

Roll Call

The Kalamazoo City Commission met as a Committee of the Whole on Monday, July 17, 2023 at 5:01 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
Esteven Juarez
Chris Praedel

COMMISSIONERS ABSENT:

None

Also present were City Manager Jim Ritsema, City Attorney Aaron Leal, 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

Joe Agostinelli, non-resident and founder of Michigan Growth Advisors, encouraged the City Commission to think about the impact of the proposed Neighborhood Enterprise Zone (NEZ) policy. Mr. Agostinelli expressed concerns about the current draft of the policy and stated some of the provisions would kill several development projects proposed for the downtown area.

Pat Lennon, an attorney representing 19 Props, LLC and the Arcadia Iron Works project, expressed concerns about the proposed NEZ policy, and especially the proposed NEZ time limits, which were less than the statutory limit.

2023-29-01

Nicole Nzioki, representing the Survivors Advocacy Board with the YWCA, expressed concern about federal bill HR 2601, which would require domestic violence hotlines to provide information from calls to law enforcement agencies. Information provided by Ms. Nzioki was filed with the papers for this meeting.

Call-In Comments

None

2023-29-02

Presentation re: Zoning Ordinance Updates

Community Planning and Economic Development Deputy Director Christina Anderson and Assistant City Planner Bobby Durkee delivered a presentation entitled *Proposed Zoning Code and Map Updates: COW Presentation, July 17, 2023*. A copy of the slides from this presentation was filed with the papers for the meeting.

In response to questions and comments from City Commissioners, Deputy Director Anderson and Assistant Planner Durkee provided the following information:

- a Special Use Permit is for uses that are permitted in a particular zoning district after review by the Planning Commission. The point is to make sure a proposed use is a good fit for the property.
- the property at 2130 Parkview Avenue “hugs” the property at the corner of Parkview and Oakland Drive. The property has attracted attention because people are concerned that changing the zoning will inevitably lead to development, which is not true. There are other tools available to create and protect open space.
- the “Public” zoning district exists in the text of the Zoning Code but not on the map – no property has this zoning designation. The Public district is for civic/municipal uses. It could be a starting point for using zoning as a conservation tool.
- the proposed changes will not weaken the Natural Features Protection (NFP) designation. The changes will clarify the original intent of the NFP and will provide direction to the NFP Review Board and property owners. Property owners have the freedom to develop their properties within the NFP standards.
- the new zoning code will include design standards that will replace the separate Downtown and Southtown Design Guidelines. The Live-Work 1 and Live-Work 2 zones will be used a lot in the Southtown area.
- there have been a lot of comments about lighted signs and billboards relative to light pollution. Staff will be looking into this.
- community meetings were held at the Kalamazoo Public Library downtown, Kalamazoo College, and The Dormouse Theatre in the Edison Neighborhood. Lighting and NFP were issues rising to the top during the community meetings.
- the next draft of the zoning code (draft 3) will be available by the August Planning Commission meeting.
- the Maple Street Magnet School/Hudson Street/Peeler Street area was an example of an area where the regulation of intense uses on residential streets would come into play. There are some small commercial parcels in this otherwise residential area.
- proposed changes to the NFP in the 2nd draft of the zoning code includes adding additional non-permeable surface coverage limits to the coverage limits in the base zoning districts, keeping the guidance on the location of open spaces, and eliminating the requirement to leave open spaces.
- required fence and driveway sight distances were added for safety.

Commissioner Decker stated she was learning that change was necessary for growth, and she thanked staff for their work on the zoning code updates.

Commissioner Praedel asked staff to ensure people had enough time to review new drafts of the proposed ordinance as they were released. Commissioner Praedel expressed hope that lighting regulations would be included in the 3rd draft of the code.

2023-29-02

Presentation re: Zoning Ordinance Updates (cont'd)

2023-29-03

Presentation re:
Neighborhood Enterprise
Zones

Assistant City Planner Durkee and Sustainable Development Coordinator Jamie McCarthy delivered a presentation entitled *Neighborhood Enterprise Zones (NEZ) Draft Policy: Committee of the Whole, July 17, 2023*. A copy of the slides from this presentation was filed with the papers for the meeting.

In response to questions and comments from City Commissioners, Deputy Director Anderson and Sustainable Development Coordinator McCarthy provided the following information:

- there were two separate items being discussed: a draft NEZ policy, and a proposed NEZ for a specific project.
- in the last three years of an NEZ certificate, the taxes phase in until there is no more abatement when the certificate expires.
- the proposed NEZ would be in the area surrounded by the Varnum Building, the Vermeulen Building, and the West Michigan Cancer Center.
- the proposed NEZ policy would be brought forward with the current project, which would happen at the end of August, at the earliest.
- the differences between the NEZ tool and the Obsolete Property Rehabilitation Act (OPRA) tool were the qualifying criteria and possibly the length of the abatement. The decision on which tool to use was made on a project-by-project basis.
- in many cases the development tools available to the City were created and authorized by state law; City policies needed to be in alignment with those statutes.
- using the NEZ tool with the Payment in Lieu of Taxes (PILOT) tool was possible, but it might be difficult because the NEZ tool offered a tax abatement, while the PILOT took away the regular *ad valorem* taxes and replaced them with a calculated payment based on rents.
- the Area Median Income (AMI) for a family of four was around \$70,000 per year.
- the NEZ action at the 7:00 Business Meeting was a public hearing on the creation of the proposed zone; no action was being requested at this time. Staff would continue to work on both the policy and the specific NEZ project.
- the Vine Neighborhood NEZ has been in place since 2010; the Marketplace NEZ has been in place since 2013; and the Lovell-Rose-Cedar NEZ has been in place since 2018. The City has not had an NEZ policy up to this point.

Commissioner Decker expressed hope that NEZ developments could include housing units for people with incomes at or below 30% of the AMI. Commissioner Decker suggested staff look at policies in other cities, and she requested that the NEZ policy be brought to the City Commission for approval by August 21st. Commissioner Decker commented that the City was seeing the benefits of the NEZ tool, and now a policy was needed to set developer expectations.

Commissioner Hoffman stated the City needed to keep having conversations about different housing types.

Commissioner Praedel expressed support for adding more development tools to the City's toolbox and stated the City would need to be creative with housing incentives. Commissioner Praedel noted the City was commended in a recent presentation to the Michigan Association of Planners.

Vice Mayor Cooney pointed out the proposed NEZ policy would incentivize workforce housing, not low-income housing.

Mayor Anderson noted the meeting agenda included an opportunity for "Open Discussion," but this discussion would need to be postponed due to the time and the need for a break before the 7:00 Business Meeting.

An opportunity was given for general comments from City Commissioners, but no comments were offered.

The meeting adjourned at 6:47 p.m.

Scott A. Borling
City Clerk

Approved by the City Commission on: _____

2023-29-03

Presentation re:
Neighborhood Enterprise
Zones (cont'd)

Open Discussion

Commissioner
Comments

Adjournment