the following:

- Work with local nonprofit housing providers to develop a variety of housing types like duplexes, townhomes, 4-unit apartments to provide a wider range of rents and mortgage costs.
- Improve financial options for Kalamazoo residents to increase homeownership and homeowner maintenance by working with local lending institutions and nonprofits to develop loan types and/or underwriting requirements that would allow for nontraditional home loans.
- Work with local nonprofit housing providers to provide homeowner subsidies to help low-income families with down payment assistance.
- Improve access to quality rental housing in Kalamazoo through continued support of tenant based rental assistance programs.
- Consider a program where vacant and/or tax foreclosed properties are sold to landlords who maintain exceptional rental properties and will rehabilitate the home for affordable rental housing.
- Work with local nonprofit housing providers on free and/or reduced-cost financial literacy for households from the ECDBG-eligible neighborhoods.
- Focus CDBG funding on substandard housing and/or deferred maintenance of affordable housing units, particularly in the Eastside, Edison, and Northside neighborhoods.

Other Actions

Introduction

Per HUD regulation 24 CFR 91.220.K, some additional actions need to be addressed in the PY2022 Action Plan, which are the specific requirements of this regulation. However, many of these items have already been outlined earlier in the Action Plan report as required by HUD, so only a brief summary will be provided here. For those items not yet addressed, more detail will be included.

Actions Planned to Address Obstacles to Meeting Underserved Needs.

The city will continue to collaborate with our local community housing and human service providers, business leaders, residents, and the development community to identify areas of need in the community. Community Development Division staff will make a concerted effort to enhance coordination efforts through PY2022 with local funders and other nonprofit organizations to try and address underserved needs. The actions that are currently scheduled as part of this Action Plan include:

- Assistance with construction costs for the development of affordable housing due to the increase in supply costs and labor shortages because of the COVID-19 pandemic.

- Development of new affordable rental housing that will support very low-income families through the HOME and HOME-ARPA programs.
- Coordination with the Kalamazoo County Continuum of Care related to supportive housing for persons experiencing homelessness and other special needs.
- Direct support for seniors who need emergency home repairs or who wish to age in place through CDBG funding.

Actions Planned to Foster and Maintain Affordable Housing

In PY2022, the city will continue to place an emphasis on affordable housing. A total of six CDBG activities and three HOME activities will fund the creation of new or maintenance of existing affordable housing. A total of \$1,032,015 in CDBG PY2022 entitlement funds and reprogrammed funds from previous program years, as well as \$467,264 in PY2022 HOME funds will be used towards the improvement of affordable housing in the city. In addition, the city will utilize Foundation for Excellence funding in the amount of \$1.9 million to leverage these grant dollars to increase the number of affordable units developed. Finally, HOME-ARPA dollars granted to the city will create housing for the homeless and/or special needs populations.

Actions Planned to Reduce Lead-Based Paint Hazards

The rehabilitation of older housing in the city is a priority for several reasons. As previously stated, a majority of the housing stock within the core neighborhoods was built before 1979. According to the U.S. Census, 89 percent of the owner-occupied and 74 percent of the renter-occupied housing in the city was built prior to 1980. Due to its age, the likelihood of finding lead-based paint within these homes is high. As this housing stock is important to maintaining affordable housing in the city, remediation of lead-based paint is necessary to ensure the health of children growing up in these homes.

The City of Kalamazoo was awarded a Lead Based Hazard Reduction Grant. The purpose of this grant is to identify and remediate lead-based paint hazards. The focus is on homes with children under six years of age. The specifics of the grant are as follows:

- Grant period is 2019 – 2022.
- Grant award is \$1,999,362.
- 72 homes are expected to be remediated (60% owner-occupied and 40% renter occupied)
- Grant was written in collaboration with Kalamazoo Neighborhood Housing Services
- Grant uses approximately \$200,000 of future CDBG funding as a match

To date, 15 homes have been remediated.

The city also continues to include lead hazard reduction strategies into repairs of rental properties inspected under the city's housing code. The Rental Registration and Certification Program inspects all rental properties at least once every three years. When potential or existing problems are located, inspectors require appropriate remediation actions.

Subrecipients of city grant funding are required to comply with the lead-based paint disclosure rule of 1996 and the September 2000 regulation, “Requirements for Notification, Evaluation and Reduction of Lead Based Paint Hazards in Federally-Owned Residential Property and Housing Receiving Federal Assistance.” When subrecipients rehabilitate homes, they are required to remediate any lead-based paint found and inform the new homeowners of the steps taken to eliminate this hazard.

Actions Planned to Reduce the Number of Poverty-Level Families.

Approximately one-third of the city lives below the federal poverty level. The City of Kalamazoo has initiated Shared Prosperity Kalamazoo (SPK) to address this issue. SPK is a bold and ambitious plan to transform our community into a place where every child and every adult thrives and prospers. The Shared Prosperity Kalamazoo Action Plan has three goals that activities are being planned and implemented on simultaneously. They are:

1. Promote the health growth, development, and learning of children.
2. Increase access to good jobs.
3. Promote strong families.

SPK also has four targeted populations. They are:

1. Families of color.
2. Families at or below poverty level and those not earning a living wage.
3. Families in neighborhoods of concentrated poverty.
4. Individuals with criminal records.

The combination of aspirational goals and community engagement has led SPK to focus on three particular neighborhoods that encompass five CDBG-eligible census tracts within the city—Eastside, Edison, and Northside for targeted action projects.

The goals of the Shared Prosperity Kalamazoo Action Plan and the activities supported by this HUD Action Plan are closely aligned. Both plans address the following:

- Low to moderate income residents
- Low to moderate income and racially concentrated neighborhoods of the city (CDBG-eligible Census tracts)
- Housing stability
- Youth development

The City of Kalamazoo is leveraging HUD grant funding with private and foundation funding to address these shared goals. In addition, the city has an approved Section 3 Preference Policy to support local low-income businesses and residents, improving their financial stability. The city will also provide loans to for-profit developers willing to partner to create affordable housing units.

Actions Planned to Develop Institutional Structure.

The City of Kalamazoo Community Development Division is working to strengthen and broaden its team. New staff has recently been employed to assist with the Housing for All initiative and compliance with HUD regulations. Additional staff is pending to support the new grant funding which was received during the COVID-19 pandemic. The plan is to develop a cohesive team that can cross-train and support a wide variety of HUD related grant requirements and policies.

In addition to the Community Development Division, the city has staff in Shared Prosperity Kalamazoo and the Foundation for Excellence that support the projects and activities being funded by HUD grants. The shared vision of all these departments to support and improve the lives of city residents allows for coordination of efforts not previously seen in the city.

To assist the city with the capacity and institutional structure of our nonprofit partners, the Kalamazoo Public Library provides *ONEplace @ kpl*, which stands for Opportunities for Nonprofit Excellence. They provide a management support center that offers capacity building opportunities for nonprofits within Kalamazoo County.

ONEplace gathers local nonprofit leaders and peer-groups to learn from each other and to draw upon the thinking of nationally recognized researchers and practitioners. This offers local organizations an ongoing, larger examination of best practices. ONEplace supports staff, boards, and volunteers working in and with area nonprofits through:

- Individual and small group assessments
- Technical assistance
- Referrals to targeted resources including dedicated computer access to databases
- Workshops on capacity building

These opportunities strengthen the organizational capability of our nonprofit partners, which improves the performance outcomes gained through the city's grant funding.

CDBG will also be funding projects in PY2022 that will be managed by internal city departments. These include Parks and Recreation, Public Safety, and the Housing Inspection and Code Enforcement Team. The Community Development Division will create internal agreements that will be signed by the directors of each department detailing the work to be accomplished as part of PY2022. In addition, the Community Development Division will provide technical assistance as needed to the departments receiving funding to ensure all federal rules and regulations are being met.

Actions Planned to Enhance Coordination between Public and Private Housing and Social Service Agencies

The City of Kalamazoo has a multitude of nonprofit partners that work towards a better future for low-income households and the underserved. Many of these nonprofits work closely with the city, often receiving funding through the CDBG and HOME programs. Coordination becomes essential to ensure proper delivery of their services as well as compliance with federal rules and regulations. To that end, the city will undertake the following steps to strengthen coordination:

- Participate in countywide planning activities as they relate to housing.
- Participate with the Continuum of Care in addressing the needs of the homeless.
- Continue to build collaborations within the local development entities to consolidate resources and efforts, and to assist in finding more funding sources.
- Provide educational and capacity building training opportunities to nonprofit agencies to enhance management capacity resulting in an increased ability to undertake and carry out the provision of affordable housing and related support services.
- Provide monitoring sessions with subrecipients to assist with the understanding of federal regulations and to ensure proper expenditure of federal funds.
- Support ONEplace @ kpl and other free services to nonprofit organizations providing capacity building, technical assistance, workshops, seminars, and research opportunities.
- Continue to support the Fair Housing Center of Southwest Michigan and their efforts to address impediments to fair housing.
- Enhance coordination internally between the Community Development Division and departments that receive federal funding.
- Coordinate with Shared Prosperity Kalamazoo and the Foundation for Excellence for affordable housing development and other needed services to the low-income populations of Kalamazoo.

As the city continues to develop public policy and fund activities to address the goals established in the 2019-2023 Consolidated Plan, close communication with internal and external stakeholders will be essential to promote coordination among private and governmental housing, health, mental health, and service agencies.

Program Specific Requirements

Introduction

The following information details some program specific information related to the CDBG and HOME grants. The CDBG information is almost exclusively related to program income generated each year from previous activities. The HOME section details more specific information on some of the policies and procedures related to this program required by HUD.

Community Development Block Grant Program

Projects planned with all CDBG funds expected to be available during the year are identified in Table 9: PY2022 Projects on page 14. The following table outlines other program income funds that may be available to the city during this time period.

Table 15: CDBG Program Income

HUD Funding Question	Amount
1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed.	\$30,900
2. The amount of proceeds from Section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	\$0
3. The amount of surplus funds from urban renewal settlements.	\$0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan.	\$0
5. The amount of income from float-funded activities.	\$0
Total:	\$30,900

In addition, a minimum overall benefit of 70 percent of CDBG funds must be used to benefit persons of low to moderate income. The following is true for PY2022:

1. The amount of urgent need activities = 0 percent
2. The estimated percentage of CDBG funds that will benefit low to moderate income persons = 88 percent

HOME Investment Partnership Program

HUD requires the following questions be answered for the HOME program:

1. Description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The city does not plan any other forms of investments except for those identified in Section 92.205 of the HOME Investment Partnership Program Final Rule.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

Per the requirements of 24 CFR 92.254, the city will require subrecipients and developers to recapture all, or a portion of the HOME investment if the homeowner decides to sell the house within the affordability period at whatever price the market will bear. The homebuyer may sell the property to any willing buyer. If the home is sold to another low-income homebuyer, the affordability period continues. However, if the sale is not to a low-income household, the acquisition triggers repayment of the HOME funds utilized when it was originally purchased. The following will be required:

- **Reduction during the Affordability Period (Forgiveness):**
The subrecipient or developer will forgive the direct HOME subsidy during the time of the affordability period. The total amount of the direct HOME subsidy will be equally divided among the years of the affordability period. For example, a \$40,000 direct HOME subsidy would be equally forgiven over the 10-year affordability period, reducing the amount by \$4,000 each year. Forgiveness will only be given to the homebuyer for each year they occupy the home as their primary residence.
 - **Amount of Repayment and Net Proceeds:**
Net proceeds are defined as the sale price minus superior non-HOME loan repayments and any closing costs. If there are no net proceeds or insufficient proceeds to recapture the full amount of HOME investment due, the amount subject to repayment must be limited to what is available from net proceeds.
 - **Homebuyer Agreement**
Recapture of the HOME investment and forgiveness over time is required to be detailed in the Homebuyer Agreement signed by the homebuyer and recorded on a deed restriction with the County Clerk/Register of Deeds.
3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds?

The period of affordability is detailed in either the subrecipient or developer agreement with the City of Kalamazoo. The affordability period will begin when a Certificate of Compilation is issued by the city. The agreement also requires the subrecipient or developer to ensure compliance with the affordability period by placing a covenant or deed restriction that runs with the property and is recorded with the County Clerk/Register Office. A copy of the recorded document is provided to the homeowner and the City of Kalamazoo.

Per the requirements of 24 CFR 92.254, the subrecipient or developer will recapture all or a portion of the HOME investment if the homeowner decides to sell the house within the affordability period at whatever price the market will bear. The homebuyer may sell the property to any willing buyer. However, the sale of the property during the affordability period triggers repayment of the direct HOME subsidy provided to the homeowner when it was originally purchased.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The City of Kalamazoo does not utilize HOME funds to secure existing debt for multi-family units.



Community Planning and Development

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Community Development Act Advisory Committee (CDAAC)

MINUTES

February 24, 2022

Community Room, City Hall

5:30 p.m.

Members Present: Tami Rey, Tiffany Burns, Candice Howell, James Martin, Amina Shakir, Chelsea Viere, Margaret Wilson

Members Absent: Megan Buwalda

City Staff
Christopher Raschke, Community Development Compliance Specialist
Julie Johnston, Community Development Compliance Specialist II
Antonio Mitchell, Community Investment Manager
Jaime Marsman, Community Investment Secretary

Call to Order

The meeting was called to order at 5:33 p.m.

Roll Call (Quorum 5)

Ms. Marsman conducted roll call of CDAAC Members and determined quorum existed.

Approval of Agenda

Ms. Rey asked if there were any additions or changes to the agenda.

Ms. Wilson, seconded by Ms. Burns motioned to approve the agenda as presented. A voice vote was taken, and the motion passed.

Approval of Minutes

Ms. Rey asked if there were any changes to the January 27, 2022 minutes as presented.

Mr. Martin, seconded by Ms. Shakir, motioned to approve the January 27, 2022 minutes. A voice vote was taken, and the motion passed.

Citizen Comments on Non-Agenda Items

A citizen thanked everyone for the work that they do with this Board. The citizen asked if CDAAC would consider adding a youth to the Board, as some Boards are doing. He stated that this would be an awesome opportunity for a child to learn and grow.

Old Business

Graphic Packaging (GP) Steering Committee Report

- An update was provided. Ms. Burns stated some members of the Steering Committee also met with Pastor Moore to try to connect ideas on what they would like GP to contribute to the neighborhood. The main item discussed was increased community engagement. Mt. Zion has also offered to assist with job fairs/job training both with the availability of their location and also with ideas for community engagement.
- The Steering Committee hopes to narrow down the list to around 5 items at their next meeting.
- The Community Benefits Agreement (CBA) will go to the City Commission in April for approval. The City Attorney has put together a template for the outline which has been shared with GP in preparation for the April date. Mr. Mitchell affirmed that a budget has not been identified.
- One idea that has arisen from the CBA discussion is that GP would greatly benefit from adding a community engagement position within their company to assist them with finding better opportunities to engage in meaningful and productive ways with the community and to build relationships.
- Ms. Wilson asked if it would be possible to fold in an expectation that if they do a job fair in the neighborhood and fail to find adequate candidates that the barriers to employment with GP should be identified and addressed. Mr. Martin affirmed that this is also part of the discussion. Mr. Mitchell affirmed that they need to be clear on what their requirements are. Ms. Howell stated that Urban Alliance is very skilled at working with folks and training them for specific jobs.
- Ms. Rey stated that it may be helpful for Dorla Bonner to look over their application from an equitable lens.

New Business

• Substantial Amendment Public Hearing

Ms. Johnston stated that a motion is needed to open the public hearing, receive public comments and then close the public hearing.

Ms. Johnston provided an overview of the Substantial Amendment. In 2019-2020, in the Action Plan there were funds set aside in the Affordable Housing Program. Most of the dollars going towards these two projects are from those budget line items. There is a small amount of unallocated funds from 2019 as well. These dollars would be assigned in this Substantial Amendment as well. The Affordable Housing line item was felt not to be descriptive enough for the public, so the projects have been brought to CDAAC so that citizens can weigh in on activities that the city is going to spend funds on.

The two projects are both in the Vine neighborhood.:

- 530 S Rose, 64 units, 80% of the units are reserved for households making 60% AMI or less. They have already received a Low Income Housing Tax Credit (LIHTC) from the State, and the City is providing gap financing with HOME dollars. This will take an old parking lot and develop it into residential units.

- 1211 S Westnedge Ave (The Lodge). CDAAC had previously approved CDBG-CV dollars to this. The hotel is being revised to studio apartments and it is 100% for those who make 30% AMI or below. This will turn the property into active residential use.

The 30 Day public comment period was posted in the Gazette. This evening is the public hearing.

Ms. Howell motioned to open the public hearing, seconded by Mr. Martin. A voice vote was taken, and the motion passed.

Public Comments on the Substantial Amendment

A citizen stated that he is disappointed in the public comment period and feels that it should be advertised more fully. He encouraged more effort to engage the public when discussions regarding funding efforts. He commended the projects and questioned if these funds could have been better used elsewhere.

Ms. Shakir motioned to close the public hearing, seconded by Ms. Viere. A voice vote was taken, and the motion passed.

Ms. Rey asked for clarification regarding the funding. Ms. Johnston affirmed that this is additional funding. The previous COVID dollars were to make the project accessible to the homeless during COVID. These dollars are to convert the property into permanent housing.

Ms. Rey asked if these funds were being used to pay for loans by Lift as she understood that this project was fully funded. Mr. Mitchell stated that these funds were asked for and anticipated by Lift, but they needed to get a loan for funds in the meantime as the government dollars would not arrive fast enough.

Ms. Rey affirmed the value of the low AMI housing. Ms. Rey asked if these found amounts were from HRI? Ms. Johnston stated that this was not the funds previously given to HRI. Ms. Johnston stated that these funds were from the annual entitlement from HOME dollars. They were assigned to housing in those action plans, but there were no project assigned to them.

Ms. Rey asked how these two projects were chosen. Mr. Mitchell stated that those who provide more affordable housing have higher priority as this is a priority of the city as well (as this fits with the goals and objectives of what the Commission has prioritized). Mr. Mitchell reminded everyone that the city does not build houses, but we work with entities that do, and we prioritize those that are building housing for the population that we are looking for.

Ms. Viere pointed out that the AMI's have changed over time for the Lodge project. She stated that, at first, it was a mixed project. She asked how we can make sure that in the future it is sustainable and healthy? Ms. Johnston stated that the affordability period for HOME dollars will be 20 years. Mr. Mitchell affirmed that they are LIHTC, which means that all units are affordable for 40 years. There was discussion regarding affordability periods. Ms. Wilson asked about Rose Street and whether the LIHTC restrictions also apply to them as well. Ms. Johnston affirmed that they do. Ms. Wilson asked if they would be held to these numbers? Ms. Johnston stated that they are locked into the agreement unless they agree to pay back the tax credits (with penalties) over the time period. Mr. Mitchell stated that this is likely not to happen and that the State selects those who have a history/track record of doing these type of projects.

Mr. Martin asked if 530 S Rose had a minimum age? It was agreed that this was 55+. It was clarified that this was not assisted living. Ms. Howell asked if disabled persons could also apply. Mr. Mitchell stated that this will be for seniors only.

Ms. Viere asked how oversight was done. Ms. Johnston stated that the City and State will both provide oversight. Ms. Johnston stated that the State of Michigan has very strict monitoring requirements which also assists with City monitoring. Ms. Johnston stated that as both of these are rental projects, they will also be part of the housing rental program and will be subjected to those reviews/inspections.

Ms. Wilson made a motion, seconded by Ms. Burns for CDAAC to make the recommendations as stated in the Substantial Amendment to the City Commission. A voice vote was taken, and the motion passed.

- **Draft Action Plan - Initial Review**

Ms. Johnston stated that this evening is the first touch by CDAAC of the Action Plan. The public hearing is scheduled for the April meeting. There is time for suggestions and changes. The 30-day public comment period will be opened on March 7 by the City Commission per the recommendation of CDAAC. After this 30-day public comment period, the public hearing will be held in April. Ms. Johnston stated that we can also discuss this at the March meeting after everyone has a chance to review the Plan.

Ms. Johnston stated that staff did a deep dive into funding and did a lot of completing and closing out of projects which generated significant additional funding that needs to be reallocated out into projects. This was over \$690,000. As is shown on page 13 of the Action Plan, part of these funds went to fully funding all complete CDAAC applications.

Staff is recommending \$125,000 to Community Homeworks to assist with the code enforcement repair program (CERP) of the city. Ms. Johnston explained that HUD stated that the city needs to assist citizens who have code violations. We would like to partner with Community Homeworks as this is the type of work that they are successful at. Ms. Johnston stated that the contract will be for code violations that need to be managed. However, Community Homeworks can do an assessment and if there are other things that need to be assisted with, they can be referred to other community organizations.

Ms. Rey questioned whether other organizations may have more capacity than Community Homeworks. Ms. Johnston stated that staff is recommending Community Homeworks as this is the type of work that they do. Code violations occur on the outside of the house. The City does not have the capacity to do this program in-house. Mr. Mitchell stated that if there is another organization that can do this, they would need to go through the funding training process. Mr. Mitchell stated that the City plans to connect with other organizations and assist them with the funding training process.

Ms. Johnston stated that there are two City staff members on the Code Enforcement team who work with the community on these issues. They provide the homeowner information on the repair program.

Ms. Viere stated that the Home Preservation League also offers grants. Ms. Viere stated that it is often difficult to get insurance on historic homes.

The City will be doing the intake process on the CERP program.

Ms. Johnston stated that an agreement will be put together for the 2022 funding and if there is inadequate performance, there is a process for revoking a contract. Those funds could then be assigned to another entity. If that should be necessary, this would be brought before CDAAC.

Neighborhood Enhancement – public infrastructure/revitalization project in a core neighborhood. Ms. Rey asked if CDAAC would have input into these. Ms. Johnston stated that these could be treated in the same way as the HOME dollars and come back to this body for comment and review. Ms. Johnston stated that these funds are intended to be a public infrastructure improvement that is of benefit to the entire neighborhood. Ms. Wilson stated that this would be ideal for assisting low income homeowners to replace sidewalks. Ms. Wilson stated that this is important as homeowners are responsible for the condition of their sidewalks. She would also like to see this as an item on rental inspections.

Property Acquisition for Affordable Housing. These funds would be used to buy vacant land for affordable housing.

The remainder of the funds are general projects and projects recommended for funding by CDAAC.

Ms. Johnston stated that the CERP has always been paid for with CDBG dollars. The only thing changing is that instead of the City doing this, Community Homeworks will be doing this program.

It was agreed that this will be discussed again in March.

Ms. Rey asked if using Community Homeworks would reduce Code Enforcement staffing. Ms. Johnston affirmed that it would not as the repair work was always going to be contracted out. Ms. Johnston affirmed that this is a full grant for the homeowner. If the homeowner is income eligible, they will receive a full grant for the entire repair.

Ms. Viere asked for a definition of homeowner. Ms. Johnston stated that they must live and own the home. It was noted that a land contract will not be eligible. Ms. Johnston will explore the possibility of owner occupied landlords receiving assistance.

- **Term Limit Discussion**

Ms. Howell stated that she is interested in remaining on CDAAC. Ms. Howell stated that outreach should happen for recruitment of new members. New members are recommended by the Nominating Committee. Ms. Rey stated that if existing members would like to remain then a recommendation can be made to the City Commission for reappointment.

It was noted that Ms. Buwalda will be exiting as the Edison Neighborhood representative. She indicated that she is not interested in remaining on CDAAC as an at-large member.

Ms. Johnston stated that this Board needs to recommend approval to the City Commission for all Board reappointment and appointments.

Ms. Shakir asked if an Executive Director of an organization can serve on the Board of this committee? Ms. Johnston stated that we need to look into this.

It was noted that we will look at the history of everyone's terms. We will investigate this with the City Attorney.

It was also noted that until someone is nominated to replace Ms. SHakir as NACD representative, she will be on the board of CDAAC.

Ms. Howell made a motion, seconded by Ms. Burns, to recommend to the City Commission to reappoint Ms. Howell and Mr. Martin for a second term to CDAAC. A voice vote was taken, and the motion passed.

It was noted that Ms. Howell's term was identified incorrectly as 9 and should be 3/31/2022.

Communications/Members' Reports/Staff Updates

Mr. Mitchell commended the CDAAC Committee on their great discussion on this evening's topics.

Mr. Raschke stated that we have a grant from HUD to remediate lead hazards in homes. The City has a contract with KNHS. We have 15 homes completed with 11 in the pipeline. More homes are needed to participate in this program. He asked for additional ideas of where he could go to present this program. Ms. Shakir confirmed that the homes eligible must have children involved. Mr. Mitchell affirmed that the Department of Health does referrals to KNHS. Ms. Rey stated that schools would be a good resource. Ms. Burns stated that dentists are also a good resource as lead poisoning affects teeth. It was noted that the homes do not need to be owner-occupied. Ms. Rey suggested advertisement on city buses. Ms. Rey suggested Children and Family Services as another resource (behavior changes can occur due to lead poisoning). Ms. Rey suggested preschools as another resource. Ms. Rey suggested that Chris send a flyer out to all CDAAC members so that they can share with their networks.

Citizen Comments

A citizen stated that he lives in a home in the historic district with several broken windows and has not received an enforcement yet regarding these broken windows. He suggested an alternative way to reach out to folks other than a citation for CERP violations, as these can be mentally stressful. He discussed the possibility of empowering homeowners to do their own repair projects. The citizen also shared his concerns regarding the Mayor's involvement in Lift, specifically as it relates to the Mayor's role in recommending/approving candidates to serve on Boards.

Adjournment

Ms. Shakir, seconded by Mr. Martin moved to adjourn. A voice vote was taken, and the motion passed. The meeting was adjourned at 7:21 p.m.



City Commission Agenda Report

City of Kalamazoo

Date: **3/7/2022**

Item: **G.7.**

TO: Mayor Anderson, Vice Mayor Cooney, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: Rebekah Kik, Director Community Planning and Economic Development
Prepared by: Paul Thuringer, Development Project Coordinator

DATE: March 7, 2022

SUBJECT: Resolution Setting a Public Hearing for the Northside Cultural Business District Authority TIF & Development Plan

RECOMMENDATION:

It is recommended that the City Commission adopt a resolution scheduling a public hearing on May 16, 2022 regarding the approval of a Development Plan and Tax Increment Financing Plan (the Plan) of the City of Kalamazoo Northside Cultural Business District Authority (a Corridor Improvement Authority).

BACKGROUND:

Building on the previous planning efforts of the neighborhood, the Plan includes actions to make the previously designated Northside Cultural Business District an active, mixed-use area to support the commercial and residential needs of the Northside residents. Focusing on economic development, the Plan aims to support the expansion of local, minority, and low-income owned businesses. One tool detailed in the Northside Neighborhood Plan to support this goal is the use of a Corridor Improvement Authority.

A Corridor Improvement Authority (CIA) is a tool authorized by Public Act 57 of 2018 by the State of Michigan for a City's use. It is designed to assist with funding improvements and supporting development in commercial corridors outside of downtown areas. It is administered similarly to a Downtown Development Authority (DDA).

The proposed boundaries of this Corridor Improvement Authority are roughly Westnedge to the west, Frank Street to the north, the Kalamazoo River to the east, and Willard to the south, plus the rights-of-way of Westnedge and Burdick Streets between Prouty and Frank Street. The

boundary roughly follows that of the previously established Northside Cultural Business District, with the addition of the lots between North and Frank Streets. See the included map for the exact boundaries.

Since its creation, the Authority Board has worked to create by-laws and confirm plans and priorities for the Authority. Once the Development Plan and Tax Increment Financing Plan are adopted, the Authority can create special assessments, issue revenue bonds, enter contracts, acquire property, and create plans to achieve its goals.

The Authority is requesting that the City Commission set a public hearing date for Adoption of a Development Plan and Tax Increment Financing Plan of the City of Kalamazoo Northside Cultural Business District Authority (a Corridor Improvement Authority) for May 16, 2022. The public may make comments regarding the Plan approval all the way up until the date of the meeting at which the City Commission approves the Plan. The taxing jurisdictions have 60 days after the public hearing to "opt out" (except for libraries which are out unless they "opt in").

POLICY CONSIDERATIONS

The adoption of the Development Plan and Tax Increment Financing Plan aligns with the City's Master Plan, Strategic Vision, and the Northside Neighborhood Plan. It is a meaningful tool that will help the Northside realize its vision for the Northside Cultural Business District. The establishment of an Authority is an example of the type of partnership between the City and its neighborhood envisioned in Imagine Kalamazoo. The City will remain involved with the Authority as it develops a plan to achieve its priorities and as the priorities are realized.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:



Complete Neighborhoods - residential areas that support the full range of people's daily needs



Economic Vitality - A supportive infrastructure for growing businesses and stabilizing the local economy for the benefit of all.



Shared Prosperity - Abundant opportunities for all people to prosper

The Development Plan and Tax Increment Financing Plan will help the Authority achieve its priorities of promoting economic development and supporting the expansion of local, minority, and low-income owned businesses.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Collaborate (two-way conversation) - the community will have a chance to shape the project by providing feedback. The consulting attorney will hold at least 20 meetings prior to the public

hearing that will be a mix of one on one and public meetings as required by the Corridor Improvement Authority (CIA) authorized by Public Act 57 of 2018 by the State of Michigan.

Discussion:

The Northside Cultural Business District Authority Board will continue to steer the process and work closely with City staff to implement the adopted plan.

FISCAL IMPACT:

Tax Increment Finance (TIF) districts allow local units of government to capture (from other taxing governmental units including the City) the increase in property tax levies above and beyond the year in which the Authority was established. If the TIF and Development Plan is approved, the Northside Cultural Business District Authority (the Corridor Improvement Authority) will be allowed to capture (from other taxing governmental units including the City) the increase in property tax levies above and beyond the year in which the authority was established. However, property owners within the Authority District are not directly impacted by the TIF plan. Property taxes are paid as usual. The only difference is that a portion of the revenues raised from any increase in property values is captured and diverted to the Authority for economic development purposes to be spent in accordance with Section 6 of Public Act 57 of 2018 within the Authority District instead of flowing to the other local taxing jurisdictions. For example, a local unit that establishes a tax increment finance authority (such as a Corridor Improvement Authority) in 2022 may, in 2023 and every year following for the duration of the TIF Plan, retain property tax revenues above those collected (the increment) in 2022 (base year) that are otherwise due to other taxing jurisdictions. TIF districts may not capture millages for debt obligations and typically the State Education Tax may not be captured.

The City has allocated Foundation for Excellence Neighborhood Engagement funding to the consulting firm of Dickinson & Wright a not to exceed budget of \$25,000, with additional engagement funding for advertising and meeting expenses not to exceed \$5,000, to assist the NCBDA in the outreach and writing of the Development Plan. No other budget has been allocated for ongoing NCBDA operations at this time.

CITY OF KALAMAZOO, MICHIGAN

RESOLUTION NO. 22-

**A RESOLUTION SCHEDULING A PUBLIC HEARING REGARDING THE ADOPTION
OF A DEVELOPMENT PLAN AND TAX INCREMENT FINANCING PLAN FOR THE
CITY OF KALAMAZOO NORTHSIDE CULTURAL BUSINESS DISTRICT AUTHORITY
(A CORRIDOR IMPROVEMENT AUTHORITY)**

Minutes of a regular meeting of the City Commission of the City held on March 7, 2022, at 7:00 o'clock p.m., local time.

PRESENT, Commissioners:

ABSENT, Commissioners:

WHEREAS:

1. Pursuant to Part 6 of the Tax Increment Financing Act, Act 57 of the Public Acts of Michigan of 2018, as amended, MCL 125. 4101 et seq. ("Act 57"), the City of Kalamazoo City Commission previously created the City of Kalamazoo Northside Cultural Business District Authority (a Corridor Improvement Authority) and established the boundaries of the Authority District.
2. The City of Kalamazoo Northside Cultural Business District Authority (the "Authority") has, pursuant to Act 57, approved and recommended a Development Plan and Tax Increment Financing Plan (together, the "Plan").
3. The Act allows for a method of financing activities associated with the continued growth, maintenance, administration, and programming of the Corridor Improvement Authority District within the City of Kalamazoo.
4. The Authority found that it was necessary for the achievement of the purposes of the Act, to prepare the Plan, which it recommends to the City Commission for consideration and approval.
5. Before considering approval of the Plan, the City Commission must hold a public hearing in accordance with Act 57.

NOW THEREFORE IT IS RESOLVED:

1. That a public hearing be held to consider the Adoption of the Plan of the Authority.
2. That the public hearing be held on May 16, 2022 at, or after, 7:00 p.m., in the City Commission Chambers at City Hall, 241 W. South St., in the City of Kalamazoo.

3. That the City Clerk give or cause to be given public notice of the hearing in accordance with Act 57.
4. That all resolutions or parts of resolutions in conflict herewith shall be and the same are hereby rescinded.

The above resolution was offered by _____ and supported by _____.

AYES, Commissioners:

NAYS, Commissioners:

ABSTAIN, Commissioners:

RESOLUTION DECLARED ADOPTED.

CERTIFICATE

The foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Kalamazoo at a regular meeting held on March 7, 2022. Public notice was given and the meeting was conducted in compliance with the Michigan Open Meetings Act (PA 267 of 1976). Minutes of the meeting will be available as required by the Act.

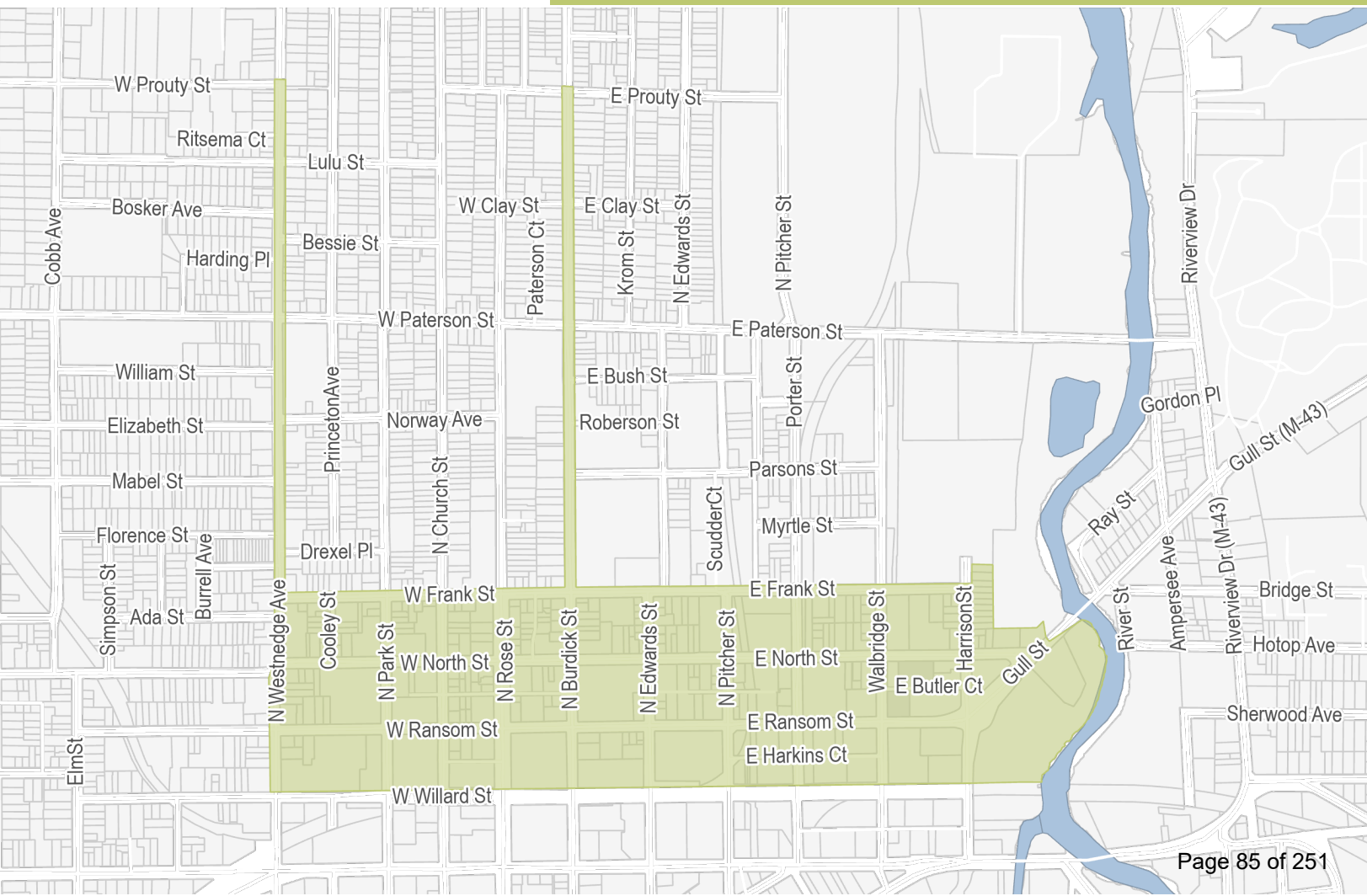
Scott A. Borling, City Clerk

NORTHSIDE CULTURAL BUSINESS DISTRICT AUTHORITY

development plan & tax increment financing plan



Submitted by the Northside Cultural Business District Authority
Prepared by Williams & Works



Our Priorities

The specific Authority priorities as outlined in the 2018 Northside Neighborhood Plan are to:

1. Provide financial incentives to increase the number of resident-owned businesses, especially those by African Americans and low-income residents.
2. Increase the amount of affordable housing available based on income levels in the City of Kalamazoo.
3. Build the cultural identity of the neighborhood with a new logo, murals, art installations, and preserving culturally significant places.
4. Improve facades, infrastructure, sidewalks, and streetscaping in the District.
5. Use Neighborhood Enterprise Zone to support the building and rehabilitation of affordable homeownership.



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Introduction

General Overview

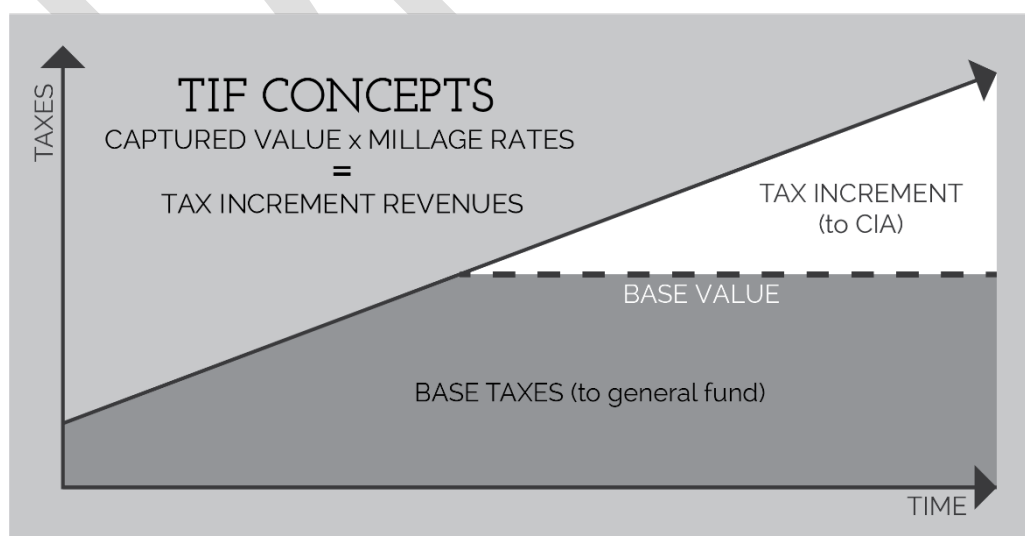
In 2005, the Michigan legislature enacted Act 280, the Corridor Improvement Authority (CIA) Act (now repealed and replaced by Part 6 of Act 57 of 2018) (the "Act"), allowing cities, villages, and townships to create an authority to:

"to correct and prevent deterioration in business districts; to encourage historic preservation; to authorize the acquisition and disposal of interests in real and personal property; to authorize the creation and implementation of development plans and development areas in the districts; to promote the economic growth of the districts."

With the adoption of the Act, many local governments have used a CIA to stimulate economic revitalization of commercial corridors in transition within their community. A CIA is established to create

a development plan for a previously-established development area. The plan outlines improvements to public or private properties that will prevent further deterioration of property values within the district and encourage new investment. Development plans may be funded by tax increment financing, private or corporate donations, and other grants.

The CIA is able to make ongoing strategic investments within the district by using tax increment financing (TIF). Through TIF, a portion of the increase in annual property tax revenue resulting from the economic growth and development to facilities, structures or improvements within a development area is provided to the CIA to make investments in infrastructure improvements and facilities enhancement in the corridor. This investment thereby reinvigorates the development area and facilitates further economic growth and redevelopment. The justification for capturing future tax increment is that new investment would have been restrained within the district without the establishment of the CIA; therefore, no taxes are lost by the interested taxing jurisdictions for projects not brought to fruition. Additionally, the physical public space improvements that are made along the designated corridor have a direct benefit to the surrounding properties.



Background and Need for the Plan

The City Commission by resolution number 18-44, adopted July 16, 2018, declared its intent to establish the Northside Cultural Business District and the boundaries of a development area as defined in Section 125.4603 of the Act. A public hearing was held on September 14, 2018 after notice was given in accordance with the requirements of the Act.

On November 5, 2018 by resolution number 18-78, the City Commission established the Northside Cultural Business District Authority and Development Area.

On April 15, 2019, the City Commission appointed members to the Northside Cultural Business District Authority.

In the meeting when the resolution establishing the Authority was approved, it was determined that a CIA was necessary to:

- a) Redevelop its commercial corridors
- b) Increase the number of resident-owned businesses, especially those by African Americans and low-income residents.
- c) Promote the general economic growth of the City

Plan Development Process

The Northside Neighborhood Plan was developed by the Northside Association for Community Development (NACD) in 2009 and updated in 2018. The Plan outlines a desired vision for the neighborhood and an action plan for implementation. As stated in the 2018 introduction, "Neighborhood Plans are the road map to help residents and neighborhood leaders identify where the neighborhoods should go in the future." The 2018 Northside Neighborhood Plan includes updated recommendations and goals with a focus on short-term action. The 2018 update includes four strategic goals:

1. Increase the number of resident-owned businesses, especially those by African Americans and low-income residents.
2. Preserve existing housing and build new housing to accommodate all resident needs.
3. Make enjoyment of the arts, culture, and open space part of the northside neighborhood way of life.
4. Strengthen support systems for workforce development, safety, and youth programming.

An action item of Goal/Strategy 1 is the establishment of the Northside Cultural Business District Authority (NCBDA). The NCBDA was established by the Kalamazoo City Commission on November 5, 2018. The establishment of the Authority and the creation of this Development and TIF Plan is culmination of many years of hard work and effort by residents and stakeholders of the neighborhood and local leadership.

Stakeholder consensus suggests that neighborhood goals and priorities could be made reality in part through the creation of a tax increment financing district which would be structured to provide economic resources to improve and maintain public infrastructure, correct and prevent deterioration, and promote neighborhood aligned economic growth. Through the establishment of the CIA, the district will have the potential to provide sustainable revenue support for public improvements and marketing and promotional objectives to help achieve these goals. The following Development Plan and Tax Increment Financing Plan is a direct result from stakeholder involvement in district revitalization plans that span for many years.

Development Plan

Project Descriptions

This Development and Tax Increment Financing Plan arranges projects in the four categories used by the National Main Street Model (Design, Economic Vitality, Organization, and Promotions/Marketing) and provides for general project costs and timeframes of completion.

Economic Vitality. Focuses on capital, incentives, and other economic and financial tools to assist new and existing businesses, catalyze property development, and create a supportive environment for entrepreneurs and innovators that drive local economies. Economic Vitality affirms the commercial history and longstanding businesses that make up the Northside Cultural Business District. Filling vacant buildings, property infill development on vacant parcels, and equitable redevelopment are essential to a healthy district and neighborhood. Strong home-grown businesses and a healthy business mix are also critical. Stakeholders would like to see business recruitment programs and support programs in place to assist with this effort, as well as a mentoring program that could teach new business owners how to sustain their business in the Northside Cultural Business District and surrounding neighborhood. Incentives are one key element to attracting new business and investment into the district. Stakeholders would like to utilize a planned approach for new development throughout the district by proactively engaging commercial property owners and neighborhood residents in planning efforts. Stakeholders feel that this is an opportune time to be more intentional about noting the impact of the proposed expansion on the future of racially and ethnically diverse business ownership and equitable economic growth, and to assure that the potential is enhanced, not diluted.

Design. Supports a community's transformation by enhancing the physical and visual assets that set the neighborhood apart. Design enhances the character of the corridor through physical public realm improvements and public infrastructure investment. Public and alternative transportation and bicycle infrastructure is critical to community stakeholders. Stakeholders have also identified exploring how to improve safety in the corridor as a key project. Street and storefront improvements, expanding pedestrian facilities and traffic calming interventions will be essential to maintaining the walkability and connectivity throughout the area. Additional greening, lighting, public art, and safe public gathering spaces are a priority for stakeholders as well.

Organization. Involves creating a strong foundation for a sustainable revitalization effort, including cultivating partnerships, community involvement, and resources for the district. Stakeholders have identified a desire for cultivating a business district or other mechanism to have coordinated approaches to commercial and retail revitalization, as well as organizing with area employers and industries to help ensure local economic advancement. Partnerships with entities such as the Northside Association for Community Development is also a priority.

Promotion. Positions the commercial district as the center of the community and hub of economic activity, while creating a positive image that showcases a community's unique characteristics. Promotions and marketing will establish the brand and enhance the identity for the Northside Cultural Business District. The Northside Cultural Business District is home to a variety of businesses which can be marketed together. These commercial areas will be the social center of the near residential neighborhoods and strengthen the corridor's image. Stakeholders view neighborhood events as a key mechanism for bringing business owners, residents, and community stakeholders together to promote the Northside Cultural Business District brand.

The Northside Cultural Business District currently lacks the funding necessary for extensive events and marketing. Proactively marketing business districts in a way that promotes unique identity is essential to draw a diverse customer base, help businesses thrive, and create a unique gathering place for residents and visitors. It has been stressed by neighborhood stakeholders many times over that a comprehensive strategy should be developed and implemented in an equitable manner to assist in creating a thriving

Northside Cultural Business District identity to serve both residents and visitors.

The following tables summarize the various projects and activities proposed, including an estimated cost and completion date for each. As noted previously, the costs and completion dates are estimates only and are subject to change without further amendment to this Plan. These dates and estimates may vary because of private investment decisions, financing opportunities, market shifts or other factors.

Table 1: Projects Anticipated in Economic Vitality

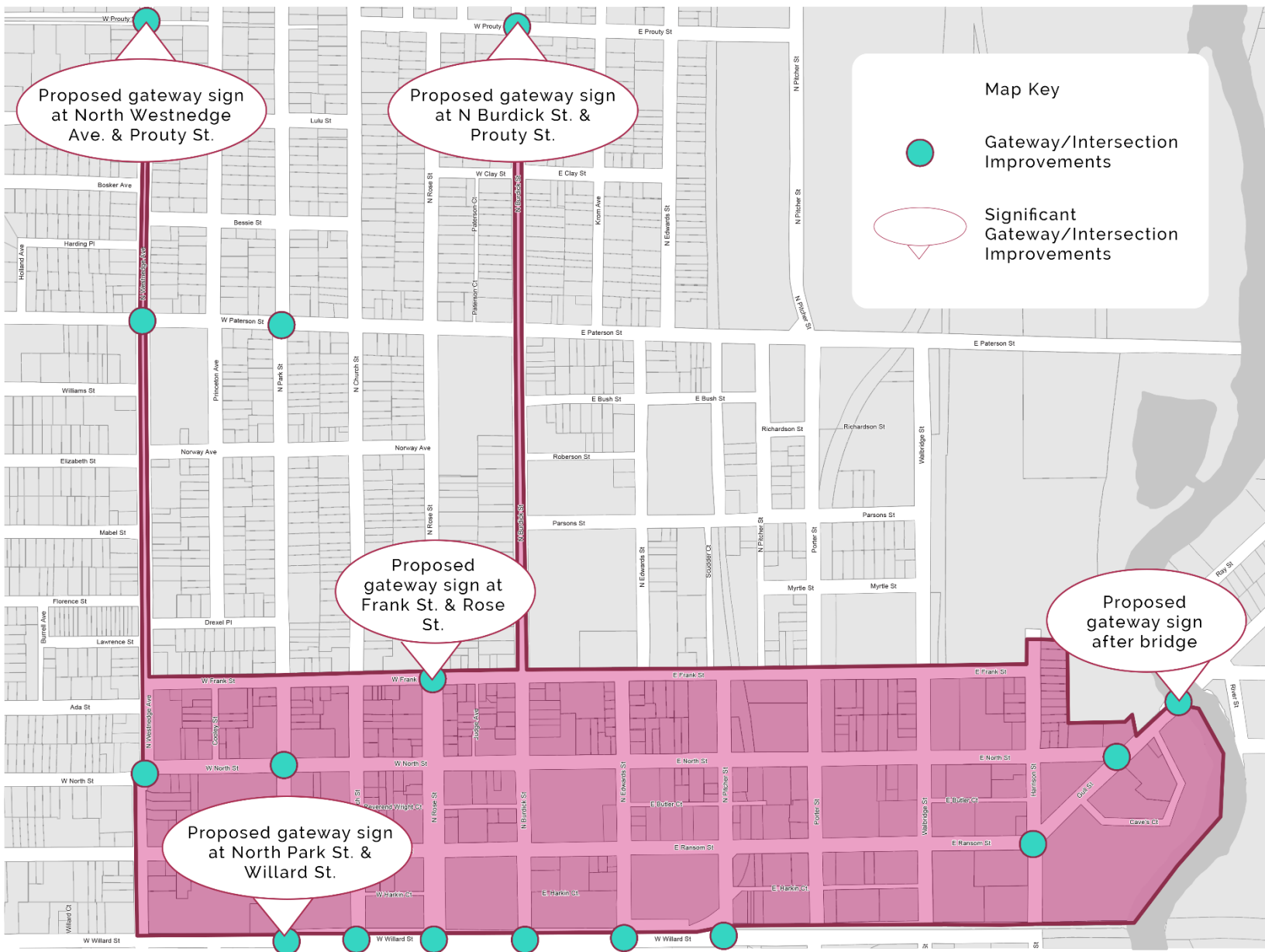
Economic Vitality Project	Cost	Completion
Short Term Projects (Higher Priority): 1-5 years		
Provide financial incentives to increase the number of resident-owned businesses, especially those by African American and low-income residents	\$1,500,000	Ongoing
Establish skilled trade and business training center	\$750,000	2021-2026
Increase the number of owner-occupied housing units in the District	\$750,000	Ongoing
Support affordable housing initiatives	\$750,000	Ongoing
Develop strategic business recruitment and retention initiatives or grant incentive program focused on existing neighborhood businesses	\$1,500,000	Ongoing
Provide support for building code rehabilitation or accessibility upgrades in District buildings	\$750,000	Ongoing
Develop revolving business micro-loan fund to assist neighborhood businesses with start-up and expansion	\$750,000	Ongoing
Create business incubator programs	\$150,000	Ongoing
Support opportunities for pop-up shops and mobile businesses	\$60,000	Ongoing
Maintain a list of local contractors and their area of expertise	\$6,000	Ongoing
Provide technical support for existing businesses	\$30,000	Ongoing
Medium Term Projects (Medium Priority): 6-10 years		
Market available properties	\$30,000	Ongoing
Conduct market research	\$150,000	Ongoing
Long Term Projects (Lower Priority): 11-30 years		
Enhance and support farmer's markets and increased access to local fresh food	\$30,000	Ongoing
Estimated Cost Subtotal: \$7,206,000		

Table 2: Projects Anticipated in Design

Design Project	Cost	Completion
Short Term Projects (Higher Priority): 1-5 years		
Develop an African American museum on Ransom Street	\$900,000	2021-2026
Establish a boxing and fitness training center	\$750,000	2021-2026
Beautify and improve streetscape and lighting along Ransom Street	\$3,000,000	2021-2026
Commission local artists to create murals and public art and enhance/hide utilities through art	\$150,000	Ongoing
Install bike racks, public benches, garbage cans, cigarette butt receptacles, and bike repair stations throughout District	\$750,000	Ongoing
Green and improve the District by expanding parkways, installing street planters, planting additional street trees, incorporating green infrastructure elements into the streetscape, installing irrigation, and implementing streetscape landscaping improvements	\$1,500,000	Ongoing
Beautify gateways and install gateway signage	\$750,000	2021-2026
Develop a "master plan" for signage in the district, and install wayfinding signage, district kiosks and additional parking lot directional signage	\$750,000	2021-2026
Expand street lighting and add pedestrian scaled decorative and/or historic street lighting to designated streets in the District	\$750,000	Ongoing
Implement a commercial façade program to assist with business façade improvements and encourage increased transparency in storefront windows	\$1,500,000	Ongoing
Re-establish "Church Row"	\$150,000	2021-2026
Improve District-wide walkability and accessibility through the improvement of sidewalks and pedestrian infrastructure, including the construction of improved crosswalks. Crosswalk improvements to be considered include raised crosswalks, artistic crosswalks, lit crosswalk signage and signals, in-ground lighting at key crosswalks, and the construction of midblock crossings.	\$3,000,000	Ongoing
Install emergency call boxes and other digital security and develop a safety plan for implementation	\$150,000	Ongoing
Create greater access to community green spaces and natural features, like the Kalamazoo River, by acquiring parks and trails and installing more pocket parks/public gathering spaces	\$600,000	Ongoing
Medium Term Projects (Medium Priority): 6-10 years		
Install historic markers and coordinate other preservation initiatives	\$90,000	2027-2032
Establish emergency backup system	\$3,000,000	2027-2032
Long Term Projects (Lower Priority): 11-30 years		
Bury utilities and electrical underground	\$3,000,000	Ongoing
Restore and/or repave designated streets throughout the District with historic paving materials such as brick	\$3,000,000	Ongoing
Build public restrooms through a public restroom program	\$1,500,000	Ongoing
Estimated Cost Subtotal: \$25,290,000		

The following pages provide visual reference of **Projects Anticipated in Design**, as presented in the 2009 Northside Neighborhood Plan.

Intersection Improvements



The above map depicts the locations where gateway and intersection improvements are recommended. These areas were identified in the 2009 Northside Neighborhood Plan as key locations to activate the street and establish an entry to the community, and updated in 2021 during the writing of this Plan. Please note, if improvement is shown outside of the Development Area, it may need alternative funding sources.

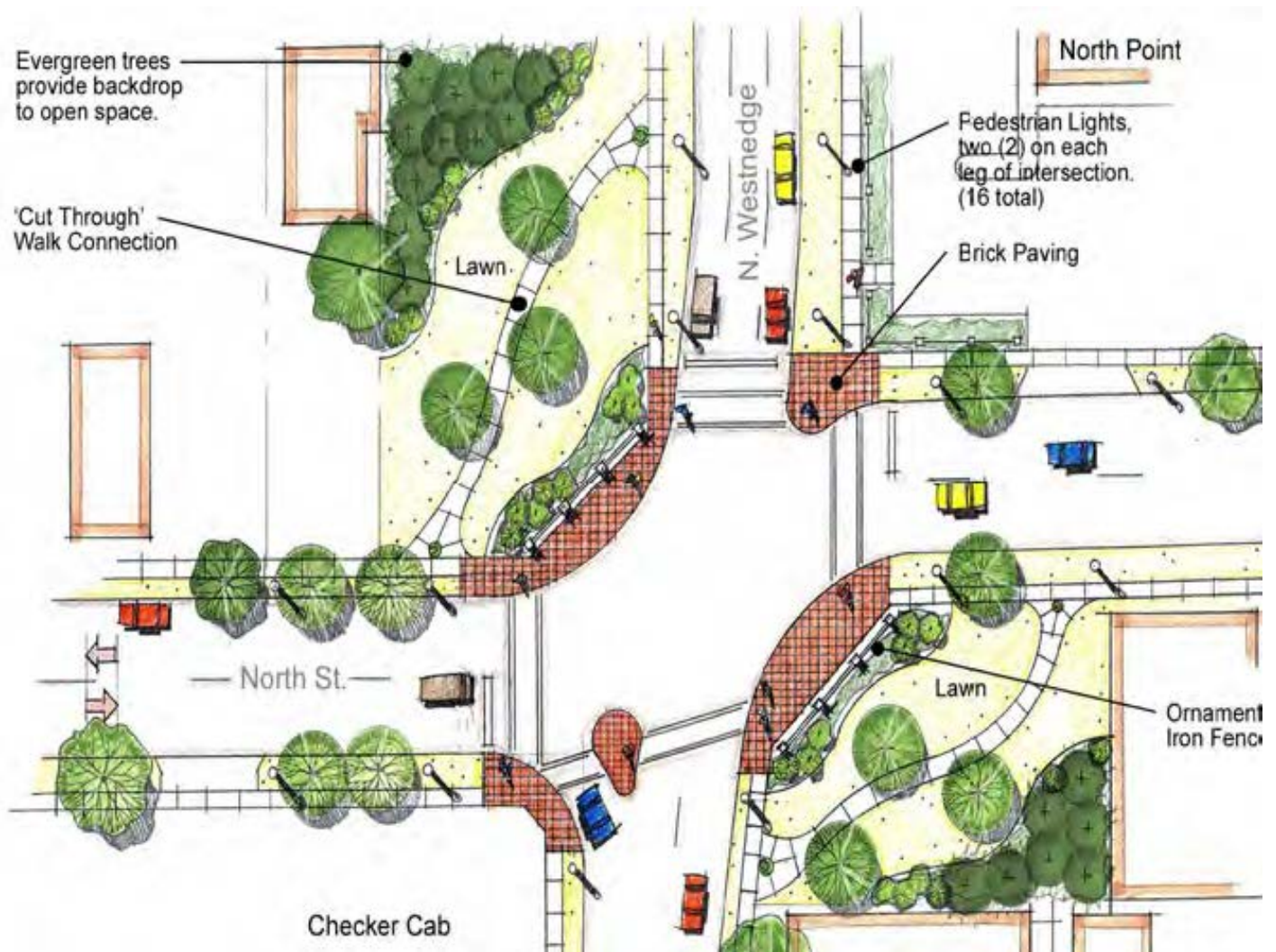
Gateway Signage



Sign Elevation

The Northside is the gateway into Kalamazoo from the north; and as such, it deserves a stunning entry experience. This plan generally supports the gateway drawings prepared by O'Boyle, Cowell Blalock & Associates (OCBA) for the City of Kalamazoo in November 2006. This graphic illustrates a potential gateway design.

Major Intersection Designs



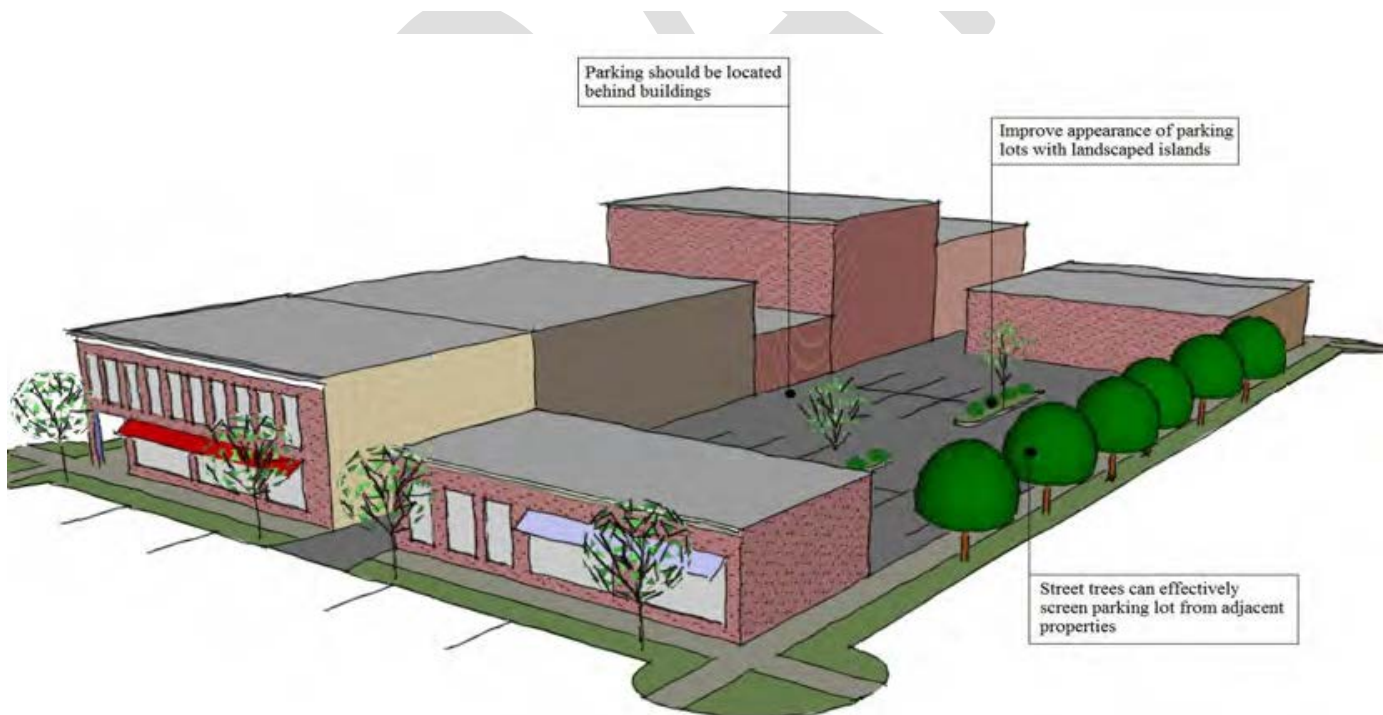
This graphic illustrates that brick pavers and landscape treatments can help to visually improve identified areas shown in the [Intersection Improvements Map](#).

Streetscape Beautification & Bike Infrastructure



The 2009 Northside Neighborhood Plan identified Westnedge Avenue, Park Street, Church Street, North Street and Ransom Street as the most visible corridors as well as the most in need of visual and physical enhancement. Projects for street enhancements are described in the 2009 and 2018 Northside Neighborhood Plans and in Table 2 of this document. Additionally, the 2009 Northside Neighborhood Plan identifies further opportunities for funding streetscape beautification projects, such as the Bikes Belong Coalition (BBC) to assist with bike infrastructure and cycle education.

Design Guidelines



The development on design guidelines could be created to enhance the streetscape of the core area and to foster a bustling neighborhood center, immediately adjacent to downtown Kalamazoo.

Table 3: Projects Anticipated in Organization

Organization Project	Cost	Completion
Short Term Projects (Higher Priority): 1-5 years		
Work with local organizations for youth activities and training	\$30,000	Ongoing
Coordinate activities and collaborate with neighborhood associations, organizations, institutions, and the Kalamazoo Downtown Partnership	\$75,000	Ongoing
Support business district associations	\$15,000	Ongoing
Actively recruit and appreciate volunteers	\$21,000	Ongoing
Hire outside consultant(s) for any other activity	\$75,000	Ongoing
Hire/contract out ongoing project administration services	\$75,000	Ongoing
Create and maintain an inventory of existing businesses	\$9,000	Ongoing
Support community watch programs to improve safety and security	\$15,000	Ongoing
Plan and organize business meet and greet events	\$15,000	Ongoing
Medium Term Projects (Medium Priority): 6-10 years		
Develop a corridor maintenance plan (including Business Improvement District)	\$150,000	2027-2032
Estimated Cost Subtotal: \$480,000		

Table 4: Projects Anticipated in Promotion

Promotion Project	Cost	Completion
Short Term Projects (Higher Priority): 1-5 years		
Develop a public relations and branding campaign, including, but not limited to, logo, online presence, advertising, and street banners	\$225,000	2022-2023
Work with external organizations in joint marketing and advertising	\$15,000	Ongoing
Plan and carry out special events and festivals, such as parades, block parties, planning and promoting evening activities and open street fair events, and collaborating with community events	\$750,000	Ongoing
Activate public spaces at all times of the year	\$150,000	Ongoing
Advertise on public transportation and billboards	\$30,000	Ongoing
Medium Term Projects (Medium Priority): 6-10 years		
Invest in micro-mobility alternatives, such as pedicabs, scooters, and bike sharing programs.	\$75,000	Ongoing
Invest in a community message board	\$60,000	2027-2032
Estimated Cost Subtotal: \$1,305,000		

Benefits of the Corridor Improvement District and Authority

The Northside Cultural Business District Authority recognizes the benefits of commercial property redevelopment to the district and to the City of Kalamazoo. This formal Development Plan is to be used to outline the priorities and goals of the CIA. In respect to these benefits, the CIA:

- a) Utilizes TIF to complete public improvement projects according to the approved TIF plan while leveraging other dollars such as earned income and private, state, federal and philanthropic monies for district improvements
- b) Generates a clear plan to improve the district, implemented by an empowered neighborhood stakeholder-government partner framework – a proven national method for success
- c) Creates access to additional programs and incentives to businesses such as special approval of liquor licenses within city development districts
- d) Establishes a collaborative environment which fosters business investment from existing entrepreneurs and attracts complementary new business growth
- e) Encourages job creation, which produces more jobs for neighborhood residents and generates additional personal income tax revenue
- f) Encourages surrounding property improvements, increasing values of neighboring properties thus generating more property tax revenue
- g) Promotes greater interest in mixed-use development, broadening business

location and residential housing options and increasing the tax base

- h) Brings more people into the district to shop for goods and services, thus generating more repeat customers for neighborhood businesses and increasing sales tax revenue
- i) Stimulates new commercial development in a neighborhood where additional private sector investment opportunity exists
- j) Improves the climate of community and economic development for residents and businesses alike
- k) Contributes to a healthy neighborhood which has the potential to decrease crime or the perception of crime, and increase public safety
- l) Creates an improved commercial core and public space that is appealing to neighborhood residents encouraging "pride in place" and visitor attraction
- m) Retains and empowers residents who can access jobs, goods and services in a walkable or transit-oriented neighborhood
- n) Creates an outreach and coordination mechanism at the neighborhood level for City financed projects
- o) Creates a public-private partnership with the City that enhances community neighborhood input to improve the district

Powers of the Authority

Detailed powers of the CIA are listed below per Section 125.4611 of Act 57 of 2018:

- (1) The board may do any of the following:

- a) Prepare an analysis of economic changes taking place in the development area.
- b) Study and analyze the impact of metropolitan growth upon the development area.
- c) Plan and propose the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a public facility, an existing building, or a multiple-family dwelling unit which may be necessary or appropriate to the execution of a plan which, in the opinion of the board, aids in the economic growth of the development area.
- d) Plan, propose, and implement an improvement to a public facility within the development area to comply with the barrier free design requirements of the state construction code promulgated under the Stille-DeRossett-Hale single state construction code act, 1972 PA 230, MCL 125.1501 to 125.1531.
- e) Develop long-range plans, in cooperation with the agency that is chiefly responsible for planning in the municipality, designed to halt the deterioration of property values in the development area and to promote the economic growth of the development area, and take steps as may be necessary to persuade property owners to implement the plans to the fullest extent possible.
- f) Implement any plan of development in the development area necessary to achieve the purposes of this part in accordance with the powers of the authority granted by this part.
- g) Make and enter into contracts necessary or incidental to the exercise of its powers and the performance of its duties.
- h) On terms and conditions and in a manner and for consideration the authority considers proper or for no consideration, acquire by purchase or otherwise, or own, convey, or otherwise dispose of, or lease as lessor or lessee, land and other property, real or personal, or rights or interests in the property, that the authority determines is reasonably necessary to achieve the purposes of this part, and to grant or acquire licenses, easements, and options.
- i) Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, and operate any building, including multiple-family dwellings, and any necessary or desirable appurtenances to those buildings, within the development area for the use, in whole or in part, of any public or private person or corporation, or a combination thereof.
- j) Fix, charge, and collect fees, rents, and charges for the use of any facility, building, or property under its control or any part of the facility, building, or property, and pledge the fees, rents, and charges for the payment of revenue bonds issued by the authority.
- k) Lease, in whole or in part, any facility, building, or property under its control.
- l) Accept grants and donations of property, labor, or other things of value from a public or private source.
- m) Acquire and construct public facilities.

- n) Conduct market research and public relations campaigns, develop, coordinate, and conduct retail and institutional promotions, and sponsor special events and related activities.
- o) Contract for broadband service and wireless technology service in a development area.

Legal Basis of the Plans

This Development Plan and Tax Increment Financing Plan are prepared pursuant to the requirements of Sections 125.4618 and 125.4621 of the Act. The Plans address the Development Area as established by the City Commission. A descriptive map, resolutions establishing the district and forming the CIA, and the legal description of the Development Area are contained in this document and in the appendices.

Development Plan Requirements

This section of the Development Plan provides specific information required in Section 125.4621 of the Act. It consists of information requested in subsections 2(a) through 2(r).

Section 125.4621. 2(a) The designation of boundaries of the development area in relation to highways, streets, streams, or otherwise.

The boundary of the Development Area was established by City Commission resolution number 18-78, adopted November 5, 2018, and with the proposed area including parcels between Westnedge Avenue and the Kalamazoo River, between Willard Street and Frank Street, and in the public right-of-way along Westnedge Avenue and Burdick Street between Frank Street and Prouty

Street. A copy of the boundary map is contained in Appendix F.

Section 125.4621. 2(b) The location and extent of existing streets and other public facilities within the development area, designating the location, character, and extent of the categories of public and private land uses then existing and proposed for the development area, including residential, recreational, commercial, industrial, educational, and other uses and shall include a legal description of the development area.

The percentage of real property by classification (in acres) located within the area as registered by the City's Assessor Office in 2021 is 33% Commercial, 17% Industrial, 20% Residential, and 29% Institutional (exempt).

The legal description is as follows:

Commencing at the intersection of the westerly right-of-way line of South Westnedge Avenue with the southerly boundary of the Norfolk Southern Railway right-of-way; thence EASTERLY along the southerly boundary of the Norfolk Southern Railway right-of-way to its intersection with the center line of the Kalamazoo River; thence running downstream and NORTHERLY along the centerline of the Kalamazoo River to its intersection with the northerly right-of-way line of Gull Road; thence SOUTHEASTERLY along the northerly right-of-way line of Gull Street to the west property line of 669 Gull Road known as Verburg Park; thence running NORTHERLY, WESTERLY and NORTHERLY along the property lines of 669 Gull Road, Verburg Park, to its intersection with the northerly property line of 808 Harrison; thence WESTERLY along the northerly property line of 808

Harrison to the easterly right-of-way line of Harrison Street; thence NORTHERLY along the easterly line of Harrison Street to the north end of the public right-of-way of Harrison Street, being the southerly property line of 809 Harrison Street; thence WESTERLY along the north end of Harrison Street to the westerly right-of-way line of Harrison Street; thence SOUTHERLY along the westerly right-of-way line of Harrison Street to the northerly right-of-way line of Frank Street; thence WESTERLY along the northerly right-of-way line of East Frank Street to the easterly right-of-way line of North Burdick Street; thence NORTHERLY along the easterly right-of-way line of North Burdick Street to the southerly right-of-way line of East Prouty Street; thence WESTERLY along the southerly right-of-way line of Prouty Street to the westerly right-of-way line of North Burdick Street; thence SOUTHERLY along the westerly right-of-way line of North Burdick Street to the northerly right-of-way line of West Frank Street; thence WESTERLY along the northerly right-of-way line of West Frank Street to the easterly right-of-way line of North Westnedge Avenue; thence NORTHERLY along the easterly right-of-way line of North Westnedge Avenue to the southerly right-of-way line of West Prouty Street; thence WESTERLY along the southerly right-of-way line of West Prouty Street to the westerly right-of-way line of North Westnedge Avenue; thence SOUTHERLY along the westerly right-of-way line of North Westnedge Avenue to the southerly boundary of the Norfolk Southern Railway right-of-way and the point of beginning.

See district parcel list in Appendix E

See district map in Appendix F

Section 125.4621. 2(c) A
description of improvements to be
made in the development area to
be demolished, repaired, or
altered, a description of any repairs

and alterations, and an estimate of
the time required for completion.

Descriptions of specific improvement projects that are contemplated within the Development Area are contained in the project schedule and budget in this Plan. The cost and time estimates included in the project schedule and budget are for estimate purposes only and may be revised by the CIA at any time without amending this Plan.

Section 125.4621. 2(d) The
location, extent, character, and
estimated cost of the
improvements including
rehabilitation contemplated for the
development area and an estimate
of the time required for
completion.

Descriptions of specific improvement projects that are completed within the Development Area are contained in the project schedule and budget in this Plan. The cost and time estimates included in the project schedule and budget are estimates only and may be revised by the CIA at any time without amending this Plan.

Section 125.4621. 2(e) A
statement of the construction or
stages of construction planned,
and the estimated time of
completion of each stage.

Descriptions of specific improvement projects that are completed within the Development Area are contained in the project schedule and budget in this Plan. The time estimates included in the project schedule are estimates only and may be revised by the CIA at any time without amending this Plan.

Section 125.4621. 2(f) A
description of any parts of the

development area to be left as open space and the use contemplated for the space.

This Plan contemplates the addition of pocket parks, the enhancement of open space, and improved connections to the Kalamazoo River, etc. Tables 1 through 4 in this Plan include the project descriptions.

Section 125.4621. 2(g) A description of any portion of the development area which the authority desires to sell, donate, exchange, or lease to or from the municipality and proposed terms.

Descriptions of real estate contemplated for acquisition and/or disposition within the Development Area are contained in the project schedule and budget in this Plan. There is no known or identified property or real estate as of the adoption of this Plan that is necessary to complete the improvements set forth in this Plan. However, the CIA may wish to sell, donate, exchange, or lease property in the future. The CIA reserves the right to sell, donate, exchange or lease property in the future to the extent determined necessary by the CIA without further amendment to this Plan.

Section 125.4621. 2(h) A description of desired zoning changes and changes in streets, street levels, intersections, traffic flow modifications, or utilities.

Zoning changes, street layout adjustments, street level modifications, intersection and utilities changes are not contemplated at this time, except as may be proposed in the project schedule and budget in this Plan.

Section 125.4621. 2(i) An estimate of the cost of the development, a

statement of the proposed method of financing the development, and the ability of the authority to arrange the financing.

The total cost of completing all activities, projects and improvements proposed by this Plan is estimated to be \$34,281,000, not including administrative expenses, inflationary costs, and, contingencies. A breakdown of the estimated budget for completion for each of those activities and projects is set forth in this Plan. The cost estimates included in the budget are estimates only and may be revised by the CIA without amending this Plan; provided, however, that such items and improvements must be completed within the duration of this Plan, unless the term is amended in accordance with the Act. Further, estimated costs may be increased or decreased based upon then current pre-construction or pre-bid estimates of cost, as well as revised estimates of cost resulting from the receipt of bids. All operating and planning expenditures of the CIA and the City, as well as all advances extended by or indebtedness incurred by the City or other parties for improvements identified in this document that have been completed, are in progress, or yet to be completed, are expected to be repaid from tax increment revenues.

The CIA expects to finance these activities from any one or more of the following sources:

- Future tax increment revenues
- Interest on investments
- Donations received by the CIA
- Proceeds from City, State, and Federal grants
- Proceeds from any property building or facility that may be owned, leased, licensed, operated or sold by the CIA
- Monies obtained through development agreements with property owners benefiting from organizing activities or other public improvements listed in this Plan

- Public and private foundation grants
- Fees, sponsorships, or memberships
- Business Improvement District special assessment
- Other sources as may be approved by the City Commission

The proceeds to be received from tax increment revenues in the Development Area, plus the availability of funds from other authorized sources, will be sufficient to finance all activities and improvements to be carried out under this Plan.

Section 125.4621. 2(j) Designation of the person or persons, natural or corporate, to whom all or a portion of the development is to be leased, sold, or conveyed in any manner and for whose benefit the project is being undertaken if that information is available to the authority.

At the time of the adoption of this Plan, no person or persons, natural or corporate, have been identified to whom development will be sold, leased, or otherwise conveyed or for whose benefit the project is being undertaken. Therefore, such information is unavailable.

Section 125.4621. 2(k) The procedures for bidding for the leasing, purchasing, or conveying in any manner of all or a portion of the development upon its completion, if there is no express or implied agreement between the authority and persons, natural or corporate, that all or a portion of the development will be leased, sold or conveyed in any manner to these persons.

The CIA has not publicly announced specific commitments for the leasing or sale of property as it has no property under supervisory responsibility at this time. The CIA in conjunction with the City Commission may discuss policies to explore acquisition of tax reverted or other property should properties within the district become available for acquisition by the City through tax reversion procedures. Bidding will follow a process identified by the CIA and City consistent with the goals of the affected neighborhoods and business districts as expressed in planning documents including the Northside Neighborhood Plan.

The CIA may acquire private property if and when it advances a public improvement project or is necessary for economic development purposes. Any property acquired or held by the CIA, to be sold, leased, or otherwise conveyed to private development interests shall be sold, leased, or otherwise conveyed in accordance with local municipal policy, terms, and conditions to be established by the CIA, and state law, if applicable. At the time of the adoption of this Plan, no private parties have been identified to whom land for redevelopment will be sold, leased, or otherwise conveyed; however, the CIA may sell, lease, or otherwise convey such property to presently undetermined private parties for redevelopment for appropriate uses.

Section 125.4621. 2(l) Estimates of the number of persons residing in the development area and the number of families and individuals to be displaced. If occupied residences are designated for acquisition and clearance by the authority, a development plan shall include a survey of the families and individuals to be displaced, including their income and racial

composition, a statistical description of the housing supply in the community, including the number of private and public units in existence or under construction, the condition of those units in existence, the number of owner-occupied and renter-occupied units, the annual rate of turnover of the various types of housing and the range of rents and sale prices, an estimate of the total demand for housing in the community, and the estimated capacity of private and public housing available to displaced families and individuals.

No relocation of families or individuals is anticipated within the scope of these proposed Plans. The population estimate for the district is 259 people.

Section 125.4621. 2(m) A plan for establishing priority for the relocation of persons displaced by the development in any new housing in the development area.

No relocation of families or individuals is anticipated within the scope of these proposed Plans.

Section 125.4621. 2(n) Provision for the costs of relocating persons displaced by the development, and financial assistance and reimbursement of expenses, including litigation expenses and expenses incidental to the transfer of title, in accordance with the standards and provisions of the uniform relocation assistance and real property acquisition policies

act of 1970, Public Law 91-646, 84 Stat. 1894.

No relocation of families or individuals is anticipated within the scope of these proposed Plans.

Section 125.4621. 2(o) A plan for compliance with 1972 PA 227, MCL 213.321 to 213.332.

No relocation of families or individuals is anticipated within the scope of these proposed Plans.

Section 125.4621. 2(p) The requirement that amendments to an approved development plan and tax increment plan must be submitted by the authority to the governing body for approval or rejection.

In accordance with the Act, the CIA reserves the right to amend this Plan to add new improvement projects, add additional parcels, extend the duration of the Plan, or for other lawful purposes. Any amendments to the Plan shall be approved by the CIA and the City Commission in accordance with the requirements of the Act.

Section 125.4621. 2(q) A schedule to periodically evaluate the effectiveness of the development plan.

An annual report shall be submitted to each entity for which taxes are captured addressing the use of CIA funds during the past fiscal year, in accordance with Section 125.4911 in Part 9 of the Act. Any amendments to the Plan shall be approved by the CIA and the City Commission in accordance with the requirements of the Act.

Section 125.4621. 2(r) Other material which the authority, local

public agency, or governing board considers pertinent.

This Development Plan contemplates the use of tax increment financing. The CIA will comply with any City of Kalamazoo policies regarding Corridor Improvement Authorities and Districts, as amended.

Development Plan and Tax Increment Financing Plan Schedule and Budget

The duration of these Plans is a 30-year period. On the following pages specific projects addressing CIA goals are described. Each project includes estimated costs and time of completion. The schedule begins in the year 2021 and ends in the year 2051. Projects are organized based on estimated time of completion.

Intent to Update and Extend Duration or Terminate Plan

On or before the year 2051, the CIA will consider action to update and extend the duration of these Plans or make recommendations to terminate these Plans and rescind City Resolution 18-78 creating the CIA. Rescission of the resolution would dissolve the CIA and eliminate the accompanying tax increment financing district; provided, however, that in accordance with the Act, the CIA shall not be dissolved if there is outstanding indebtedness.

Reimbursement of Excess Tax Capture

If the CIA revenues exceed the anticipated needs of all projects listed in the Development Plan, excess revenue shall be reverted proportionately to the respective taxing bodies in accordance with Section 125.4619. (2) of the Act.

Tax Increment Financing Plan

Tax Increment Financing Plan

This Tax Increment Financing Plan is established to make possible the financing of all or a portion of the costs associated with the activities and projects contained in the Development Plan for the Northside Cultural Business District Authority.

The Act requires the CIA to provide information about the tax increment revenues anticipated to be captured by the CIA and the impact upon taxing jurisdictions.

Specifically, the Tax Increment Financing Plan must include, pursuant to Section 125.4618(1) of the Act:

1. A detailed explanation of the tax increment procedure,
2. The maximum amount of bonded indebtedness to be incurred, and
3. The duration of the program.

Description of Current Financial Position

Detailed Explanation of the Tax Increment Financing Procedure

TIF makes it possible for a CIA to capture tax increment revenues that are derived from the increase in the value of property, which has benefitted from development projects within the district. The revenue is used to finance further development within the district. The Northside Cultural Business District Authority has determined that, in order to finance the activities and projects set forth in the Development Plan; a tax increment financing plan must be adopted. The theory of TIF is that tax revenue will increase within a district where redevelopment is taking place. Development will

generate an increase in the tax revenues within that district. Therefore, it is appropriate to use this increase in tax revenue to reinvest into the district to encourage continued development efforts.

The TIF procedure requires the adoption of a Development Plan and a Tax Increment Financing Plan by the City Commission. Following the adoption, the city and county treasurers are required by law to transmit to the CIA that portion of the tax levy of all taxing bodies paid each year on the captured assessed value of all real property located in the Development Area. The tax amounts to be transmitted are hereinafter referred to as "tax increment revenue." "Captured assessed value" and "initial assessed value" are defined by the Act in Section 125.4602

It is the goal of the CIA to use the tax increment revenues in the development district for the number of years necessary to complete the projects outlined in the Development Plan.

The CIA shall submit an annual report to the City, the taxing unit levying taxes subject to capture by the CIA, and the Michigan Department of Treasury on the tax increment financing account showing the revenue received and the amount and purpose of expenditures from the account. The report will also be required to show the initial assessed value of the development district and the amount of captured assessed value by property tax classification.

An opportunity will be made available to the other taxing jurisdictions to meet with the City Commission to discuss the fiscal and economic implications of these proposed Plans. The Tax Increment Financing Plan may be modified by the City Commission upon notice and after a public hearing. The City Commission may also abolish the Tax Increment Financing Plan when it finds that the purpose for which it was established is accomplished.

The maximum amount of bonded indebtedness to be incurred

The CIA does not expect bonding to exceed twice the amount of the programmed projects found in this document, or a maximum of \$68,562,000. Below is the current financial position of the Northside Cultural Business District Authority.

Description of Current Financial Position:

Current Assets: The Northside Cultural Business District Authority fund balance at the time of preparation of this analysis is \$0.

Anticipated Revenue: The proposed TIF district contains 296 individual real properties, according to City Assessor's public records. The 2021 base taxable value for all properties is \$6,843,415. This is the initial assessed value to which all future assessments will be compared to determine the captured assessed value for the district. A detailed table listing projected revenue for the 30-year period is included in Appendix G.

Additional sources of funding may be leveraged from time to time.

Expenses: The CIA will be responsible for accommodating all expenses for each project as prioritized from the Development Plan.

Duration of the CIA and Tax Increment Financing District

A 30-year budget is included in Tables 1 through 4 of the Development Plan.

Appendices

DRAFT



Appendix A

Resolution Number 18-44, Intent to establish the Northside Cultural Business District Authority and Development Area

CITY OF KALAMAZOO, MICHIGAN

RESOLUTION NO. 18-44

**A RESOLUTION DECLARING THE INTENT TO CREATE AND PROVIDE
FOR THE OPERATION OF THE NORTHSIDE CULTURAL BUSINESS
DISTRICT AUTHORITY**

Minutes of a regular meeting of the City Commission of the City held on July 16, 2018, at or after 7:00 p.m., local time, at City Hall, 241 W. South Street, Kalamazoo, Michigan.

PRESENT, Commissioners: Anderson, Cooney, Sykes, Urban, Vice Mayor Knott, Mayor Hopewell

ABSENT, Commissioners: Cunningham

WHEREAS, §4(1) of the Corridor Improvement Authority Act, Public Act 280 of 2005, MCL 125.2874 (“the Act”), authorizes the City to establish more than one corridor improvement authority each with its own defined development area, provided that certain prerequisites are met, so as to redevelop its commercial corridors and promote local economic growth; and

WHEREAS, the City has identified an area within the City which it proposes to be designated as a corridor improvement development area; and

WHEREAS, in order to comply with the requirements of the Act, the City Commission desires to express its intent to establish a corridor improvement authority, designate the boundaries of a development area, and to set a public hearing regarding the establishment of the authority and the designation of a qualified development area;

NOW THEREFORE BE IT RESOLVED:

1. It is the intention of the City Commission to create and provide for the operation of a Northside Cultural Business District Authority (NCBDA) pursuant to §6 of the Act, MCL 125.2876.
2. The proposed development area of the NCBDA is set forth on the attached map and is the area generally described as follows:

Commencing at the intersection of the westerly right-of-way line of South Westnedge Avenue with the northerly boundary of the Norfolk Southern Railway right-of-way; thence **EASTERLY** along the northerly boundary of the Norfolk Southern Railway right-of-way to its intersection with the center line of the Kalamazoo River; thence running downstream and **NORTHERLY** along the centerline of the Kalamazoo River to its intersection with the northerly right-of-way line of Gull Road; thence

SOUTHEASTERLY along the northerly right-of-way line of Gull Street to the west property line of 669 Gull Road known as Verburg Park; thence running NORTHERLY, WESTERLY and NORTHERLY along the property lines of 669 Gull Road, Verburg Park, to its intersection with the northerly property line of 808 Harrison; thence WESTERLY along the northerly property line of 808 Harrison to the easterly right-of-way line of Harrison Street; thence NORTHERLY along the easterly line of Harrison Street to the north end of the public right-of-way of Harrison Street, being the southerly property line of 809 Harrison Street; thence WESTERLY along the north end of Harrison Street to the westerly right-of-way line of Harrison Street; thence SOUTHERLY along the westerly right-of-way line of Harrison Street to the northerly right-of-way line of Frank Street; thence WESTERLY along the northerly right-of-way line of East Frank Street to the easterly right-of-way line of North Burdick Street; thence NORTHERLY along the easterly right-of-way line of North Burdick Street to the southerly right-of-way line of East Prouty Street; thence WESTERLY along the southerly right-of-way line of Prouty Street to the westerly right-of-way line of North Burdick Street; thence SOUTHERLY along the westerly right-of-way line of North Burdick Street to the northerly right-of-way line of West Frank Street; thence WESTERLY along the northerly right-of-way line of West Frank Street to the easterly right-of-way line of North Westnedge Avenue; thence NORTHERLY along the easterly right-of-way line of North Westnedge Avenue to the southerly right-of-way line of West Prouty Street; thence WESTERLY along the southerly right-of-way line of West Prouty Street to the westerly right-of-way line of North Westnedge Avenue; thence SOUTHERLY along the westerly right-of-way line of North Westnedge Avenue to the northerly boundary of the Norfolk Southern Railway right-of-way and the point of beginning.

3. It is the further intention of the City Commission that the NCBDA include all properties within a development area that meets the qualifying criteria set forth at §5 of the Act, MCL 125.2875. To this end the City Commission finds that the following criteria set forth by statute are satisfied:

- a. The proposed development area is within 500 feet of North Westnedge Avenue, which is classified as an arterial or collector according to the federal highway administration manual, "Highway Functional Classification-Concepts, Criteria and Procedures."
- b. The proposed development area contains at least 10 contiguous parcels.
- c. More than one-half of the existing ground floor square footage in the proposed development area is classified as commercial real property under Section 34c of the General Property Tax Act, Public Act 206 of 1893, MCL 211.34c
- d. That residential use, commercial use, or industrial use has been allowed and conducted under the City's Zoning Ordinance in the entire proposed development area for the immediately preceding 30 years.
- e. The proposed development area is presently served by municipal water and sewer utilities.

f. That the proposed development area is zoned to allow for mixed uses that include high-density residential use.

g. The City agrees to expedite the local permitting and inspection process in the proposed development area.

h. The City Master Plan provides for walkable non-motorized interconnections, including sidewalks and streetscapes, throughout the proposed development area.

BE IT FURTHER RESOLVED:

1. That a public hearing on the adoption of a proposed resolution creating the Northside Cultural Business District Authority and designating the development area will be held on September 4, 2018 at 7:00 PM at City Hall, 241 W. South St., Kalamazoo, MI 49007.

2. The City Clerk is directed to publish two notices of the public hearing in a newspaper of general circulation in the City not less than 20 or more than 40 days before the date of the hearing. The City Clerk or his designee is further directed to post notice of the public hearing in at least 20 conspicuous and public places in the proposed development area not less than 20 days before the hearing. The notice shall state the date, time and place of the hearing and described the boundaries of the proposed development area.

3. The City Manager or his designee shall not less than 20 days before the hearing, by first class mail provide notice of the hearing to the property taxpayers of record in the proposed qualified development area, to the governing body of each taxing jurisdiction levying taxes that would be subject to capture if the NCBDA is established and a tax increment financing plan is approved, and to the State Tax Commission.

The above resolution was offered by Commissioner Urban and supported by Commissioner Sykes.

AYES, Commissioners: Anderson, Cooney, Sykes, Urban, Vice Mayor Knott, Mayor Hopewell

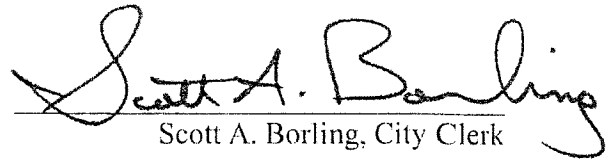
NAYS, Commissioners: None

ABSTAIN, Commissioners: None

RESOLUTION DECLARED ADOPTED.

CERTIFICATE

The foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Kalamazoo at a regular meeting held on July 16, 2018. Public notice was given and the meeting was conducted in full compliance with the Michigan Open Meetings Act (PA 267, 1976). Minutes of the meeting will be available as required by the Act.



Scott A. Borling, City Clerk

Appendix B

Affidavits of Notice of Public Hearing on the establishment of the Northside Cultural Business District Authority and Development Area

STATE OF MICHIGAN)
County of Kalamazoo

ss. Maun Sutton

Being duly sworn deposes and say he/she is Principal Clerk of



THE KALAMAZOO GAZETTE

DAILY EDITION

a newspaper published and circulated in the County of Kalamazoo and otherwise qualified according to Supreme Court Rule; and that the annexed notice, taken from said paper, has been duly published in said paper on the following day(day(s))

August 5 A.D. 20 18

Sworn to and subscribed before me this 6th day of August 20 18

NOTICE OF PUBLIC HEARING CREATION OF THE NORTHSIDE CULTURAL BUSINESS DISTRICT AUTHORITY

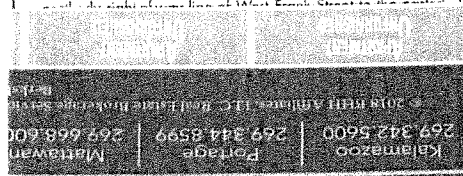
It is the intention of the City Commission to create and provide for the operation of a Northside Cultural Business District Authority (NCBDA) pursuant to §6 of the Act, MCL 125.2876.

On Tuesday, September 4, 2018, at or after 7 p.m., the Kalamazoo City Commission will conduct a public hearing regarding the establishment of a Northside Cultural Business District Authority under the Corridor Improvement Authority Act, pursuant to PA 280 of 2005.

The proposed qualified development area of the NCBDA is the area generally described as follows:

Commencing at the intersection of the westerly right-of-way line of South Westnedge Avenue with the northerly boundary of the Norfolk Southern Railway right-of-way, thence EASTERLY along the northerly boundary of the Norfolk Southern Railway right-of-way to its intersection with the center line of the Kalamazoo River; thence running downstream and NORTHERLY along the centerline of the Kalamazoo River to its intersection with the northerly right-of-way line of Gull Road, thence SOUTHEASTERLY along the northerly right-of-way line of Gull Street to the west property line of 669 Gull Road known as Verburg Park, thence running NORTHERLY, WESTERLY and NORTHERLY along the property lines of 669 Gull Road, Verburg Park, to its intersection with the northerly property line of 808 Harrison; thence WESTERLY along the northerly property line of 808 Harrison to the easterly right-of-way line of Harrison Street; thence NORTHERLY along the easterly line of Harrison Street to the north end of the public right-of-way of Harrison Street, being the southerly property line of 809 Harrison Street, thence WESTERLY along the north end of Harrison Street to the westerly right-of-way line of Harrison Street; thence SOUTHERLY along the westerly right-of-way line of Harrison Street to the northerly right-of-way line of Frank Street; thence WESTERLY along the northerly right-of-way line of East Frank Street to the easterly right-of-way line of North Burdick Street; thence NORTHERLY along the easterly right-of-way line of North Burdick Street to the southerly right-of-way line of East Prouty Street; thence WESTERLY along the southerly right-of-way line of Prouty Street to the westerly right-of-way line of North Burdick Street; thence SOUTHERLY along the westerly right-of-way line of North Burdick Street to the northerly right-of-way line of West Frank Street; thence WESTERLY along the

Janice M. Degraaf
JANICE M. DEGRAAF
NOTARY PUBLIC, STATE OF MI
COUNTY OF KENT
MY COMMISSION EXPIRES Oct 3, 2020
ACTING IN COUNTY OF Kent



STATE OF MICHIGAN)
County of Kalamazoo

ss Sharon Sutter

Being duly sworn deposes and say he/she is Principal Clerk of



THE KALAMAZOO GAZETTE

DAILY EDITION

a newspaper published and circulated in the County of Kalamazoo and otherwise qualified according to Supreme Court Rule; and that the annexed notice, taken from said paper, has been duly published in said paper on the following day(days)

August 7 A.D. 20 18

Sworn to and subscribed before me this 7th day of August 20 18

NOTICE OF PUBLIC HEARING

CREATION OF THE NORTHSIDE CULTURAL BUSINESS DISTRICT AUTHORITY

It is the intention of the City Commission to create and provide for the operation of a Northside Cultural Business District Authority (NCBDA) pursuant to §6 of the Act, MCL 125.2676

On Tuesday, September 4, 2018, at or after 7 p.m., the Kalamazoo City Commission will conduct a public hearing regarding the establishment of a Northside Cultural Business District Authority under the Corridor Improvement Authority Act, pursuant to PA 280 of 2005

The proposed qualified development area of the NCBDA is the area generally described as follows:

Commencing at the intersection of the westerly right-of-way line of South Westnedge Avenue with the northerly boundary of the Norfolk Southern Railway right-of-way; thence EASTERLY along the northerly boundary of the Norfolk Southern Railway right-of-way to its intersection with the center line of the Kalamazoo River; thence running downstream and NORTHERLY along the centerline of the Kalamazoo River to its intersection with the northerly right-of-way line of Gull Road; thence SOUTHEASTERLY along the northerly right-of-way line of Gull Street to the west property line of 669 Gull Road known as Verburg Park; thence running NORTHERLY, WESTERLY and NORTHERLY along the property lines of 669 Gull Road, Verburg Park, to its intersection with the northerly property line of 808 Harrison; thence WESTERLY along the northerly property line of 808 Harrison to the easterly right-of-way line of Harrison Street; thence NORTHERLY along the easterly line of Harrison Street to the north end of the public right-of-way of Harrison Street, being the southerly property line of 809 Harrison Street; thence WESTERLY along the north end of Harrison Street to the westerly right-of-way line of Harrison Street; thence SOUTHERLY along the westerly right-of-way line of Harrison Street to the northerly right-of-way line of Frank Street; thence WESTERLY along the northerly right-of-way line of East Frank Street to the easterly right-of-way line of North Burdick Street; thence NORTHERLY along the easterly right-of-way line of North Burdick Street to the southerly right-of-way line of East Prouty Street; thence WESTERLY along the southerly right-of-way line of Prouty Street to the westerly right-of-way line of North Burdick Street; thence SOUTHERLY along the westerly right-of-way line of North Burdick Street to the northerly right-of-way line of West Frank Street; thence WESTERLY along the northerly right-of-way line of West Frank Street to the easterly right-of-way line of North Westnedge Avenue; thence NORTHERLY along the easterly right-of-way line of North Westnedge Avenue to the southerly right-of-way line of West Prouty Street; thence WESTERLY along the southerly right-of-way line of West Prouty Street to the westerly right-of-way line of North Westnedge Avenue; thence SOUTHERLY along the westerly right-of-way line of North Westnedge Avenue to the northerly boundary of the Norfolk Southern Railway right-of-way and the point of beginning.

The public hearing will take place during the regular City Commission business meeting held on Tuesday, September 4, 2018 in the City Commission Chambers at City Hall, 241 West South Street, Kalamazoo, Michigan 49007. At the public hearing, all citizens, taxpayers and representatives or officials from any taxing jurisdiction whose millage may be subject to capture under the proposed Northside Cultural Business District Authority, shall be afforded an opportunity to be heard.

Janice M. Degraaf
JANICE M. DEGRAAF
NOTARY PUBLIC, STATE OF MI
COUNTY OF KENT
MY COMMISSION EXPIRES Oct 3, 2020
ACTING IN COUNTY OF Kent

Appendix C

Resolution Number 18-78, establishing the Northside Cultural Business District Authority and Development Area

CITY OF KALAMAZOO, MICHIGAN

RESOLUTION NO. 18-78

A RESOLUTION ESTABLISHING THE NORTHSIDE CULTURAL BUSINESS DISTRICT AUTHORITY AND DESIGNATING THE BOUNDARY THEREOF

Minutes of a regular meeting of the City Commission of the City held on November 5, 2018, at or after 7:00 p.m., local time, at City Hall, 241 W. South Street, Kalamazoo, Michigan.

PRESENT, Commissioners: Anderson, Cooney, Sykes, Urban, Mayor Hopewell

ABSENT, Commissioners: Cunningham, Vice Mayor Knott

WHEREAS, pursuant to the Corridor Improvement Authority Act, being Public Act 280 of 2005, the City Commission adopted resolution 18-41 on July 16, 2018 expressing its intention to create the Northside Cultural Business District Authority (“Authority”) so as to redevelop its commercial corridors and promote local economic growth; and

WHEREAS, a public hearing on the creation of the Authority was held at the September 4, 2018 regular meeting of the City Commission following notice as required by §6 of the Act, MCL 125.2876, and 60 days having elapsed since that public hearing; and

WHEREAS, the City Commission determines that the creation of a corridor improvement authority in the Northside neighborhood is necessary and in the best interest of the public so as to redevelop its commercial corridors and in particular to create business opportunities for residents of the neighborhood, and to promote the general economic growth of the City;

NOW THEREFORE BE IT RESOLVED:

1. The Northside Cultural Business District Authority is created by this City Commission as a corridor improvement authority pursuant to Public Act 280 of 2005 (“Act”).
2. The boundaries of the Authority are established as:

Commencing at the intersection of the westerly right-of-way line of South Westnedge Avenue with the northerly boundary of the Norfolk Southern Railway right-of-way; thence **EASTERLY** along the northerly boundary of the Norfolk Southern Railway right-of-way to its intersection with the center line of the Kalamazoo River; thence running downstream and **NORTHERLY** along the centerline of the Kalamazoo River to its intersection with the northerly right-of-way line of Gull Road; thence **SOUTHEASTERLY** along the northerly right-of-way line of Gull Street to the west property line of 669 Gull Road known as Verburg

Park; thence running NORTHERLY, WESTERLY and NORTHERLY along the property lines of 669 Gull Road, Verburg Park, to its intersection with the northerly property line of 808 Harrison; thence WESTERLY along the northerly property line of 808 Harrison to the easterly right-of-way line of Harrison Street; thence NORTHERLY along the easterly line of Harrison Street to the north end of the public right-of-way of Harrison Street, being the southerly property line of 809 Harrison Street; thence WESTERLY along the north end of Harrison Street to the westerly right-of-way line of Harrison Street; thence SOUTHERLY along the westerly right-of-way line of Harrison Street to the northerly right-of-way line of Frank Street; thence WESTERLY along the northerly right-of-way line of East Frank Street to the easterly right-of-way line of North Burdick Street; thence NORTHERLY along the easterly right-of-way line of North Burdick Street to the southerly right-of-way line of East Prouty Street; thence WESTERLY along the southerly right-of-way line of Prouty Street to the westerly right-of-way line of North Burdick Street; thence SOUTHERLY along the westerly right-of-way line of North Burdick Street to the northerly right-of-way line of West Frank Street; thence WESTERLY along the northerly right-of-way line of West Frank Street to the easterly right-of-way line of North Westnedge Avenue; thence NORTHERLY along the easterly right-of-way line of North Westnedge Avenue to the southerly right-of-way line of West Prouty Street; thence WESTERLY along the southerly right-of-way line of West Prouty Street to the westerly right-of-way line of North Westnedge Avenue; thence SOUTHERLY along the westerly right-of-way line of North Westnedge Avenue to the northerly boundary of the Norfolk Southern Railway right-of-way and the point of beginning.

3. The Authority acting in accordance with the Open Meetings Act, MCL 15.261 et seq., may exercise all powers, granted by § 11 of the Act, MCL 125.2881.

4. The City Clerk is directed to file a copy of this Resolution with the Michigan Secretary of State and publish a copy in a newspaper of general circulation in the City.

The above resolution was offered by Commissioner Sykes and supported by Commissioner Urban.

AYES, Commissioners: Anderson, Cooney, Sykes, Urban, Mayor Hopewell

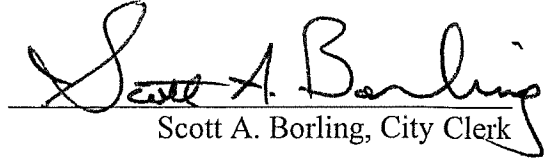
NAYS, Commissioners: None

ABSTAIN, Commissioners: None

RESOLUTION DECLARED ADOPTED.

CERTIFICATE

The foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Kalamazoo at a regular meeting held on November 5, 2018. Public notice was given and the meeting was conducted in full compliance with the Michigan Open Meetings Act (PA 267, 1976). Minutes of the meeting will be available as required by the Act.


Scott A. Borling, City Clerk

Appendix D

Appointing members to the Northside Cultural Business District Board



Commission Agenda Report

City of Kalamazoo

TO: Vice Mayor Knott and City Commissioners

FROM: Bobby J. Hopewell, Mayor

PREPARED BY: Scott A. Borling, City Clerk

DATE: 4/8/2019

SUBJECT: Approval of the Mayor's Appointments to the Northside Cultural Business District Authority Board of Directors

RECOMMENDATION

It is requested that the City Commission approve the Mayor's appointments to the Northside Cultural Business District Authority Board of Directors:

- the appointment of **Chad Dodd** for a term expiring on March 31, 2021;
- the appointment of **Jon Durham** for a term expiring on March 31, 2023;
- the appointment of **Kiar Gamsho** for a term expiring on March 31, 2022;
- the appointment of **Damian Henderson** for a term expiring on March 31, 2022;
- the appointment of **Mattie Jordan-Woods** for a term expiring on March 31, 2023;
- the appointment of **Ken Nacci** for a term expiring on March 31, 2020;
- the appointment of **Marilyn Pulley** for a term expiring on March 31, 2020;
- the appointment of **William Roland** for a term expiring on March 31, 2021;
- the appointment of **Ricky Thrash** for a term expiring on March 31, 2022.

BACKGROUND

On November 5, 2018 the City Commission created the Northside Cultural Business District Authority under the Corridor Improvement Authority (CIA) Act. The Authority and its activities are governed by a Board of Directors comprised of the Chief Executive Officer of the City (the Mayor) and nine members who are appointed by the Mayor with the approval of the City Commission. These are the first appointments to NCBDA Board. Members will typically serve 4-year terms, but these first appointments are for staggered terms as required by the CIA statute.

Membership requirements, the application and selection process, and the nominees' qualifications are detailed in the attached Nomination Report.

FISCAL IMPACT

There is no fiscal impact directly associated with these reappointments.

ALTERNATIVES

The City Commission could approve the reappointments, not approve them, or postpone action to a date certain.

ATTACHMENTS:

	Type	Description
▢	Report	NCBDA Nomination Report



Advisory Boards and Commissions Appointee Nomination Report

City of Kalamazoo

RECOMMENDATION

The following are the members put forth for consideration for the newly created Northside Cultural Business District Authority Board: **Marilyn Pulley, William Roland, Kiar Gamsho, Mattie Jordan-Woods, Ricky Thrash, Ken Nacci, Chad Dodd, Damien Henderson, and Jon Durham**

SPECIAL REQUIREMENTS FOR THIS POSITION

The State of Michigan requires that at least half of the members own property in the Authority boundary and at least one member live either within the Authority or within a ½ mile of it. The Northside Neighborhood Plan made it a goal to have a majority of members both own property/have business interests in the Authority area and be Northside Neighborhood residents. The candidates put forth meet these criteria.

SELECTION PROCESS

A meeting was held at the Northside Association for Community Development (NACD) to kick off the application process. Applications were available at NACD offices and online. The application was the standard City Board application with an additional page specific to the Authority requirements (noted above).

NOMINEE QUALIFICATIONS

Nominations for 1-Year Terms.

Marilyn Pulley. Marilyn is a retired educator and current business owner within the Authority. She is a Northside resident. Marilyn learned about the Board opportunity from the presentation at NACD.

Ken Nacci. Ken works for PlazaCorp, which owns several properties in the Authority and the Northside neighborhood. Ken worked for DKI and is familiar with Corridor Improvement Authorities and Tax Increment Finance (TIF) Plans.

Nominations for 2-Year Terms.

William Roland. William is a Northside resident and business owner within the Authority. He has served on several boards in the past, including NACD and the Douglass Community Center. He attended the meeting on the Authority, which is where he learned about the Board application.

Chad Dodd. Chad lives and works in the Authority area. Chad is a photographer and videographer with URG Entertainment. LLC.

Nominations for 3-Year Terms.

Kiar Gamsho. Kiar is the owner of the Park Street Market grocery store within the Authority area. He has been active in working with NACD to support the Northside Neighborhood.

Ricky Thrash. Ricky is a Northside resident who owns ENNOVY Beauty Bar within the Authority area. Ricky participated in the Northside Neighborhood Plan process, through which the Authority was established.

Damien Henderson. Damien is a Northside resident. He works as a carpenter. Damien also learned about the Authority and the opportunity to serve on its Board through the informational meeting at NACD.

Nominations for 4-Year Terms.

Mattie Jordan-Woods. Mattie is the longtime Executive Director of the Northside Association for Community Development. Mattie is a resident of the Northside and the NACD campus is located within the Authority area. She has been a leader in the Northside for nearly thirty years and was instrumental in the establishment of the Northside Cultural Business District and the Authority.

Jon Durham. Jon is both a resident and property owner within the Authority. Jon has been active in Northside Neighborhood planning activities, including the MiNeighborhood Plan which established the Northside Cultural Business District on which the Authority was later based. Jon serves on the Downtown Kalamazoo Partnership's Coalition for Growth.

Dual Board Memberships

Currently, no nominees are members of another city advisory board.

Residency

Marilyn Pulley, William Roland, Chad Dodd, Ricky Thrash, Mattie Jordan-Woods, and Jon Durham are residents of the Northside Neighborhood. Kiar Gamsho, Marilyn Pulley, William Roland, Ricky Thrash, and Jon Durham own businesses and/or property within the Authority area.

Contribution To Diversity

The nominees represent a mix of genders, ages, and racial and ethnic backgrounds.

NOMINATION RATIONALE

The backgrounds, skills, and interests of the nominees qualify them to serve as members of the first Northside Cultural Business District Authority Board. They will form a diverse board that has demonstrated commitment to leadership in the Northside and a desire to serve the city in this capacity.

CITY CLERK'S CERTIFICATION

The nominee's qualifications regarding dual board membership, residency, and term limits have been reviewed and verified by the City Clerk's Office.


Scott A. Borling, City Clerk

Appendix E

List of Affected Properties by Parcel Identification Number

Parcel Number	Property Class	Property Address	Property Direction	Property Street Name	Property Suffix
06-15-160-001	201	700 N		WESTNEDGE	AVE
06-15-160-005	201	434 W		NORTH	ST
06-15-161-004	201	428 W		NORTH	ST
06-15-162-250	201	705 N		PARK	ST
06-15-163-310	201	309 W		NORTH	ST
06-15-165-002	201	437 W		NORTH	ST
06-15-165-006	201	604 N		WESTNEDGE	AVE
06-15-165-102	201	441 W		NORTH	ST
06-15-165-201	201	618 N		WESTNEDGE	AVE
06-15-168-008	201	610 N		CHURCH	ST
06-15-172-102	201	512 N		PARK	ST
06-15-173-001	201	223 W		RANSOM	ST
06-15-181-012	201	708 N		BURDICK	ST
06-15-181-120	201	718 N		BURDICK	ST
06-15-181-121	201	714 N		BURDICK	ST
06-15-185-107	201	118 W		NORTH	ST
06-15-192-007	201	131 E		RANSOM	ST
06-15-192-009	201	100 E		NORTH	ST
06-15-193-001	201	209 E		RANSOM	ST
06-15-194-008	201	231 E		RANSOM	ST
06-15-194-010	201	221 E		RANSOM	ST
06-15-198-006	201	525 N		EDWARDS	ST
06-15-199-010	201	500 N		EDWARDS	ST
06-15-257-001	201	429 E		NORTH	ST
06-15-258-400	201	700		WALBRIDGE	ST
06-15-259-221	201	517 E		NORTH	ST
06-15-262-003	201	407 E		RANSOM	ST
06-15-263-006	201	440 E		NORTH	ST
06-15-265-002	201	313 E		RANSOM	ST
06-15-265-010	201	301 E		RANSOM	ST
06-15-267-008	201	433 E		RANSOM	ST
06-15-269-353	201	525 E		RANSOM	ST
06-15-270-007	201	327 E		WILLARD	ST
06-15-272-002	201	416 E		RANSOM	ST
06-15-274-004	201	507		HARRISON	ST
06-15-280-115	201	537 E		NORTH	ST
06-15-281-018	201	621 E		NORTH	ST
06-15-302-106	201	507 N		PARK	ST
06-15-155-111	202	441 W		FRANK	ST
06-15-160-105	202	440 W		NORTH	ST
06-15-165-001	202	447 W		NORTH	ST
06-15-165-004	202	434 W		RANSOM	ST
06-15-165-005	202	440 W		RANSOM	ST
06-15-165-007	202	444 W		RANSOM	ST
06-15-165-103	202	435 W		NORTH	ST
06-15-170-100	202	528 N		WESTNEDGE	AVE
06-15-170-200	202	443 W		RANSOM	ST
06-15-180-003	202	115 W		FRANK	ST
06-15-180-004	202	107 W		FRANK	ST
06-15-181-005	202	719 N		BURDICK	ST
06-15-181-119	202	720 N		BURDICK	ST
06-15-186-001	202	629 N		BURDICK	ST
06-15-186-002	202	107 W		NORTH	ST

06-15-188-001	202	200 E	NORTH	ST
06-15-189-003	202	216 E	NORTH	ST
06-15-189-006	202	234 E	NORTH	ST
06-15-189-206	202	617 N	PITCHER	ST
06-15-193-012	202	612 N	EDWARDS	ST
06-15-193-013	202	614 N	EDWARDS	ST
06-15-193-112	202	201 E	RANSOM	ST
06-15-194-009	202	225 E	RANSOM	ST
06-15-197-105	202	126 E	RANSOM	ST
06-15-262-005	202	428 E	NORTH	ST
06-15-262-105	202	430 E	NORTH	ST
06-15-262-205	202	426 E	NORTH	ST
06-15-263-207	207	501 E	BUTLER	CT
06-15-264-401	207	518 E	NORTH	ST
06-15-268-201	207	510 E	BUTLER	CT
06-15-268-209	207	516 E	BUTLER	CT
06-91-000-163	251	517 E	NORTH	ST
06-91-000-231	251	407 E	RANSOM	ST
06-91-010-020	251	430 W	NORTH	ST
06-91-015-750	251	614 N	ROSE	ST
06-91-025-235	251	517 E	NORTH	ST
06-91-026-595	251	223 W	RANSOM	ST
06-91-031-058	251	440 E	NORTH	ST
06-91-045-459	251	437 W	NORTH	ST
06-91-055-368	251	512 N	PARK	ST
06-91-055-594	251	706 N	WESTNEDGE	AVE
06-91-055-776	251	507 N	PARK	ST
06-91-055-893	251	503 N	PARK	ST
06-91-056-101	251	612 N	PARK	ST
06-91-056-102	251	790 N	WESTNEDGE	AVE
06-91-056-243	251	621 E	NORTH	ST
06-91-056-405	251	524 N	BURDICK	ST
06-91-056-406	251	603 N	BURDICK	ST
06-91-056-407	251	702 N	BURDICK	ST
06-91-056-409	251	708 N	BURDICK	ST
06-91-056-433	251	744 N	WESTNEDGE	AVE
06-91-056-567	251	609 N	ROSE	ST
06-91-056-848	251	501 N	EDWARDS	ST
06-91-056-951	251	308 W	NORTH	ST
06-91-056-953	251	117 W	NORTH	ST
06-91-056-960	251	612 N	PARK	ST
06-91-056-961	251	601 N	PARK	ST
06-91-057-162	251	512 N	PARK	ST
06-91-057-195	251	705 N	PARK	ST
06-91-057-668	251	507	HARRISON	ST
06-91-057-699	251	518 E	NORTH	ST
06-91-057-792	251	512 N	PARK	ST
06-91-060-093	251	511	HARRISON	ST
06-91-060-581	251	790 N	WESTNEDGE	AVE
06-91-060-611	251	433 E	RANSOM	ST
06-91-061-253	251	118 W	NORTH	ST
06-91-061-678	251	790 N	WESTNEDGE	AVE
06-91-061-684	251	510 E	BUTLER	CT
06-91-061-731	251	315 E	NORTH	ST
06-91-061-744	251	429 E	NORTH	ST
06-15-170-002	301	439 W	RANSOM	ST

06-15-171-101	301	436 W	WILLARD	ST
06-15-173-101	301	518 N	CHURCH	ST
06-15-255-030	301	731	PORTER	ST
06-15-256-030	301	315 E	NORTH	ST
06-15-261-005	301	619	PORTER	ST
06-15-265-001	301	329 E	RANSOM	ST
06-15-266-006	301	615	PORTER	ST
06-15-270-003	301	320 E	RANSOM	ST
06-15-272-109	301	411 E	WILLARD	ST
06-15-273-004	301	514 E	RANSOM	ST
06-15-274-002	301	527	HARRISON	ST
06-15-287-030	301	660	GULL	RD
06-88-010-375	301	731	PORTER	ST
06-15-169-207	302	218 W	RANSOM	ST
06-15-169-307	302	214 W	RANSOM	ST
06-15-174-002	302	213 W	RANSOM	ST
06-15-189-004	302	220 E	NORTH	ST
06-15-189-104	302	224 E	NORTH	ST
06-15-189-204	302	219 E	BUTLER	CT
06-15-255-001	302	305 E	NORTH	ST
06-15-255-031	302	710 N	PITCHER	ST
06-15-256-027	302	402 E	FRANK	ST
06-15-256-031	302	405 E	NORTH	ST
06-15-257-005	302	712	PORTER	ST
06-15-257-205	302	714	PORTER	ST
06-15-257-226	302	716	PORTER	ST
06-15-259-216	302	536 E	FRANK	ST
06-15-260-002	302	309 E	RANSOM	ST
06-15-260-003	302	316 E	NORTH	ST
06-15-260-005	302	314 E	NORTH	ST
06-15-270-002	302	530 N	PITCHER	ST
06-15-270-005	302	328 E	RANSOM	ST
06-15-270-009	302	311 E	WILLARD	ST
06-15-270-010	302	301 E	WILLARD	ST
06-15-270-102	302	308 E	RANSOM	ST
06-15-270-109	302	309 E	WILLARD	ST
06-15-272-004	302	424 E	RANSOM	ST
06-91-000-772	351	315 E	NORTH	ST
06-91-009-090	351	731	PORTER	ST
06-91-013-140	351	436 W	WILLARD	ST
06-91-033-900	351	660	GULL	RD
06-91-053-103	351	527	HARRISON	ST
06-15-155-014	401	715	COOLEY	ST
06-15-155-113	401	723	COOLEY	ST
06-15-155-114	401	717	COOLEY	ST
06-15-156-015	401	716	COOLEY	ST
06-15-156-021	401	411 W	FRANK	ST
06-15-157-002	401	723 N	PARK	ST
06-15-157-101	401	724 N	PARK	ST
06-15-157-201	401	728 N	PARK	ST
06-15-157-202	401	317 W	FRANK	ST
06-15-158-003	401	309 W	FRANK	ST
06-15-158-105	401	302 W	NORTH	ST
06-15-158-106	401	219 W	FRANK	ST
06-15-159-001	401	716 N	CHURCH	ST
06-15-159-003	401	714 N	CHURCH	ST

06-15-159-005	401	709 N	ROSE	ST
06-15-159-115	401	713 N	ROSE	ST
06-15-159-120	401	725 N	ROSE	ST
06-15-161-003	401	424 W	NORTH	ST
06-15-161-103	401	711	COOLEY	ST
06-15-161-203	401	712	COOLEY	ST
06-15-162-102	401	313 W	NORTH	ST
06-15-163-008	401	710 N	CHURCH	ST
06-15-163-111	401	220 W	NORTH	ST
06-15-164-007	401	216 W	NORTH	ST
06-15-164-102	401	217 W	NORTH	ST
06-15-164-210	401	208 W	NORTH	ST
06-15-165-101	401	622 N	WESTNEDGE	AVE
06-15-165-206	401	614 N	WESTNEDGE	AVE
06-15-166-010	401	430 W	RANSOM	ST
06-15-169-007	401	217	REVEREND WRIGHT	CT
06-15-169-107	401	213	REVEREND WRIGHT	CT
06-15-169-202	401	218	REVEREND WRIGHT	CT
06-15-170-001	401	522 N	WESTNEDGE	AVE
06-15-180-011	401	722 N	ROSE	ST
06-15-180-106	401	117 W	FRANK	ST
06-15-180-108	401	715	JUDGE	AVE
06-15-180-109	401	713	JUDGE	AVE
06-15-180-112	401	716	JUDGE	AVE
06-15-180-120	401	714 N	ROSE	ST
06-15-181-006	401	709 N	BURDICK	ST
06-15-181-116	401	727 N	BURDICK	ST
06-15-181-117	401	717 N	BURDICK	ST
06-15-183-001	401	722 N	EDWARDS	ST
06-15-183-002	401	208 E	FRANK	ST
06-15-183-006	401	725 N	EDWARDS	ST
06-15-183-101	401	202 E	FRANK	ST
06-15-183-103	401	212 E	FRANK	ST
06-15-183-206	401	721 N	EDWARDS	ST
06-15-183-306	401	717 N	EDWARDS	ST
06-15-183-312	401	714 N	EDWARDS	ST
06-15-183-350	401	720 N	EDWARDS	ST
06-15-184-003	401	218 E	FRANK	ST
06-15-184-004	401	222 E	FRANK	ST
06-15-184-009	401	219 E	NORTH	ST
06-15-184-010	401	215 E	NORTH	ST
06-15-184-109	401	223 E	NORTH	ST
06-15-185-009	401	122 W	NORTH	ST
06-15-185-105	401	128 W	NORTH	ST
06-15-189-005	401	228 E	NORTH	ST
06-15-189-106	401	621 N	PITCHER	ST
06-15-190-011	401	614 N	ROSE	ST
06-15-191-101	401	111	REVEREND WRIGHT	CT
06-15-191-106	401	611 N	BURDICK	ST
06-15-197-106	401	130 E	RANSOM	ST
06-15-253-222	401	727	WALBRIDGE	ST
06-15-257-023	401	426 E	FRANK	ST
06-15-257-024	401	420 E	FRANK	ST
06-15-257-123	401	430 E	FRANK	ST
06-15-257-125	401	418 E	FRANK	ST
06-15-257-250	401	412 E	FRANK	ST

06-15-258-009	401	707	WALBRIDGE	ST
06-15-258-120	401	717	WALBRIDGE	ST
06-15-259-217	401	526 E	FRANK	ST
06-15-275-006	401	726	HARRISON	ST
06-15-275-009	401	804	HARRISON	ST
06-15-275-107	401	730	HARRISON	ST
06-15-280-001	401	605 E	NORTH	ST
06-15-280-002	401	708	HARRISON	ST
06-15-280-003	401	712	HARRISON	ST
06-15-280-004	401	716	HARRISON	ST
06-15-280-005	401	724	HARRISON	ST
06-15-280-101	401	601 E	NORTH	ST
06-15-280-104	401	718	HARRISON	ST
06-15-280-201	401	609 E	NORTH	ST
06-15-280-315	401	713	HARRISON	ST
06-15-280-316	401	717	HARRISON	ST
06-15-155-013	402	721	COOLEY	ST
06-15-156-014	402	718	COOLEY	ST
06-15-156-120	402	724	COOLEY	ST
06-15-157-001	402	405 W	FRANK	ST
06-15-157-102	402	313 W	FRANK	ST
06-15-157-203	402	720 N	PARK	ST
06-15-157-204	402	716 N	PARK	ST
06-15-157-205	402	714 N	PARK	ST
06-15-158-001	402	729 N	CHURCH	ST
06-15-158-100	402	726 N	CHURCH	ST
06-15-159-122	402	213 W	FRANK	ST
06-15-161-002	402	418 W	NORTH	ST
06-15-163-001	402	624 N	CHURCH	ST
06-15-163-101	402	622 N	CHURCH	ST
06-15-163-201	402	618 N	CHURCH	ST
06-15-180-002	402	121 W	FRANK	ST
06-15-180-101	402	730 N	ROSE	ST
06-15-180-107	402	721	JUDGE	AVE
06-15-180-110	402	709	JUDGE	AVE
06-15-180-115	402	109 W	FRANK	ST
06-15-182-002	402	108 E	FRANK	ST
06-15-182-009	402	121 E	NORTH	ST
06-15-182-010	402	128 E	FRANK	ST
06-15-182-108	402	131 E	NORTH	ST
06-15-182-208	402	125 E	NORTH	ST
06-15-183-007	402	709 N	EDWARDS	ST
06-15-183-011	402	209 E	NORTH	ST
06-15-183-106	402	729 N	EDWARDS	ST
06-15-183-107	402	713 N	EDWARDS	ST
06-15-185-010	402	708 N	ROSE	ST
06-15-188-207	402	135 E	NORTH	ST
06-15-190-110	402	118 W	RANSOM	ST
06-15-257-006	402	413 E	NORTH	ST
06-15-257-007	402	423 E	NORTH	ST
06-15-257-008	402	425 E	NORTH	ST
06-15-257-105	402	409 E	NORTH	ST
06-15-257-106	402	417 E	NORTH	ST
06-15-258-022	402	721	WALBRIDGE	ST
06-15-258-309	402	713	WALBRIDGE	ST
06-15-259-116	402	532 E	FRANK	ST

06-15-275-007	402	734	HARRISON	ST
06-15-275-008	402	738	HARRISON	ST
06-15-275-010	402	808	HARRISON	ST
06-15-280-016	402	721	HARRISON	ST
06-15-264-402	407	512 E	NORTH	ST
06-15-264-403	407	524 E	NORTH	ST
06-15-264-404	407	514 E	NORTH	ST
06-15-264-405	407	522 E	NORTH	ST
06-15-264-406	407	516 E	NORTH	ST
06-15-264-407	407	520 E	NORTH	ST
06-15-268-202	407	500 E	BUTLER	CT
06-15-268-203	407	502 E	BUTLER	CT
06-15-268-204	407	504 E	BUTLER	CT
06-15-268-205	407	506 E	BUTLER	CT
06-15-268-206	407	508 E	BUTLER	CT
06-15-155-115	701	437 W	FRANK	ST
06-15-159-002	701	722 N	CHURCH	ST
06-15-163-007	701	308 W	NORTH	ST
06-15-164-002	701	213 W	NORTH	ST
06-15-164-003	701	209 W	NORTH	ST
06-15-164-004	701	623 N	ROSE	ST
06-15-164-104	701	629 N	ROSE	ST
06-15-166-300	701	601 N	PARK	ST
06-15-167-108	701	612 N	PARK	ST
06-15-167-401	701	622 N	PARK	ST
06-15-168-108	701	222 W	RANSOM	ST
06-15-169-005	701	617 N	ROSE	ST
06-15-169-006	701	609 N	ROSE	ST
06-15-169-103	701	206	REVEREND WRIGHT	CT
06-15-174-003	701	205 W	RANSOM	ST
06-15-180-113	701	720	JUDGE	AVE
06-15-180-114	701	722	JUDGE	AVE
06-15-181-001	701	724 N	BURDICK	ST
06-15-181-118	701	730 N	BURDICK	ST
06-15-183-012	701	708 N	EDWARDS	ST
06-15-183-111	701	211 E	NORTH	ST
06-15-183-212	701	710 N	EDWARDS	ST
06-15-184-400	701	701 N	PITCHER	ST
06-15-185-002	701	628 N	ROSE	ST
06-15-185-003	701	117 W	NORTH	ST
06-15-187-010	701	702 N	BURDICK	ST
06-15-187-310	701	129 E	NORTH	ST
06-15-188-112	701	702 N	EDWARDS	ST
06-15-190-010	701	606 N	ROSE	ST
06-15-191-007	701	603 N	BURDICK	ST
06-15-195-003	701	530 N	ROSE	ST
06-15-196-001	701	526 N	BURDICK	ST
06-15-196-004	701	524 N	BURDICK	ST
06-15-197-107	701	116 E	RANSOM	ST
06-15-197-108	701	521 N	EDWARDS	ST
06-15-198-007	701	134 E	RANSOM	ST
06-15-260-001	701	302 E	NORTH	ST
06-15-260-004	701	620 N	PITCHER	ST
06-15-265-009	701	307 E	RANSOM	ST
06-15-265-110	701	614 N	PITCHER	ST
06-15-272-005	701	517	WALBRIDGE	ST

06-15-272-108	701	501	WALBRIDGE	ST
06-15-281-025	701	655	GULL	RD
06-15-285-002	701	620	HARRISON	ST
06-15-285-102	701	625	HARRISON	ST
06-15-295-101	701	508	HARRISON	ST
06-15-304-005	701	507 N	ROSE	ST
06-15-327-011	701	510 N	BURDICK	ST
06-99-010-375	951	731	PORTER	ST

Key	
Commercial	201/202/207/251
Industrial	301/302
Residential	401/402/407
Institutional	701

Appendix F

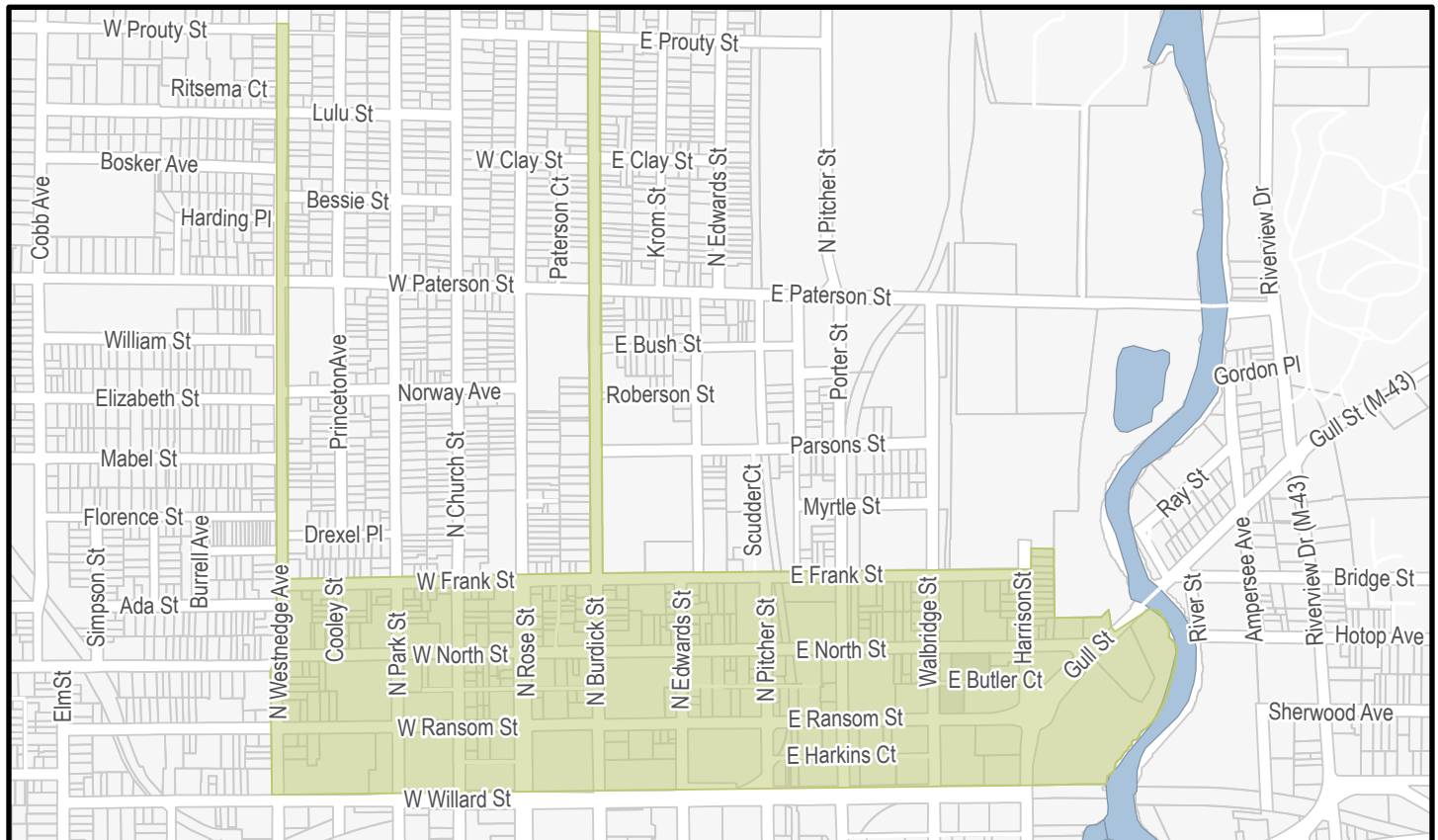
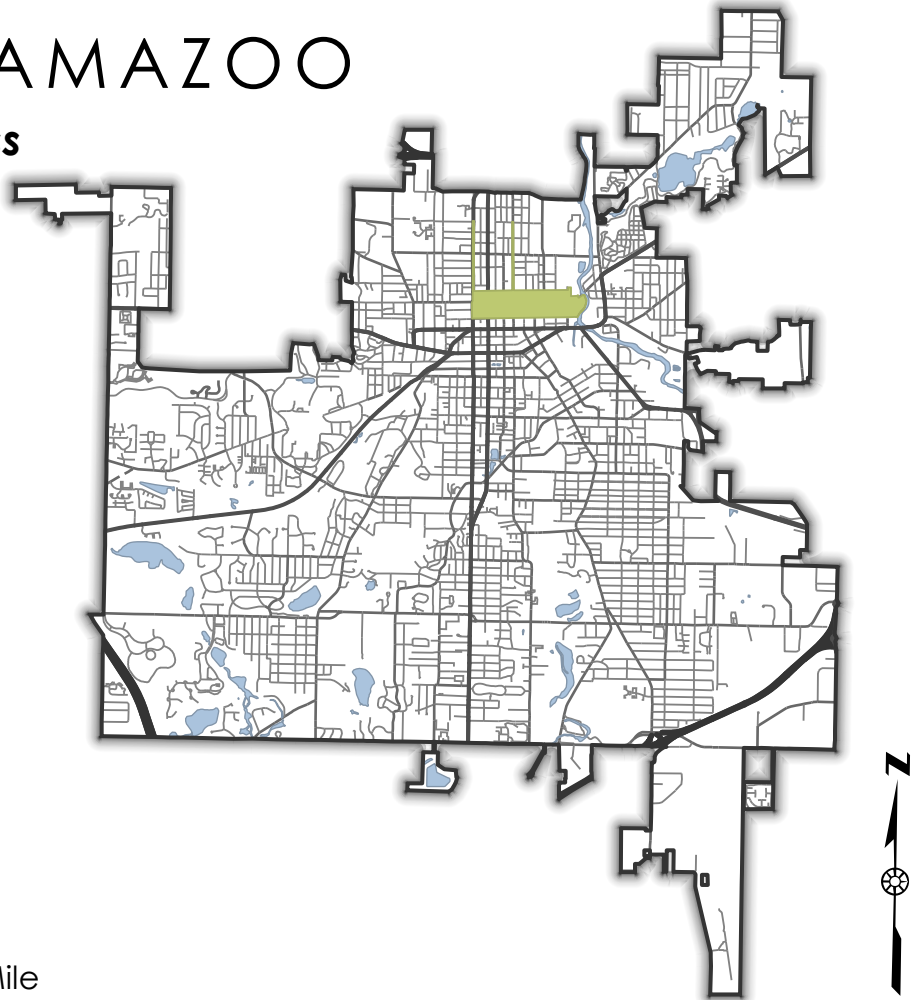
Northside Cultural Business District Development Area (District) Map

CITY OF KALAMAZOO

Northside Cultural Business District Authority

Legend

-  Parcels
-  NCBDA Boundary



Appendix G

Projections and Taxing Jurisdiction Impact Tables

Capture estimated to begin in 2022

									Captured Millage	Estimated District Inflation	NCBD Captured Value	NCBD Captured Taxes
Estimated Initial Values for 2021		Estimated Values for 2022	Captured values for 2022									
PRE	\$ 600,889	\$ 620,542	captured PRE	19,653					33.2473			
non-PRE	\$ 5,005,426	\$ 5,200,041	captured non-PRE	194,615					33.2473			
commercial personal	\$ 1,232,400	\$ 1,130,900	captured commercial personal	(101,500)					33.2473			
industrial personal	\$ 4,700	\$ 4,700	captured industrial personal	-					33.2473			
	\$ 6,843,415	\$ 6,956,183	total captured taxable value	112,768								
					PRE	Non pre	cp	ip		1.025	Current TV minus IAV	Captured TV x Captured Millage/1000
2021				-	-	-	-	-				-
2022				112,768	19,652	194,616	(101,500)	-			112,768	\$ 3,749.23
2023				115,587	20,143	199,481.40	(104,037.50)	-			115,587	\$ 3,842.96
2024				118,477	20,647	204,468.44	(106,638.44)	-			118,477	\$ 3,939.04
2025				121,439	21,163	209,580.15	(109,304.40)	-			121,439	\$ 4,037.51
2026				124,475	21,692	214,819.65	(112,037.01)	-			124,475	\$ 4,138.45
2027				127,587	22,234	220,190.14	(114,837.93)	-			127,587	\$ 4,241.91
2028				130,776	22,790	225,694.89	(117,708.88)	-			130,776	\$ 4,347.96
2029				134,046	23,360	231,337.27	(120,651.60)	-			134,046	\$ 4,456.66
2030				137,397	23,944	237,120.70	(123,667.89)	-			137,397	\$ 4,568.07
2031				140,832	24,543	243,048.72	(126,759.59)	-			140,832	\$ 4,682.28
2032				144,353	25,156	249,124.93	(129,928.58)	-			144,353	\$ 4,799.33
2033				147,961	25,785	255,353.06	(133,176.80)	-			147,961	\$ 4,919.32
2034				151,660	26,430	261,736.88	(136,506.22)	-			151,660	\$ 5,042.30
2035				155,452	27,090	268,280.31	(139,918.87)	-			155,452	\$ 5,168.36
2036				159,338	27,768	274,987.31	(143,416.84)	-			159,338	\$ 5,297.57
2037				163,322	28,462	281,862.00	(147,002.26)	-			163,322	\$ 5,430.01
2038				167,405	29,174	288,908.55	(150,677.32)	-			167,405	\$ 5,565.76
2039				171,590	29,903	296,131.26	(154,444.25)	-			171,590	\$ 5,704.90
2040				175,880	30,650	303,534.54	(158,305.36)	-			175,880	\$ 5,847.52

2041				180,277	31,417	311,122.90	(162,262.99)	-			180,277	\$	5,993.71
2042				184,783	32,202	318,900.98	(166,319.57)	-			184,783	\$	6,143.55
2043				189,403	33,007	326,873.50	(170,477.56)	-			189,403	\$	6,297.14
2044				194,138	33,832	335,045.34	(174,739.50)	-			194,138	\$	6,454.57
2045				198,992	34,678	343,421.47	(179,107.98)	-			198,992	\$	6,615.93
2046				203,966	35,545	352,007.01	(183,585.68)	-			203,966	\$	6,781.33
2047				209,066	36,434	360,807.18	(188,175.33)	-			209,066	\$	6,950.87
2048				214,292	37,345	369,827.36	(192,879.71)	-			214,292	\$	7,124.64
2049				219,650	38,278	379,073.05	(197,701.70)	-			219,650	\$	7,302.75
2050				225,141	39,235	388,549.87	(202,644.24)	-			225,141	\$	7,485.32
2051				230,769	40,216	398,263.62	(207,710.35)	-			230,769	\$	7,672.46

Important notes on capture estimates

- Existing Brownfield projects are not included in the totals.
- Parcels already in a Brownfield capture are excluded until Brownfield capture is complete.
- Estimates use an average district growth of 2.5% on existing captured taxable value.
- Estimates do not take into account a economic downturn in property values.
- Estimates do not take into account any value reduction due to tax appeals.
- Estimates do not take into account any proposed development that is not Brownfield related.

Note: Tables prepared by the Kalamazoo City Assessor's Office

Capture estimated to begin in 2022

	Estimated Initial Values for 2021	Estimated Values for 2022		Captured values for 2022					Captured Millage	Estimated District Inflation	NCBD Captured Value	NCBD Captured Taxes
PRE	\$ 600,889	\$ 620,542	captured PRE	19,653					25.2755			
non-PRE	\$ 5,005,426	\$ 5,200,041	captured non-PRE	194,615					25.2755			
commercial personal	\$ 1,232,400	\$ 1,130,900	captured commercial personal	(101,500)					25.2755			
industrial personal	\$ 4,700	\$ 4,700	captured industrial personal	-					25.2755			
	\$ 6,843,415	\$ 6,956,183	total captured taxable value	112,768								
					PRE	Non pre	cp	ip		1.025	Current TV minus IAV	Captured TV x Captured Millage/1000
2021				-	-	-	-	-				-
2022				112,768	19,652	194,616	(101,500)	-			112,768	\$ 2,850.27
2023				115,587	20,143	199,481.40	(104,037.50)	-			115,587	\$ 2,921.52
2024				118,477	20,647	204,468.44	(106,638.44)	-			118,477	\$ 2,994.56
2025				121,439	21,163	209,580.15	(109,304.40)	-			121,439	\$ 3,069.43
2026				124,475	21,692	214,819.65	(112,037.01)	-			124,475	\$ 3,146.16
2027				127,587	22,234	220,190.14	(114,837.93)	-			127,587	\$ 3,224.82
2028				130,776	22,790	225,694.89	(117,708.88)	-			130,776	\$ 3,305.44
2029				134,046	23,360	231,337.27	(120,651.60)	-			134,046	\$ 3,388.07
2030				137,397	23,944	237,120.70	(123,667.89)	-			137,397	\$ 3,472.77
2031				140,832	24,543	243,048.72	(126,759.59)	-			140,832	\$ 3,559.59
2032				144,353	25,156	249,124.93	(129,928.58)	-			144,353	\$ 3,648.58
2033				147,961	25,785	255,353.06	(133,176.80)	-			147,961	\$ 3,739.80
2034				151,660	26,430	261,736.88	(136,506.22)	-			151,660	\$ 3,833.29
2035				155,452	27,090	268,280.31	(139,918.87)	-			155,452	\$ 3,929.13
2036				159,338	27,768	274,987.31	(143,416.84)	-			159,338	\$ 4,027.35
2037				163,322	28,462	281,862.00	(147,002.26)	-			163,322	\$ 4,128.04
2038				167,405	29,174	288,908.55	(150,677.32)	-			167,405	\$ 4,231.24
2039				171,590	29,903	296,131.26	(154,444.25)	-			171,590	\$ 4,337.02
2040				175,880	30,650	303,534.54	(158,305.36)	-			175,880	\$ 4,445.44
2041				180,277	31,417	311,122.90	(162,262.99)	-			180,277	\$ 4,556.58

2042				184,783	32,202	318,900.98	(166,319.57)	-			184,783	\$ 4,670.50
2043				189,403	33,007	326,873.50	(170,477.56)	-			189,403	\$ 4,787.26
2044				194,138	33,832	335,045.34	(174,739.50)	-			194,138	\$ 4,906.94
2045				198,992	34,678	343,421.47	(179,107.98)	-			198,992	\$ 5,029.61
2046				203,966	35,545	352,007.01	(183,585.68)	-			203,966	\$ 5,155.35
2047				209,066	36,434	360,807.18	(188,175.33)	-			209,066	\$ 5,284.24
2048				214,292	37,345	369,827.36	(192,879.71)	-			214,292	\$ 5,416.34
2049				219,650	38,278	379,073.05	(197,701.70)	-			219,650	\$ 5,551.75
2050				225,141	39,235	388,549.87	(202,644.24)	-			225,141	\$ 5,690.55
2051				230,769	40,216	398,263.62	(207,710.35)	-			230,769	\$ 5,832.81

Important notes on capture estimates

- Existing Brownfield projects are not included in the totals.
- Parcels already in a Brownfield capture are excluded until Brownfield capture is complete.
- Estimates use an average district growth of 2.5% on existing captured taxable value.
- Estimates do not take into account a economic downturn in property values.
- Estimates do not take into account any value reduction due to tax appeals.
- Estimates do not take into account any proposed development that is not Brownfield related.

Note: Tables prepared by the Kalamazoo City Assessor's Office

NCBD		Assuming all eligible Tax Rates (exluding debt mills) are captured (includes voted rates) - SET and School Operating included												
Capture estimated to begin in 2022														
	Estimated Initial Values for 2021		Estimated Values for 2022		Captured values for 2022					Captured Millage	Estimated District Inflation	NCBD Captured Value	NCBD Captured Taxes	
PRE	\$	600,889	\$	620,542	captured PRE	19,653					39.2473			
non-PRE	\$	5,005,426	\$	5,200,041	PRE	194,615					56.923			
commercial personal	\$	1,232,400	\$	1,130,900	captured commercial personal	(101,500)					44.923			
industrial personal	\$	4,700	\$	4,700	captured industrial personal	-					33.2473			
	\$	6,843,415	\$	6,956,183	total captured taxable value	112,768								
							PRE	Non pre	cp	ip		1.025	Current TV minus IAV	Captured TV x Captured Millage/1000
2021						-	-	-	-	-				-
2022						112,768	19,652	194,616	(101,500)	-			112,768	\$ 7,289.73
2023						115,587	20,143	199,481.40	(104,037.50)	-			115,587	\$ 7,471.97
2024						118,477	20,647	204,468.44	(106,638.44)	-			118,477	\$ 7,658.77
2025						121,439	21,163	209,580.15	(109,304.40)	-			121,439	\$ 7,850.24
2026						124,475	21,692	214,819.65	(112,037.01)	-			124,475	\$ 8,046.50
2027						127,587	22,234	220,190.14	(114,837.93)	-			127,587	\$ 8,247.66
2028						130,776	22,790	225,694.89	(117,708.88)	-			130,776	\$ 8,453.85
2029						134,046	23,360	231,337.27	(120,651.60)	-			134,046	\$ 8,665.20
2030						137,397	23,944	237,120.70	(123,667.89)	-			137,397	\$ 8,881.83
2031						140,832	24,543	243,048.72	(126,759.59)	-			140,832	\$ 9,103.87
2032						144,353	25,156	249,124.93	(129,928.58)	-			144,353	\$ 9,331.47
2033						147,961	25,785	255,353.06	(133,176.80)	-			147,961	\$ 9,564.76
2034						151,660	26,430	261,736.88	(136,506.22)	-			151,660	\$ 9,803.88
2035						155,452	27,090	268,280.31	(139,918.87)	-			155,452	\$ 10,048.97
2036						159,338	27,768	274,987.31	(143,416.84)	-			159,338	\$ 10,300.20
2037						163,322	28,462	281,862.00	(147,002.26)	-			163,322	\$ 10,557.70
2038						167,405	29,174	288,908.55	(150,677.32)	-			167,405	\$ 10,821.65
2039						171,590	29,903	296,131.26	(154,444.25)	-			171,590	\$ 11,092.19
2040						175,880	30,650	303,534.54	(158,305.36)	-			175,880	\$ 11,369.49
2041						180,277	31,417	311,122.90	(162,262.99)	-			180,277	\$ 11,653.73

2042				184,783	32,202	318,900.98	(166,319.57)	-			184,783	\$ 11,945.07
2043				189,403	33,007	326,873.50	(170,477.56)	-			189,403	\$ 12,243.70
2044				194,138	33,832	335,045.34	(174,739.50)	-			194,138	\$ 12,549.79
2045				198,992	34,678	343,421.47	(179,107.98)	-			198,992	\$ 12,863.54
2046				203,966	35,545	352,007.01	(183,585.68)	-			203,966	\$ 13,185.12
2047				209,066	36,434	360,807.18	(188,175.33)	-			209,066	\$ 13,514.75
2048				214,292	37,345	369,827.36	(192,879.71)	-			214,292	\$ 13,852.62
2049				219,650	38,278	379,073.05	(197,701.70)	-			219,650	\$ 14,198.94
2050				225,141	39,235	388,549.87	(202,644.24)	-			225,141	\$ 14,553.91
2051				230,769	40,216	398,263.62	(207,710.35)	-			230,769	\$ 14,917.76

Important notes on capture estimates

- Existing Brownfield projects are not included in the totals.
- Parcels already in a Brownfield capture are excluded until
- Estimates use an average district growth of 2.5% on existing
- Estimates do not take into account a economic downturn in
- Estimates do not take into account any value reduction due to tax
- Estimates do not take into account any proposed development

Note: Tables prepared by the Kalamazoo City
Assessor's Office

Must get State approval to capture SET and school operating

Estimated Initial Values for 2021				Estimated Values for 2022		Captured values for 2022				Captured Millage	Estimated District Inflation	NCBD Captured Value	NCBD Captured Taxes
PRE	\$	600,889	\$	620,542	captured PRE	19,653			PRE				
non-PRE	\$	5,005,426	\$	5,200,041	PRE	194,615			PRE				
commercial personal	\$	1,232,400	\$	1,130,900	captured commercial personal	(101,500)							
industrial personal	\$	4,700	\$	4,700	captured industrial personal	-							
	\$	6,843,415	\$	6,956,183	total captured taxable value	112,768							
						PRE	Non pre	cp	ip		1.025	Current TV minus IAV	Captured TV x Captured Millage/1000
2021						-	-	-	-	-			-
2022						112,768	19,652	194,616	(101,500)	-		112,768	\$ 6,390.77
2023						115,587	20,143	199,481.40	(104,037.50)	-		115,587	\$ 6,550.54
2024						118,477	20,647	204,468.44	(106,638.44)	-		118,477	\$ 6,714.30
2025						121,439	21,163	209,580.15	(109,304.40)	-		121,439	\$ 6,882.16
2026						124,475	21,692	214,819.65	(112,037.01)	-		124,475	\$ 7,054.21
2027						127,587	22,234	220,190.14	(114,837.93)	-		127,587	\$ 7,230.57
2028						130,776	22,790	225,694.89	(117,708.88)	-		130,776	\$ 7,411.33
2029						134,046	23,360	231,337.27	(120,651.60)	-		134,046	\$ 7,596.61
2030						137,397	23,944	237,120.70	(123,667.89)	-		137,397	\$ 7,786.53
2031						140,832	24,543	243,048.72	(126,759.59)	-		140,832	\$ 7,981.19
2032						144,353	25,156	249,124.93	(129,928.58)	-		144,353	\$ 8,180.72
2033						147,961	25,785	255,353.06	(133,176.80)	-		147,961	\$ 8,385.24
2034						151,660	26,430	261,736.88	(136,506.22)	-		151,660	\$ 8,594.87
2035						155,452	27,090	268,280.31	(139,918.87)	-		155,452	\$ 8,809.74
2036						159,338	27,768	274,987.31	(143,416.84)	-		159,338	\$ 9,029.99
2037						163,322	28,462	281,862.00	(147,002.26)	-		163,322	\$ 9,255.73
2038						167,405	29,174	288,908.55	(150,677.32)	-		167,405	\$ 9,487.13
2039						171,590	29,903	296,131.26	(154,444.25)	-		171,590	\$ 9,724.31
2040						175,880	30,650	303,534.54	(158,305.36)	-		175,880	\$ 9,967.41
2041						180,277	31,417	311,122.90	(162,262.99)	-		180,277	\$ 10,216.60

2042				184,783	32,202	318,900.98	(166,319.57)	-			184,783	\$ 10,472.01
2043				189,403	33,007	326,873.50	(170,477.56)	-			189,403	\$ 10,733.81
2044				194,138	33,832	335,045.34	(174,739.50)	-			194,138	\$ 11,002.16
2045				198,992	34,678	343,421.47	(179,107.98)	-			198,992	\$ 11,277.21
2046				203,966	35,545	352,007.01	(183,585.68)	-			203,966	\$ 11,559.14
2047				209,066	36,434	360,807.18	(188,175.33)	-			209,066	\$ 11,848.12
2048				214,292	37,345	369,827.36	(192,879.71)	-			214,292	\$ 12,144.33
2049				219,650	38,278	379,073.05	(197,701.70)	-			219,650	\$ 12,447.93
2050				225,141	39,235	388,549.87	(202,644.24)	-			225,141	\$ 12,759.13
2051				230,769	40,216	398,263.62	(207,710.35)	-			230,769	\$ 13,078.11

Important notes on capture estimates

- Existing Brownfield projects are not included in the totals.
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- Estimates use an average district growth of 2.5% on existing
- Estimates do not take into account a economic downturn in
- Estimates do not take into account any value reduction due to
- Estimates do not take into account any proposed development

Note: Tables prepared by the Kalamazoo City
Assessor's Office

Must get State approval to capture SET and school operating

Appendix H

Affidavits of Notice of Public Hearing on the Northside Cultural Business District Authority Tax Increment Financing and Development Plans

Appendix I

Resolution Number, approving the Northside Cultural Business District Development Plan and Tax Increment Financing Plan

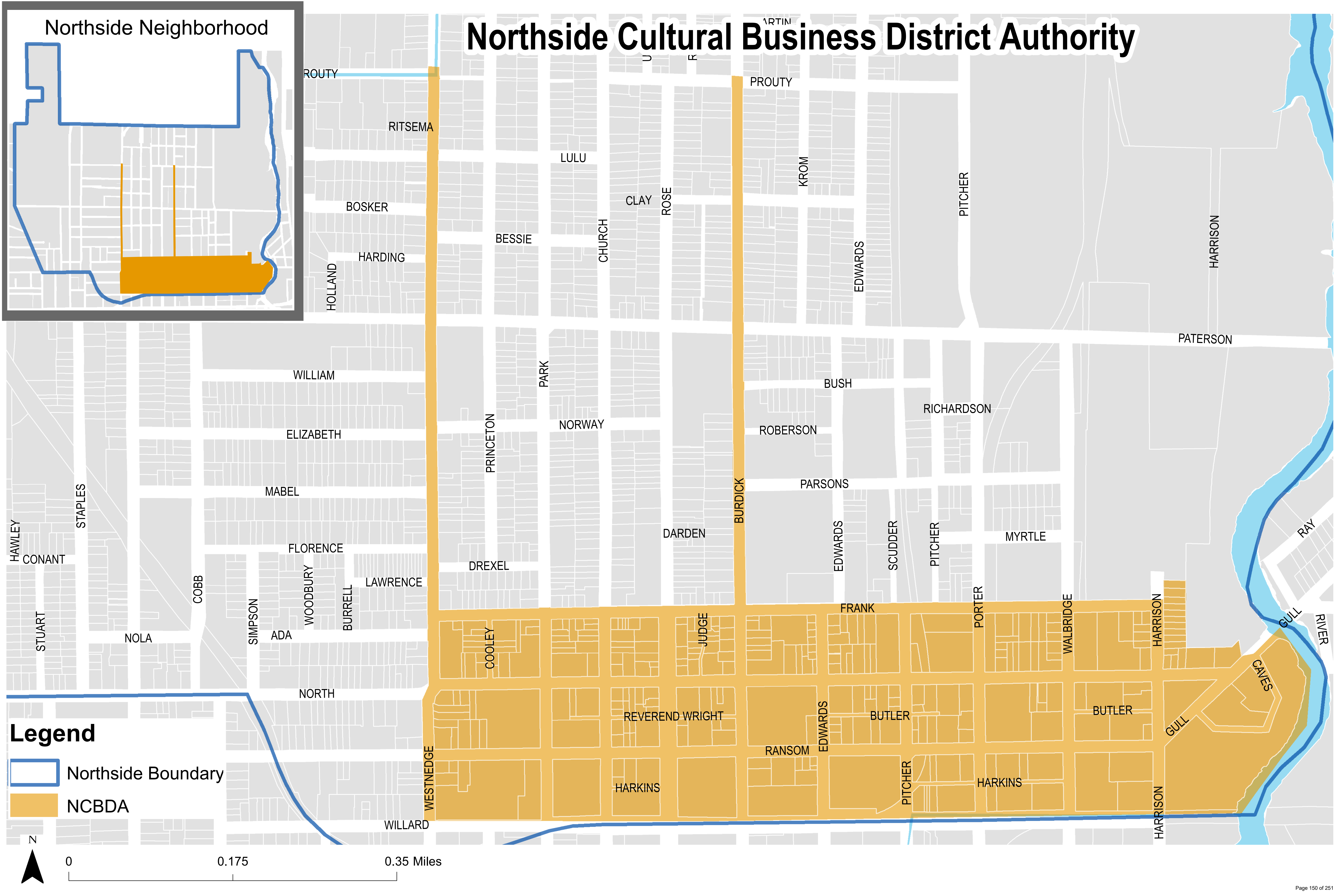
Northside Cultural Business District Authority

development plan & tax increment financing plan



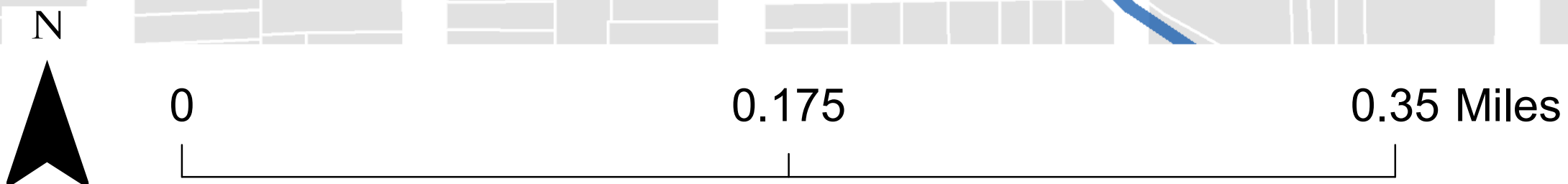
Northside Cultural Business District Authority

Northside Neighborhood



Legend

- Northside Boundary
- NCBDA



**NORTHSIDE CULTURAL BUSINESS DISTRICT AUTHORITY
(A CORRIDOR IMPROVEMENT AUTHORITY)**

**Steps to Adopt a Development and Tax
Increment Financing Plan**

Step	Event	Date
1.	The Authority must approve and recommend the Adoption of a Development and Tax Increment Financing Plan (the “Adoption”) to the municipality’s governing body. <u>See</u> MCL 125.4618(1) and MCL 125.4621(2) (includes detailed requirements for plan to be submitted)	September 22, 2021
2.	The municipality’s governing body (City Commission) sets public hearing date for Adoption. <u>See</u> MCL 125.4618(2) and MCL 125.4622(1) (includes detailed requirements for notice)	3/7/2022 - City Commission sets Public Hearing
3.	The City Commission (as a practical matter this is often the Authority’s job—or a committee thereof, or their representatives) contacts the governing body of each taxing jurisdiction levying taxes subject to capture to provide a “reasonable opportunity” to meet before the public hearing to discuss the Adoption. Thereafter, meetings are scheduled (with City or Authority representatives, consultants, or all, and each individual taxing jurisdiction) at which taxing jurisdictions can discuss their recommendations, the fiscal and economic implications of the Adoption of the proposed Plan, and potentially, enter into agreements with the Authority to share a portion of the captured assessed value of the development area. <u>See</u> MCL 125.4618(3)	Beginning (or continuing) 3/8/2022
4.	The City publishes first notice of public hearing in a newspaper of general circulation designated by the municipality (first notice must be given not less than 20 days before the public hearing date). <u>See</u> MCL 125.4622(1) (includes detailed requirements for notice)	Provide Notice to Newspaper in advance of publication date & Publish Week of 3/28/2022 -

		Publication Date
5.	The City posts notice of public hearing in at least 20 conspicuous and public places in the development area not less than 20 days before the public hearing date. <u>See</u> MCL 125.4622(1) (includes detailed requirements for notice)	Week of 3/28/2022
6.	The City sends by first class mail notice of the public hearing to all property taxpayers of record in the development area at least 20 days before the public hearing date. <u>See</u> MCL 125.4622(1) (includes detailed requirements for notice)	Week of 3/28/2022
7.	The City sends by certified mail notice of the public hearing to the governing body of each taxing jurisdiction levying taxes subject to capture at least 20 days before the public hearing. <u>See</u> MCL 125.4622(1) (includes detailed requirements for notice)	Week of 3/28/2022
8.	The City publishes second notice of public hearing in a newspaper of general circulation (no specific deadline for second publication, but before the public hearing date). <u>See</u> MCL 125.4622(1) (includes detailed requirements for notice)	Week of 4/18/2022
9.	The City holds the public hearing on the Adoption (also required to make and preserve a record of the hearing, including all data presented at the hearing). <u>See</u> MCL 125.4622(3) (includes detailed requirements for hearing)	5/16/2022
10.	After the public hearing, the City Commission determines whether the Adoption “constitutes a public purpose.” If such a determination of a “public purpose” is made, then the City Commission may by resolution either approve the Adoption as written, approve the Adoption with modifications, or reject the Adoption. <u>See</u> MCL 125.4623 (includes detailed considerations for making its determination)	5/16/2022 Commission Approves Plan after hearing



City Commission Agenda Report

City of Kalamazoo

Date: **3/7/2022**

Item: **G.8.**

TO: Mayor Anderson, Vice Mayor Cooney, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: Rebekah Kik, Director, Community Planning and Economic Development
Prepared by: Marcy Dix, Program Finance Supervisor

DATE: March 7, 2022

SUBJECT: Revised Payment in Lieu of Taxes (PILOT) Resolution for The Creamery (1101 Portage)

RECOMMENDATION:

It is recommended that the City Commission adopt a Payment in Lieu of Taxes (PILOT) resolution for the Kalamazoo Creamery Limited Dividend Housing Association Limited Partnership at 1101 Portage Street

BACKGROUND:

Kalamazoo Creamery Limited Dividend Housing Association Limited Partnership has requested a revised payment in lieu of taxes (PILOT) for the housing development located at 1101 Portage Street. In September 2018, the BRA approved a Brownfield Plan Development Agreement for the mixed-use project: which has 48 residential units, 39 reserved for low-income residents and 9 without income limits, and commercial spaces – approximately 5800 square feet dedicated for a 24-hour drop in childcare facility; and approximately 2400 square feet of leasable commercial space. After project changes following an initial PILOT resolution in 2018, the City Commission approved a final PILOT resolution for the project on January 7, 2019, and the project received the 4% Low Income Housing Tax Credits from the Michigan State Housing Development Authority. The project completed construction in 2021. Information on lease rates and floor plans is available at <https://www.kalamazoocreamery.com/rates>.

A complication arose when the Michigan Court of Appeals issued a decision that affected the interpretation of the Michigan State Housing Development Authority Act MCL 125.1401 et seq. Before the decision, the City adopted a resolution applying a 4% PILOT service fee to all 48 residential units of the development, as was allowed by the City's ordinance at the time. The

Court of Appeals decision requires that the City charge the equivalent of ad valorem taxes to the 9 units in the project that do not qualify as low-income, instead of applying the 4% PILOT to all 48 units in the project. This change is a substantial increase to project costs and puts the continued success of the project at risk. A revised PILOT is needed to address this increased cost.

In addition to the PILOT that was adopted in 2019, there is a brownfield plan adopted for the parcels of the project that are not subject to PILOT. The description of the project in the Brownfield plan allows it to include residential units that are not subject to the PILOT resolution. Because the developer created individual parcels for each residential unit, it is possible for the revised PILOT to apply only to the 39 low-income units. The 9 parcels that aren't eligible for a reduced PILOT fee can instead be fully taxed and the tax increment can be captured and paid to the developer to help reimburse eligible project costs. By adopting a new PILOT for only the 39 low-income units, the net tax burden to the project during the life of the brownfield plan, estimated at \$15,552, will remain similar to the amount under the original PILOT, estimated at \$17,697. In year 21 of the PILOT, after the brownfield plan has concluded, the PILOT fee for the 39 LIHTC units will drop to 0%, which will bring the next tax and PILOT fee burden up to an estimated \$22,472 per year. The 9 market rate units will continue to be fully taxed and will not be included in the PILOT.

The project has brought much-needed affordable housing to the area, as well as the childcare center, and it is recommended that this new PILOT resolution be adopted to ensure the continued success of the project.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:



Shared Prosperity- Abundant opportunities for all people to prosper



Complete Neighborhoods- residential areas that support the full range of people's da needs

Discussion

The addition of 48 housing units that target a mix of incomes, including 39 units with income targets averaging 60% AMI, supports the City's Shared Prosperity and Complete Neighborhoods goals.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

Although no outreach events specifically addressed the PILOT request, the proposed project was discussed at a public meeting of the Brownfield Redevelopment Authority on December 20, 2018, and the 2019 amendment to the Brownfield Plan required a public hearing on January 7, 2019. The 2018 and 2019 PILOT resolutions were discussed at City Commission meetings. The project aligns with many priorities identified through the public input conducted for Imagine Kalamazoo 2025.

FISCAL IMPACT:

In 2018, the estimated difference in city revenue between full taxes and with a PILOT was \$455,180 over a 50-year period or approximately \$9,104 per year. The estimated fee charge to the developer, with the PILOT applying a 4% fee to all units using 2020 rates, was \$17,699 per year. Charging full ad valorem on 9 units under the PILOT would result in an increased fee to the developer of approximately \$10,452 per year. Keeping the 4% service fee on the eligible 39 units, but moving the 9 other units out of the PILOT will enable the developer to capture the TIF on increased taxes and honor the original intent of applying the 4% PILOT fee to all residential units.

4% PILOT with the 9 units excluded from the PILOT (only 39 units in) for year 1-20 of the PILOT

- Initial taxes paid by developer of \$38,880
- This results in a net tax burden to the developer of \$15,522. Original tax burden was estimated at \$17,697 for residential units, \$22,399 including the commercial space.
- \$23,358 eligible for Brownfield capture.

0% PILOT on 39 low-income units with the 9 units excluded from the PILOT (only 39 units in) for year 21-40 of the PILOT

- Initial taxes/PILOT fee paid by developer of \$26,572 (\$22,472 PILOT and \$4,100 taxes on commercial space)
- This results in a net tax burden to the developer of \$22,472. The original tax burden was estimated at \$17,697 for residential units.

CITY OF KALAMAZOO, MICHIGAN

RESOLUTION NO. _____

**A RESOLUTION GRANTING ELIGIBILITY FOR A PAYMENT IN LIEU OF TAXES TO
KALAMAZOO CREAMERY LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED
PARTNERSHIP FOR THE CREAMERY LOCATED AT 1101 PORTAGE STREET**

Minutes of a regular meeting of the City Commission of the City held on the ___ day
of _____, 2022, at 7:00 o'clock p.m., local time, at the City Hall.

PRESENT, Commissioners:

ABSENT, Commissioners:

Recitals:

- A.** Kalamazoo Creamery Limited Dividend Housing Association Limited Partnership (LDHALP) is an organization created by Hollander Development Corporation ("Sponsor") for the purpose of securing Low Income Housing Tax Credits (LIHTC) and mortgage financing through the Michigan State Housing Development Authority for The Creamery, a mixed use community development project (Project); and
- B.** The Project will reserve 39 residential units, 81% of the total 48 residential units for low-income individuals; and
- C.** Kalamazoo Creamery LDHALP created a condominium to establish a unique parcel and parcel number for all 48 residential units; and
- D.** In connection with the allocation of low-income housing tax credits and the Mortgage Loan for the Project, Kalamazoo Creamery LDHALP is seeking a tax exemption pursuant to MCL 125.1415a (the "Act"); and
- E.** Section 35-4 of the Kalamazoo City Code ("Ordinance") and the Act provide that the City may allow owners of property developed and reserved for low-income individuals to make a Payment In Lieu of Taxes (PILOT) to the City in an amount not to exceed the amount of tax which would be imposed on the property but for its exemption from taxation granted. Those terms not otherwise defined herein shall have the meaning set forth in the Ordinance; and

- F. The City Commission previously adopted PILOT Resolution 19-02 (the “Current PILOT Resolution”) to apply a 4% PILOT service fee to all 48 units in the Project; and
- G. The Current PILOT Resolution needs to be rescinded and superseded, due to decision in *City of Grand Rapids v. Brookstone Capital LLC*, a 2020 Michigan Court of Appeals decision that affected the interpretation of the Act which occurred after the passage of the Current PILOT Resolution, and requires that the City charge the equivalent of ad valorem taxes to the 9 market rate units in the Project instead of applying the 4% PILOT to all 48 units in the Project, and
- H. If the Current PILOT Resolution is not replaced, the Project’s service fee obligation would be increased. The increase would be substantial and unsustainable, which is not in the best interest of the City or the Project; and
- I. There is an adopted Brownfield Plan for the Project, which enables the LDHALP to capture tax increment for up to 20 years, to reimburse eligible expenses of up to \$660,000; and
- J. The LDHALP created individual condominium units for each residential unit, making it possible to apply the PILOT to eligible units and not to the nine (9) units that are not eligible for a reduced PILOT fee.

THEREFORE, IT IS RESOLVED that this Resolution repeals and supersedes in its entirety the Current PILOT Resolution. The Kalamazoo Creamery LDHALP is deemed eligible for the tax exemption under the Act and Ordinance for PILOT payments for the 39 residential rental units reserved for low-income individual and families and the appurtenant common areas, parking facilities and amenities at 1101 Portage Street, subject to the following terms and conditions:

1. The tax exemption under the Act and PILOT eligibility shall commence on December 31, 2021, provided the Sponsor provides the Notice to Assessor, signed by the LDHALP and certified by the Michigan State Housing Development Authority (“MSHDA”), confirming that the Project is eligible for the tax exemption and that the exemption would permit the LDHALP to make a PILOT, and shall continue for a term of 50 years or as long as the Project is supported by a Mortgage Loan, whichever is shorter, so long as the LDHALP maintains 39 units as serving low-income persons or families as required by the Mortgage Loan; and
2. The Sponsors have formed the LDHALP and the LDHALP is the owner of the Project; and
3. The PILOT for the 39 units that are leased to low-income persons and families shall be four percent (4%) of annual shelter rents during years one through twenty (1-20) of the exemption term set forth in this Resolution; and

4. Beginning in year twenty-one (21) the PILOT for the 39 units that are leased to low-income persons and families shall be zero percent (0%) of annual shelter rents through the remaining years of the exemption term set forth in this Resolution; and
5. The nine (9) market rate units of the Project and 18.75% of the value of the appurtenant common areas, parking facilities and amenities shall not be subject to the PILOT, but will instead be taxed at the full ad valorem rate; and
6. The Current PILOT Resolution is repealed and no longer of legal effect; provided, however, in the event that a subsequent change in law occurs after the passage of this Resolution that would permit the City to restore its original 4% PILOT to all 48 units in the Project, whether through legislative action, MSHDA rulemaking that complies with the Act, or a judicial decision that reverses the Michigan Court of Appeals ruling, then this Resolution shall reinstate the 4% PILOT rate to all allowable areas and units in the Project without the need for further action by the City Commission; and
7. This Resolution is only intended for this unique situation and is not intended to set a policy, practice, or a custom of the City of Kalamazoo in its administration of PILOT programs under its Ordinance.

The above resolution was offered by _____ and supported by _____.

AYES, Commissioners:

NAYS, Commissioners:

ABSTAIN, Commissioners:

RESOLUTION DECLARED ADOPTED.

CERTIFICATE

The foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Kalamazoo at a regular meeting held on _____, 2022. Public notice was given and the meeting was conducted in full compliance with the Michigan Open Meetings Act (PA 267, 1976). Minutes of the meeting will be available as required by the Act.

Scott A. Borling, City Clerk



City Commission Agenda Report

City of Kalamazoo

Date: **3/7/2022**

Item: **G.9.**

TO: Mayor Anderson, Vice Mayor Cooney, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: Rebekah Kik, Director, Community Planning and Economic Development
Prepared by: Marcy Dix, Program Finance Supervisor

DATE: March 7, 2022

SUBJECT: Approval of PILOT Resolution for 530 S. Rose

RECOMMENDATION:

It is recommended that the City Commission approve a Payment in Lieu of Taxes (PILOT) resolution for the 530 Rose St. Limited Dividend Housing Association Limited Partnership for Rose St. Senior located at 530 S. Rose Street (Parcel No. 06-22-119-026), pursuant to Section 35-4 of the Kalamazoo City Code.

BACKGROUND:

530 Rose St. Limited Dividend Housing Association Limited Partnership has requested a 2% PILOT resolution for up to 50 years for the 51 eligible units of a proposed Low Income Housing Tax Credit (LIHTC) project located at 530 S. Rose Street, called Rose St. Senior.

The project did receive LIHTC credits during the 2021 funding round. The original PILOT resolution authorized a 4% service fee for all 64 units in lieu of ad valorem taxes. Since that resolution was adopted, the Michigan Court of Appeals has ruled that cities cannot extend a service fee lower than ad valorem taxes to any units that aren't targeting lower incomes, regardless of the mix between low income and market rate units. To offer a similar level of support to the project as was offered in 2020, the new proposed PILOT resolution is for a 2% service fee on eligible low-income units. This does not fully equal the effect of 4% service fee on all units, but does still significantly reduce the taxes for the project.

Rose St. Senior is a proposed 64-unit affordable senior housing community. Located in downtown Kalamazoo, this project offers easy access to all the amenities of downtown living.

Within a few blocks of their home, residents will have access to basic necessities such as banking, grocery, pharmacy, medical, restaurants and other retail establishments. Additionally, 530 S. Rose Street is immediately adjacent to an established bus stop on the K-Metro public bus system. Each apartment will have an open floor plan concept with central air conditioning, cable television hookups, washer and dryer, dishwasher, garbage disposal, frost-free refrigerator, self-cleaning oven with a microwave/hood combination, high-speed internet connections, luxury vinyl tile flooring, and emergency pull cords. The property will offer common area gathering spaces, including an outdoor courtyard, elevator, secure access to the building, and anticipated covered parking.

The proposed housing project will consist of a five-story building for a total of 64 apartments. This project will be brand new construction and has no prior LIHTC status. The proposed development will have 51 one- and two-bedroom senior housing units (age restricted to 55 years of age or older) targeting an income mix of that below 60% of Area Median Income (AMI), with 13 market rate units. Targeted incomes and unit sizes are listed below:

	30%	40%	50%	60%	Market
1 Bedroom	8	10	2	2	2
2 Bedrooms		6	6	17	11

Estimated monthly rents are:

	30%	40%	50%	60%	Market
1 Bedroom	354	500	645	790	1,075
2 Bedrooms		595	769	943	1,350

Rose St. Senior is receiving 9% competitive LIHTC. A 2015 target market analysis showed a need for more than 2,000 new rental units to serve the needs of the Kalamazoo County population. Since that time, less than 500 have been built. This same ownership team has a 9% project that was recently awarded LIHTC as well and that project, Harrison Circle, is located within a mile of this proposed site. The October 2018 market study for that project noted a demand for 1,133 units of LIHTC. This market study also cited senior population trend statistics which clearly indicate an increasing senior aged population, furthering the need for a project such as this.

The development team for this project pairs a Kalamazoo-based developer – Jon Durham - with an experienced LIHTC Developer Phil Seybert (PS Equities). This development team was awarded 9% LIHTC for the Harrison Circle project in 2019.

STRATEGIC VISION ALIGNMENT:

Relevant Priority Based Budgeting Program (program name and description):

Affordable Housing - Improve the amount of decent and affordable housing in the City of Kalamazoo by supporting the maintenance, rehabilitation and development of accessible owner and renter occupied housing.

Strategic Goal Impact:



Shared Prosperity- Abundant opportunities for all people to prosper



Complete Neighborhoods- residential areas that support the full range of people's daily needs

Discussion

The addition of 64 senior housing units that target a mix of incomes, including 51 units with income targets averaging 60% AMI, will support the City's Shared Prosperity and Complete Neighborhoods goals and is consistent with the Master Plan.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

For the proposed 64 units

51 units are used to calculate the estimated taxes if not a PILOT.

13 units are proposed at market rate and are valued as such (no reduction).

2021 Estimate of Annual Tax Revenue without the PILOT for the 64 units at the proposed development at 522 & 530 S Rose Street:

Total Estimate of Taxes if not a PILOT based on 2021 tax rates: \$136,774

Estimated City's Share of Taxes in 2021 (approximately 21.052%): \$28,794

Estimated Total for the 50-year Period: \$28,794 x 50 years = **\$1,439,700** (without considering inflation or increased taxable values)

Estimated PILOT revenue to the City of Kalamazoo, based on estimated shelter rents for the affordable units (51) only

Estimated Annual Shelter Rent = \$465,744

Estimated Vacancy Loss (8%) = \$37,260

Estimated Shelter Rents (Rent Minus Vacancy) = \$428,484

(note: the utilities portion of the shelter rents was not calculated at this time)

Estimated Yearly PILOT Payment for the parcel (\$428,484 X 2%) = \$8,570

City's Share of Taxes (at 21.052%): \$1,804

Estimated Total for the 50-Year Period: \$1,804 X 50 Years = **\$90,200** (without considering inflation)

Estimated revenue to the City of Kalamazoo, based on estimated rents for the market units (13) only

Estimated Yearly Taxes for the market units = \$25,836

City's Share of Taxes (at 21.052%): \$5,439

Estimated Total for the 50-year Period: \$5,439 X 50 Years = **\$271,950** (without considering inflation or increased taxable values)

Difference (City revenue abated from the PILOT portion):

\$1,439,700 (taxes) - \$90,200 (PILOT) - \$271,950 (Market units) = \$1,077,550 over a 50-year period or approximately \$21,551 per year.

Estimated Yearly Taxes for the Project:

PILOT portion (51 units) - \$8,570

Market portion (13 units) - \$25,836

Total estimated taxes: \$34,406 (without considering inflation or increased taxable values)

Estimated savings the PILOT is affording the developer. This is for all taxes not just city revenue.

At the 2% pilot and taxable units, the developer's tax burden (for all taxes) is reduced by \$102,728 a year.



PILOT Proposal
530 ROSE LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP

General Information:

530 St. Senior is a proposed 64-unit affordable senior housing community located in Kalamazoo.

Located in downtown Kalamazoo, this project has a prime location, with easy access to all the amenities of downtown living. Within a few blocks of their home, residents will have access to basic necessities such as banking, grocery, pharmacy, medical, restaurants and other retail establishments. Additionally, 530 S Rose Street is immediately adjacent to an established bus stop on the K-Metro public bus system.

The development team for this project is well established, as it pairs a local Kalamazoo based developer – Jon Durham - with an experienced LIHTC Developer (PS Equities). Jon is also part of the NOMI development team which has successfully completed four projects in the Rivers Edge District of Kalamazoo, about 1.1 miles away from this proposed site. His experience includes ownership of three other apartment/condo buildings – Wallbridge Commons, 47 market rate apartments, the Norbridge building, 5 apartments and 1 9,000 square foot commercial space, and the Ignertia building, 4 apartments, 2 condominiums, a glass art studio, community gallery space and 4,500 square feet of commercial space. For additional information on these projects and Jon, please visit the NOMI website at <http://riversedgedistrict.com/>. The other half of the development team is PS Equities, owned by Phil Seybert, who is a 35+ year veteran of successful LIHTC housing development in Michigan. PS Equities has developed more than 30 housing projects, nearly all with LIHTC and the majority through the MSHDA direct lending programs. Additional information on PS Equities may be found at <http://www.psequities.com/>. This team was previously awarded a 9% allocation in the April 1, 2019 round for the Harrison Circle family project in Kalamazoo,

which is expected to complete construction August 31st 2021 bringing 80 new affordable housing units to the City of Kalamazoo.

Legal Entity: 530 ROSE LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP

City of Kalamazoo Master Plan:

Rose St. Senior falls right in line with the City's Master plan by providing additional affordable housing units within the city. Adding 64 new affordable housing units not only increases the overall housing stock in the city but given the fact that these units are dedicated to senior's 55+ will likely result in additional housing opportunities within the city. Historically, our tenants already live in the community and are folks that don't want or can't maintain a single family home anymore but want to remain in their community. Rose St. Senior gives these folks the opportunity to sell their single family home, remain in their community and opens up new opportunities to young families ready to buy their first home.

Market Support:

A 2015 target market analysis showed a need for more than 2,000 new rental units to serve the needs of the Kalamazoo County population. Since that time, less than 500 have been built.

The market study for Harrison Circle (noted above) was completed October 2018 and showed there is a demand for 1,133 LIHTC units in the City. This market study also cited senior population trend statistics which clearly indicate an increasing senior aged population, furthering the need for a project such as this.

The Market study for Rose St. Senior indicated sufficient demand exists for additional senior housing in Kalamazoo. Furthermore the study stated that the aging of the baby boom generation has and will continue to shift the national age distribution toward the 65 and over populations segments in coming years. This national trend is evident with in all areas here, with growth throughout 2024 forecasted to be concentrated in the 65 and over age segment.

Type of Project:

The proposed housing project will consist of a five-story building for a total of 64 apartments. This project will be brand new construction and has no prior LIHTC status.

Location:

530 S Rose Street, Kalamazoo, Michigan

This project is located in census tract 0002.01 in Kalamazoo County. This is a Qualified Census Tract for 2020.

The project is within the boundaries of the City of Kalamazoo, which had a population of more than 79,000 per the 2010 census.

Type of Financing:

It is anticipated this project will utilize construction financing through a conventional bank, with a regulated permanent debt financing likely through Fannie or Freddie.

Estimated Conventional Mortgage amount:	\$ 6,326,316.00
Equity from sale of tax credits:	\$ 9,124,687.00
Deferred Developer Fee:	\$ 144,570.00.00
Total Development Cost:	\$ 15,595,573.00

Estimated Timeline:

LIHC Submission:	February 1st 2021
Award Announcement:	May 2021
Construction Commencement:	March 2022
Initial Lease up:	March 2023
Sustained Operation & Final Close:	4th quarter 2023

Tenants Served:

The project will be age restricted to 55+ years of age elderly. Utilizing the income averaging set aside, there will be rental rates available at AMI set asides of 30, 40, 60, and 80%. 20% of the units will be market rate to maximize the "mixed income development" points in the MSHDA QAP

Estimated Rental Rates at each AMI level:

30%	
7 - 1br	\$370
4 - 2br	\$443
40%	
9- -1br	\$518
4 - 2br	\$621
60%	
3 - 1br	\$814
12 - 2br	\$976
80%	
2 - 1br	\$950
10 - 2br	\$1,125
Market rate	
3 - 1br	\$1,050
10 - 2br	\$1,250

Annual Shelter Rent Calculation:

Gross rental income	\$653,544
Estimated common area utilities	-\$45,748
Vacancy loss	-\$45,760
Estimate of annual shelter rent	\$562,036

Bedroom Mix:

The project will have 24 one-bedroom units and 40 two-bedroom units.

Apartment Amenities:

Each apartment will have an open floor plan concept with:

- central air conditioning
- cable television hookups
- washer and dryer
- dishwasher

- garbage disposal
- frost-free refrigerator
- self-cleaning oven
- high-speed internet connections
- LVT flooring
- Emergency pull cords

Property Amenities:

- Common area gathering spaces are anticipated including an outdoor courtyard and a common area balcony on each floor.
- Elevator
- Secured access building
- Parking is anticipated to be covered, with it being at ground level under a pedestal style building

CITY OF KALAMAZOO, MICHIGAN

RESOLUTION NO. _____

**A RESOLUTION GRANTING ELIGIBILITY FOR A PAYMENT IN LIEU OF TAXES TO
530 ROSE LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP
FOR ROSE ST. SENIOR LOCATED AT 530 S. ROSE STREET (PARCEL NO. 06-22-
119-026)**

Minutes of a regular meeting of the City Commission of the City held on the ____
day of _____, 2022, at 7:00 o'clock p.m., local time, at the City Hall.

PRESENT, Commissioners:

ABSENT, Commissioners:

Recitals:

- A.** PGJ Development and PS Equities and/or their respective principals or affiliates (collectively, the "Sponsors") have formed 530 ROSE LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP (the "LDHALP") for the purpose of securing Low Income Housing Tax Credits (LIHTC) and/or a Mortgage Loan for Rose St. Senior, a development project located at 530 S. Rose Street; and
- B.** In connection with the allocation of low-income housing tax credits and/or the Mortgage Loan for the project, the Sponsors are seeking a tax exemption pursuant to MCL 125.1415a (the "Act"); and
- C.** Section 35-4 of the Kalamazoo City Code ("Ordinance") and State Law MCL 125.1415a provide that the City may allow owners of property developed and reserved for low income persons or families to make an annual service charge payment in lieu of ad valorem taxes ("PILOT") to the City in the amount not to exceed the amount of tax which would be imposed on the property but for its exemption from taxation granted. Terms not otherwise defined herein have the meaning set forth in the Ordinance.

THEREFORE, IT IS RESOLVED that the Sponsors are deemed eligible for the tax exemption under the Act and PILOT payments for the 64 eligible housing rental units and the appurtenant common areas, parking facilities and amenities at 530 S. Rose Street (Parcel No. 06-22-119-026), subject to the following terms and conditions:

1. The tax exemption under the Act and PILOT eligibility shall commence on January 1st of the calendar year following receipt by the City of Kalamazoo Assessor of a Notice to Assessor, signed by the Sponsors and certified by the Michigan State Housing Development Authority ("MSHDA"), confirming that the project is eligible for the tax exemption and that the exemption would permit the LDHALP to make a PILOT, and shall continue for as long as the Project is supported by a Mortgage Loan, or for 50 years, whichever comes first, so long as the LDHALP maintains the units as certified and registered rentals serving as affordable housing; and
2. The Sponsors have formed the LDHALP and shall establish the LDHALP as the owner of the project prior to the PILOT taking effect; and
3. The PILOT for the 64 housing units shall be calculated at a rate of two percent (2%) of annual shelter rents for 51 low-income units and a service charge equivalent to ad valorem taxes on the remaining 13 units during this time period, pursuant to the Ordinance; and
4. Upon closing of the Mortgage Loan, the project shall be owned by the LDHALP; and

The above resolution was offered by _____ and supported by _____.

AYES, Commissioners:

NAYS, Commissioners:

ABSTAIN, Commissioners:

RESOLUTION DECLARED ADOPTED.

CERTIFICATE

The foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Kalamazoo at a regular meeting held on _____, 2022. Public notice was given and the meeting was conducted in full compliance with the Michigan Open Meetings Act (PA 267, 1976). Minutes of the meeting will be available as required by the Act.

Scott A. Borling, City Clerk



City Commission Agenda Report

City of Kalamazoo

Date: **3/7/2022**

Item: **G.10.**

TO: Mayor Anderson, Vice Mayor Cooney, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: Rebekah Kik, Director, Community Planning and Economic Development
Prepared by: Antonio Mitchell, Community Investment Manager

DATE: March 7, 2022

SUBJECT: 2022 Redevelopment Liquor License for Crawlspace Theatre Productions, L3C at 315 West Michigan Avenue

RECOMMENDATION:

It is recommended that the City Commission adopt a resolution recommending approval of the application from Crawlspace Theatre Productions, L3C for a Redevelopment Liquor License under PA 501 of 2006. The project is located within the city's existing Downtown Development Authority, at 315 W Michigan Ave.

BACKGROUND:

The requested Redevelopment Liquor License is to create a venue for patrons to relax, laugh and connect with the vibrant comedy community through Crawlspace Comedy Theatre. Crawlspace's vision for the future is to create a Downtown Kalamazoo destination known for the finest improv and sketch comedy performance and the state's best improv comedy instruction.

The Crawlspace Theatre is also dedicated to being a financial anchor and community support for the Kalamazoo Non-Profit Advocacy Coalition (KNAC) and their mission to preserve and maintain the historic First Baptist Church Building. Built in 1853, the historic First Baptist Church is the oldest public building in Kalamazoo and performances there give the audience a chance to experience comedy in a unique and convenient downtown location. The building is managed by KNAC, a charitable organization with a mission that includes alleviating poverty, eliminating discrimination and celebrating the arts. KNAC partners exclusively with organizations that recognize and value the inherent worth and dignity of every person, foster awareness, demonstrate sensitivity, understand and respect all of its members and encourage individuals to strive to meet their own potential.

The Crawlspace Comedy Theatre is a casual, cabaret style atmosphere well-suited for live performance. Serving alcohol at performances is in keeping with their goal of a relaxed environment and sustainable business model. The location of the theatre is in a growing sector of the downtown area.

They aim to produce 16 nights of performances per month and 5 ongoing improv classes every two months. Their goal is to welcome 50 patrons per evening of performance. Crawlspace Theatre will also welcome local companies and organizations to use the space for banquets, fundraisers and other such events. The business plan provides for 1 full-time employee, 2 part-time employees, and 1 management position.

State of Michigan legislation that governs this license requires at least \$75,000 be invested and that seating for at least 50 must be provided. Both of those obligations are/have been met according to the site plan review conducted by the City's Planning staff.

The City of Kalamazoo has issued a Certificate of Occupancy with an occupant load of 99.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:



Economic Vitality - A supportive infrastructure for growing businesses and stabilizing the local economy for the benefit of all.



Shared Prosperity - Abundant opportunities for all people to prosper

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

The applicant is a federally approved, private, non-profit organization. Neither property taxes nor wages represent appropriate fiscal impact measures.



CERTIFICATE OF OCCUPANCY

CITY OF KALAMAZOO

STATE OF MICHIGAN

This Certificate issued pursuant to the requirements of Section 13 of the act & 110.3 of the 2015 edition of the Michigan Building Code certifying that at the time of issuance, permitted activities were in compliance with the various ordinances of the City regulating building construction or use. For the following:

OF22-0012

Building Address:

Permit Number:

315 W MICHIGAN AVE

PTC19-0096

CHANGE OF USE GROUND FLOOR (Crawlspace Theatre and bar area ONLY)

Building Use _____

Zoning District CCBD

Use Group A-1, A-2

Construction Type 3-B

Occupant Load 99

Sprinkled N

Signed in Kalamazoo, Michigan

Date: 02/10/2022


Roger Iveson, Building Official

NON-TRANSFERABLE

Applicant

Owner

KALAMAZOO NON-PROFIT ADVOCACY
315 W MICHIGAN AVE
KALAMAZOO MI 49007



Local Government Approval
(Authorized by MCL 436.1501)

Instructions for Applicants:

- You must obtain a recommendation from the local legislative body for a new on-premises license application, certain types of license classification transfers, and/or a new banquet facility permit.

Instructions for Local Legislative Body:

- Complete this resolution or provide a resolution, along with certification from the clerk or adopted minutes from the meeting at which this request was considered.

At a _____ regular _____ meeting of the _____ Kalamazoo City Commission _____ council/board
(regular or special) (township, city, village)
called to order by _____ Mayor Anderson _____ on _____ Mar 7, 2022 _____ at _____ 7:00 p.m.
(date) (time)

the following resolution was offered:

Moved by _____ and supported by _____

that the application from _____ Crawlspace Theatre Productions, L3C

(name of applicant - if a corporation or limited liability company, please state the company name)

for the following license(s): _____ New Class C License issued under the provisions of MCL 436.1521a(1)(b)

(list specific licenses requested)

to be located at: _____ 315 W. Michigan Avenue, Kalamazoo, MI 49007 in the City of Kalamazoo, County of Kalamazoo

and the following permit, if applied for:

☐ Banquet Facility Permit Address of Banquet Facility: _____

It is the consensus of this body that it _____ recommends _____ this application be considered for
(recommends/does not recommend)

approval by the Michigan Liquor Control Commission.

If disapproved, the reasons for disapproval are _____

Vote

Yeas: _____

Nays: _____

Absent: _____

I hereby certify that the foregoing is true and is a complete copy of the resolution offered and adopted by the _____ City Commission
council/board at a _____ regular _____ meeting held on _____ Mar 7, 2022 _____
(regular or special) (date) (township, city, village)

Scott A. Borling

Print Name of Clerk

Signature of Clerk

Date

Under Article IV, Section 40, of the Constitution of Michigan (1963), the Commission shall exercise complete control of the alcoholic beverage traffic within this state, including the retail sales thereof, subject to statutory limitations. Further, the Commission shall have the sole right, power, and duty to control the alcoholic beverage traffic and traffic in other alcoholic liquor within this state, including the licensure of businesses and individuals.

Please return this completed form along with any corresponding documents to:

Michigan Liquor Control Commission

Mailing address: P.O. Box 30005, Lansing, MI 48909

Hand deliveries or overnight packages: Constitution Hall - 525 W. Allegan, Lansing, MI 48933

Fax to: 517-763-0059



City Commission Agenda Report

City of Kalamazoo

Date: **3/7/2022**

Item: **G.11.**

TO: Mayor Anderson, Vice Mayor Cooney, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: Patrick McVerry, CPRP, Parks and Recreation Interim Director
Prepared by: Kerry Lyn Williams, Grant Specialist

DATE: March 7, 2022

SUBJECT: Resolution to authorize grant application for \$299,400 to Michigan Department of Natural Resources Trust Fund

RECOMMENDATION:

It is recommended that the City Commission adopt a RESOLUTION authorizing the submission of an application for a Michigan Department of Natural Resources Trust Fund Grant in the amount of \$299,400 for the development of a playground and supporting trail amenities at the Kalamazoo Farmer's Market, with a local match commitment of \$300,000 supported by a grant from the Irving S. Gilmore foundation.

BACKGROUND:

The first phase of renovations at the Kalamazoo Farmer's Market is substantially complete. The second phase of renovations, including the construction of an Events Building and playground, is planned to commence in 2023. The funding plan for Phase Two has been developed and began with an initial grant of \$1,000,000 (to be paid over three years). This grant was awarded to the City by the Irving S Gilmore Foundation in late 2021. In the funded proposal, the City indicated plans to seek funding from the Department of Natural Resources in 2022 to support the construction of the playground and supporting trail amenities for the Kalamazoo River Valley Trail (which runs directly to the east side of the Kalamazoo Farmer's Market) and to leverage funding from the Irving S Gilmore Foundation in the grant request. This application fulfills that commitment to leverage funding by committing \$300,000 as match for the \$299,400 requested to complete construction of the playground and supporting trail amenities, including play equipment, play surfacing, benches, tables, bike racks, a bike repair station, a drinking fountain (with bottle refilling capacity), landscaping, lighting, fencing, and paving for this section of the project.

This grant request will support the construction of the Kalamazoo Farmer's Market playground, specifically designed for children ages 2-5, in addition to the installation of the KRVT trail amenities described above. The playground is designed to be enjoyed by children of all abilities and includes elements to educate them about local natural features and nutrition/healthy eating.

It incorporates communication boards, activities of various heights, and exceeds all ADA requirements to ensure it can be enjoyed by all. Finally, the playground is designed with a "fruit and veggie" theme to fit well within the overall context of the Kalamazoo Farmer's Market.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:



Inviting Public Places - Vibrant streets, exceptional parks, and welcoming activities.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Consult (two-way conversation) – the community will have a chance to react to the project through two-way conversation.

Discussion: The community has been consulted throughout the design and development of Phase One and Phase Two of the Kalamazoo Farmer's Market.

Engagement/Communication Tools

Consultation throughout the design phase, public meetings, and ongoing social media updates of status/plans.

FISCAL IMPACT:

This grant application includes a local match commitment of \$300,000. This match is provided through a grant from the Irving S Gilmore Foundation, received in 2021.

CITY OF KALAMAZOO, MICHIGAN

RESOLUTION NO. 22-

**RESOLUTION OF AUTHORIZATION – LOCAL UNIT OF GOVERNMENT MATCH
WITH DONATED FUNDS**

Minutes of a regular meeting of the City Commission of the City held on March 7, 2022, at 7:00 o'clock p.m., local time.

PRESENT, Commissioners:

ABSENT, Commissioners:

WHEREAS, the City of Kalamazoo supports the submission of an application entitled, “Kalamazoo Farmer’s Market Playground and Supporting Trail Amenities” to the Michigan Department of Natural Resources Trust Fund for development of a playground and supporting trail amenities at the Kalamazoo Farmer’s Market; and

WHEREAS, the proposed application is supported by the City of Kalamazoo’s *2019-2023 Parks and Recreation Master Plan*; and

WHEREAS, the City of Kalamazoo is hereby making a financial commitment to the project in the amount of \$300,000 of matching funds, in cash and/or force account; and

WHEREAS, if the grant is awarded the applicant commits its local match and donated amounts from the following sources:

Irving S Gilmore Foundation	\$ 300,000
Total:	\$ 300,000

NOW, THEREFORE, IT IS RESOLVED that the Kalamazoo City Commission hereby authorizes submission of a Michigan Department of Natural Resources Trust Fund grant application for \$299,400.

IT IS FURTHER RESOLVED that the City of Kalamazoo will make available a local match through financial commitment and donation(s) of \$300,000 (50.05%) of a total \$599,400 project cost during the 2022-2023 fiscal year.

The above resolution was offered by _____ and supported by _____.

AYES, Commissioners:

NAYS, Commissioners:

ABSTAIN, Commissioners:

RESOLUTION DECLARED ADOPTED.

CERTIFICATE

The foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Kalamazoo at a regular meeting held on March 7, 2022. Public notice was given and the meeting was conducted in compliance with the Michigan Open Meetings Act (PA 267 of 1976) as amended by PA 254 of 2020. Minutes of the meeting will be available as required by the Act.

Scott A. Borling, City Clerk



City Commission Agenda Report

City of Kalamazoo

Date: **3/7/2022**

Item: **G.12.**

TO: Mayor Anderson, Vice Mayor Cooney, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: Rebekah Kik, Community Planning & Development Director
Prepared by: Julie Johnston, Community Development, Compliance Specialist II

DATE: March 7, 2022

SUBJECT: Substantial Amendment to HOME Dollars

RECOMMENDATION:

It is recommended that the City Commission approve the Substantial Amendment to the 2017, 2019, and 2020 Action Plans for the HOME Investment Partnership grant to award funding to the affordable housing projects located at 530 South Rose Street and 1211 South Westnedge Avenue.

BACKGROUND:

A perceived Conflict of Interest has been identified with this funding recommendation. It is requested that the Commissioner(s) who has the conflict identify themselves. The minutes will reflect the perceived conflict and abstaining from the vote.

Every year, the U.S. Department of Housing and Urban Development (HUD) requires the City of Kalamazoo to develop an annual Action Plan explaining how funds will be used. In program years (PY) 2019 and 2020 a line item was established called the Affordable Housing Program, which allocated dollars to the future construction of affordable housing. However, these Action Plans did not specifically indicate the projects that would be funded. In addition, through an audit of past HOME grants, staff found that a small amount of funding was left unallocated in PY2017.

Whenever funds are reallocated or unallocated funds are assigned to a project, the City's Citizen Participation Plan requires a Substantial Amendment to the Action Plans from those program years. The Citizen Participation Plan is the document that outlines the public outreach requirements to allocate HUD funding. The approval of a Substantial Amendment requires review by the Community Development Act Advisory Committee (CDAAC), who make a

recommendation to the City Commission. Final approval of the Substantial Amendment lies with the City Commission.

The projects requesting funding through this Substantial Amendment include:

530 South Rose Street - A senior housing development, which will be a 5-story building located in the Vine Neighborhood and includes a total of 64 senior apartments, 24 of which will be one-bedroom and 40 will be two-bedroom. A total of \$408,000 in HOME funds is assigned to this project within the Substantial Amendment. This funding will be in the form of a forgivable loan.

1211 South Westnedge – A repurpose of the old Knights Inn hotel, which is located within the Vine Neighborhood. This project will include a total of 60 studio apartment units that will be renovated with an emphasis on housing those that are experiencing homelessness and/or have incomes at or below 30 percent of the area median income. A total of \$60,000 in HOME funds is planned for this project within the Substantial Amendment. The \$60,000 recommendation includes the \$50,000 that was previously approved by the City Commission on January 19, 2021, and an additional \$10,000 as part of this Substantial Amendment. This \$60,000 is a mortgage loan that will be repaid.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:



Complete Neighborhoods - residential areas that support the full range of people's daily needs



Good Governance- Ensuring the City organization has the capacity and resources to effectively implement the community's Strategic Vision in a way that is sustainable over the long term.



Shared Prosperity - Abundant opportunities for all people to prosper

Discussion:

The Substantial Amendment will provide funding for two affordable housing projects that support populations HUD terms as special needs, i.e., seniors, homeless, and those making 30 percent or less of the area median income. The projects also support the goals and outcomes of the City's 2019-2023 Consolidated Plan and the Imagine Kalamazoo 2025 Plan. Finally, the projects will revitalize two areas of the Vine Neighborhood, creating an environment of residential activity and security. The activities planned under this Substantial Amendment align with the strategic vision in the following ways:

1. Good Governance
 - Communication and Outreach: Facilitates timely and effective communication throughout the organization and with the public.
2. Shared Prosperity

- Family: Coordinate services to address basic needs and well-being, including transportation, housing, childcare, and financial capability.
- Community Partnerships: Establish networks to act, connect, advocate, and cross-pollinate ideas across sectors, and establish common goals and metrics to measure success.

3. Complete Neighborhood

- Healthy Environment: Develop and implement long-term, built environment strategies to address health disparities with safe access to active transportation, parks and open space, fresh food, quality housing, health care, and resident services.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Consult (two-way conversation) – the community will have a chance to react to the project through two-way conversation.

Discussion:

Per the City's Citizen Participation Plan, the public process for the Substantial Amendment occurred at the CDAAC level. To begin, a public notice was placed in the Kalamazoo Gazette noting a 30-day public comment period and the planned public hearing before CDAAC. No comments were received during the 30-day public comment period. On February 24, 2022, CDAAC reviewed the Substantial Amendment and held the required public hearing. One member of the public attended the hearing and commented that more outreach to the community is needed when projects are brought before CDAAC. At the close of public hearing, CDAAC motioned to recommend approval of the Substantial Amendment to the City Commission.

FISCAL IMPACT:

The Substantial Amendment will utilize the annual federal allocation received by HUD. Through the award of these federal dollars in the manner recommended, the City of Kalamazoo's general fund is not required to address the affordable housing needs supported by these projects.

The administration and monitoring of the projects will be conducted by the Community Investment Division of Community Planning and Economic Development.



**City of Kalamazoo
HOME Investment Partnership Program
Amendment to Program Years 2017, 2019, and 2020 Action Plans**

Executive Summary

The following serves as an amendment to the City of Kalamazoo's Program Year (PY) 2017, 2019, and 2020 Action Plans per the requirements of the U.S. Department of Housing and Urban Development (HUD). Under HUD program regulations found at 24 CFR 91.105 (b)(1) and 91.505 (a), the City of Kalamazoo must adequately inform its citizens of the range of activities it expects to undertake during each program year. The City of Kalamazoo provided this information during annual public hearings and within the corresponding PY2017, 2019, and 2020 Action Plan documents as outlined in the City's Citizen Participation Plan.

The City received the following HOME Investment Partnership Program (HOME) funds during these program years:

Program Year	Grant Number	Authorized Grant from HUD	Allocated to Projects	Unallocated Funds
2017	M-17-MC-26-0207	\$388,900	\$357,905.98	\$30,994.02
2019	M-19-MC-26-0207	\$492,146	\$492,146.00	\$0.00
2020	M-20-MC-26-0207	\$528,810	\$528,810.00	\$0.00

The HOME Program is specifically designed to develop and support affordable housing for low to moderate income persons and families. Activities such as acquisition, new construction, and rehabilitation of single- and multiple-family homes are permitted.

The 2017 unallocated funds need to be assigned to a specific activity so the dollars may be utilized. This must be done through the public process of a substantial amendment. In PY2019 and PY2020, the annual Action Plans included an activity identified as Housing Rehabilitation Program. This activity was designed for the development or rehabilitation of housing for low to moderate income persons or families, but no specific projects were identified at that time. In PY2019, \$411,008 was allocated to this activity and in PY2020, \$271,251 was assigned. The Community Planning and Economic Development Department now has two multiple-family projects that meet the goals of the Consolidated Plan where some or all of these funds can be assigned through a substantial amendment.

In addition, in PY2020 an error was made in the Action Plan related to the amount of unallocated funds that were available from previous program years. This substantial amendment is intended to resolve this overage of funding allocation.

Action Plan Substantial Amendments

At this time, the Community Planning and Economic Development Department would like to reallocate, reprogram, and/or reduce funds as outlined below:

Reallocated Funds:		
Program Year	Project	Amount
2017	Unallocated Funds	\$30,994.02
2019	Affordable Housing Program	\$411,008.00
2020	Affordable Housing Program	\$25,997.98
Subtotal:		\$468,000.00
Reduced Funds:		
2020	Affordable Housing Program	\$91,405.00
Total:		\$559,405.00

Proposed Projects

530 South Rose Street:

HOME funds will be provided to 530 Rose Limited Dividend Housing Association Limited Partnership, which was formed by PGJ Development and PS Equities. The proposed housing project planned by this Limited Partnership will be a new five-story building located at 530 South Rose Street. The project is in the Vine Neighborhood, which is located within Census tracts that are eligible for HUD funding. A total of 64 senior apartments will be constructed, 24 of which will be one-bedroom and 40 will be two-bedroom.

This project meets many of the goals of the City's Consolidated Plan, Imagine Kalamazoo 2025 Plan, and the Vine Neighborhood Plan.

- 2019-2023 HUD Consolidated Plan: The City of Kalamazoo's Consolidated Plan is the primary tool used to determine how federal funding can best address the City's needs. The 530 South Rose Street project fits two specific objectives of the Consolidated Plan, as follows:
 - Improve the amount of decent and affordable housing in the City of Kalamazoo by supporting the maintenance, rehabilitation and development of accessible owner and renter occupied housing.
 - Increase affordable rental housing through rehabilitation and new construction.
- Imagine Kalamazoo 2025 Plan: The themes of this Plan are Connected & Accessible Community, Equity & Opportunity for All, and a Vibrant & Friendly Environment. The 530 S. Rose Street development contributes to the following goals and actions:
 - Invest in and incentivize development projects that create opportunities and housing options that are affordable throughout the City.
 - Evaluate and promote a mix of housing types across neighborhoods to accommodate various income levels so residents can remain in the City or in their neighborhood as lifestyle needs change.
 - Affordability of units assists with issues of gentrification, displacement, and stabilization of rental units for a legacy of affordability.

- Vine Neighborhood Plan: The housing vision for Vine expressed the need to encourage infill development, new housing types, and support housing affordability. 530 South Rose Street compliments this vision in several ways. The new development will infill an old parking lot creating an environment of residential activity and security in the neighborhood. It will also increase affordable housing by growing the number of total affordable units in the City. Finally, the development will maintain affordability in the Vine Neighborhood for those aging in place.

A total of \$408,000 in HOME funds will be programmed from the Affordable Housing Program outlined in the PY2019 Action Plan, which allocated \$411,008 to this type of activity. This leaves a remaining balance of \$3,008. Ten of the 64 units will be supported by HOME funds, which will require a minimum 15 years of affordability.

1211 South Westnedge Avenue:

HOME funds will also be programmed for the Lodge House sponsored by the LIFT Foundation, which is a nonprofit organization. This project will repurpose an old Knights Inn hotel, which is located within the Vine Neighborhood, into affordable housing. A total of 60 studio apartment units will be renovated with an emphasis on housing those that are experiencing homelessness and/or have incomes at or below 30 percent or lower of the area median income. Onsite management and supportive services will also be provided as part of the Lodge House project.

This project meets many of the goals of the City's Consolidated Plan, Imagine Kalamazoo 2025 Plan, and the Vine Neighborhood Plan.

- 2019-2023 HUD Consolidated Plan: The Lodge House project fits the following objectives of the Consolidated Plan, as follows:
 - Improve the amount of decent and affordable housing in the City of Kalamazoo by supporting the maintenance, rehabilitation and development of accessible owner and renter occupied housing.
 - Increase affordable rental housing through rehabilitation and new construction, focusing on those who make 30 percent of the area median income.
 - Encourage permanent housing for the homeless through prevention and rapid re-housing activities.
 - Make supportive services available for the homeless with an emphasis on the mentally and physically disabled.
- Imagine Kalamazoo 2025 Plan: The Lodge House development contributes to the following goals and actions:
 - Strengthen partnerships with area organizations and businesses to provide tools and resources for large-scale improvements as an alternative to demolition.
 - Invest in and incentivize development projects that create opportunities and housing options that are affordable throughout the city.
 - Affordability of units assists with issues of gentrification, displacement, and stabilization of rental units for a legacy of affordability.

- Address homelessness with partners and providers to provide safe environments for individuals and families; engage in wraparound services for recovery and mental health support.
- Vine Neighborhood Plan: Like 530 South Rose Street, the Lodge House project will assist with Vine's vision for new housing types and affordable housing. The new development will rehabilitate an older vacant hotel to improve neighborhood economic stability and security.

A total of \$60,000 in HOME funds will be reallocated from the 2017 program year and programmed to the PY2019 and PY2020 Affordable Housing Program. PY2017 will contribute \$30,994.02, PY2019 will allocate \$3,008, and PY2020 will assign \$25,997.98. Four of the 60 units will be supported by HOME funds, which will require a minimum of 10 years of affordability.

Allocation Overage:

In the PY2020 Action Plan, some HOME funds were identified as being unallocated and therefore carried over from previous program years. Unfortunately, these same funds were outlined in the PY2019 Action Plan. After a complete review of the HOME grant funds awarded to the City between 2018 through 2020 by HUD and the amount assigned to activities during this same time, it was found that \$91,405 was over allocated.

Fortunately, the Affordable Housing Program activity listed in the PY2020 Action Plan did not have specific projects identified. Therefore, the \$91,405 overage can be subtracted from this \$271,251 budget without harming any active or planned projects. With the amount programmed to the new projects noted herein, the PY2020 Affordable Housing Program will have \$153,848.02 remaining to allocate.

Citizen Participation Plan

As per the City of Kalamazoo's Citizen Participation Plan, a public notice on this Substantial Amendment was placed in the Kalamazoo Gazette on January 26, 2022 for the required 30-day public comment period. An electronic copy of this Substantial Amendment was placed on the City's website at <https://www.kalamazoocity.org/communitydevelopment>. A paper copy was available for review at the offices of the Community Planning and Development Department, 245 North Rose Street, Suite 100, Kalamazoo, Michigan.

No public comments were received during the 30-day public comment period.

The notice also outlined the public hearing held by the Community Development Act Advisory Committee on February 24, 2022. The public was invited to attend and comment. The draft minutes of this meeting are included under Attachment A. The public notice is included under Attachment B.

One member of the public was in attendance at the meeting. He felt additional outreach, beyond the Kalamazoo Gazette, is needed when projects are brought before CDAAC to garner more public input.

**CITY OF KALAMAZOO
NOTICE OF PUBLIC HEARING
ANNUAL ACTION PLAN SUBSTANTIAL AMENDMENT**

Notice is hereby given that the City of Kalamazoo (City) is considering a Substantial Amendment to the 2017, 2019, and 2020 Annual Action Plans related to the HOME Investment Partnership Program (HOME). The City is an entitlement community in the U. S. Department of Housing and Urban Development's HOME Program. Public notice and hearings are required for amendments to an Annual Action Plan per the City's Citizen Participation Plan and per 24 CFR Part 91.

Proposed Changes:

Program Year 2017 has HOME funds that were unallocated to an activity, and therefore need to be assigned to a project. Program Years 2019 and 2020 included an activity called Affordable Housing Program, which allocated funds for the development of housing for low- and moderate-income persons and families. However, specific projects were not identified. A portion of these funds are being considered under this amendment. Finally, an error was made in the 2020 Annual Action Plan regarding the amount of carry-over funds available from previous program years. A reduction of \$91,405 needs to be amended in the Affordable Housing Program.

Reallocated Funds:		
Program Year	Project	Amount
2017	Unallocated Funds	\$30,994.02
2019	Affordable Housing Program	\$411,008.00
2020	Affordable Housing Program	\$25,997.98
Subtotal:		\$468,000.00
Reduced Funds:		
2020	Affordable Housing Program	\$91,405.00
Total:		\$559,405.00

Proposed Projects:

Project Address/Type	Total Units supported by HOME	Proposed Budget
530 S. Rose St. Senior Multi-Family Housing	10	\$408,000
1211 S. Westnedge Ave Multi-Family Housing	4	\$60,000
Total:		\$468,000

A copy of the draft Substantial Amendment is available for review in the Community Planning and Development Department, located at 245 North Rose Street, Suite 100, Kalamazoo, Michigan or on the City's website at <https://www.kalamazoocity.org/communitydevelopment>.

Public Hearing:

The Community Development Act Advisory Committee of the City of Kalamazoo, in conjunction with the Community Planning & Development Department, will hold a Public Hearing on February 24, 2022 in the Community Room, 241 W. South St., Kalamazoo, MI beginning at 5:30 pm.

Comment Period:

The City is accepting written comments on this proposed Amendment for a 30-day period beginning Thursday, January 27, 2022 and ending at 4:30 p.m. on Thursday, February 24, 2022. Any interested party may submit their written comments to Ms. Julie Johnston, Compliance Specialist II, 245 N. Rose St., Suite 100, Kalamazoo, MI 49007; Phone: 269.337.8226; e-mail: johnstonj@kalamazoocity.org.



City Commission Agenda Report

City of Kalamazoo

Date: **3/7/2022**

Item: **G.13.**

TO: Mayor Anderson, Vice Mayor Cooney, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: Rebekah Kik, Community Planning & Development Director
Prepared by: Sharilyn Parsons Community Development, Housing and Project Development Coordinator

DATE: March 7, 2022

SUBJECT: Kalamazoo Attainable Housing Partnership – Homeownership Initiative
Foundation for Excellence Grant

RECOMMENDATION:

It is recommended that the City Commission approve two grant agreements totaling \$750,000 from the City of Kalamazoo for Kalamazoo Attainable Homes/Pathways Home Homeownership Initiative.

BACKGROUND:

Since 2018, The Attainable Homes Partnership of the City of Kalamazoo, Kalamazoo Neighborhood Housing Services (KNHS) and the Local Initiatives Support Corporation (LISC) have been working together to provide home ownership opportunities to more than 38 homeowners. This activity supports the City of Kalamazoo's affordable infill housing strategy.

This year, our partnership goal with this funding is to build and rehabilitate 12 homes for homeownership in the Core Neighborhoods. Lease purchase options will also be strengthened through this partnership with additional funding. Budget from the City of Kalamazoo will be leveraged with KNHS and LISC partnership funding to achieve homeownership goals.

This \$750,000 grant award is split into two agreements:

- \$250,000 to acquire and rehabilitate four homes to be sold under lease purchase agreements
- \$500,000 to build eight new homes to be sold to qualified homeowners

Both proposed grant agreements are attached.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:



Complete Neighborhoods - residential areas that support the full range of people's daily needs



Shared Prosperity - Abundant opportunities for all people to prosper

Discussion:

Affordable Housing: Improve the amount of decent and affordable housing in the City of Kalamazoo by supporting infill single family construction, rehabilitation and development of accessible owner and renter occupied housing. Creating wealth through homeownership.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

\$750,000 was approved in the 2022 budget for this affordable housing partnership as a Foundation for Excellence Special request.

Annual homestead taxes = \$44,989.08

City share of total (Operating, Solid Waste and admin fee) = \$12,549.72

Dear Mr. Lager,

Congratulations. The City of Kalamazoo ("City") has recommended for approval a grant in the amount set forth in the table below to Kalamazoo Neighborhood Housing Services Inc. (the "Grantee" or "KNHS") and the terms and conditions of this Grant are set forth in this grant agreement ("Grant Agreement") as follows:

Program Action Number (2022-03 FFE KAHP KNHS)

Grant Funding and Budget

Use of Funds	Amount
Appraisal Gap Subsidy to facilitate the building of 8 new homes	\$450,000
Program Administration/Delivery Costs	\$50,000
TOTAL:	\$500,000

Any change in the budget categories of 10% of the total budget or more shall be subject to CITY's prior written approval. The overall budget may not be increased above \$500,000 without the CITY's prior written approval. CITY reserves the right to approve any professionals or consultants hired with the funds provided under this Grant.

Term of the Grant

The Grant term begins upon execution by all parties and continues for 18 months from that date (the "Expiration Date").

Purpose of the Grant

The Grant is being provided to the Grantee to facilitate the property acquisition, construction, and sale of eight new single-family homes in designated neighborhoods of the City for purchase by qualified low-income households. The designated neighborhoods include Eastside, Edison, Northside, Vine, and West Douglass. Grantee and the Home Builders Association (HBA) will work together to undertake this project using the informal name Kalamazoo Attainable Homes Partnership (KAHP). Grantee and HBA have previously undertaken similar home construction work in 2020 and 2021.

Qualified households must meet the following criteria:

1. Low income, specifically at or under 80% of the area median income as determined by HUD for the relevant time-period.
2. To be owned and occupied by purchaser's household.
3. Completion of KNHS' Homebuyer education program and participation in homebuyer coaching at KNHS.
4. Meet KNHS' loan underwriting criteria and evidence an ability to make payments on any loan made for the purchase of a KAHP home.

Purchasers may receive down payment assistance in the sum of \$10,000 for the purchase of the home depending on availability of funding from Grantee. Completed projects shall be sold at appraised value.

The Grantee hereby agrees to use the Grant in furtherance of its charitable purposes. Specifically, \$450,000 (8 homes at \$56,250 each) of grant proceeds will fund the gap between the appraised value and the cost to construct each of the eight homes. Fifty Thousand Dollars (\$50,000) will be used to cover administrative and program delivery expenses incurred by the grantee.

This grant furthers multiple community development goals: it attracts builders into the neighborhood markets; it increases the supply of quality affordable housing in the neighborhood markets; it provides quality, affordable housing to eight qualified low-income home buyers; and it makes use of available vacant lots for the purpose of affordable housing and neighborhood value stabilization.

Disbursement Conditions

Disbursement shall be made in 4 separate draw requests:

1. A first payment of \$150,000 will be issued upon written request by KNHS post City- Commission approval, completed Grant Agreement being signed by the Grantee and CPED Director.
2. A second payment of up to \$150,000 can be requested by KNHS at six months into the grant term or upon the complete expenditure of the initial payment, whichever occurs first. KNHS will submit supporting documentation of all grant expenditures to date with the second payment request.
3. A third payment of up to \$150,000 can be requested by KNHS at twelve months into the grant term or upon the complete expenditure of the initial payment, whichever occurs first. KNHS will submit supporting documentation of all grant expenditures from the second request to date with the third payment request.
4. The fourth and final payment of \$50,000 will be issued upon a final report documenting grant expenditures not previously submitted, a report of KNHS contributions, and documentations of home sales.

Reporting Conditions

Quarterly reports shall be provided to the City providing:

1. Documentation of the expenditures related to completion of the Project.
2. Provide photo documentation of project within reports.
3. Ensure income verification and household documentation.
4. Documentation of home sale.
5. Documentation of household qualification.

Agreement Representatives and Notices

Each party to this Agreement shall have a representative. Each party may change its representative upon providing written notice to the other party. The parties' representatives are:

Subrecipient:

City of Kalamazoo:

Matt Lager
1219 S. Park
Kalamazoo, MI 49001

Sharilyn Parsons
245 N. Rose Street Ste. 100
Kalamazoo, MI 49007

Other Grant Conditions and Requirements

The attached Grant Terms and Conditions (Attachment A) shall be incorporated into and made a part of the Grant Agreement between City and the Grantee.

Next Steps: Please follow all of the steps outlined below. City will not disburse funds unless and until this information is completed fully:

1. Please carefully review the terms and conditions (outlined in the Grant Agreement) detailing requirements for the use of this Grant.
2. An authorized officer of the Grantee must sign the Grant Agreement and email it to Sharilyn Parsons, copying Rebekah Kik, Director of Community Planning and Development at kikr@kalamazoo-city.org. Please consult this City staff member with questions about this Grant to request disbursement of funds, and to report on progress. This Grant Agreement must be signed and returned to the City within thirty (30) days after the date of this Grant Agreement. If such deadline passes, the City reserves the right to withdraw this Grant Agreement and reprogram the funds.
3. The City will deliver fully executed signed agreement after Grantee signatures are obtained and return to the attention of authorizing party listed within this agreement.

TERMS OF GRANT ACCEPTED AND AGREED TO:
Kalamazoo Neighborhood Housing Services, Inc.

Signature:

Name:
Title: Executive Director

Date: _____

CITY OFFICER COUNTER-SIGNATURE:

Signature:

Name:
Title:

Date: _____

Attachment A TERMS AND CONDITIONS

Grantee Responsibilities:

These homes will serve for the creation of Affordable Housing consistent with Neighborhood Plan goals for affordable housing. All documentation related to the sale and transfer of ownership must be delivered to the City of Kalamazoo by 48-months post the agreement close-out.

KNHS will use the funds for the new construction of affordable single family homeownership opportunities.

1. Cost reasonableness. Grantee will assure that the cost of the proposed construction is reasonable and the benefits will be maximized relative to cost, and that the proposed construction will be completed within the time stipulated in the Agreement.
2. Section 3 consideration will be granted.
3. Affordable housing to be provided to persons and/or families whose income is at or below 80% (area median income) based on the current HUD limitations.
4. Homeowner's will complete HUD-certified educational requirements and engage within financial coaching.
5. The affordability period will begin on the date the affordability lien restriction is registered with the Register of Deeds upon sale or transfer of title to eligible homeowner.
6. Affordability restrictions applied for the period of no less than 10 years from the time of sale and/or transfer of title.
7. The Grantee shall complete a pre and post inspection assessment of all work to include before and after photos. Documentation must be attached to the accomplishment report at the time reporting.
8. Grantee to ensure the property is free from any filing or recording of a mechanic's lien or any other type of encumbrance on any eligible property resulting from the Grantee's failure to fulfill its financial or other contractual obligations with respect to any of its vendors or sub-contractors.

1. Funds Not Disbursed By the Expiration Date: All requests for reimbursement of expended funds pursuant to the Grant Agreement (in furtherance of the Purpose(s) of the Grant) must be received by City no later than 60 days after the Grant end date. Any Grant funds not expended by the Grantee by the Expiration Date shall be automatically reprogrammed by City and shall no longer be available for disbursement to the Grantee; provided, that if the Expiration Date is extended, then the funds shall remain available for disbursement until the new Expiration Date.

2. Funds Not Disbursed in a Timely Way: Any funds not drawn down in a timely fashion at the end of the term of the Grant may be de-obligated by City in its sole discretion after notice to the Grantee. Such de-obligation shall be effective as to any Grant proceeds not expended by the Grantee prior to the date of receipt of such notice.

3. No Disbursement if Non-Compliance. City shall not make any disbursement of the Grant unless on the proposed date of disbursement the Grantee is in full compliance with all these Grant Terms and Conditions set forth in the Grant Agreement. In addition, City shall not make any disbursement of the Grant if it will (i) violate any provision of law, regulation or administrative ruling to which City is subject, (ii) subject City to any tax, penalty, or fine, or (iii)

not further the governmental purposes of the City.

4. No Disbursement if Default Exists, or Material Adverse Change Has Occurred: CITY shall not make any disbursement of the Grant if, at the time of the proposed disbursement, the Grantee, or any subsidiary of the Grantee, or any partnership affiliated with the Grantee, is in default under the terms of any CITY financing, whether for the Project or provided by CITY for any other project or purpose. In addition, CITY shall not make any disbursement of the Grant if there has been a material adverse change in the financial or other condition of the Grantee or the Project, unless said changes are communicated to the City of Kalamazoo in a timely manner and it is determined changes are not considered an adverse change in key personnel.

5. Restrictions on Use of the Grant: Under Sections 501 and 4945 of the Internal Revenue Code (the "Code"), the Grant may not be used to carry on propaganda, to attempt to influence legislation, or to participate in, intervene in, or attempt to influence the outcome of, political campaigns or elections. By countersigning this Agreement and returning it to CITY, the Grantee agrees to (i) not use the Grant for purposes prohibited by the preceding sentence, (ii) use the Grant in furtherance of the Grantee's charitable purposes (as set forth in its Articles of incorporation and Application For Recognition of Exemption to the IRS), and (iii) promptly reimburse CITY any Grant amounts not used to further charitable purposes.

6. Compliance with Laws.: In its use of Grant funds provided by CITY, and in its development, marketing, and operation of the Project, the Grantee shall fully comply with all applicable federal, state, local (and any other governmental) laws, executive orders, rules, and regulations, including without limitation anti-discrimination laws, executive orders, rules, and regulations.

7. Tax-Exempt Status: The Grantee represents and warrants that its determination letter from the Internal Revenue Service ("IRS") which states that Grantee's tax-exempt status under Section 501(c)(3) of the IRS code is still in effect as of the date of execution and delivery of the executed Grant Agreement, has not been revoked or modified, and that Grantee has delivered a copy of said letter to CITY. If such determination is revoked or modified, Grantee shall so notify CITY as soon thereafter as possible.

8. Review of Operations: CITY may monitor and conduct an evaluation of activities funded by the Grant. Such evaluation may include a visit from CITY personnel to observe the activities funded by the Grant, to discuss said activities with the Grantee's personnel, and/or to review financial and other records and materials relating to the activities financed or facilitated by the Grant. In addition, upon CITY's providing of reasonable advance notice, the CITY Principal Contact shall be permitted to attend at least one Board meeting of the Grantee a year.

9. Publicity: The Grantee agrees that CITY may include information regarding the Grant and the Project in its periodic public reports. The Grantee shall also make best efforts to provide CITY with reasonable advance notice of any groundbreaking or ribbon-cutting events for the Project. CITY may refer to the Grant in press releases and asks that until such a press

release is issued, the Grantee not make any public announcement relating to the Grant without first consulting the CITY contact person. A copy of all issued press releases shall be promptly sent to such contact person. In addition, the Grantee agrees to acknowledge receipt of this grant from CITY in relevant and appropriate publications.

10. Assignment or Delegation and Subcontracting: The Grant Agreement and the rights and duties under the Grant Agreement must not be assigned, delegated or subcontracted by the Grantee without the prior written consent of CITY, and any purported assignment, delegation or subcontracting of the Grant Agreement without said consent of CITY shall be void. In addition, CITY reserves the right to approve any professionals or consultants hired with funds under this Grant.

11. Amendment of Term of Grant. CITY shall consider, but is not obligated to agree to, requests by the Grantee to extend the Expiration Date or make other modifications to the terms of the Grant. Amendments to the Grant shall be made only after (i) CITY's Principal Contact has received a written request from the Grantee stating the nature of the amendment requested, and (ii) an authorized officer of CITY shall have executed a written agreement describing the terms of the amendment. Note that any change in a line item of the budget in excess of 10% or totaling more than \$25,000 (whichever is greater), shall not be made without an amendment to the Grant Agreement by CITY.

12. Certification. Grantee is not now, nor has it ever been, named on (i) the list of Specifically Designated Nationals and Blocked Persons established pursuant to Executive Order 13224 and maintained by the U.S. Department of the Treasury's Office of Foreign Assets Control or any successor agency or other entity, or (ii) any other list of terrorists or terrorist organizations maintained by any agency of the United States or any other governmental authority. The Grantee shall submit such information as CITY may reasonably request to enable CITY to confirm that the Grantee, is not named on any such list.

The Grantee certifies that any consultant or contractor hired under this Grant is not:

- (i) listed in any sanctions-related list of designated persons maintained by the Office of Foreign Assets Control ("OFAC") of the U.S. Department of Treasury, the U.S. Department of State or any other applicable authority ("Sanctions Authority"); and
- (ii) operating, organized or resident in a country, region or territory which is itself the subject or target of any Sanctions ("Sanctioned Country").

The Grantee agrees to maintain documentation on file of the results verifying that the consultant or contractor it retains under this Grant is not listed in any sanctions-related list of designated persons; or operating, organized, or resident in a country, region or territory that is a Sanctioned Country.

13. Signature Required. If this Grant Agreement correctly sets forth the Grantee's understanding of and agreement to the Terms and Conditions of the Grant, please indicate acceptance of and agreement to said Terms and Conditions by having an

authorized officer of the Grantee should sign and date this Grant Agreement in the space provided above.

14. Marketing. Grantee will deliver Marketing plan to the City for review prior to disbursement of funds. Grantee will adhere to all Market and Advertisement requirements associated with the funding of this Project.

Dear Mr. Lager,

Congratulations. The City of Kalamazoo ("City") has approved a grant in the amount set forth in the table below to Kalamazoo Neighborhood Housing Services Inc. (the "Grantee" or "KNHS") and the terms and conditions of this Grant are set forth in this grant agreement ("Grant Agreement") as follows:

Program Action Number (2022 FFE KNHS LP)

Grant Funding and Budget

Use of Funds	Amount
Costs associated with the acquisition, rehabilitation, and resale under a lease purchase model of up to 4 homes located in CDBG eligible neighborhoods.	\$212,500
Program Administration/Delivery Costs	\$37,500
TOTAL:	\$250,000

Any change in the budget categories of 10% of the total budget or more shall be subject to CITY's prior written approval. The overall budget may not be increased above \$250,000 without the CITY's prior written approval. CITY reserves the right to approve any professionals or consultants hired with the funds provided under this Grant.

Term of the Grant

The Grant term begins upon execution by all parties and continues for 18 months from that date (the "Expiration Date"). Before the expiration of the term of this grant, KNHS shall complete all property development activities and enter into a lease purchase agreement with a qualified customer.

Purpose of the Grant

The Grant is being provided to the Grantee to facilitate the acquisition, rehabilitation, and resale under a lease purchase model of four single family homes in low and moderate designated census tracts in the City of Kalamazoo for purchase by qualified low-income households.

Qualified households must meet the following criteria:

- Low income, specifically at or under 80% of the area median income as determined by HUD for the relevant time period.
- To be owned and occupied by purchaser's household.
- Completion of KNHS' Homebuyer education program and participation in homebuyer coaching at KNHS.

Qualified purchasers may apply for down payment assistance through Grantee using available CDBG funding provided by separate agreement from City to Grantee. Completed projects shall be sold at appraised value.

The Grantee hereby agrees to use grant proceeds to pay for property development costs associated with the homes and sell the property in furtherance of its charitable purposes.

KNHS agrees to contribute up to \$200,000 to complete the projects. Grantee agrees to provide periodic reporting to Grantor regarding the use of KNHS contributions.

Grantee is coordinating certain efforts with Open Doors Kalamazoo under the Pathway Home Partnership between Grantee and Open Doors Kalamazoo.

Grantee shall use not more than 15% of the Grant to pay for administrative expenses and/or program delivery.

Disbursement Conditions

Disbursements shall be made in three separate draw requests:

1. A first payment of \$100,000 will be issued upon a City-Commission approved, completed Grant Agreement being signed by the Grantee and CPED Director.
2. A second payment of up to \$100,000 can be requested by KNHS at six months into the grant term or upon the complete expenditure of the initial payment, whichever occurs first. KNHS will submit supporting documentation of all grant expenditures to date with the second payment request.
3. The Third and final payment of \$50,000 will be issued upon a final report documenting grant expenditures not previously submitted, a report of KNHS contributions, and submission of signed lease agreements.

Reporting Conditions for Final Payment

1. Documentation of the expenditures related to completion of the project.
2. Documentation of home sale and/or lease purchase agreement.
3. Documentation of household qualification.

Agreement Representatives and Notices

Each party to this Agreement shall have a representative. Each party may change its representative upon providing written notice to the other party. The parties' representatives are: Subrecipient:

Matt Lager
1219 Park Street
Kalamazoo, MI 49001
269-385-2916
Matt@KNHS.org

City :
Sharilyn Parsons
245 North Rose Street, Ste. 100
Kalamazoo, MI 49007
269-337-8664 – Phone
parsonss@kalamazoocity.org

Other Grant Conditions and Requirements

The attached Grant Terms and Conditions (**Attachment A**) shall be incorporated into, and made a part of, the Grant Agreement between City and the Grantee.

Next Steps: Please follow ALL of the steps outlined below. City will not disburse funds unless and until this information is completed fully:

1. Please carefully review the terms and conditions (outlined in this Grant Agreement) detailing requirements for the use of this Grant.
2. An authorized officer of the Grantee must sign the Grant Agreement and email it to Sharilyn Parsons, copying Rebekah Kik, Director of Community Planning and Development at kikr@cityofkalamazoo.org. Please consult this City staff member with questions about this Grant, to request disbursement of funds, and to report on progress. **This Grant Agreement must be signed and returned to the City within thirty (30) days after the date of this Grant Agreement. If such deadline passes, the City reserves the right to withdraw this Grant Agreement and reprogram the funds**
3. The City will then sign/fully execute the Grant and email it to the authorized contact person at your organization.

TERMS OF GRANT ACCEPTED AND AGREED TO:

Kalamazoo Neighborhood Housing Services Inc.

Signature:

Name:

Title: -

Date: -

CITY OFFICER COUNTER-SIGNATURE:

Name

Title

Date

Attachment A

GRANT TERMS AND CONDITIONS

Grantee Responsibilities:

These homes will serve for the creation of Affordable Housing consistent with Neighborhood goals for affordable housing. All documentation related to the sale and transfer of ownership must be delivered to the City of Kalamazoo by 48-months post the agreement close-out.

KNHS will use the funds for the acquisition development and lease purchase program in accordance with:

1. Cost reasonableness. Grantee will assure that the cost of the proposed construction is reasonable and the benefits will be maximized relative to cost, and that the proposed rehabilitation will be completed according to Uniform Physical Property Standards within the time stipulated in the Agreement.
2. Section 3 considerations will be granted.
3. Affordable housing to be provided to persons and/or families whose income is at or below 80% (area median income) based on the current HUD limitations.
4. Homeowner's will complete HUD-certified educational requirements and engage within financial coaching.
5. The affordability period will begin on the date the affordability lien restriction is registered with the Register of Deeds upon sale or transfer of title to eligible homeowner.
6. Affordability restrictions applied for the period of no less than 10 years from the time of sale and/or transfer of title.
7. The Grantee shall complete a pre- and post inspection assessment of all work to include before and after photos. Documentation must be attached to the accomplishment report at the time of reporting.
8. Grantee to ensure the property is free from filing or recording of a mechanic's lien or any other type of encumbrance on any eligible property resulting from Grantee's failure to fulfill its financial or other contractual obligations with respect to any of its vendors or sub-contractors.

1. Funds Not Disbursed By the Expiration Date: All requests for reimbursement of expended funds pursuant to the Grant Agreement (in furtherance of the Purpose(s) of the Grant) must be received by City no later than 60 days after the Grant end date. Any Grant funds not expended by the Grantee by the Expiration Date shall be automatically reprogrammed by City, and shall no longer be available for disbursement to the Grantee; provided, however, that if the Expiration Date is extended, then the funds shall remain available for disbursement until the new Expiration Date.

2. Funds Not Disbursed in a Timely Way: Any funds not drawn down in a timely fashion at the end of the term of the Grant may be deobligated by City in its sole discretion after notice to the Grantee. Such deobligation shall be effective as to any Grant proceeds not expended by the Grantee prior to the date of receipt of such notice.

3. No Disbursement if Non-Compliance. City shall not make any disbursement of the Grant unless on the proposed date of disbursement the Grantee is in full compliance with all these Grant Terms and Conditions set forth in the Grant Agreement. In addition, City shall not make any disbursement of the Grant if it will (i) violate any provision of law, regulation or administrative ruling to which CITY is subject, (ii) subject City to any tax, penalty, or fine, or (iii) not further the governmental purposes of the City.

4. No Disbursement if Default Exists, or Material Adverse Change Has Occurred: CITY shall not make any disbursement of the Grant if, at the time of the proposed disbursement, the Grantee, or any subsidiary of the Grantee, or any partnership affiliated with the Grantee, is in default under the terms of any CITY financing, whether for the Project or provided by CITY for any other project or purpose. In addition, CITY shall not make any disbursement of the Grant if there has been a material adverse change in the financial or other condition of the Grantee or the Project, including, but not limited to, any adverse change in the Grantee's key personnel working on the Project (with CITY determining, in its reasonable discretion, what constitutes a material adverse change in key personnel).

5. Restrictions on Use of the Grant: Under Sections 501 and 4945 of the Internal Revenue Code (the "Code"), the Grant may not be used to carry on propaganda, to attempt to influence legislation, or to participate in, intervene in, or attempt to influence the outcome of, political campaigns or elections. By countersigning this Agreement and returning it to CITY, the Grantee agrees to (i) not use the Grant for purposes prohibited by the preceding sentence, (ii) use the Grant in furtherance of the Grantee's charitable purposes (as set forth in its Articles of incorporation and Application For Recognition of Exemption to the IRS), and (iii) promptly reimburse CITY any Grant amounts not used to further charitable purposes.

6. Compliance with Laws. In its use of Grant funds provided by CITY, and in its development, marketing, and operation of the Project, the Grantee shall fully comply with all applicable federal, state, local (and any other governmental) laws, executive orders, rules, and regulations, including without limitation anti-discrimination laws, executive orders, rules, and regulations.

7. Tax-Exempt Status: The Grantee represents and warrants that its determination letter from the Internal Revenue Service ("IRS") which states that Grantee's tax-exempt status under Section 501(c)(3) of the IRS code is still in effect as of the date of execution and delivery of the executed Grant Agreement, has not been revoked or modified, and that Grantee has delivered a copy of said letter to CITY. If such determination is revoked or modified, Grantee shall so notify CITY as soon thereafter as possible

8. Review of Operations: CITY may monitor and conduct an evaluation of activities funded by the Grant. Such evaluation may include a visit from CITY personnel to observe the activities funded by the Grant, to discuss said activities with the Grantee's personnel, and/or to review financial and other records and materials relating to the activities financed or facilitated by the Grant. In addition, upon CITY's providing of reasonable advance notice, the CITY Principal Contact shall be permitted to attend at least one Board meeting of the Grantee a year.

9. Publicity: The grantee agrees that the CITY may include information regarding the Grant and the Project in its periodic public reports. The Grantee shall also make best efforts to provide CITY with reasonable advance notice of any groundbreaking or ribbon-cutting events for the Project. CITY may refer to the Grant in press releases and asks that until such a press release is issued, the Grantee not make any public announcement relating to the Grant without first consulting the CITY contact person. A copy of all issued press releases shall be promptly sent to such contact person. In addition, the Grantee agrees to acknowledge receipt of this grant from CITY in relevant and appropriate publications. Signs will be placed marketing properties at time of construction.

10 Assignment or Delegation and Subcontracting: The Grant Agreement and the rights and duties under the Grant Agreement must not be assigned, delegated, or subcontracted by the Grantee without the prior written consent of CITY, and any purported assignment, delegation, or subcontracting of the Grant Agreement without said consent of CITY shall be void. In addition, CITY reserves the right to approve any professionals or consultants hired with funds under this Grant.

11. Amendment of Term of Grant: CITY shall consider, but is not obligated to agree to, requests by the Grantee to extend the Expiration Date or make other modifications to the terms of the Grant. Amendments to the Grant shall be made only after (i) CITY's Principal Contact has received a written request from the Grantee stating the nature of the amendment requested, and (ii) an authorized officer of CITY shall have executed a written agreement describing the terms of the amendment. Note that any change in a line items of the budget in excess of 10% of totaling more than \$1,000 (whichever is greater), shall not be made without an amendment to the Grant Agreement by the City.

12. Certification. Grantee is not now, nor has it ever been, named on (i) the list of Specifically Designated Nationals and Blocked Persons established pursuant to Executive Order 13224 and maintained by the U.S. Department of the Treasury's Office of Foreign Assets Control or any successor agency or other entity, or (ii) any other list of terrorists or terrorist organizations maintained by any agency of the United States or any other governmental authority. The Grantee shall submit such information as CITY may reasonably request to enable CITY to confirm that the Grantee, is not named on any such list.

The Grantee certifies that any consultant or contractor hired under this Grant is not:

- (i) listed in any sanctions-related list of designated persons maintained by the Office of Foreign Assets Control ("OFAC") of the U.S. Department of Treasury, the U.S. Department of State or any other applicable authority ("Sanctions Authority"); and
- (ii) operating, organized or resident in a country, region or territory which is itself the subject or target of any Sanctions ("Sanctioned Country").

The Grantee agrees to maintain documentation on file of the results verifying that the consultant or contractor it retains under this Grant is not listed in any sanctions-related list of designated persons; or operating, organized, or resident in a country, region or territory that is a Sanctioned Country.

13. Signature Required. If this Grant Agreement correctly sets forth the Grantee's understanding of and agreement to the Terms and Conditions of the Grant, please indicate acceptance of and agreement to said Terms and Conditions by having an authorized officer of the Grantee should sign and date this Grant Agreement in the space provided above.

14. Marketing: Grantee will deliver Marketing plan to the City for review prior to disbursement of funds. Grantee will adhere to all Market and Advertisement requirements associated with the funding of this Project.

PRIVATE GRANT FINANCIAL REPORT					
Monthly/Quarterly/Other Report		Grantee Name:			
Address:		Grant PA#:		Prepared By:	
New Address? Yes-No		Grant Term:		Title:	
Instructions: Send the completed and signed report to your CITY Program Office r. Enter the budget as it appears on the grant letter.		Period Reporting On:		Phone Number:	
BUDGET DESCRIPTION	TOTAL APPROVED BUDGET	PRIOR PERIOD'S CUMULATIVE EXPENSES	CURRENT PERIOD'S EXPENSES	CUMULATIVE TOTAL EXPENSES	BUDGET BALANCE
GRAND TOTAL	\$ -	\$ -	\$ -	\$0.00	\$0.00
By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements, and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812)					
Signature of Authorized Certifying Official:		Title:			Date :



City Commission Agenda Report

City of Kalamazoo

Date: **3/7/2022**

Item: **G.14.**

TO: Mayor Anderson, Vice Mayor Cooney, and City Commissioners

FROM: Clyde J. Robinson, City Attorney

DATE: March 7, 2022

SUBJECT: Settlement of Claims Associated with Incident at 1523 Washington Avenue

RECOMMENDATION:

It is recommended that the City Commission authorize the execution of two Releases of Claims between the City and Gary Apps, the owner of 1523 Washington Avenue, and the City and Andrea Young, the tenant of the property, for damages sustained due to a public safety incident on November 11, 2021.

BACKGROUND:

On November 11, 2021, KDPS officers located Alex Rawls who was wanted on outstanding felony warrants at 1523 Washington Avenue. Although occupants who leased the premises were able to exit the structure, Rawls remained barricaded inside. The ensuing standoff between Rawls and KDPS officers and Sheriff deputies included shots being fired at the officers from inside the home. In an unsuccessful attempt to extract Rawls while maintaining the safety of the officers on the scene, KDPS officers employed a vehicle to undermine the structural supports of the structure in an effort to get Rawls to exit. Due to these actions, the building was rendered unsafe, resulting in its eventual demolition.

Under the Fifth Amendment of the U.S Constitution, a person may not be deprived of property without due process, or it may be taken with just compensation. The actions of the KDPS in responding to the incident unfortunately necessitated the destruction of the structure on the property. It resulted in the loss of personal property and her leasehold by the tenant and the loss of the improvement (building) by the owner of the property. The City's claims adjuster determined the loss suffered by the tenant, Andrea Young, to be \$33,178.64. Ms. Young has executed a Release of Claims agreeing to this amount in compensation for her loss. Mr. Apps has agreed to the resolution of his claim for the loss of the structure in the amount of \$117,000.00. Additionally, the City will clear, at its expense, the debris currently on the site and level the site. This work is estimated to cost approximately \$20,000 - \$30,000. Mr. Apps will retain ownership

of the property. The value of the loss agreed to by the City and Mr. Apps was the result of a negotiated compromise between appraisals conducted by the two parties. The settlement of these matters, since their total is within the City's self-insured retention of \$250,000, will be covered by its Insurance Fund.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:



Good Governance- Ensuring the City organization has the capacity and resources to effectively implement the community's Strategic Vision in a way that is sustainable over the long term.

COMMUNITY ENGAGEMENT:

FISCAL IMPACT:

Funds for the settlement will come from the City's Insurance Fund.

acer

RELEASE OF ALL CLAIMS

KNOW ALL MEN BY THESE PRESENTS:

That the Undersigned, being of lawful age, for the sole consideration of Thirty-Three Thousand One Hundred Seventy-Eight and 64/100 Dollars (\$33,178.64) to the undersigned in hand paid, receipt whereof acknowledged, does for myself, my heirs, executors, administrators, successors and assigns release acquit and forever discharge The City of Kalamazoo and its agents, offices and employees from any and all claims, actions, causes of action, demands, rights, damages, costs, loss of service expenses and compensation whatsoever, which the undersigned now has/have or which may hereafter accrue on account of or in any way growing out of any and all known and unknown, foreseen and unforeseen bodily and personal injuries and property damage and the consequences thereof resulting or to result from the accident, casualty or event which occurred on or about the 11th day of November, 2021 at or near 1523 Washington Avenue, Kalamazoo, MI 49001.

It is understood and agreed that this settlement is the compromise of a doubtful and disputed claim, and that the payment made is not to be construed as an admission of liability on the part of the party or parties being released, and that said releases deny liability therefor and intend merely to avoid litigation and buy their peace.

The undersigned declare(s) and represent(s) that the injuries sustained are or may be permanent and progressive and that recovery therefrom is uncertain and indefinite and in making this Release it is understood and agreed, that the undersigned relies wholly upon the undersigned's judgment, belief and knowledge of the nature, extent, effect and duration of said injuries and liability therefor and is made without reliance upon any statement or representation of the party or parties being released or their representatives or by any physician or surgeon by them employed.

The undersigned further declare(s) and represent(s) that no promise, inducement or agreement not expressed by this Release has been made to the undersigned, and that this Release contains the entire agreement between the parties hereto, and that the terms of this Release are contractual and not a mere recital.

THE UNDERSIGNED HAS READ THE FOREGOING RELEASE AND FULLY UNDERSTANDS IT.

Signed, sealed, and delivered this 4 day of January, 2022.

Notary: Thomas O'Brien - Combs - Kalamazoo, MI

Signature

Printed Name

Thomas O'Brien - Combs

Signature

Printed Name

Andrea Young
Andrea Young

1356 N. Edwards
Kalamazoo, MI, 49007

Claim Number:

RELEASE

THOMAS OBRIEN-COMBS
NOTARY PUBLIC - STATE OF MICHIGAN
COUNTY OF KALAMAZOO
MY COMMISSION EXPIRES 11/25/2025
Acting in the County of Kalamazoo

RELEASE OF ALL CLAIMS

KNOW ALL MEN BY THESE PRESENTS:

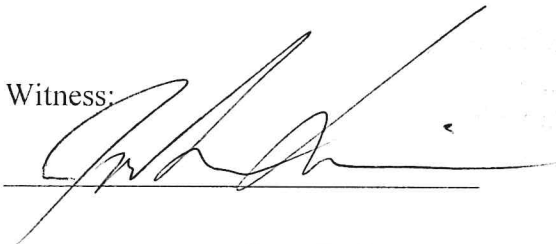
That the undersigned, being of lawful age, for the sole consideration of ONE HUNDRED SEVENTEEN THOUSAND and 00/100 Dollars (\$117,000.00), the receipt of which is hereby acknowledged, for himself and his heirs, executors, administrators, successors, and assigns, does release, acquit and forever discharge the City of Kalamazoo, and all of its employees, officers, departments and agents from any and all claims, actions, causes of action, demands, rights, damages, costs, loss of consortium, loss of service, expense and compensation whatsoever and of whatever nature, which the undersigned now has or which may hereafter accrue on account of or in any way growing out of any and all known or unknown, foreseen and unforeseen bodily and personal injuries and property damage and the consequences thereof resulting from the public safety accident, casualty or event which occurred on or about the 11th day of November, 2021, causing damage to the premises at 1523 Washington Ave, Kalamazoo, Michigan, 49001.

The undersigned further declare(s) and represent(s) that any injuries or damages sustained are or may be permanent and in making this Release it is understood and agreed, that the undersigned relies wholly upon his judgment, belief and knowledge of the nature, extent, effect and duration of said damage and injuries and the liability therefor and is made without reliance upon any statement or representation of the party or parties hereby released or their representatives.

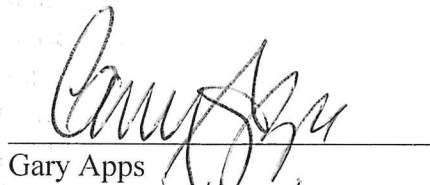
The undersigned further declare(s) and represent(s) that no promise, inducement, or agreement not herein expressed by this Release has been made to the undersigned, and that this Release contains the entire agreement between the parties hereto, and that the terms of this Release are contractual and not a mere recital.

THE UNDERSIGNED HAS READ THE FOREGOING RELEASE AND FULLY UNDERSTANDS IT.

Witness:



Dated: 2-22-22


Gary Apps

Dated: 2/22/22

TEMPORARY ACCESS AGREEMENT

This Temporary Access Agreement ("Access Agreement") is made this 22nd day of February, 2022, by and between Gary E. Apps, 813 W. South St, Kalamazoo, MI 49007 ("Grantor") and the City of Kalamazoo, a Michigan municipal corporation, 241 W. South Street, Kalamazoo, Michigan 49007 ("Grantee").

WHEREAS, the Grantor is the owner of property located at 1523 Washington Avenue, Kalamazoo, Michigan 49001, which is more fully described on Exhibit A (the "Property") attached to this Agreement; and

WHEREAS, Grantee caused the structure occupying the Property to sustain significant damage in connection with a public safety incident on or about November 11, 2021;

WHEREAS, Grantor and Grantee are entering into this Access Agreement to provide for Grantee's access to the Property for the purpose of site cleanup, the removal of debris consisting of the remnants of the former structure on the Property, removal of the foundation and leveling the site (herein after "Scope of Work");

NOW, THEREFORE, in consideration of the mutual benefits herein contained, the Grantor and the Grantee agree to the following:

1. Grantee, at its sole cost and expense, is authorized to enter onto the Property for the purpose of carrying out the Scope of Work. Prior to entry onto the Property, Grantee will provide notice to Grantor as set forth in this Access Agreement and will coordinate its activities on the Property with the Grantor.

2. As used in this Access Agreement, Grantee includes the City of Kalamazoo, its officials and employees and any contractor hired by the City to carry out the Scope of Work under this Agreement.

3. The term of this Access Agreement shall continue until the Grantee no longer needs access to the Property because the Scope of Work is completed. Once Grantee no longer needs access to the Property, the Grantee shall notify the Grantor and execute a written termination of this Agreement.

4. For notice purposes, Grantee shall contact Grantor by email at: GaryApps@ix.netcom.com or by phone at 269-385-0009 to make arrangements to access the Property.

5. Grantee agrees to provide, upon Grantor's request, a certificate of insurance of its consultants and contractors evidencing appropriate insurance coverage related to performance of the Scope of Work being undertaken at the Property. The activities conducted by the Grantee under this Agreement are in furtherance of a governmental function. The City on behalf of itself, its officials, and employees does not waive any defenses it may have to any claim of personal injury or property damage by the Grantor or third parties arising out of the Scope of Work conducted during the term of this Access Agreement.

6. All of the terms and provisions hereof shall be binding upon the parties and shall inure to the benefit of Grantor, Grantee, and their respective successors and assigns.

7. All covenants, conditions, terms and agreements made and set forth herein shall be applicable to Grantee's agents, employees, contractors and consultants.

8. This Access Agreement constitutes the entire understanding between the parties with respect to the activities contemplated by this Access Agreement. This Access Agreement may be amended only by a written document duly executed by the parties.

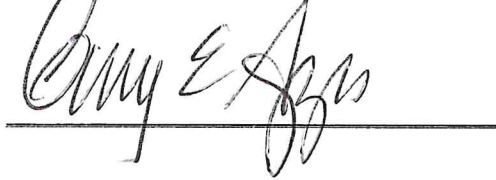
9. This document may be executed in duplicate counterparts, each of which shall be considered an original, but all of which shall constitute an instrument.

10. This Access Agreement shall be governed by and construed in accordance with the laws of the State of Michigan.

IN WITNESS WHEREOF, the parties have caused this Access Agreement to be executed:

GRANTOR

GARY E. APPS

A handwritten signature in blue ink, appearing to read "Gary E. Apps", is written over a horizontal line.

GRANTEE

CITY OF KALAMAZOO

A handwritten signature in blue ink is written over a horizontal line. The signature is stylized and appears to be "J. M. H.". Below the line, the text "By:" is printed.

Its: City Manager

FORM APPROVED

2-23-22

CJR

CITY ATTORNEY

EXHIBIT A
Legal Description of Property

The Land referred to in this commitment is described as follows:

KAL LAND & IMPROVEMENT COS ADDITION LOT 52.

Property Address: 1523 Washington Avenue, Kalamazoo, Michigan 49001

Tax Parcel Number: 06-23-344-052



City Commission Agenda Report

City of Kalamazoo

Date: **3/7/2022**

Item: **G.15.**

TO: Mayor Anderson, Vice Mayor Cooney, and City Commissioners

FROM: Scott A. Borling, City Clerk

DATE: March 7, 2022

SUBJECT: Fireworks Permit for Wings Event Center

RECOMMENDATION:

It is recommended that the City Commission approve a request from ffp effects, Inc. to publicly display fireworks indoors at the Wings Event Center, 3600 Vanrick Drive, on March 9-10, 2022.

BACKGROUND:

Pursuant to state law, ffp effects, Inc. has submitted an application to the City for a permit to publicly display fireworks indoors at the Wings Event Center as part of a concert on March 10th, with a rehearsal date of March 9th. The Department of Public Safety has reviewed the request, and Fire Marshal Scott Brooks has endorsed the application. Also, the required insurance certificate has been provided naming the City of Kalamazoo as additionally insured by the pyrotechnic operator.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:



Inviting Public Places - Vibrant streets, exceptional parks, and welcoming activities.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

There is no fiscal impact associated with this request.



City Commission Agenda Report

City of Kalamazoo

Date: **3/7/2022**

Item: **G.16.**

TO: Mayor Anderson, Vice Mayor Cooney, and City Commissioners

FROM: Scott A. Borling, City Clerk

DATE: March 7, 2022

SUBJECT: The Appointment of City Commissioners as Liaisons to, and Members of, Committees, Boards, and Commissions

RECOMMENDATION:

It is recommended that the City Commission approve the appointment and assignment of City Commissioners to various committees, boards, and commissions.

BACKGROUND:

City Commission Rule No. 14 requires that the City Commission approve the appointment of Commissioners to standing committees at the beginning of the term of office and concur with the Mayor's appointments to other boards, committees and commissions.

The attached list includes recommended appointments to the three City Commission standing committees (Administrative, Legislative, and Internal Audit), and various City and community boards, committees, and commissions. The list also confirms the assignment of Commissioners to established ad hoc committees.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:



Good Governance- Ensuring the City organization has the capacity and resources to effectively implement the community's Strategic Vision in a way that is sustainable over the long term.

Discussion

Ensuring that City boards and commissions have qualified members who are duly appointed has a significant impact on the "Insights and Analysis" and "Organizational Principles" subgoals under the Good Governance strategic goal.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

There is no fiscal impact associated with this recommendation.

STANDING COMMITTEES

Administrative Committee

David Anderson
Don Cooney
Mayor Pro Tem (TBD)

Legislative Committee

Don Cooney
Chris Praedel

**Internal Audit, Compliance,
and Ethics Committee**

Jeanne Hess

AD HOC SUBCOMMITTEES

Youth Development Subcommittee

Don Cooney
Jeanne Hess
Esteven Juarez

Gun Violence Subcommittee

Don Cooney
Stephanie Hoffman
Esteven Juarez

ADVISORY BOARD ASSIGNMENTS

Mayor Anderson:

City: Downtown Development Authority Board (v); Downtown Economic Growth Authority Board (v); Northside Cultural Business District Authority Board (v); Retirement Investment Committee
Community: Foundation for Excellence Board (v); Public Utility Policy Advisory Council (v)

Vice Mayor Cooney:

City: Shared Prosperity Kalamazoo Organizing Committee (v)
Community: Public Media Network Board of Directors (v)

Commissioner Decker:

City: Economic Development Corporation/Brownfield Redevelopment Authority (v); Planning Commission (alt.)
Community: Kalamazoo Area Transportation Study Policy Advisory Committee (alt., v)

Commissioner Hess:

City: Environmental Concerns Committee
Community: Discover Kalamazoo Advisory Council (v); Foundation for Excellence Board (v)

Commissioner Hoffman:

City: Civil Rights Board; Community Development Act Advisory Committee
Community: Foundation for Excellence Board (v)

Commissioner Juarez:

City: Parks and Recreation Advisory Board
Community: None

Commissioner Praedel:

City: Planning Commission; Pension Board (v)
Community: Kalamazoo Area Transportation Study Policy Advisory Committee (v)



City Commission Agenda Report

City of Kalamazoo

Date: **3/7/2022**

Item: **G.17.**

TO: Mayor Anderson, Vice Mayor Cooney, and City Commissioners

FROM: Scott A. Borling, City Clerk

DATE: March 7, 2022

SUBJECT: Amendment to City Commission Minutes from January 4, 2021

RECOMMENDATION:

It is recommended that the City Commission approve amendments to the City Commission minutes from January 4, 2021 to comply with regulations from the US Department of Housing and Urban Development.

BACKGROUND:

On January 4, 2021 the City Commission took action "to adopt the Substantial Amendments to the 2019-2023 Consolidated Plan and 2019 Action Plan Substantial Amendment as required by U.S. Department of Housing and Urban Development (HUD), and authorize the Director of Community Planning and Economic Development to sign all documents required by HUD." These amendments were needed to meet HUD requirements for the use of Federal CARES Act funding and included adding The Lift Foundation's acquisition of The Knights Inn to the PY2019 Action Plan. (The redevelopment of The Knights Inn is now known as the Lodge House project.)

Mayor David Anderson is a member of The Lift Foundation Board of Directors and, as such, is a "covered person" under HUD's regulations regarding conflicts-of-interest. In this regard, he is precluded from participating in decision-making processes regarding any agreements between the City and The Lift Foundation or any pass-through of HUD money to The Lift Foundation for the Lodge House project. However, HUD regulations also allow a recipient of HUD funds to seek an exemption to the conflict-of-interest rule. One of the requirements that must be satisfied to receive an exemption is a disclosure of the *nature* of the conflict accompanied by assurance there was a *public disclosure* of the conflict, and how the disclosure was made. At the time of the vote on the substantial amendments, Mayor Anderson abstained from voting and offered his reasons, thereby publicly disclosing the nature of the conflict-of-interest. The meeting minutes indicate his abstention, but they do not include his description of the nature of his conflict of interest.

At this time, the City of Kalamazoo is seeking an exemption to the conflict-of-interest regulations, specifically regarding Mayor Anderson. Staff at HUD have indicated the approved minutes from the City Commission meeting on January 4, 2021 do not satisfy the requirements for an exemption, as they do not fully disclose the nature of the Mayor's conflict of interest. If the City does not receive an exemption, HUD will not release funds for the Lodge House project. The recommended action is to approve amendments to the City Commission minutes from January 4, 2021 to include the Mayor's verbatim remarks regarding the nature of his conflict of interest and his reason for abstaining. Commissioner Praedel abstained on the same vote, and his verbatim remarks are included with the amendment for consistency.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:



Good Governance- Ensuring the City organization has the capacity and resources to effectively implement the community's Strategic Vision in a way that is sustainable over the long term.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

HUD will not grant an exemption to its conflict of interest regulations unless the minutes from 1/4/2021 are amended to include a full disclosure of the nature of the Mayor's conflict of interest and the reason for his abstention on the vote to approve funding for the Lodge House project. If the exemption is not granted, HUD will not release \$482,782 in funding for the Lodge House project.

Roll Call

A regular meeting of the Kalamazoo City Commission was held on Monday, January 4, 2021 at 7:00 p.m. This meeting was held as an electronic meeting under the authority of the Michigan Open Meetings Act (PA 267 of 1976) as amended by PA 254 of 2020.

COMMISSIONERS PRESENT:

Mayor David Anderson
Vice Mayor Patrese Griffin
Eric Cunningham
Jeanne Hess
Erin Knott
Chris Praedel
Jack Urban

COMMISSIONERS ABSENT:

None

All members present indicated they were physically located in the City of Kalamazoo.

Also present were City Manager Jim Ritsema, City Attorney Clyde Robinson, and City Clerk Scott Borling.

Adoption of the Agenda

By unanimous consent the City Commission adopted its meeting agenda as presented.

2021-0001

Statement on Systemic Racism

City Manager Ritsema read the following statement regarding systemic racism:

Racism is a painful part of American history. Systemic racism, unfortunately, is deeply rooted not only within our country, but within our cities and all our present-day local government institutions, including the City of Kalamazoo. Despite legislation meant to correct racial inequities, challenges remain, and the trauma, and intersected, toxic impacts caused by systemic racism are endured daily by people of color in our community.

The City of Kalamazoo is committed to governing intentionally to create equitable and inclusive outcomes for everyone in Kalamazoo. This commitment begins with understanding and acknowledging the truth of our past, and the harms that the City of Kalamazoo has historically played in creating and sustaining systemic racism.

At the City of Kalamazoo, we are committed to this anti-racism journey which will require courageous and continuous leadership and must be informed by the trauma caused by systemic racism, past and present. We hope to work collaboratively with our community and community organizations focused on realizing transformational change for racial equity.

We understand that words are not enough, and we must demonstrate our commitment to transformational change with credible action to change policies, promote community healing and increase trust, and ensure community members are treated fairly and are truly valued.

So later in this meeting, the City Commission will be asked to approve a contract to hire a consultant to perform the City's first diversity, equity, and inclusion assessment. The assessment results will be used to inform

our first DEI plan which will help us continue in areas where we are strong and strengthen areas where we are weak. Also, as part of this plan we will develop an antiracist task force to work alongside our Director of DEI to make sure all areas of the organization are on this journey.”

Commissioner Knott expressed support for Dorla Bonner, the Director of Diversity, Equity, and Inclusion, but she remarked the City Manager’s statement rang hollow after the action the City Commission took on December 21st, when City Manager Ritsema revealed that former Public Safety Chief Karianne Thomas had been let go back in September. Commissioner Knott stated the adoption of a watered-down resolution on December 21st failed to address the issue with the City Manager and was continuing to cause harm, especially to black and brown residents. Commissioner Knott stated the City Commission’s action demonstrated it was not willing to do hard work, and she questioned whether the community could trust that the anti-racism statement was a commitment and not just words. Commissioner Knott questioned what the City Commission would do to rebuild trust with City employees and the community as it supported Director Bonner.

Commissioner Cunningham expressed frustration that it was 2021 and the City was just now doing some of the basic groundwork to address diversity, equity, and inclusion. Commissioner Cunningham stated the contention between communities of color and the Kalamazoo Department of Public Safety (KDPS) had existed his whole lifetime, and although there had been some forms of action over the years, there had not been dramatic, immediate change. Commissioner Cunningham stated there needed to be new standards to define what behavior was acceptable and unacceptable, and accountability to hold people to those standards. Commissioner Cunningham noted there had been public hearings regarding the events in June and August, but he was impatient with the process. Commissioner Cunningham stated he wanted change in the City organization, and he wanted it to be sincere from the top down. Commissioner Cunningham thanked the City Administration for starting the journey but stated it would be hard to believe the apologies until there were results. Commissioner Cunningham encouraged Public Safety Chief Coakley to keep doing the work and doing what was right, even if there were negative consequences.

Commissioner Urban spoke about the need for accountability and encouraged people to not lose heart, even though the work might not be pleasant.

Vice Mayor Griffin indicated the statement was appreciated but late. Vice Mayor Griffin asked what the City Commission was going to do to regain the trust of the community after the action taken on December 21st. Vice Mayor Griffin stated Commissioners were talking a lot about accountability, but when there was an opportunity to hold people accountable the Commission did not do it. Vice Mayor Griffin stated the City Commission had the opportunity to hold someone accountable and build trust in the community, and it failed. Vice Mayor Griffin questioned how the Commission would move forward so that the City Manager’s statement on structural racism was an action and not just a statement.

Commissioner Hess read a definition of “racism” from the book *Post Traumatic Slave Syndrome*. Commissioner Hess stated she was unsure if Kalamazoo would be able to overcome systemic racism, but the City would work at it. Commissioner Hess offered remarks on the intersectionality of education and equity and expressed her commitment to supporting education.

2021-0001

Statement on Systemic Racism (cont’d)

2021-0001
Statement on Systemic
Racism (cont'd)

Commissioner Praedel thanked City Manager Ritsema for calling this work an “anti-racism journey” and noted there would be bumps in the road, things done wrong, and hopefully more things done right. Commissioner Praedel stated the December 21st City Commission meeting was not the Commissioners’ best, but he expressed his commitment to moving forward in a positive direction and to the journey ahead. Commissioner Praedel thanked Diversity, Equity, and Inclusion Director Dorla Bonner for her work.

Mayor Anderson expressed agreement with the City Manager’s statement but said the proof would be in the work that was done.

2021-0002
Public Hearing re: the
FY2021 Budget

At 7:26 p.m. Mayor Anderson opened a public hearing to receive comments on the Fiscal Year 2021 Proposed Budget for the City of Kalamazoo.

Chief Financial Officer (CFO) Steve Vicenzi provided a brief overview of the Fiscal Year 2021 Proposed Budget. CFO Vicenzi reported the overall budget of \$213,892,050, which included a General Fund budget of \$68,301,379 and \$62.6 million for capital improvements across all funds. CFO Vicenzi indicated the Fund Balance was projected to be 19% through the duration of the current Five-Year Fiscal Plan.

When given an opportunity to offer comments on the FY2021 Proposed Budget, the following people addressed the City Commission:

Emily Demorest, City resident, thanked Vice Mayor Griffin and Commissioner Knott for voting against Commissioner Urban’s motion regarding the City Manager on December 21st. Ms. Demorest thanked the City Commission for including Community Benefit Agreements in the proposed budget. Ms. Demorest requested that the City Commission have a robust discussion about these agreements and who would be eligible to receive tax incentives.

Parker James, non-resident, expressed disappointment that half of the budget was for KDPS rather than housing, community development, and diversity/equity/inclusion. Mr. James asked the City Commission to reconsider their priorities.

David Benac, City resident, stated KDPS was damaged and dysfunctional, and he expressed opposition to KDPS receiving half of the City’s budget. Mr. Benac stated the budget presentation was a product of disinformation and did not contain enough details.

Tanema Clinton, City resident, questioned why the City was giving tax breaks to new businesses and why the City was allowing construction in a flood plain. Ms. Clinton asked the City to fix the storm sewers so water would stop backing up into residents’ basements.

Joe Byers, City resident, stated the proposed budget failed to change anything about KDPS and did not address the climate emergency, homeless camps, and the housing crisis.

A City resident stated it was baffling to see the City budget for 2021 virtually unchanged from 2020, and he asked the City Commission to defund KDPS and address the homeless camps.

At 7:41 p.m. Mayor Anderson closed the public hearing.

Mayor Anderson announced the FY2021 Proposed Budget would be presented to the City Commission for adoption on January 19th.

At 7:41 p.m. Mayor Anderson opened a public hearing to receive comments on Substantial Amendments to the 2019-2023 Consolidated Plan and 2019 Action Plan Substantial Amendment as required by U.S. Department of Housing and Urban Development (HUD).

Tami Rey, Chair of the Community Development Act Advisory Committee (CDAAC), and Community Development Coordinator Venessa Collins-Smith delivered a presentation entitled *PY2019 Cares Act-3 Public Hearing*, which provided an overview of the CARES Act-3 allocation from HUD, which was related to the COVID-19 pandemic.

Mayor Anderson recognized Ms. Rey as a newly elected County Commissioner.

In response to a question from Commissioner Cunningham, Ms. Collins-Smith stated she did not have figures for HUD funding received by the City over the past five years, but there was pattern of substantial, year-to-year funding decreases. Ms. Collins-Smith stated the City was limited in what it was able to do in the area of housing.

Mayor Anderson noted the City received more HUD funding in 2020 than usual because of the federal CARES Act, which was a response to the COVID-19 pandemic.

Commissioner Cunningham, seconded by Commissioner Hess, moved to adopt the Substantial Amendments to the 2019-2023 Consolidated Plan and 2019 Action Plan Substantial Amendment as required by U.S. Department of Housing and Urban Development (HUD), and authorize the Director of Community Planning and Economic Development to sign all documents required by HUD.

Prior to a vote on the motion an opportunity was given for members of the public to comment on the Substantial Amendments to the 2019-2023 Consolidated Plan and 2019 Action Plan Substantial Amendment, but no comments were offered.

Commissioner Cunningham thanked City staff and the members of CDAAC for their work. Commissioner Cunningham noted the City of Kalamazoo was unique in allowing residents to have input on how Community Development Block Grant and HOME funding was used.

Vice Mayor Griffin thanked the members of CDAAC and City staff for their hard work.

Commissioner Hess thanked the members of CDAAC and City staff for their hard work. Commissioner Hess asked about the funding sources for the purchase of the Knights Inn and when people would start being housed there.

In response to Commissioner Hess, Lisa Wilcutt, Vice President of Lockhart Management Consulting, stated the purchase of the property would happen on January 14th. Ms. Wilcutt stated fundraising for renovations was on-going, and renovations were scheduled to begin in June and be completed by October. Ms.

2021-0002

Public Hearing re: the
FY2021 Budget (cont'd)

2021-0003

Public Hearing re:
Substantial Amendments
to the Consolidated Plan
and the 2019 Action Plan

2021-0003

Approval of Substantial
Amendments to the
Consolidated Plan and
the 2019 Action Plan

2021-0003

Approval of Substantial Amendments to the Consolidated Plan and the 2019 Action Plan (cont'd)

Wilcutt stated outreach teams from Integrated Services Kalamazoo (ISK) were making contact with people living in encampments to see who might be eligible for housing at the Knights Inn.

In response to a question from Commissioner Praedel, Ms. Wilcutt clarified the Knights Inn property would have 60 units. Ms. Wilcutt stated the number of individuals the units would serve had not been determined.

At 8:01 p.m. Mayor Anderson closed the public hearing.

With a roll call vote the motion passed 5-0 with 2 abstentions.

AYES: Commissioners Cunningham, Hess, Knott, Urban, Vice Mayor Griffin

NAYS: None

ABSTAIN: Commissioner Praedel* and Mayor Anderson**

*At the time of the vote, Commissioner Praedel provided the following explanation for his abstention: "I am going to take another abstention on this one just cause it's related to CDBG and work-related to Community Homeworks."

**At the time of the vote, Mayor Anderson provided the following explanation for his abstention: "I will be abstaining on this because I'm a long-time member of the LIFT Foundation, so I'm definitely involved in this undertaking. I have no financial relationship with it in any way. I am a volunteer on the LIFT board, but because of that I will be abstaining on this vote."

(This amendment was approved on March 7, 2022)

2021-0004

Public Hearing re: an Ordinance to Rezone 902, 912, and 920 W. North Street, and 715 Woodward Street

At 8:02 p.m. Mayor Anderson opened a public hearing to receive comments on an ordinance to rezone 902, 912, and 920 West North Street and 715 Woodward Street to Live Work 1 (LW1) from Residential Multiple Family (RM15).

City Planner Christina Anderson provided an overview of the proposed rezoning, which would allow for the redevelopment of four properties where fires had destroyed the structures in June of 2020.

In response to a question from Commissioner Praedel, Chief Coakley stated the fires were determined to be the result of arson, but much of the evidence was destroyed in the fires.

An opportunity was given for public comments on this item, but no comments were offered.

At 8:07 p.m. Mayor Anderson closed the public hearing.

2021-0004

Ordinance 2021 Rezoning 902, 912, and 920 W. North Street, and 715 Woodward Street

Commissioner Cunningham, seconded by Commissioner Praedel, moved to adopt an **ORDINANCE** to rezone 902, 912, and 920 West North Street and 715 Woodward Street to Live Work 1 (LW1) from Residential Multiple Family (RM15).

Prior to a vote on the motion, Commissioner Cunningham commended the tenacity and hard work of the property owners to rebuild after the fire, and he thanked the City Administration and the Mayor for supporting this work.

Vice Mayor Griffin noted City Commission had received an email from one of the property owners, Twala Lockett-Jones, who supported the proposed rezoning.

Commissioner Urban stated the cooperation of the property owners among themselves and with the City could be a model for future redevelopment projects in distressed neighborhoods.

Mayor Anderson spoke about the fire, which was closed to his house, and the work being done to rebuild.

With a roll call vote the motion passed unanimously.

AYES: Commissioners Cunningham, Hess, Knott, Praedel, Urban, Vice Mayor Griffin, Mayor Anderson

NAYS: None

Next, when an opportunity was given for general public comments, the following people addressed the City Commission:

Dorothy Appleyard, City resident, stated she was disillusioned by the lack of response or acknowledgment from City Hall to citizen inquiries and concerns. Ms. Appleyard asked that the City Commission: 1) immediately review policies for communication and activate necessary changes to enhance authentic public conversations; and 2) ensure strict compliance with the Open Meetings Act by holding meetings and work sessions that were open to the public.

Shona Espinaza, City resident, stated she was displeased with many things that happened in 2020, and she remarked that Mayor Anderson and City Manager Ritsema seemed to disrespect the Commissioners of color. Ms. Espinaza stated City leadership needed to be held accountable for all their wrongdoings in 2020, especially their response to the protests.

Consent Agenda items were presented as follows with a recommendation to approve the items and authorize the City Manager to sign all documents on behalf of the city:

- approval of a sole source purchase with Jett Pump & Valve LLC for the Purifil Dry Scrubber Conversion Kit & Media, in the amount of \$250,216.56.
- adoption of a **RESOLUTION** approving the Amended Act 381 Brownfield Plan for Scattered Site Infill Housing in the City of Kalamazoo.
- approval of an *Amendment to the Brownfield Grant Contract* for the 615 Holdings Redevelopment Project between the Michigan Department of Environment, Great Lakes, and Energy and the City of Kalamazoo Brownfield Redevelopment Authority, and authorize the Brownfield

2021-0004
Ordinance 2021
Rezoning 902, 912, and
920 W. North Street,
and 715 Woodward
Street (cont'd)

Public Comments

Consent Agenda

2021-0005

2021-0006
Resolution 21-01

2021-0007

Consent Agenda (cont'd)

Redevelopment Authority Board Chairperson to sign the amendment documents.

Commissioner Hess, seconded by Commissioner Urban, moved to approve the consent agenda requests and authorize the City Manager to sign all documents on behalf of the City.

With a roll call vote this motion passed unanimously.

AYES: Commissioners Cunningham, Hess, Knott, Praedel, Urban, Vice Mayor Griffin, Mayor Anderson

NAYS: None

Regular Agenda

Regular Agenda items were considered next.

2021-0008

Contract with the Michigan Public Health Institute for a DEI Assessment

Director of Diversity, Equity, and Inclusion (DEI) Dorla Bonner thanked City Manager Ritsema for his statement on systemic racism and expressed support for that statement. Director Bonner stated it was the City's goal to make DEI a part of the organizational culture, and the first step was to conduct an internal equity assessment to learn where the City was strong and where it was weak with regard to DEI. Director Bonner indicated the results from the assessment would be used to develop the City's first Equity Plan.

In response to a question from Commissioner Urban, Director Bonner stated the final report from the DEI Assessment would be made public.

In response to a question from Commissioner Hess, Director Bonner stated the assessment and report should be completed by late summer. Director Bonner indicated she would work with Assistant Public Safety Chief Victor Green and others on the Equity Plan once the assessment was done.

In response to a question from Commissioner Praedel, Director Bonner stated the Michigan Public Health Institute (MPHI) submitted the proposal that was most responsive to the City's needs. Director Bonner noted MPHI was very familiar with the Midwest region.

Vice Mayor Griffin thanked Director Bonner for her work. Vice Mayor Griffin remarked that the City did not need to spend six figures to figure out what everyone already knew. Vice Mayor Griffin observed that systems change was difficult, and the City's efforts needed to be more than just words.

Commissioner Urban, seconded by Commissioner Hess, moved to approve a contract with Michigan Public Health Institute to conduct the Diversity, Equity and Inclusion Assessment in the amount of \$145,330.10.

With a roll call vote this motion passed unanimously.

AYES: Commissioners Cunningham, Hess, Knott, Praedel, Urban, Vice Mayor Griffin, Mayor Anderson

NAYS: None

Deputy City Manager Laura Lam presented an overview of the work of the First Amendment Assembly Sub-Committee and its final report. Deputy City Manager Lam stated the key deliverable along with the report was a communication strategy, which prescribed interaction with a variety of audiences before, during, and after an event. Deputy City Manager Lam stated another deliverable was the creation of a landing page on the City's website to support people who wanted to exercise their first amendment rights. Deputy City Manager Lam described an iterative process for the continuous review of the communication strategy, and she stated conversations with the community would be on-going. Deputy City Manager Lam indicated there was a lot of research on best practices dealing with the use of force and First Amendment assemblies, and the City would be reviewing this research to see what practices might work in Kalamazoo. Deputy City Manager Lam noted the independent review by the O.I.R. Group was still in progress, and there were multiple listening sessions scheduled in the month of January. Deputy City Manager Lam remarked that the Sub-Committee's report represented a lot of work compressed into a short amount of time, and she thanked the Sub-Committee, City staff, and stakeholders who had provided input through focus groups.

Commissioner Cunningham observed there was a continuous breakdown in communication at all levels during the First Amendment assemblies of the previous summer. Commissioner Cunningham recommended the creation of a citizen work group to give input on how the community wanted to be policed, and he suggested the City Commission host a work session on this topic. Commissioner Cunningham noted that in the past all operational decisions had been made within the Kalamazoo Department of Public Safety (KDPS) and did not include the community. Commissioner Cunningham encouraged KDPS to stay engaged with the community and validate their voices. Commissioner Cunningham questioned how the City Commission could take responsibility for being proactive in this area.

Vice Mayor Griffin stated the report and recommendations had been a long time coming, and it remained a work in progress. Vice Mayor Griffin commended Deputy City Manager Lam for making the sub-committee process successful. Vice Mayor Griffin stated the report and recommendations offered a good direction towards a space where there was communication, transparency, and a path forward.

Commissioner Praedel thanked Deputy City Manager Lam, Vice Mayor Griffin, and Commissioner Cunningham for their work. Commissioner Praedel thanked stakeholders for being willing to participate in focus groups, and he thanked them for pressing the City to not just listen to people but to act on what they heard. Commissioner Praedel expressed his commitment to ensuring the review of the City's policies and practices in this area remained a living, on-going process. Commissioner Praedel noted Public Safety Policy 430 on First Amendment Assemblies would be revised based on additional research and the results of the O.I.R. Group report.

In response to a question from Commissioner Hess, Deputy City Manager Lam explained the report included next steps and milestones, the first of which was the independent review by the O.I.R. Group. Deputy City Manager Lam stated there was work that was on hold as the City was waiting to get the results of the independent review. Deputy City Manager Lam indicated the City would share updates as it received information from the external review, started to hit project milestones, and made updates to policies and procedures.

2021-0009

Final Report of the
First Amendment
Assembly Sub-
Committee (cont'd)

2021-0009

Final Report of the
First Amendment
Assembly Sub-
Committee (cont'd)

Commissioner Praedel stated the City's proactive response to the evolving situation around the November election was one of the best instances of citywide communication in 2020. Commissioner Praedel noted this coordinated response to potential events and unrest surrounding the election was an early application of what Commissioners and staff were learning through the work of the Sub-Committee.

Mayor Anderson thanked Deputy City Manager Lam, Vice Mayor Griffin, and Commissioners Cunningham and Praedel for their work, and he noted their work was now handed back to the City Commission.

Commissioner Cunningham, seconded by Commissioner Praedel, moved to endorse the First Amendment Assembly Sub-Committee final report and direct the City Manager to pursue next steps identified in the report and provide periodic updates at future City Commission Business meetings.

With a roll call vote this motion passed unanimously.

AYES: Commissioners Cunningham, Hess, Knott, Praedel, Urban, Vice Mayor Griffin, Mayor Anderson

NAYS: None

City Commissioner
Comments

Finally, an opportunity was given for miscellaneous comments from City Commissioners.

Commissioner Urban clarified that both percentages for the KDPS budget were correct: the KDPS budget was 50% of the General Fund budget and 15% of the total City budget.

Commissioner Cunningham wished everyone a "Happy New Year" and wished "Happy Birthday" to his cousin, Kendrick Taylor. Commissioner Cunningham noted it was a City Commission election year, and he encouraged candidates to pay attention to the City budget.

Commissioner Hess thanked Deb Droppers for trying to create a festive atmosphere downtown for New Years. Commissioner Hess offered remarks on the importance of community.

Vice Mayor Griffin stated she was looking forward to a year of systems change.

Mayor Anderson expressed condolences to the family and friends of a young man who was shot and killed on New Year's Eve. Mayor Anderson spoke about the work of first responders. Mayor Anderson encouraged people to read the Foundation for Excellence Annual Report for 2020, and he noted much of the FFE's work addressed long-term solutions to gun violence. Mayor Anderson urged people to be resolute, to work together, and to not chase every news story in 2021.

Adjournment

The meeting adjourned at 9:04 p.m.

Respectfully submitted,

Scott A. Borling
City Clerk

Amended minutes approved on: _____



City Commission Agenda Report

City of Kalamazoo

Date: **3/7/2022**

Item: **H.1.**

TO: Mayor Anderson, Vice Mayor Cooney, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: Rebekah Kik, Community Planning & Development Director
Prepared by: Roger Iveson, Building Official

DATE: March 7, 2022

SUBJECT: Ordinance Revising Chapter 30 of the Kalamazoo City Code, *Soil Erosion And Sediment Control*

RECOMMENDATION:

Adoption of an ORDINANCE amending Chapter 30 of the Kalamazoo City Code, Soil Erosion and Sediment Control, to comply with state law.

BACKGROUND:

Chapter 30 of the Code of Ordinances regulates Soil Erosion and Sediment Control and has not been revised in over 15 years. Through the process of an audit by the State of Michigan, it has come to light that some of the previous language in our ordinance no longer aligns with the State. One example of this is that the regulatory agency is no longer DEQ, rather it has changed to EGLE. Other revisions include changing the word "shall" to "may" to reflect language and requirements of the State's rules. The revisions presented for approval are designed to re-align our ordinance to match the State rules and reflect in-practice procedures for soil erosion and sediment control. The revisions will not change current practices and procedures.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:



Environmental Responsibility - A green and healthy City.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Inform (one-way conversation) – no feasible alternatives available due to legal/regulatory restrictions, standards and best practices, or resource limitations; the community will be made aware of the project.

FISCAL IMPACT:

There is no fiscal impact. The fees for soil erosion and sediment control will remain the same as approved by the City Commission during budget adoption and no increase in permit issuance or staff time is anticipated as a result of the ordinance revision.

CITY OF KALAMAZOO, MICHIGAN

ORDINANCE NO. _____

**AN ORDINANCE TO AMEND CHAPTER 30 “SOIL EROSION AND
SEDIMENTATION CONTROL” OF THE KALAMAZOO CODE OF ORDINANCES TO
COMPLY WITH STATE LAW**

THE CITY OF KALAMAZOO ORDAINS:

Section 1. Chapter 30, “Soil Erosion and Sedimentation Control” of the Kalamazoo City Code is repealed in its entirety and reenacted to read as follows:

“Chapter 30

Soil Erosion and Sedimentation Control

§ 30-1 Purpose.

The purpose of this chapter is to control soil erosion and sedimentation with respect to earth change activities within the City, by requiring proper provision for water disposal and protection of soil surfaces during and after construction, in order to promote the safety, public health and general welfare of the City, as well as to limit the exposed area of any disturbed land for the shortest possible period of time.

§ 30-2 Definitions.

A. The following definitions shall apply in the interpretation and enforcement of this chapter:

ACT 451

Part 91, Soil Erosion and Sedimentation Control (SESC), of the Natural Resources and Environmental Protection Act, being Act No. 451 of the Public Acts of 1994, as amended (See also MCLA § 324.9101 et seq.) as well as the promulgated rules of the Michigan Department of Environment, Great Lakes, and Energy (EGLE).

CERTIFICATION OF COMPLETION

A signed written statement of the Building Official or the Building Official’s designee that specific construction has been inspected and found to comply with all requirements specified in this chapter and any permit issued in accordance with this chapter.

CITY BUILDING OFFICIAL

The City Building Official of the City of Kalamazoo or his/her duly authorized representative, who has completed the required EGLE - SESC training and certification.

EARTH CHANGE

A human-made change in the natural cover or topography of land, including cut and fill activities, which may result in or contribute to soil erosion or sedimentation of the waters of the state or a discharge of sediment off-site. “Earth change” does not include the practice of plowing and tilling soil for the purpose of crop production.

EROSION

The process by which land is worn away by action of wind, water, gravity or a combination thereof.

EXCAVATION or CUT

Any act by which soil or rock is cut into, dug, quarried, uncovered, removed, displaced or relocated and shall include the conditions that result from such activities.

FLOODPLAIN

That land area in proximity to a river, stream, lake, or drain that may on occasion overflow and become inundated by floodwater or storm runoff.

GRADING

Any stripping, excavating, filling, stockpiling or any combination of such activities, and shall include the land in its excavated or filled condition.

MUNICIPAL ENFORCING AGENCY (MEA)

The Department of Community Planning and Development, or such subsequent department or division as the City Manager designates in writing as having enforcement responsibilities under this chapter.

PERMIT

A permit issued to authorize work to be performed under this chapter in accordance with Act 451, including rules promulgated under Act 451.

STRIPPING

Any activity that removes or significantly disturbs the vegetative surface cover including clearing and grubbing operations.

- B. Words, terms and phrases used in this chapter, unless defined in this section, shall have the meaning ascribed to them in Act 451, including rules promulgated under Part 91.

§ 30-3 Compliance.

Except with respect to an earth change for which no permit is required, a certificate of occupancy for any building shall not be issued unless the applicant first obtains a certificate of completion from the MEA.

§ 30-4 Permits and plans.

- A. A land owner or designated agent who contracts for, allows, or engages in an earth change in the City shall obtain a permit from the MEA prior to commencement of an earth change which disturbs one or more acres of land, or is within 500 feet of waters of the state as defined by Act 451. A permit is not required for those activities that are exempt from permits as specified in Sections 9115 and 9115a of Act 451 (See MCLA § 324.9115 and 324.9115a) and Michigan Administrative Rules 323.1705 and 323.1706, as amended. Failure to obtain a permit before initiating an earth change shall be deemed a violation of this chapter.
- B. A soil erosion and sedimentation control plan shall be prepared for any earth change identified in § 30-4A. The plan shall be designed to effectively reduce accelerated soil

erosion and sedimentation and shall identify factors that may contribute to soil erosion, or sedimentation, or both. The plan shall further implement the soil erosion and sedimentation control procedures and measures prescribed by all sections of the Part 17 Rules (primarily set forth in Michigan Administrative Rules 323.1703, 323.1709 and 323.1710).

§ 30-5 Application review and permit procedures.

All application review and permit procedures shall be in accordance with Act 451 and this chapter.

§ 30-6 Fees.

At the time of filing an application for a permit, a nonrefundable fee shall be charged for plan review. Upon approval of the plans a permit will be issued and a fee shall be made for the permit, including inspections. Fees will be in accordance with a fee schedule adopted by resolution of the City Commission from time to time.

§ 30-7 Bond requirement.

- A. When a permit has been issued for an earth change – the permittee, at the discretion of the MEA may be required to post with the City a bond executed by the owner or the owner’s contractor issued by a surety authorized to do business within the state – related to unique features presenting on the land, contour conditions, identified protected areas, and/or the prior performance record of the contractor, provided, however, that a bond shall not be required for single-family residential units less than one acre in size.
- B. The bond shall be in a form approved by the City Attorney, payable to the City and in an amount sufficient to assure the installation and completion of such protective and corrective measures as may be required by the MEA. The bond may include penalty provisions for failure to complete the work on schedule as specified in the permit.
- C. Every bond shall include language requiring the permittee to comply with all the provisions of this chapter and all terms and conditions of the permit and to complete all work contemplated under the permit within the time limit specified in the permit. If no time limit is specified the project shall be completed within 365 days after the date of the issuance of the permit.

§ 30-8 Extension of time.

Not less than 10 days prior to the expiration date of a permit, a permittee may present in writing to the MEA a request for an extension where the permittee asserts that it is unable to complete the work within the specified time. For good cause shown, the MEA may grant additional time for completion, but no extension shall be treated or interpreted as a release of the surety bond.

§ 30-9 Failure to complete work.

- A. In the event of failure to complete work required as part of an approved permit, the MEA may order such work as necessary to provide for effective soil erosion and sedimentation control. The permittee and the surety executing the bond shall continue to be firmly bound under a continuing obligation for the payment of all necessary costs and expenses that may be incurred by the City in causing any and all work to be done to comply.
- B. Notwithstanding other provisions of this chapter, the MEA may avail itself all the rights provided under Act 451 in the event a permittee fails to comply with an approved soil

erosion and sediment control plan or other permit conditions.

§ 30-10 Denial of permit.

Permits shall not be issued where:

- A. The proposed work would cause uncontrolled soil erosion and sedimentation; or
- B. The proposed work would cause hazards to the public safety and welfare; or
- C. The proposed work will damage any public or private property, interfere with an existing drainage course so as to cause damage to adjacent property, result in the deposit of debris or sediment on any public way, waters of the state or create an unreasonable hazard to persons or property; or
- D. The land area in which work is to occur is subject to geological hazard such that no reasonable amount of corrective work can eliminate or sufficiently reduce settlement, slope instability or any other such hazard to persons or property; or
- E. The land area in which the work is to occur is within the floodplain of any stream or watercourse, unless a permit from the EGLE approving the work accompanies the application and a hydrologic report prepared by a professional engineer is submitted certifying that the proposed work will have no detrimental influence on the public welfare or upon the total development of the watershed; or
- F. The proposed work unreasonably exposes the land to repeated disturbances.

§ 30-11 Modification of approved plans.

Any modification of an approved plan must be submitted to and approved by the MEA. All necessary supplemental reports shall be submitted with the proposal to modify the approved plan. No work in connection with any proposed modification shall be permitted without the prior approval of the MEA.

§ 30-12 Responsibility of permittee.

During operations associated with the approved soil erosion and sedimentation control plan, the permittee shall be responsible for:

- A. The prevention of damage to or sedimentation of waters of the state, adjacent properties or public areas. No person shall grade on land so close to a property line as to endanger any public street, sidewalk, alley or any public or private property without supporting and protecting such property from settling, cracking or other damage that might result. Similarly, no person shall permit sediment or runoff to occur on public streets, sidewalks, alleys or other public area.
- B. Carrying out the proposed work in accordance with the approved plans and in compliance with all the requirements of the permit, this chapter and Act 451.
- C. The prompt removal of any sediment that may inadvertently be deposited in any lake, drain, stream or wetland.

- D. The permanent control and restoration measures being implemented at the site within five calendar days following final grading of the site.

§ 30-13 Maintenance requirements.

Persons carrying out soil erosion and sedimentation control measures under this chapter, and all subsequent owners of the property concerning which such measures have been taken, shall be liable to maintain all permanent anti-erosion and sediment control devices, retaining walls, structures, plantings, and other protective devices.

§ 30-14 Minimum design standard for erosion and sediment control.

All grading plans and specifications, including amendments to previously approved plans, shall include provisions for erosion and sediment control in accordance with, but not limited to, the standards contained in the current versions of Michigan Department of Transportation's Soil Erosion and Sedimentation Control Manual or the Michigan Department of Technology, Management and Budget's Soil Erosion and Sedimentation Control Guidebook. Current copies of these publications shall be available for public inspection in the office of the Building Official.

§ 30-15 Variances and exceptions.

Where it is alleged that there is an error or misinterpretation in any order, requirement, determination or interpretation made by the MEA on non-Part 91 issues, the applicant may file an appeal with the Construction Board of Appeals. Such appeal must be filed within 21 days of the issuance of the decision at issue. The Construction Board of Appeals may, by a majority vote of its members serving, affirm, reverse, or affirm with conditions the appeal consistent with the general purposes and the intent of this chapter.

§ 30-16 Inspection and enforcement.

- A. Representatives of the MEA may enter at all reasonable times in or upon private property or public property for the purpose of inspecting and investigating conditions or practices associate with the issuance of a permit. If the MEA finds that the permittee has not complied with Act 451 or this chapter and that the work does not conform to the permit issued, a Correction Notice shall be issued. Contingent on there being evidence of prompt corrective action the permit shall stand. If timely corrective action is absent, the permit may be revoked. The permittee shall be notified by mail of the MEA's determination. The permittee shall immediately, and no later than five calendar days following the issuance of the notice, implement and maintain soil erosion and sediment control measures consistent with the approved plans, Act 451, and this chapter. The permittee shall continue to be firmly bound under a continuing obligation for the payment of all necessary cost and expenses that may be incurred by the MEA in causing any and all work to be done to comply with the regulations.
- B. Upon satisfactory execution of all proposed earth change plans and other requirements, the permittee shall file a written notice of completion so that the MEA may make a final inspection and issue a certificate of completion and release of the bond. If the project is to be completed in different phases, the MEA may issue separate permits and certificates of completion and bond release for each phase of the earth change project.
- C. Notwithstanding any other provision of this chapter, the MEA shall have the right to avail itself to all enforcement mechanisms provided for by the Act 451. All state rules and regulations promulgated under Part 91 of the Act are hereby incorporated by reference into

this chapter.

§30-17 Penalties.

- A. Any person, firm or corporation who violates any provision of this chapter is responsible for a municipal civil infraction and shall be fined not more than \$2,500 for each violation. A civil infraction citation for a violation of this chapter may be issued by the Building Official, or by such person as the City Commission or City Manager may designate
- B. Each day a violation exists or continues shall be deemed as a separate offense.
- C. Any person, firm or corporation found responsible for a violation of this chapter within two years of a prior conviction for a violation of this chapter shall be fined an amount double the amount assessed for the immediately preceding violation or the maximum fine permitted by state law, whichever is less.
- D. In addition to the remedies provided in this chapter, the MEA may, following proper notification, enter the property for the purpose of correcting or abating the violation in accordance with Act 451 and Michigan law.
- E. In addition to fines assessed pursuant to this chapter, a person, firm, or corporation found to be responsible for a violation shall pay the MEA's actual costs, direct or indirect, for correcting and abating the violation, and the actual costs, direct and indirect, to which the MEA has incurred in correcting or abating the violation to the extent permitted by law. In the event that the MEA is not reimbursed for its costs within 30 days of the date it provides written notice to the property owner(s), the fines and costs may be added to and made a part of the next City tax bill against the subject premises and may be collected in the same manner as provided by Michigan law for the collection of City taxes on real estate.

§30-18 Civil remedies.

In addition to any other remedies provided in this chapter, the City or the MEA may also proceed against any person, firm or corporation for a violation of this chapter by seeking injunctive relief and/or damages.”

Section 2. Repealer

All former ordinances or parts of ordinances conflicting or inconsistent with the provisions of this ordinance are hereby repealed.

Section 3. Severability

If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, said portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions of this ordinance.

Section 4. Effective Date.

Pursuant to Section 13(a) of the City Charter, this ordinance shall take effect from and after 10 days from the date of its passage.

CERTIFICATE

The foregoing is a true and complete copy of an ordinance adopted by the City Commission of the City of Kalamazoo at a regular meeting held on _____, 2022. Public notice was given and the meeting was conducted in full compliance with the Open Meetings Act, (PA 267, 1976). Minutes of the meeting will be available as required by the Act, and the ordinance was duly recorded, posted and authenticated by the Mayor and City Clerk as required by the Charter of said City.

David F. Anderson, Mayor

Scott A. Borling, City Clerk



City Commission Agenda Report

City of Kalamazoo

Date: **3/7/2022**

Item: **H.2.**

TO: Mayor Anderson, Vice Mayor Cooney, and City Commissioners

FROM: Clyde J. Robinson, City Attorney

DATE: March 7, 2022

SUBJECT: Resolution to Make Facemasks Optional

RECOMMENDATION:

It is recommended that the City Commission approve amendments to the face mask rules previously adopted on December 21, 2021 to permit wearing face masks at public meetings of the City a voluntary decision of individual meeting attendees and participants.

BACKGROUND:

On February 16, 2021 the Michigan Department of Health & Human Services (MDHHS) issued updated masking guidance which indicated that the State is entering a post-surge recovery phase of the COVID-19 response cycle during which the wearing of masks could be limited to individuals during isolation and quarantine period and when in high-risk congregate settings such as long-term care and health care facilities, jails, correctional facilities and shelters, while recognizing that there may be local masking guidance, policies and orders from local health departments. In response to the updated masking guidance issued by the MDHHS, the Kalamazoo County Health & Community Services Department issued its COVID-19 Health Recommendations which mirrored those of the MDHHS, that recommended that all individuals regardless of vaccination status continue to use masks in high-risk congregate settings, and that County residents should consider their individual and family members' risk factors and vaccination status, as well as the current state of spread of the COVID-19 virus in the community when making the personal decision whether to wear a face mask. In large measure the guidance left the question of whether to wear a mask or not in public settings was up to each individual to answer for him or herself.

STRATEGIC VISION ALIGNMENT:

COMMUNITY ENGAGEMENT:

The resolution reflects the most recent recommendations of the Michigan Department of Health & Human Services as well as the those of the Kalamazoo County Health & Community Services Department regarding the use of masks in public venues.

FISCAL IMPACT:

None.

CITY OF KALAMAZOO, MICHIGAN

RESOLUTION NO. _____

**A RESOLUTION AMENDING FACEMASK PROTOCOLS
DURING PUBLIC MEETINGS**

Minutes of a regular meeting of the City Commission of the City held on _____, 2022, at 7:00 o'clock p.m., local time, by electronic means in conformity with Public Act 254 of 2020

PRESENT, Commissioners:

ABSENT, Commissioners:

WHEREAS, with the adoption of Resolution 21-169 on December 21, 2021, the City Commission enacted protocols requiring the use of facemasks by persons attending public meetings of the City Commission and other public bodies of the City, and

WHEREAS, on February 16, 2021 the Michigan Department of Health & Human Services (MDHHS) issued updated masking guidance which indicated that the State is entering a post-surge recovery phase of the COVID-19 response cycle during which the wearing of masks could be limited to individuals during isolation and quarantine period and when in high-risk congregate settings such as long-term care and health care facilities, jails, correctional facilities and shelters, while recognizing that there may be local masking guidance, polices and orders from local health departments;

WHEREAS, on February 16, 2022 in response to the updated masking guidance issued by the MDHHS, the Kalamazoo County Health & Community Services Department issued its COVID-19 Health Recommendations which mirrored those of the MDHHS, while recommending that all individuals regardless of vaccination status continue to use masks in high-risk congregate settings, indicated that County residents should consider their individual and family members' risk factors and vaccination status, as well as the current state of spread of the COVID-19 virus in the community, when making the personal decision whether to wear a face mask;

NOW, THEREFORE, IT IS RESOLVED as follows:

That the Rules governing the use of face masks by persons attending public meetings of the City of Kalamazoo established by Resolution 21-69 are amended to read as follows:

a. Although encouraging individuals to wear masks in order to avoid and limit the spread of illness, the wearing of masks is not required while attending meetings of City of Kalamazoo public bodies.

b. All individuals, regardless of their vaccination status should consider their individual and family members' risk factors and vaccination status, as well as the current state of spread of the COVID-19 virus in the community when making the personal decision whether to mask while attending a public meeting.

The above resolution was offered by _____
and supported by _____.

AYES, Commissioners:

NAYS, Commissioners:

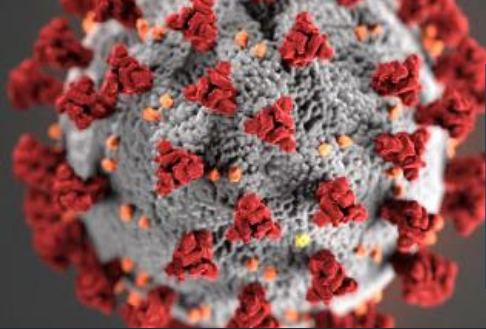
ABSTAIN, Commissioners:

RESOLUTION DECLARED ADOPTED.

CERTIFICATE

The foregoing is a true and complete copy of a resolution adopted by the City Commission of the City of Kalamazoo at a regular meeting held on _____, 2022. Public notice was given and the meeting was conducted in full compliance with the Michigan Open Meetings Act (PA 267, 1976). Minutes of the meeting will be available as required by the Act.

Scott A. Borling, City Clerk



UPDATED MASKING GUIDANCE FOR MICHIGANDERS

Michigan.gov/Coronavirus

February 16, 2022

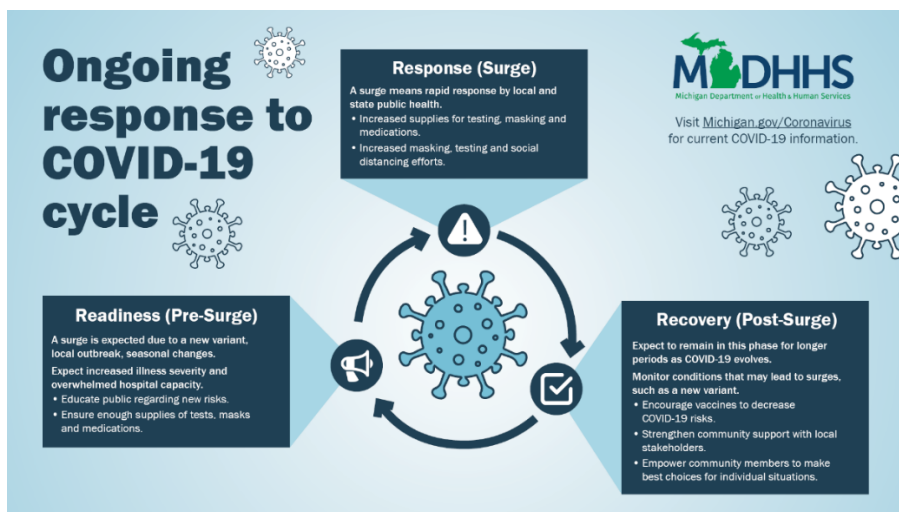
The Michigan Department of Health and Human Services (MDHHS) continues to prioritize public health and promote health and wellness for all families and communities amidst the impacts of COVID-19. While vaccination remains one of the most important public health tools to protect Michiganders from severe outcomes due to COVID-19, there are additional tools such as [isolation and quarantine](#), [therapeutics](#), [testing](#) and increasing use of environmental interventions (e.g., ventilation).

Based on current conditions, MDHHS is expiring the Public Health Advisory on Masking in Indoor Public Settings, including school settings.

Moving forward, the COVID-19 response cycle can be broken down into three key phases:

- **Response** – Local and state public health implement rapid response to a surge. The public may be advised to increase masking, testing and social distancing.
- **Recovery** – Post-surge. No immediate resurgence predicted. Local and state public health will monitor conditions that could lead to future surges.
- **Readiness** – A surge in cases is expected, with implications on severity of illness and hospital capacity. Increased communication to the public regarding possible new risks.

MDHHS supports adjusting mask recommendations as we cycle through periods of response, recovery and readiness and following local health department decisions based on local conditions. Current case rates and hospitalizations, and increased access to vaccines, testing and therapies, indicate Michigan is entering a **post-surge recovery phase** of the cycle:



During this post-surge recovery phase, MDHHS recommends that all individuals, regardless of vaccination status, continue to practice masking in high-risk congregate settings (including long-term and health care facilities, jails and correctional facilities and shelters).

All individuals, regardless of vaccination status, should also wear a mask during isolation and quarantine periods to stop further community spread of COVID-19.

When to Wear a Mask During the Post-Surge Recovery Phase

Individuals should still practice masking in high-risk congregate settings, such as long-term care and health care facilities, jails, correctional facilities, and shelters.

All individuals, regardless of vaccination status, should wear a mask during [isolation](#) and [quarantine](#) periods. Learn more about [isolation and quarantine periods](#). This is an important step to protect family, friends, and neighbors and stop further community spread of COVID-19.

There may be local masking guidance, policies and/or orders from local health departments, organizations, and/or school districts that must be followed. Policies established by event organizers and businesses may be instituted to fit the specific needs of their customers and should be followed.

Making Personal Decisions About Mask Use for Those Not In The Above Categories

Masks are an important tool in mitigating spread of COVID-19 and individuals who feel sick, may be at higher risk of infection, or who feel better protected when masked should choose when they feel comfortable masking.

Michiganders should consider their individual and family members' risk factors and vaccination status when making the personal decision whether to mask. Those with chronic illness or who are immunocompromised are at higher risk for poor outcomes from COVID and would benefit most from masking in indoor settings. These risk factors may include age, medical conditions, and vaccination status.

The use of a well-fitting mask provides benefits and protection to both the wearer and to those in close contact to the wearer. Masks help reduce inhalation of potential virus droplets for the wearer (filtration) as well as to decrease possibility of transmission of virus to those close by the wearer (source control).

Mask Use During Future Phases

Recommendations regarding masking may change as conditions evolve – such changes could include the presence of a new variant that increases the risk to the public, or an increased number of cases that strains the healthcare system. During future times of surge, additional access to testing resources, vaccination clinics, and therapeutic treatment may be made available as the situation warrants.

MDHHS continues to recommend the use of layered mitigation strategies for Michiganders:

- **Get vaccinated against COVID-19.** Michiganders should get up to date on their COVID-19 vaccine. Learn more about vaccines and when you're up to date at Michigan.gov/COVIDVaccine.
- **Therapeutics.** After testing positive for COVID-19, individuals who are unvaccinated, high-risk and/or are immunocompromised should talk to their doctors about whether they meet eligibility criteria for antibody or antiviral treatment to help with their recovery. Learn more about [COVID-19 Therapeutics](#).
- **Isolation and Quarantine.** Staying away from others when you are sick or were recently exposed to COVID-19 are important tools to preventing further spread of the virus. Learn more about [what happens when you have or are exposed to COVID-19](#)

- **Get tested if you are exposed or have symptoms.** Anyone with signs or symptoms of COVID-19 should get tested regardless of vaccination status or prior infection. Testing before unmasked gatherings provides an additional layer of protection. Find a test site at Michigan.gov/CoronavirusTest. Take additional steps to protect yourself and others. For additional guidance on mitigation strategies see [How to Protect Yourself and Others](#).

*The [CDC requires](#) that all persons wear masks on planes, buses, trains, and other forms of public transportation, as well as at airports and stations.



KALAMAZOO COUNTY GOVERNMENT

In the Pursuit of Extraordinary Governance...

NEWS RELEASE FOR
IMMEDIATE RELEASE
February 16, 2022

Matt Johnson
Public Information Officer
pio@kalcouny.com

Kalamazoo County Health Department Updates COVID-19 Health Recommendations

Kalamazoo, MI – Kalamazoo County Health & Community Services Department (HCS), in accordance with the Michigan Department of Health and Human Services (MDHHS), is updating [guidance on masking](#) to prevent the spread of COVID-19 in indoor settings, including school settings. The updated guidance outlines phases of the COVID-19 cycle as well as how recommendations to mitigate the spread of COVID-19 may differ during each phase.

MDHHS has classified stages of the COVID-19 cycle in the following three phases:

- **Response** – Local and state public health implement rapid response to a surge. The public may be advised to increase masking, testing and social distancing.
- **Recovery** – Post surge. No immediate resurgence predicted. Local and state public health will monitor conditions that could lead to future surges. Community members are empowered to make best choices for their individual situations.
- **Readiness** – A surge of cases is expected, with implications on severity of illness and hospital capacity. Increased communication to the public regarding possible new risks.

Due to decreases in cases and hospitalizations and increased access to vaccines, testing and treatment indicate that Kalamazoo County and the state of Michigan are entering a post-surge, recovery phase of this cycle.

Kalamazoo County residents should consider their individual and family members' risk factors and vaccination status, as well as the current state of COVID-19 spread in the community when making the personal decision whether to mask. Those with chronic illnesses or who are immunocompromised are at higher risk for poor outcomes from COVID-19 and would benefit most from masking in indoor settings. These risk factors may include age, medical conditions, and vaccination status.

MDHHS and HCS recommend that all individuals, regardless of vaccination status, continue to mask in high-risk congregate settings including long-term care facilities, homeless shelters, correctional facilities, jails and health care facilities. All individuals, regardless of vaccination status, should also wear a mask during isolation and quarantine periods to stop further community spread of COVID-19.

HEALTH AND COMMUNITY SERVICES DEPARTMENT

311 E. Alcott St. | Kalamazoo, MI 49001
Phone: 269.373.5200 | www.kalcouny.com/hcs

“When the evidence or situation changes, public health recommendations change as well. An example today is with respect to masking recommendations at this stage of the COVID-19 pandemic based on individual or congregate setting risk for COVID-19 spread or severe disease,” said Dr. William Nettleton, Medical Director of Kalamazoo County HCS. “Continued monitoring, including for new COVID-19 variants, will be important to inform readiness and additional response if needed.”

Kalamazoo County HCS will continue to monitor the transmission of COVID-19 closely and will adjust recommendations based on changes in the current phases of COVID-19 outlined by MDHHS. Updated information about guidance can be found at www.kalcounty.com/covid19.

#

Kalamazoo County Government
Health & Community Services Department



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Follow us [@KzooHealth](#)

March 7, 2022

House Committee on Natural Resources and Outdoor Recreation

Rep. Gary Howell, Chair
S-1186 House Office Building
P.O. Box 30014
Lansing, MI 48909

Chairman Howell:

We, the undersigned, serve as the local elected representatives of the City of Kalamazoo. We are reaching out to express our strong support of House Bill (HB) 5661, which would amend Part 301 (Inland Lakes and Streams) of the Natural Resources and Environmental Protection Act.

Under HB 5661, EGLE could issue a written emergency order that would require the “owner of a structure or fill located on bottomlands” to remediate damages if it were causing or threatening to cause harm to public health, safety, welfare, property, or the natural resources or the public trust in those natural resources. The Department could modify the requirements of an emergency order and could terminate the order upon determination, in writing, that all necessary emergency actions were completed and that an emergency no longer existed.

We remain deeply concerned over the lasting ecological and safety implications on the Kalamazoo community from the release of excessive sediment overflow, resulting from the failed Morrow Dam reservoir spillway gate replacement in October 2019. The implications on the river’s vegetation, fish and wildlife are likely to be long lasting and flows directly through the heart of our community.

Those who have long enjoyed the river for recreational purposes, have observed decreases in fish populations and aquatic plant life. Habitat for aquatic insects, crawfish, baitfish, muscles, fish, and turtles are now covered in sludge. So long as the river contains this sediment sludge, it will continue to wreak havoc on the wildlife and the ecology of the river. The sediment issues persist after over two years.

The sentiment flowing downriver has created dangerous conditions for those who enjoy the river for recreation, has created sediment islands, inlet mound blockages, impassable recreational launch areas, and conditions that would make it difficult for public safety to perform rescues in cases of emergencies.

A group of golfers at our Red Arrow Golf Course recently heard the voice of a man screaming for help who was stuck up to his chest in the river sludge. He had to be rescued by our public safety team. We have also regularly observed kayakers and other recreational users struggle to enter and exit the river from launch sites.

The Morrow Dam owner, Eagle Creek Renewable Energy or STS Hydropower, was initially engaged with state and local parties. The company repaired the spillway gates after over a year of sediment release and provided a limited scope of work immediately upstream and three short-term modifications close to the dam. The company engaged state and local parties around the period of the dam repair and during the phase of minor remediation. Much of that work and engagement ceased as time went on. The company promised to provide regular updates or communication. Only a small portion of the over 400,000 sq. ft. of sediment sludge that extends much further downriver was remediated. No work has been conducted since.

We feel HB 5661 would give EGLE the regulatory teeth to hold those who have damaged our precious waterways accountable. Let there be no doubt that the damages along the Kalamazoo River were man made and could have been avoided.

We urge members of the House Committee on Natural Resources and Outdoor Recreation to support the advancement of House Bill (HB) 5661.

We look forward to hearing back from you.

Best regards,

Members of the 54th Kalamazoo City Commission

Mayor David Anderson

Vice Mayor Don Cooney

Commissioner Stephanie Hoffman

Commissioner Qianna Decker

Commissioner Jeanne Hess

Commissioner Chris Praedel

Commissioner Esteven Juarez

February 25, 2022

Senate Committee on Natural Resources

Sen. Edward McBroom, Chair

P.O. Box 30036

Lansing, MI 48909-7536

Chairman McBroom:

We, the undersigned, serve as the local elected representatives of the City of Kalamazoo. We are reaching out to express our strong support of Senate Bill (SB) 813, which would amend Part 301 (Inland Lakes and Streams) of the Natural Resources and Environmental Protection Act.

Under SB 813, EGLE could issue a written emergency order that would require the “owner of a structure or fill located on bottomlands” to remediate damages if it were causing or threatening to cause harm to public health, safety, welfare, property, or the natural resources or the public trust in those natural resources. The Department could modify the requirements of an emergency order and could terminate the order upon determination, in writing, that all necessary emergency actions were completed and that an emergency no longer existed.

We remain deeply concerned over the lasting ecological and safety implications on the Kalamazoo community from the release of excessive sediment overflow, resulting from the failed Morrow Dam reservoir spillway gate replacement in October 2019. The implications on the river’s vegetation, fish and wildlife are likely to be long lasting and flows directly through the heart of our community.

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The Morrow Dam owner, Eagle Creek Renewable Energy or STS Hydropower, was initially engaged with state and local parties. The company repaired the spillway gates after over a year of sediment release and provided a limited scope of work immediately upstream and three short-term modifications close to the dam. The company engaged state and local parties around the period of the dam repair and during the phase of minor remediation. Much of that work and engagement ceased as time went on. The company promised to provide regular updates or communication. Only a small portion of the over 400,000 sq. ft. of sediment sludge that extends much further downriver was remediated. No work has been conducted since.

We feel SB 813 would give EGLE the regulatory teeth to hold those who have damaged our precious waterways accountable. Let there be no doubt that the damages along the Kalamazoo River were man made and could have been avoided.

We urge members of the Senate Committee on Natural Resources to support the advancement of Senate Bill (SB) 813.

We look forward to hearing back from you.

Best regards,

Members of the 54th Kalamazoo City Commission

Mayor David Anderson

Vice Mayor Don Cooney

Commissioner Stephanie Hoffman

Commissioner Qianna Decker

Commissioner Jeanne Hess

Commissioner Chris Praedel

Commissioner Esteven Juarez

HOUSE BILL NO. 5661

December 29, 2021, Introduced by Rep. Rogers and referred to the Committee on Natural Resources and Outdoor Recreation.

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
(MCL 324.101 to 324.90106) by adding section 30111d.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 30111d. (1) The department may issue a written emergency
2 order that requires the owner of a structure or fill located on
3 bottomlands to immediately repair or remove the structure or fill,
4 or take any other action determined necessary by the department, if
5 the structure or fill is in imminent danger of failure or is

1 causing or threatening to cause harm to public health, safety,
2 welfare, property, or the natural resources or the public trust in
3 those natural resources. The department may modify the requirements
4 of an emergency order. The department may terminate an emergency
5 order upon a determination in writing that all necessary emergency
6 actions have been completed and that an emergency no longer exists.

7 (2) Within 15 days after the department issues an emergency
8 order under subsection (1), the department shall provide the owner
9 with an opportunity for a hearing pursuant to chapter 4 of the
10 administrative procedures act of 1969, 1969 PA 306, MCL 24.271 to
11 24.288. At the hearing, the department shall determine, based on
12 information and fact, if the emergency order must be continued,
13 modified, suspended, or terminated as necessary for or consistent
14 with the protection of public health, safety, welfare, property, or
15 natural resources or the public trust in those natural resources.

SENATE BILL NO. 813

January 12, 2022, Introduced by Senator MCCANN and referred to the Committee on Natural Resources.

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
(MCL 324.101 to 324.90106) by adding section 30111d.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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15 natural resources or the public trust in those natural resources.