

Roll Call

A regular work session of the Kalamazoo City Commission was held on Monday, December 9, 2019 at 5:04 p.m. in the Community Room at City Hall. The purpose of the meeting was to discuss the Fiscal Year 2020 (FY2020) Proposed Budget.

COMMISSIONERS PRESENT:

Mayor David Anderson
Vice Mayor Patrese Griffin
Eric Cunningham
Jeanne Hess
Erin Knott
Chris Praedel
Jack Urban

COMMISSIONERS ABSENT:

None

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

2019-0369
Presentation and
Discussion re: the
FY2020 Proposed
Budget

City Manager Ritsema provided introductory remarks for a PowerPoint Presentation entitled *2020 Proposed Budget, Monday, December 9, 2019*. City Manager Ritsema reviewed the desired meeting outcomes and introduced Budget Specialist Valetta Sellers-Evans and Budget Manager Jennifer Clark. A copy of the PowerPoint slides was filed with the papers for this meeting.

Ms. Sellers-Evans and Ms. Clark provided a broad overview of the Fiscal Year 2020 (FY2020) Proposed Budget, including the budget timeline and an overview of funds.

Public Services Director James Baker discussed road maintenance funding and noted the City had hit its debt service limit, which would limit investment in Major and Local Streets in 2020 and in years to come for the foreseeable future.

Ms. Clark reviewed revenue and expenses for the General Fund, including the Capital Improvement Program (CIP), trends in tax revenue and state shared revenue, and the 5-Year Fiscal Plan. Ms. Clark demonstrated how to access budget information through the OpenGov budget tool on the City's website.

Next, City staff provided 2020 project and program highlights.

Director Baker and Community Planning and Economic Development (CPED) Director Rebekah Kik reviewed proposed projects and programs that impacted the Environmental Responsibility Strategic Goal, including: the lead service replacement program, PFAS remediation, investment in the Wastewater Treatment Plant, development of a Sustainability Strategy, and Natural Features Protection Mapping.

Directors Baker and Kik reviewed proposed projects and programs that impacted the Connected City Strategic Goal, including Major Streets projects on Cork Street and Oakland Drive, and various Local Streets projects. Directors Baker and Kik noted this work would be informed by the neighborhood plans and input from the neighborhoods, and the road work would be coordinated with water and sewer improvements. Director Kik stated CPED staff would continue planning community engagement events for the MDOT Transfer Plan, and she reported the FY2020 budget included a new Transportation Planner position to liaise with Public Services and support this work.

Director Kik reviewed proposed projects and programs that impacted the Complete Neighborhoods Strategic Goal, including: the completion of three more neighborhood plans and implementation of completed neighborhood plans and (\$150,000 dedicated to plan this); affordable housing (\$2,000,000 earmarked for construction – 300 units in the next 4-5 years); discussion of housing policies; a \$500,000 carry forward with the Local Initiatives Support Corporation (LISC) for the completion of 10 owner-occupied homes; an affordable energy audit program for people already receiving services; the creation of an emergency fund to cover costs incurred by the most vulnerable residents during emergencies; and a tiny house project on North Street.

Director Kik reviewed proposed projects and programs that impacted the Economic Vitality Strategic Goal, including small business grants, façade improvement grants, and business loans for gap funding through the Business Development Fund.

Director Kik reviewed proposed projects and programs that impacted the Shared Prosperity Strategic Goal, including support for the Patient Care Academy, STEAM, People of Change, Momentum, and the Income Tax Assistance program.

Parks and Recreation Director Sean Fletcher reviewed proposed projects and programs that impacted the Youth Development Strategic Goal, including: SuperRec, All Things Possible, and the MyCITY Employment Program. Director Fletcher distributed copies of the *MyCITY Kalamazoo Final Report 2019*. A copy of this report was filed with the papers for this meeting.

Director Sean Fletcher and Parks and Recreation Deputy Director Patrick McVerry reviewed proposed projects and programs that impacted the Inviting Public Places Strategic Goal, including improvements to Verberg Park, Kik Pool, and the Farmers' Market.

Public Safety Chief Karianne Thomas reviewed proposed projects and programs that impacted the Safe Community Strategic Goal, including: police accreditation, construction of a new Station 2, and implementing the Public Safety Strategic Plan.

Deputy City Manager Patsy Moore reviewed proposed projects and programs that impact the Strength Through Diversity Strategic Goal, including the creation of an Office of Diversity, Equity, and Inclusion.

Management Services Director Steve Vicenzi and Information Technology (IT) Director Tim Dubois reviewed proposed projects and programs that impacted the Good Governance Strategic Goal, including: an OpenGov dashboard for City Commissioners and dashboards for each department; the opening of an employee health clinic; a new vendor/bid system; more online services for the Treasurer's Office, the creation of a data warehouse, and IT infrastructure upgrades.

311 Manager Gina Viviano reviewed proposed customer service projects and programs that impacted the Good Governance Strategic Goal, including: reducing communication barriers through improving verbal and writing skills; mailing absentee ballot applications and assisting with elections; website reporting; and adding email communications as a communication mode with 311.

Director Baker reported 311 had greatly assisted the utilities, and the data from 311 was being used to help find problems and track trends.

2019-0369

Presentation and Discussion re: the FY2020 Proposed Budget (cont'd)

2019-0370

2019-0369

Presentation and
Discussion re: the
FY2020 Proposed
Budget (cont'd)

Foundation for Excellence (FFE) Coordinator Steve Brown provided an overview of the 2020 FFE grant and aspirational projects. Mr. Brown noted there was a request for a new part-time grant writer position in the FY2020 budget.

City Manager Ritsema provided closing remarks and reviewed the next steps in the budget process. City Manager Ritsema announced a proposed work session on utility rates on January 13, 2020.

Mayor Anderson opened the floor for Commissioner questions, but no questions were asked.

Public Comments

Next, an opportunity was given for general public comments, but no comments were offered.

Commissioner
Comments

Finally, an opportunity was given for miscellaneous comments of City Commissioners.

Commissioner Praedel expressed appreciation for affordable housing funding and investment in parks. Commissioner Praedel noted streets and sidewalks were ongoing concerns for residents, and he stated he was excited to see continued funding for neighborhoods and neighborhood plans.

In response to a question from Commissioner Praedel, Director Kik explained that “engagement funds” were for all engagement efforts, including street projects, and approximately \$50,000 was designated for neighborhood plan development.

In response to a question from Commissioner Urban, City Manager Ritsema clarified the City was still able to borrow money from a legal standpoint, but it was not able to pay for additional debt service. City Manager Ritsema indicated the City would be able to take on more debt if there was more revenue, which is why a statewide solution for road funding was needed.

Commissioner Urban suggested the City promote and highlight funding to implement neighborhood plans as an example and incentive for neighborhoods that were unorganized about developing their plans.

In response to a question from Commissioner Hess, City Manager Ritsema stated the City was not equipped to build or operate homeless shelters. City Manager Ritsema indicated the City’s role in addressing homelessness was to provide support during emergencies such as flooding and extreme heat and cold.

Director Kik stated low-income tax credits were the best path for creating housing for people who made 30% or less of the Adjusted Median Income (AMI). Director Kik indicated the City was working to learn the Michigan State Housing Development Authority’s (MSHDA’s) application process for low-income tax credits, and the City was working to connect people with the services they needed.

In response to a question from Commissioner Knott, Director Kik indicated the City was becoming more competitive in the MSDHA process. For example, the City was scoring higher in the area of “walkability” because MSHDA had started accounting for how a development would improve walkability.

In response to a question from Commissioner Knott, City Manager Ritsema indicated the utility rate work session would not include a discussion of bulk trash.

Commissioner Cunningham thanked those who presented and expressed appreciation to staff for their work. Commissioner Cunningham remarked that affordable housing was important, and 311 was huge for customer service.

Vice Mayor Griffin thanked City staff for putting the budget together, and she urged people to read the budget and get involved. Vice Mayor Griffin offered remarks on the importance of home ownership.

City Manager Ritsema announced the proposed FY2020 Budget included \$100,000 for City Commission initiatives, which the City Commission was able to use and direct. City Manager Ritsema thanked City staff and the City Commission.

Mayor Anderson remarked on the budget review process and encouraged Commissioners to keep engaging with the budget. Mayor Anderson stated it was the City Commission's job to represent the work of the City to residents and to communicate how it was being done.

The meeting adjourned at 6:56 p.m.

Respectfully submitted,

Scott A. Borling
City Clerk

For City Commission approval on January 21, 2020

Approved by: _____
David F. Anderson, Mayor
Dated: January 21, 2020

Commissioner
Comments (cont'd)

Adjournment