The Kalamazoo City Commission met in special session as a Committee of the Whole on Monday, December 13, 2021 at 6:00 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. The purpose of the special meetings was to review the Proposed Fiscal Year 2022 Budget.

Roll Call

COMMISSIONERS PRESENT:	Mayor David Anderson Vice Mayor Don Cooney Qianna Decker Jeanne Hess Stephanie Hoffman Esteven Juarez Chris Praedel
COMMISSIONERS ABSENT:	Esteven Juarez*

All members present indicated they were physically located in the City of Kalamazoo.

Also present were City Manager Jim Ritsema, Deputy City Manager Jeff Chamberlain, City Attorney Clyde Robinson, and City Clerk Scott Borling.

Commissioner Excused

Commissioner Hess, seconded by Vice Mayor Cooney, moved to excuse the absence of Commissioner Juarez. With a voice vote the motion passed.

Public Comments

Next, when an opportunity was given for general public comments, the following people addressed the City Commission.

> Paul Teini, City resident and member of the Parks and Recreation Advisory Board (PRAB), stated the Parks and Recreation Department was underfunded compared with cities of similar size, and he talked about how additional funding could be used for parks in Kalamazoo.
>
> Alfonso Harris, City resident, asked that funding be given to the Momentum/Urban Alliance program.

2021-00
Presentation and Discussion re: the Proposed 2022 Budget

City Manager Ritsema made introductory remarks on the proposed 2022 budget. The following staff members delivered a presentation entitled *2022 Proposed Budget, Monday, December 13, 2021*: Management Services Director/CFO Steve Vicenzi, Public Services Director James Baker, Public Safety Chief Vernon Coakley, Community Planning and Economic Development (CPED) Director Rebekah Kik, City Planner Christina Anderson, Parks and Recreation Director Sean Fletcher, Information Technology (IT) Director Tim Dubois, and Diversity, Equity, and Inclusion (DEI) Director Dorla Bonner A copy of the slides from this presentation was filed with the papers for this meeting.

*Commissioner Juarez arrived at 6:28 p.m.

<u>Financial Overview</u>

After a financial overview of the proposed budget, staff provided the following information in response to Commissioner questions and comments:

2021-00
Presentation and Discussion re: the Proposed 2022 Budget (cont'd)

- it was difficult to picture what the fund balance graph would look like a couple of years after the graph stopped (at five years); predicting the five years in the graph was hard enough.

- interest rates for bonds had been 1.8% - 2.2% over the past year.

- the City tried to match the bond term with the life of the asset.

- Revenue Sharing projections were provided by the state.

- the 4% increase in property taxes was forecast because the City Assessor was projecting increased property values based on an increase in the number of sales and the Consumer Price Index (CPI).

- Public Act 51 of 1951 defined "Major Streets" and "Local Streets" based on traffic flows and street dimensions. Major Streets were larger streets specifically designed to carry traffic. Local Streets were neighborhood streets. There were approximately 85 miles of Major Streets in the City and 165 miles of Local Streets.

- the Lake Street water main project was in Kalamazoo Township; the City would be coordinating with the Road Commission of Kalamazoo County for the street repair.

- the Station 5 pumping station project would incorporate iron, magnesium, and PFAS treatment, and would result in that station become a base-load station in the City's water system.

- the phosphate project would improve corrosion control at pumping stations throughout the system. This project was described in more detail during the December 6th Committee of the Whole meeting.

- the $250,000 for Public Safety Station #1 would cover asbestos abatement and architectural drawings.

- the monies received from MDOT a few years ago as a result of the jurisdictional transfer of streets were shown as a funding source in the Major Streets Fund. The Parkview Avenue project was a good example of where these funds would be used. Those funds were considered part of the Restricted Fund Balance.

- as Drinking Water Revolving Fund (DWRF) projects were completed, the debt payment became part of the operational budget. Spending on lead service line replacements were projected to be $15 million per year; forgiveness of the DWRF loans would impact utility rates.

- speed humps were a part of the City's traffic calming strategy; there was funding for speed humps in the 2022 budget and for years to come.

- the City did not compare spending in its department with spending in similar departments in other communities.

- the $2.6 million budget for the Parks and Recreation Department was for operations only and did not include capital improvements.

2021-00
Presentation and Discussion re: the Proposed 2022 Budget (cont'd)

2022 Project Highlights

After a presentation on 2022 Project Highlights, staff provided the following information in response to Commissioners' questions and comments:

- the City could reapply for the $2 million lead remediation grant in future years. The $330,000 lead grant was to fill gaps and ensure the City could say "yes" to everyone who applied for remediation help.

- the 2 Gen initiatives were a program run by Shared Prosperity Kalamazoo (SPK) Coordinator Kevin Ford. The Foundation for Excellence (FFE) Newsletter outlined the two primary 2 Gen programs.

- next in line for the development of neighborhood plans were the West Main Hill, Stuart, Westnedge Hill, and Westwood Neighborhoods.

- the Social Services Coordinator position at the Kalamazoo Department of Public Safety (KDPS) was still evolving, and it was not yet at a place yet to have the Coordinator respond to calls for service rather than a Public Safety Officer (PSO). The first step would be to have this person do ride-alongs with officers.

- "affordable housing" can be the topic of a future Committee of the Whole meeting.

- the Group Violence Intervention (GVI) initiative was very effective at reducing gun violence, but it could not be the only solution. The City had expanded the GVI strategy to youth and was working with schools. These efforts could be strengthened by people following the "if you see something, say something" principle. GVI had resources to offer, but people needed to be willing to use the resources.

- KPDS answered 117,000 calls for service in 2019 and 122,000+ calls for service in 2020. The department would continue to deliver world class service, but for KDPS to get to where it needed to be the community would need to be part of the work.

- the emergency manager position would be implemented now using ARPA funds, and the City would roll the cost into the operational budget incrementally over next five years.

- the City could offer a private property tree planting program, but more resources would be needed.

- there were no performance metrics for biodiesel fuel. The key to long term adoption would be operational success in all deployments and environments.

- the City had been intentional about communicating: a new website was launched new website in 2017 and will be improved in 2022; the City is on every social media channel; the Foundation for Excellence (FFE) published a quality annual newsletter, and the website included an interactive FFE investment map. At some point the question of improved communication would come down to capacity; good communication was resource intensive.

2021-00
Presentation and Discussion re: the Proposed 2022 Budget (cont'd)

- the Public Information Officer (PIO) had been doing great work. The Community Collaborator was telling the KDPS story but in a different way, not coming through the badge. The City was doing the right things with its website and social media.

- the parking enforcement positions were being changed from six, part-time positions to three, full-time positions.

Vice Mayor Cooney explained goals of SPK but stated the City was not doing this work right. Vice Mayor Cooney stated he was impressed with the creative proposals in the 2022 budget, but the community needed to be informed about the work the City was doing. Vice Mayor Cooney expressed support for the KDPS proposals and suggested the proposed Emergency Coordinator partner with the county. Vice Mayor requested a work session on affordable housing that would utilize the expertise of Commissioners involved in this work.

Commissioner Hess stated public safety was a necessary service; KDPS could not be defunded. Commissioner Hess thanked Director Baker for the plan to plant 300 trees. Commissioner Hess noted the Environmental Concerns Committee would like to see 1,200 trees planted each year.

Commissioner Praedel acknowledged great communications work was happening and suggested the City invest in another communications position. Commissioner Praedel stated there was a tremendous opportunity to create a City app for residents, using geofencing, which would be accomplished for three times the amount Public Services alone was spending for a communications app. Commissioner Praedel expressed concern about inconsistencies in parking enforcement. Commissioner Praedel remarked on funding needs for COVID relief, and gun violence. Commissioner Praedel stated funds needed to be focused specifically on youth programming, to engage youth and keep them busy. Commissioner Praedel stated there were no better partners in the work of youth development than the neighborhood associations. Commissioner Praedel observed it would take 40 years of planting 300 trees per year to put one in each of the 12,000 vacant lots in the City. Commissioner Praedel encouraged the City to make Station 1 downtown a community asset and not just a police office.

Mayor Anderson commented that the City needed to be doing everything it could to address cybersecurity. Mayor Anderson expressed hope that the City had systems in place to ensure elections were being administered correctly and that the City was being transparent. Mayor Anderson remarked that young people were not getting their information in same ways as older people, and he stated the City needed to find and use those new information sources. Mayor Anderson noted the KDPS budget was 45% of the General Fund Budget but less than 15% of the overall City budget.

The meeting recessed at 8:27 p.m.
The meeting resumed at 8:46 p.m.

Foundation for Excellence and American Recovery Plan Act Funds

After a presentation on the use of Foundation for Excellence and American Recovery Plan Act (ARPA) funds, staff provided the following information in response to Commissioners' questions and comments:

2021-00
Presentation and Discussion re: the Proposed 2022 Budget (cont'd)

- the $550,000 for an emergency management vehicle was for a mobile command post.

- prior to the November election there was a committee of City Commissioners that was working with County Commissioners on ways to use the funds committed to addressing gun violence. This committee need to be re-formed to incorporate new Commissioners.

- the City's ARPA funds needed to be allocated by the end of 2024, so there was time for the City to determine their best and highest use.

- staff were closely tracking funds received by state and federal agencies. The City might be able to receive some of those funds, which would leave the City's ARPA funds for other uses.

Mayor Anderson stated the City should share its letter to the state about state and federal funds and noted when initial guidance had been given on the ARPA funds it was not entirely clear how those funds could be used. Mayor Anderson stated the City now knew the ARPA funds could not be used for permanent, affordable housing. Mayor Anderson stated millions of dollars were coming to Kalamazoo County for Community Emergency Rental Assistance (CERA). Mayor Anderson encouraged people having trouble paying rent or who were facing eviction to contact Housing Resources Inc., which was the intake entity for this program.

City Manager Ritsema thanked all department directors and described next steps.

Commissioner Comments

Next an opportunity was given for comments from City Commissioners.

Commissioner Decker expressed appreciation to all City staff members and asked them to let the Commission know where dollars would have the greatest impact.

Mayor Anderson remarked on the anti-gun violence event at the Kalamazoo Transportation Center on Saturday. Mayor Anderson stated it was heartening to see the community gather, and he thanked Commissioner Juarez for his comments.

Adjournment

The meeting adjourned at 9:13 p.m.

Scott A. Borling
City Clerk

Approved by the City Commission on: ____________________________

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