

Roll Call

The Kalamazoo City Commission met as a Committee of the Whole on Monday, October 3, 2022 at 5:00 p.m. in the City Commission Chambers at City Hall.

COMMISSIONERS PRESENT:

Mayor David Anderson
Vice Mayor Don Cooney
Qianna Decker
Jeanne Hess
Stephanie Hoffman
Chris Praedel

COMMISSIONERS ABSENT:

Esteven Juarez

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

Public Comments

When an opportunity was given for general public comments, the following people addressed the City Commission:

In-Person Comments

Alphonso Harris, City resident, spoke about the effects bullying.

Call-In Comments

An anonymous caller thanked the Foundation for Excellence (FFE) for adding closed-captioning to its meetings and asked that “disability” be raised to the same status as “race” and “ethnicity” in the City’s efforts to address Diversity, Equity, and Inclusion (DEI).

2022-39-01

Presentation: Affordable Housing

Community Planning and Economic Development (CPED) Director Antonio Mitchell and Zac Bauer, Executive Director of the Local Initiatives Support Corporation (LISC) Kalamazoo office, delivered a presentation entitled *Housing Development Fund*. A copy of the slides from this presentation was filed with the papers for the meeting.

In response to Commissioners’ questions and comments, Director Mitchell, Mr. Bauer, FFE Manager Steve Brown, and Matt Milcarek, Director of Neighborhood Services and Kalamazoo Neighborhood Housing Services (KNHS), provided the following information:

- staff will share with Commissioners a map of the vacant lots in the City that can be developed.
- the model home plans with separate rental units could support an idea like the Home Share program in Ann Arbor. The City was just getting started with model home plans and would need to sell it to the community. The point of the model home plans was to create opportunities and leverage dollars for greater impact. The model home plans could also help people care for family. Whether rental units in the model homes are affordable units will depend on how the program is structured.
- the City will need to find more partners to fill the gaps created by rising interest rates and material costs.

- LISC receives tax credits, which it then sells to companies at reduced rates.
- the 2023 budget for the FFE was still being developed, but the amount being discussed for affordable housing was \$1.5 million. The FFE had invested \$12 million in affordable housing since its inception.
- it would be good if the City could build 10 in-fill houses per year; 20-25 houses per year would be great. The Kalamazoo County Land Bank has 300 properties that could be developed; it would be a good goal to have all of these properties developed over the next 5-10 years. FFE funding would be the key for developing in-fill housing, as it would enable the City to leverage other dollars.
- there are projects that are ready to go if the funding becomes available. It would be helpful to have a source of unallocated funds (a “piggy bank”) so that the City could take advantage of unplanned opportunities. Having a “piggy bank” or a line of credit would allow the City to help projects like the Northside tiny homes project.
- the City works with partners like KNHS to do home repairs that keep people in their homes. KNHS had received a four-year, \$4.6 million grant for lead abatement. The funding for this work is new, but so is the City’s collaborative approach; the City is great to work with.
- in 2022 there was one LISC project that failed and required loan forgiveness; in 2021 that number was zero, and in 2020 there were three projects that failed. Loan forgiveness was the last option; there was a lot of negotiating and restructuring that took place so that loans would be repaid and funds could be recycled.
- the City cannot address affordable housing for the whole county; we need to define our mission; the City Commission needs to set a target number of housing units and approve the budget to fund that work. Staff will do the work, but they need a plan.
- new market rate housing increases property values, housing costs, and funding gaps; there needs to be a balance between affordable and market rate housing.
- the City is working with Mt. Zion Baptist Church on a mixed used development project. The Northside tiny homes project is in the process of assembling financing; it is hoped that groundbreaking will take place in the spring. The City is excited to start projects with churches.
- residents who need housing repair assistance should call the 311 Customer Service Center or go to the City’s website.

Vice Mayor Cooney stated he was impressed with the City’s vision, and he acknowledged Mayor Anderson, Commissioner Praedel, Commissioner Hoffman, and Commissioner Decker for their work on housing. Vice Mayor Cooney noted the housing crisis was a national problem, and he remarked that the budget for the US Department of Housing and Urban Development (HUD) was cut by 75% during the Regan administration and had never recovered. Vice Mayor Cooney encouraged the City to develop a comprehensive housing plan and advocate at the federal level for more funding.

2022-39-01

Presentation: Affordable Housing (cont’d)

2022-39-01Presentation: Affordable
Housing (cont'd)

Mayor Anderson remarked on the importance of partners like the FFE and KNHS in the work of housing development. Mayor Anderson spoke about the various resources that needed to come together to make new housing happen and noted the construction workforce shortage was becoming a bigger issue than funding. Mayor Anderson stated any new housing was good housing, as it would reduce the housing scarcity that was driving up rents. Mayor Anderson described various housing-related projects and initiatives in Kalamazoo County and emphasized that housing was being built. Mayor Anderson expressed optimism that the housing projects in the pipeline would create momentum that the City could harness.

Commissioner
Comments

Finally, an opportunity was given for general comments from City Commissioners.

Commissioner Decker commended CPED for doing great work. Commissioner Decker noted budget discussions would start soon, and the City had an opportunity to use its resources, like ARPA funds, to fund housing development. Commissioner Decker highlighted Director Mitchell's request for the Commission to give staff a housing unit target. Commissioner Decker suggested the City develop a plan to assist with workforce development, and she remarked on the need to make housing units affordable for City residents who were making minimum wage.

Commissioner Praedel commented on the lack of investment in roofing and noted the importance of good roofs for preserving housing stock and supporting improvements inside a home. Commissioner Praedel highlighted the City of Detroit's initiative to fund 1,000 new roofs and described the impact of that investment.

Adjournment

The meeting adjourned at 6:30 p.m.

Scott A. Borling
City Clerk

Approved by the City Commission on: _____

This page was left blank intentionally.