



Agenda

City Commission Business Meeting

City of Kalamazoo

Monday, March 1, 2021

7:00 PM

Electronic Meeting

A. CALL TO ORDER/ROLL CALL

B. OPENING CEREMONY

1. Invocation: Pastor Moise Rarsara, Kalamazoo Seventh-Day Adventist Church
2. Introduction of Guests
3. Proclamations

C. ADOPTION OF FORMAL AGENDA

D. COMMUNICATIONS

E. PUBLIC HEARINGS

F. PUBLIC COMMENTS

G. CONSENT AGENDA

(Action: Motion to approve items “1-8” and authorize the City Manager to sign all documents on behalf of the City)

1. Approval of a contract extension with Premier Lawn and Snow for 2021 property maintenance of Riverside and Mountain Home Cemeteries in the amount of \$226,000.
2. Approval of a a cooperative purchase agreement with P.K. Contracting, Inc. for pavement marking services in the amount of \$178,425.

3. Approval of a one-year contract extension with Republic Services of West Michigan for the rental, placement, and removal of roll-off containers and disposal of street sweeping materials in the amount of \$220,800.
4. First reading an ordinance to temporarily suspend the required minimum off-street parking requirements of Section 50-7.2 *Required Vehicular Off-Street Parking Spaces* through November 1, 2021; and schedule a public hearing for March 15, 2021.
5. Adoption of a RESOLUTION approving the Act 381 Brownfield Plan for the 400 Rose Phase II redevelopment project.
6. Approval of an agreement between the City of Kalamazoo and the United Way for business development assistance.
7. Approval of the release of the 2021 Draft Action Plan for a 30-day public comment period to begin on March 2, 2021, as required by the U.S. Department of Housing and Urban Development.
8. Approval of the Mayor's appointments and reappointments to the following boards and commissions:
 - the appointment of **David Burgess** to the Planning Commission for a term expiring on March 31, 2024.
 - the appointment of **Michael Harrison** to the Planning Commission for a term expiring March 31, 2024.
 - the appointment of **Mariah Phelps** to the Planning Commission for a term expiring March 31, 2024.
 - the reappointment of **James Pitts** to the Planning Commission for a term expiring on March 31, 2024.
 - the appointment of **Jennifer Swan** to the Planning Commission for a term expiring March 31, 2023.
 - the reappointment of **Jeff Carroll** to the Zoning Board of Appeals for a term expiring on March 31, 2024.
 - the reappointment of **Christina Doane** to the Zoning Board of Appeals for a term expiring on March 31, 2024.
 - the appointment of **Beth van den Hombergh** to the Zoning Board of Appeals for a term expiring March 31, 2022.

H. REGULAR AGENDA

I. REPORTS AND LEGISLATION

1. City Manager's Report

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.

Persons who wish to address the City Commission during the meeting to provide input about items on the meeting agenda or to make general comments may do so between 6:30 p.m. and the end of the public comment period by calling 269.226.6573 and leaving a recording.

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>).

The live stream on the City's Facebook page will feature Closed Captioning in real time. After the meeting a recording with Closed Captioning will be available on both the City's Facebook page and YouTube Channel.

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.



City Commission Agenda Report

City of Kalamazoo

Date: **3/1/2021**

Item: **G.1.**

TO: Mayor Anderson, Vice Mayor Griffin, 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 M. Burlingham, Administrative Support Manager

DATE: March 1, 2021

SUBJECT: 2021 Cemetery Property Maintenance Contract Extension (Bid Ref# 98852-059.1)

RECOMMENDATION:

It is recommended that the City Commission approve a contract extension with Premier Lawn and Snow for the 2021 Property Maintenance of Riverside and Mountain Home Cemeteries in the amount of \$226,000.

BACKGROUND:

In November 2020, the City's Purchasing Division solicited contract extension renewal pricing from Premier Lawn and Snow for the two City-owned cemeteries. They returned favorable pricing and are being recommended for the 2021 season.

STRATEGIC VISION ALIGNMENT:

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

Cemetery Ground Maintenance - Cemetery mowing, plowing, trash removal and grounds maintenance. Includes hazardous tree removal, soil erosion efforts and wall maintenance.

Strategic Goal Impact:



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



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



Environmental Responsibility - A green and health 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:

Funds for these services have been allocated within Cemetery budget 209-276-03-500-845.001.



City Commission Agenda Report

City of Kalamazoo

Date: **3/1/2021**

Item: **G.2.**

TO: Mayor Anderson, Vice Mayor Griffin, 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: Anthony Ladd, PE, Public Works Division Manager

DATE: March 1, 2021

SUBJECT: 2021 Cooperative Contract for Annual Pavement Line and Specialty Pavement Marking (Bid Ref# 96861-014.0)

RECOMMENDATION:

It is recommended that the City Commission approve the purchase order with P.K. Contracting, Inc. for Pavement Line and Specialty Pavement Marking \$178,425.

BACKGROUND:

Pavement markings are essential for maintaining safe and efficient travel through the city of Kalamazoo for motorized and non-motorized public. Pavement markings are repainted annually after a visual inspection performed by staff during the warmer season when the markings can be applied. This year, the City of Kalamazoo and the Road Commission of Kalamazoo County participated in a joint bidding process for pavement marking services. The three categories have been combined to simplify the process. The low bid was for \$178,425.00 by P.K. Contracting, Inc. The contract would be for 2021 with the possibility of two (2) one-year extensions.

STRATEGIC VISION ALIGNMENT:

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

Pavement Markings Installation and Maintenance

Managing the inspection, review, application, and maintenance of pavement marking throughout the City.

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:

Sufficient funds exist within Major and Local Streets pavement marking budgets.



City Commission Agenda Report

City of Kalamazoo

Date: **3/1/2021**

Item: **G.3.**

TO: Mayor Anderson, Vice Mayor Griffin, 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 M. Burlingham, Administrative Support Manager

DATE: March 1, 2021

SUBJECT: Rental, Placement and Removal of Roll-Off Containers Contract Extension
(Bid Ref# 910-27-014.3)

RECOMMENDATION:

It is recommended that the City Commission approve a one-year contract extension with Republic Services of West Michigan for the rental, placement, and removal of roll-off containers and disposal of all street sweeping materials deposited in those containers in the amount of \$220,800.

BACKGROUND:

In February 2021, the Purchasing Division solicited contract extension rates from Republic Services; they returned favorable extension pricing.

There are 250 miles of streets within the city of Kalamazoo which are swept, weather permitting, throughout the year. City staff sweeps downtown streets on a weekly schedule, major streets and local/residential streets on a bi-monthly schedule. The sweeper becomes full of debris which has been classified as requiring type II landfill placement.

Our contractor places the roll-off containers in 24 different locations so that the sweeper only has to travel a short distance to empty the collected debris and return back to the sweeping operation. The contractor then removes the containers and deposits the sweeping debris in the appropriate Type II landfill.

STRATEGIC VISION ALIGNMENT:

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

Street Sweeping of major and local streets to keep storm drains functional and non-motorized transportation routes accessible and safe, ensuring cleaner surface water

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 Solid Waste Fund and Major Streets Fund contain sufficient Adopted FY 2021 dollars for this contract.



City Commission Agenda Report

City of Kalamazoo

Date: **3/1/2021**

Item: **G.4.**

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

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: Rebekah Kik, Community Planning and Economic Development Director
Prepared by: Christina Anderson, City Planner

DATE: March 1, 2021

SUBJECT: Extension of an Ordinance to Temporarily Suspend the Required Minimum Off-Street Parking Requirements

RECOMMENDATION:

It is recommended that the City Commission adopt an ordinance to again extend the temporary suspension of the required minimum off-street parking requirements of Section 50-7.2 *Required Vehicular Off-Street Parking Spaces* through November 1, 2021, to allow existing parking areas to be used for outdoor sales, dining, and gathering in the wake of COVID-19.

BACKGROUND:

Staff recommends this second extension of this temporary suspension in the wake of COVID-19. The intent of this action remains to allow businesses to use existing off-street parking spaces without facing zoning violation penalties. These businesses would use the space for dining, outdoor sales, and gathering space in order to increase their capacity as we remain in COVID restrictions and mandatory social distancing.

Understanding that social distancing will be a part of our world for at least the near future, this Ordinance provides the flexibility for businesses to use their existing, off-street parking spaces for outdoor dining, outdoor sales, and gathering without being in violation of the City's Zoning Code, specifically 50-7.2 Required Vehicular Off Street Parking Spaces. The Ordinance provides this flexibility through November 1, 2021.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:



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



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

This action is designed to give Kalamazoo businesses flexibility to take social distancing into consideration allowing businesses to increase capacity in a way that meets the State's required distancing and acknowledges that many residents will be hesitant to be in settings that feel crowded.

COMMUNITY 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.

This action is in alignment with the work Downtown Kalamazoo Partnership is doing with the City to give businesses more flexibility and capacity. We hear that businesses are facing challenges in balancing the social distance requirement and making it worthwhile to be open with reduced capacity. This measure is in response to this new reality.

FISCAL IMPACT:

This action is intended to support Kalamazoo businesses as they re-open post COVID-19. Allowing expanded capacity out-of-doors could have an impact on a businesses' ability to remain open after months of closure and an incremental re-opening. Fiscal impact to the City of Kalamazoo will be minimal.

**CITY OF KALAMAZOO, MICHIGAN
ORDINANCE NO. _____**

**AN ORDINANCE TO FURTHER EXTEND THE SUSPENSION OF PROVISIONS OF
CHAPTER 50 "ZONING" OF THE CITY OF KALAMAZOO CODE OF ORDINANCES
ADDRESSING OFF-STREET PARKING REQUIREMENTS**

THE CITY OF KALAMAZOO ORDAINS:

Section 1. Declaration of Necessity. The novel coronavirus (COVID-19) is a respiratory disease that can result in serious illness or death and is easily spread from person to person. Since March 10, 2020 in an effort to suppress the spread of COVID-19 businesses have had to temporarily close or significantly curtail operations in an effort to limit in-person contact to the fullest extent possible; as a result of these efforts, retail and service businesses have suffered a loss of revenue, with small businesses being particularly hard hit. And the success of such businesses is a key component of an economically vibrant City and its downtown. It is determined by the City Commission that continued action is required to address the challenges of retail and services businesses to conduct business while continuing to observe social distancing protocols to prevent the spread of COVID-19. To this end the City Commission adopted an emergency ordinance suspending provisions of the City Zoning Code to relax off-street parking requirements which expired on November 1, 2020 and subsequently acted to extend the suspension of the off-street parking ordinance to March 28, 2021. It is deemed prudent and in the best interest of the public safety and welfare to further extend the suspension of the zoning ordinance addressing off-street parking.

Section 2. Suspension of Ordinance. Section 50-7.2 of Chapter 50, "Zoning" requiring a minimum number of off-street parking spaces for Commercial Eating & Drinking Establishments and for Retail/Service business is further suspended from March 28, 2021 at 3:00 am until November 1, 2021 at 3:00 am. Additionally, such parking spaces are permitted to be used of by the adjacent business for outdoor sales, dining or gathering of patrons to meet social distancing requirements and guidelines to prevent the spread of COVID-19.

Section 3. Construction. Nothing in this ordinance permits the sale or service of alcoholic beverages as a principal or accessory use by a business except as permitted and regulated by Michigan Liquor Control Commission rules.

Section 4. 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 and enforceability of the remaining portions of this ordinance.

Section 5. 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 March __, 2021. Public notice was given, and the meeting was conducted in full compliance with the Open Meetings Act, (PA 267, 1976, M.C.L. § 15.261 et. seq). 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: **3/1/2021**

Item: **G.5.**

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

FROM: James K. Ritsema, ICMA-CM, City Manager
Reviewed by: Rebekah Kik, Director of Community Planning & Economic Development
Prepared by: Jamie McCarthy, Sustainable Development Coordinator

DATE: March 1, 2021

SUBJECT: Adoption of a Resolution approving the Act 381 Brownfield Plan for the redevelopment project 400 Rose Phase II

RECOMMENDATION:

It is recommended that the City Commission adopt the resolution approving the Act 381 Brownfield Plan for the redevelopment project 400 Rose Phase II.

BACKGROUND:

The purpose of the Act 381 Brownfield Plan is to provide tax increment financing for eligible activities associated with redevelopment of the parcels at 423, 427, and 429 S. Park Street and 314 and 234 W. Cedar Street. The full plan can be viewed by clicking:

<https://www.kalamazoo-city.org/docman/economic-development/brownfield-ed-other/7141-400-rose-phase-2-v4-12-7-20-final/file>

The property is considered eligible property because it meets the definition of a “facility” under Part 201 of the Natural Resources Protection Act, as amended. 234 West Cedar, LLC and Park@Cedar, LLC (“Developer”) intends to redevelop and improve the property by constructing a four-story building consisting of approximately 140,000 square feet of mixed-use commercial and residential uses. The project is being built as a separate but integrated part of the existing 400 Rose Project, which was completed in 2020. The new phase will include 91 market rate apartments and 10 apartments dedicated to work force housing. The second phase will increase parking capacity of the site to a total of 196 structured parking spaces. The second phase includes 500 sq ft commercial space on Cedar Street.

The project aligns with City Master Plan by providing new housing opportunities within

walking distance of large employment and transit hubs.

Similar to the first phase, the project will seek LEED (Leadership in Energy and Environmental Design) certification through the U.S. Green Building Council. Additionally, the project location promotes use of existing infrastructure, reducing impact on the city's stormwater, sanitary, and water resources.

The total capital investment on the project is estimated at \$25 million. Eligible activities include demolition, site preparation, infrastructure improvements, and environmental activities and are estimated to cost up to \$6.7 million. Following the Authority's incentives policy, the project qualifies for 25 years of tax increment revenues. The BRA intends to capture both eligible state school and local taxes which is estimated to capture approximately \$4.48 million in TIF reimbursement to the developer. The brownfield plan and development agreement cap reimbursement to the developer and BRA for administrative fees at 25 years, with an additional 5 years of capture to the Local Brownfield Revolving Fund.

STRATEGIC VISION ALIGNMENT:

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

Brownfield Redevelopment, Site Redevelopment - Work with developers to ensure private/public sites that qualify for the Brownfield plan are included, negotiate and manage redevelopment incentives (e.g., TIF), and maintained as needed.

Strategic Goal Impact:



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



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

Discussion

The brownfield plan works towards economic vitality by providing brownfield financing to expand a successful apartment and mixed-use development in downtown. The project will increase the number of apartment units that are walkable and environmentally friendly, and increases the city tax base.

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: During the BRA's public hearing the public was invited to provide comments. No one from the public spoke during the public hearing.

Engagement/Communication Tools

Public notice was published in the Kalamazoo Gazette and mailed to ad valorem taxing authorities.

FISCAL IMPACT:

No fiscal impact to the City is anticipated from this project. Tax increment financing (TIF) will be used to reimburse eligible activities and support staff administrative costs.

**CITY OF KALAMAZOO
BROWNFIELD REDEVELOPMENT AUTHORITY**

**A RESOLUTION APPROVING THE IMPLEMENTATION OF
AN ACT 381 BROWNFIELD PLAN FOR
400 ROSE PHASE 2 AND
RECOMMENDING ADOPTION BY THE
CITY COMMISSION**

Minutes of a regular meeting of the City of Kalamazoo Brownfield Redevelopment Authority ("BRA") held on January 21, 2021 at 7:30 a.m., local time, virtually pursuant to the Open Meetings Act.

PRESENT: Nathan Bolton, Jason Novotny, Jim Escamilla, Kevan Hess, Patti Owens,
Vice Mayor Patrese Griffin, Jamauri Bogan, Lucas Middleton, Fritz Brown

ABSENT: _____

The following resolution was offered by Member Patti Owens and seconded by Member Fritz Brown.

RECITALS:

A. The City has created the City of Kalamazoo Brownfield Redevelopment Authority (the "Authority"), under the provisions of Act 381, Public Acts of Michigan, 1996, as amended ("Act 381").

B. Under Resolution No. 08-16, the City Commission delegated the public hearing process to the Authority regarding any future proposed Act 381 Brownfield Plan, including proposed Act 381 Brownfield Plan for 400 Rose Phase 2.

C. A public hearing was held by the Authority on January 21, 2021, on the Brownfield Plan for 400 Rose Phase 2, Kalamazoo; notice of the public hearing was given to all taxing authorities levying ad valorem or specific taxes against any parcels within the Brownfield Plan, and was also given by publication, as required by Act 381.

D. Following the public hearing on the 400 Rose Phase 2 Brownfield Plan, the Authority, in consideration of any comments heard at the public hearing or written communications received at or prior to the public hearing, determines that the Brownfield Plan constitutes a public purpose in that:

- a. It meets all requirements of Section 13 of Act 381.

- b. The proposed method of financing the costs of eligible activities of the 400 Rose Phase 2 Brownfield Plan is feasible, and the Authority has the authority to arrange the necessary financing.
- c. The description of eligible activities and their estimated costs are reasonable and necessary to carry out the purposes of Act 381, and
- d. The amount of captured taxable value estimated to result from the 400 Rose Phase 2 Brownfield Plan is reasonable.

THEREFORE, IT IS RESOLVED THAT:

The City of Kalamazoo Brownfield Redevelopment Authority approves the implementation of the Act 381 Brownfield Plan for 400 Rose Phase 2 in Kalamazoo and recommends the City Commission adopt a resolution approving this Brownfield Plan.

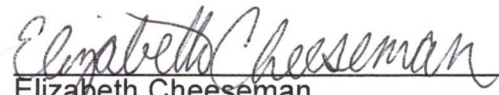
AYES: Nine (9) Directors: Nathan Bolton, Jason Novotny, Jim Escamilla, Kevan Hess,
Vice Mayor Patrese Griffin, Jamauri Bogan, Lucas Middleton, Fritz Brown, Patti Owens

NAYS: Zero (0)

RESOLUTION DECLARED.

CERTIFICATE

The foregoing is a true and complete copy of a resolution adopted by the Brownfield Redevelopment Authority at a regular meeting held on January 21, 2021. Public notice was given and the meeting was conducted in compliance with Emergency Order Under MCL 333.2253. Minutes of the meeting will be available as required by the Act.


Elizabeth Cheeseman
Recording Secretary

CITY OF KALAMAZOO, MICHIGAN
RESOLUTION NO. _____

**A RESOLUTION ADOPTING AND APPROVING AN ACT 381 BROWNFIELD PLAN
FOR
400 Rose Phase II**

Minutes of a regular meeting of the City Commission of the City held on March 1, 2021, at 7:00 p.m., local time, virtually pursuant to the Open Meetings Act.

PRESENT:

ABSENT:

The following resolution was offered by Commissioner _____ and seconded by Commissioner _____.

RECITALS

- A. On May 5, 1997 the City of Kalamazoo ("City") created the City of Kalamazoo Brownfield Redevelopment Authority ("Authority"), under the provisions of Act 381, Public Acts of Michigan, 1996, as amended ("Act 381").
- B. Following the establishment of the Authority, the City has implemented Brownfield Plans, as required under Act 381, for the purposes of identifying real estate parcels for revitalization, redevelopment and reuse.
- C. The Authority has implemented the Act 381 Brownfield Plan for 400 Rose Phase II.
- D. Under Resolution No. 08-16, the City Commission delegated to the Authority the public hearing process regarding any future proposed Act 381 Brownfield Plan, including proposed 400 Rose Phase II.
- E. On January 21, 2021 the Authority held a public hearing as required under Act 381 and approved the implementation of 400 Rose Phase II Brownfield Plan.
- F. Following the public hearing, the Authority adopted a resolution recommending that the City Commission approve the 400 Rose Phase II Brownfield Plan.
- G. The City Commission has reviewed Authority's resolution and Brownfield Plan, and finds that this Plan constitutes a public purpose in that:

- a. Notice of the public hearing was given to all taxing authorities levying ad valorem or specific taxes against any property affected by Wayside Brownfield Plan, and was also given by publication, as required by Act 381.
- b. It meets all requirements of Section 13 of Act 381.
- c. The proposed method of financing the costs of eligible activities of the Brownfield Plan is feasible, and the Authority has the authority to arrange the necessary financing.
- d. The costs of the eligible activities proposed by the Brownfield Plan are reasonable and necessary to carry out the purposes of Act 381, and
- e. The amount of captured taxable value estimated to result from the Brownfield Plan is reasonable.

THEREFORE, IT IS RESOLVED:

The Act 381 Brownfield Plan for 400 Rose Phase II, as implemented by the City of Kalamazoo Brownfield Redevelopment Authority, is adopted and approved.

AYES:

NAYS:

ABSTAIN:

RESOLUTION DECLARED ADOPTED.

CERTIFICATE

The foregoing is a true and complete copy of a resolution adopted by at a regular meeting held on March 1, 2021. 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 Act 381.

Scott A. Borling
City Clerk



City Commission Agenda Report

City of Kalamazoo

Date: **3/1/2021**

Item: **G.6.**

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

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

DATE: March 1, 2021

SUBJECT: United Way Business Development Agreement

RECOMMENDATION:

It is recommended that the City Commission approve a three-year agreement with the United Way of the Battle Creek and Kalamazoo Region (UWBCKR) for the expansion of the Kalamazoo Small Business Loan Fund Program (KSBLF) by using \$1,038,500 annually over a three (3) year period with a total investment of \$3,115,500, from the Foundation for Excellence (FFE) Aspirational Fund, and authorize the City Manager to sign all documents related to the implementation of the program.

BACKGROUND:

The City of Kalamazoo and the United Way of the Battle Creek and Kalamazoo Region (UWBCKR) collaborated to create the Kalamazoo Small Business Loan Fund Program (KSBLF) with an investment by the City of Kalamazoo through FFE funding of \$2 million. This investment, approved by the City Commission in March 2020, was an effort to provide Covid-19 economic development assistance to local community businesses. The measure of the success of the KSBLF program is that out of 105 loans provided locally, the KSBLF program has only had one (1) default to-date and has had two (2) loans completely paid off. The KSBLF program has provided a total of \$1,274,500 in funding as of January 21, 2021. According to UWBCKR, businesses who were approved reported 672 full-time equivalent, or 947 employees including salaried, hourly, and commission employees whose jobs were retained with KSBLF assistance.

The KSBLF program was created to provide a lifeline to small businesses and their workers, especially businesses with workers in the category of "asset limited, income constrained, employed" (ALICE), and to retain workforce capacity. The expansion of the program will also enable UWBCKR and City staff to prioritize women-owned and/or Black, Indigenous, People of

Color (BIPOC)-owned businesses, with secondary consideration being given to businesses located within the Shared Prosperity Kalamazoo (SPK) neighborhoods (Edison, Northside, and Eastside) with a focus on equity and intersectionality.

This partnership provides local leadership that aligns with the Imagine Kalamazoo 2025 initiative. The expansion of the KSBLF program aligns with creating permanent economic development programming loans and grants, a source of cash infusions for the City's SPK neighborhoods.

In addition to the KSBLF, The City Commission approved the creation of the Kalamazoo Micro-Enterprise Grant Fund (KMEG) in June 2020. The KMEG is a business development tool to assist micro-businesses with 10 full-time employees or less. It was initially funded with \$300,000 paid from the FFE-funded Business Development Fund.

Guiding Principles of KSBLF include:

- Equity. The Loan Fund is intended to support community members living below the ALICE threshold and marginalized and disparate populations.
- Collaboration. Whenever possible, dollars from the Loan Fund will be used to leverage federal, state, and other local resources.
- Flexibility. The Loan Fund is designed to be flexible in terms of how the resources are spent to meet the most critical needs of businesses and their employees.

Eligible Businesses:

The focus of the loan program will be on businesses located within the city of the Kalamazoo. KSBLF provides loans of \$5,000 up to \$50,000 to eligible businesses in the City of Kalamazoo. The program allows an eligible businesses which obtains a loan from the KSBLF to receive a non-cash \$5,000 forgiveness grant in the form of a reduction in business loan repayment obligation under the KSBLF. For example, a business receiving a \$50,000 loan with an accompanying non-cash grant would only be required to repay \$45,000.

An Eligible Business for the KSBLF program meets the following criteria:

1. Is located in the City of Kalamazoo.
2. Has 50 FTE employees or less.
3. Has annual revenue of \$2.5 million or less.
4. Needs working capital to support payroll expenses, rent, mortgage payments, utility expenses, or other similar expenses that occur in the ordinary course of business.

The KMEG offers \$5,000 grants to eligible businesses.

An Eligible Business for the KMEG program meets the following criteria:

1. Is located in the city of Kalamazoo.
2. Has 10 full-time equivalent employees or less.
3. Has annual revenue of \$1 million or less.
4. Has been in operation for at least 1 year.

5. Needs working capital to support payroll expenses, rent, mortgage payments, utility expenses, or other similar expenses that occur in the ordinary course of business.

Interest Rate on KSBLF Loans:

1.0% per annum. Thoughtfully chosen to maximize a business's competitiveness with anticipation rules of federal loan refinancing opportunities. This rate was also chosen to incentivize borrowers to refinance to state and federal dollars while making it as affordable as possible to remain with this loan if they cannot refinance.

KSBLF Term:

No payments for 6 months after loan closing, followed by a fully amortizing 30-month term.

KSBLF Repayment Terms:

Payment of principal and interest will begin at 6 months following closing and will be paid monthly on the first of the month, with all principal due to be repaid no later than 36 months following closing. Once principal is repaid, it may not be redrawn.

Decision Making Processes:

All KSBLF expenditures will be decided by an advisory committee of representatives from UWBCKR, City of Kalamazoo/FFE, local banks, and local economic and community development entities. All KMEG expenditures will be decided by the UWBCKR staff. UWBCKR is committed to partnership and he is leveraging federal, state, and local resources to ensure that KSBLF dollars are deployed effectively in the community.

STRATEGIC VISION ALIGNMENT:



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



Shared Prosperity - Abundant opportunities for all people to prosper



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

All KSBLF expenditures will be decided by an advisory committee of representatives from UWBCKR, City of Kalamazoo/FFE, local banks, and local economic and community development entities. All KMEG expenditures will be decided by the UWBCKR staff. UWBCKR is committed to partnership and its leveraging of federal, state, and local resources to ensure that KSBLF dollars are deployed effectively in the community.

The Mission of the Kalamazoo Foundation for Excellence is to support the goals of the City of Kalamazoo, fund aspirational investments in the city, and empower Kalamazoo residents to achieve the

lives they want for themselves and their families.

The focus of the Small Business Loan Fund on ALICE working populations and retaining workforce capacity for small business aligns with these goals and missions.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Collaborate (two-way conversation) - the community will have a chance to shape the project by providing feedback.

Discussion: All KSBLF expenditures will be decided by an advisory committee of representatives from UWBCKR, City of Kalamazoo/FFE, local banks, and local economic and community development entities. All KMEG expenditures will be decided by the UWBCKR staff. UWBCKR is committed to partnership and its leveraging of federal, state, and local resources to ensure that KSBLF dollars are deployed effectively in the community.

City staff have consulted with several community partners including the W.E. Upjohn Institute, Kalamazoo Downtown Partnership, Southwest Michigan First, Small Business Development Center, and Local Initiatives Support Corporation (LISC).

FISCAL IMPACT:

It is recommended to utilize \$1,038,500 each year over the next three years for a total of total of \$3,115,500 from the FFE Aspirational Fund for Kalamazoo Small Business Loan Fund Program. These funds were granted to the City of Kalamazoo for aspirational projects as a part of FFE Memorandum of Understanding and can be allocated by the City Commission. This specific use was included in the 2021 budget for the FFE-funded Business Development Fund (fund 288) within Community Planning and Economic Development's 2021 budget. These funds would be replenished as loan payments are made. It is anticipated that some funds may become uncollectible.

The annual budget for this agreement is:

- \$450,000 for KSBLF loans
- \$450,000 for KMEG grants
- \$138,500 for UWBCKR administrative and program delivery costs

**SERVICES AGREEMENT BETWEEN
THE CITY OF KALAMAZOO AND THE UNITED WAY OF THE BATTLE CREEK
AND KALAMAZOO REGION
("AGREEMENT")**

This Agreement is effective as of _____, 2021, and is made by and between the CITY OF KALAMAZOO ("City"), whose address is 241 W. South Street, Kalamazoo, Michigan 49007 and United Way of the Battle Creek and Kalamazoo Region ("United Way"), whose address is, 709 S. Westnedge Ave. Kalamazoo, Michigan 49007, on the following terms:

RECITALS:

- A. The City is entering into an agreement with the United Way to administer the City's Kalamazoo Small Business Loan Fund ("KSBLF") (see Exhibit A KSBLF program description) and its Kalamazoo Micro-Enterprise Grant Fund ("KMEG") (see Exhibit B KMEG program description).
- B. The City invest \$1,038,500 annually over a three (3) year period with a total investment of \$3,115,500 (Grant).
- C. Each year, \$450,000 will be allocated to the KMEG and \$450,000 will be allocated to the KSBLF for investment into grants and loans to qualifying business owners.
- D. An annual amount of \$138,500 of the Grant will be utilized by the United Way for administrative and programmatic costs incurred while facilitating the KMEG and KSBLF processes.
- E. The programs administered by the United Way will provide \$5,000 grants or loans to Eligible Businesses in the City of Kalamazoo that have realized a significant financial hardship.
- F. Eligible Businesses may qualify and receive funds from both KMEG and KSBLF programs within a calendar year. Eligible Businesses may not apply to either of these programs in consecutive calendar years if they have received an award from either program the previous year.
- G. An Eligible Business which obtained a loan from the KSBLF may only receive a noncash \$5,000 forgiveness grant in the form of a reduction in Business' loan repayment obligation under the Small Business Loan program.

AGREEMENT

1. **Recitals.** The above recitals are acknowledged as true and correct and are incorporated by reference into this paragraph.

2. **Exclusive Benefit.** The obligations of the United Way under this Agreement are imposed solely and exclusively for the benefit of the City and no other person or entity shall have the standing to enforce such obligations or be deemed to be beneficiaries of such obligations.

3. **United Ways Representations.** The United Way represents to City that:

a. United Way is a tax-exempt agency under section 501(c) (3) of the Internal Revenue Code (“Code”) and is not classified as a private foundation under Section 509(a) of the Code. If there is any change in this status, United Way will notify the City of Kalamazoo (“City”) immediately.

b. No funds of these grant and loan fund programs shall be used in such a manner that constitutes a taxable expenditure as detailed in Section 4945 of the Code. United Way will not use the funds of the Grant:

i. To attempt to influence the outcome of any specific public election or carry on, directly or indirectly, any voter registration drives, nor create any propaganda or otherwise attempt to influence legislation;

ii. To grant or loan any funds to an individual which does not comply with the requirements of section 4945(d)(3) of the Code;

iii. To grant or loan any funds to an organization which does not comply with the requirements of section 4945(d)(4) of the Code; or

iv. For any purpose other than one specified in Section 170(c)(2)(B) of the Code.

4. **City of Kalamazoo Responsibilities.** The City will provide the necessary funds in the amount of \$1,038,500 annually over a three (3) year period with a total investment of \$3,115,500. Additionally, the City shall monitor the progress of these programs quarterly.

5. **United Way Responsibilities.**

a. Provide \$5,000 grants or loans to Eligible Businesses in the City of Kalamazoo. Grants to Eligible Businesses are capped at \$5,000 per business. Loans to eligible borrowers must be \$5,000 or more and are capped at \$50,000. (Note. An Eligible Business which obtained a loan from the KSBLF may only receive a noncash \$5,000 forgiveness grant in the form of a reduction in Business’ loan repayment obligation under the KSBLF).

i. **Eligible Businesses:**

1) An “Eligible Business” for the KMEG program meets the following criteria:

a) Is located in the City of Kalamazoo;

- b) Has 10 full-time equivalent employees or less;
- c) Has annual revenue of \$1 million or less;
- d) Has been in operation for at least 1 year;
- e) Needs working capital to support payroll expenses, rent, mortgage payments, utility expenses, or other similar expenses that occur in the ordinary course of business.

2) An “Eligible Business” for the KSBLF program meets the following criteria:

- a) Provides support to impacted employee(s);
- b) Is located in the City of Kalamazoo;
- c) Has 50 FTE employees or less;
- d) Has annual revenue of \$2.5 million or less;
- e) Needs working capital to support payroll expenses, rent, mortgage payments, utility expenses, or other similar expenses that occur in the ordinary course of business; and

ii. United Way shall implement the following KSBLF program loan terms:

- 1) Interest Rate is 1.0% annum.
- 2) No payments for 6 months after loan closing, followed by a fully amortizing 30-month term.
- 3) Payments of principal and interest will begin at 6 months following closing and will be paid monthly on the first of the month, with all principal due to be repaid no later than 36 months following closing. Once principal is repaid, it may not be redrawn.

iii. Priority consideration will be given to women-owned and/or BIPOC (black, indigenous, people of color)-owned businesses with secondary consideration being given to businesses located within the Shared Prosperity Kalamazoo (“SPK”) neighborhoods (Edison, Northside, and Eastside) with a focus on equity and intersectionality.

b. United Way will ensure the Eligible Business use the funds for Eligible Uses as follows:

i. Eligible Uses includes, but is not limited to:

- 1) Operational costs including rent, mortgage, utilities, and other ordinary business expenses and overhead;
- 2) Payroll and benefit costs for employees; and
- 3) Costs incurred to support public health as businesses re-open.

c. United Way will oversee the decision-making process. United Way will ensure that all grants or loans awarded to Eligible Businesses will be decided by an advisory committee made up of diverse representatives from various sectors of the local Kalamazoo community. The United Way agrees to leverage federal, state, and local resources where possible to deploy effectively the Grant. Receipt of other funds does not disqualify an Eligible Business from applying, but such may be taken into consideration if funds become limited.

d. The United Way will ensure that Eligible Businesses are required to expend funds within 6 months of receipt and report to the United Way on how the funds were spent.

e. The United Way promises to use the following guiding principles when distributing the funds to Eligible Businesses:

i. **Equity.** The funds are intended to support community members living below the United Way's ALICE (asset limited, income constrained, employed) threshold, BIPOC owned and women-owned business enterprises, and SPK neighborhoods.

ii. **Collaboration.** Whenever possible, dollars from the Grant Fund will be used to leverage federal, state and other local resources.

iii. **Short-Term Use.** The funds are designed to provide immediate, short-term resources for local businesses.

iv. **Flexibility.** The funds are designed to be flexible in terms of how the resources are spent to meet the most critical needs of Eligible Businesses and their employees.

f. The United Way agrees to return or repay any portion of the Grant that are not used. The United Way and the City agree to conduct an annual review of the programs on or before March 31 of each year. Based on this review, the City may request in writing to the United Way that the United Way shall return/repay unused funds, return repaid funds from the loans made by United Way, permit the United Way to re-loan repaid funds to other Eligible Borrowers, or take such other actions as the United Way and City may mutually agree.

g. United Way agrees to return any unexpended funds should it lose its tax-exempt status. United Way must obtain, in advance, written approval from the City for any modification of purpose or change in the use of the Grant. Any request must be submitted in writing to the City Manager.

h. Any failure on the part of the United Way to comply with the terms of this Agreement will be cause for the City to rescind or revoke this agreement.

6. **Reports.** The City requires that the United Way furnish quarterly reports of loans made, including address of borrower, financial performance of loans made including default rate and repayment rate; outstanding Grant balance, and other information that may be requested by the City to reasonably assess the program's performance regarding the uses for which the Grant.

7. **Governing Law.** This Agreement is governed by Michigan law.

8. **Waiver.** No failure of either party to complain of any act or omission on the part of the other party, regardless how long that failure continued, is considered as a waiver by that party to assert any of its rights under this Agreement. And no waiver by either party, expressed or implied, of any breach of any provision of this Agreement is considered a waiver or a consent to any subsequent breach of this same or other provision.

9. **Entire Agreement.** This Agreement contains all of the representations and statements by United Way and the City to one another and expresses the entire understanding between them regarding this transaction. All prior and contemporaneous communications concerning this transaction are merged in and replaced by this Agreement.

10. **Indemnification.** The United Way shall defend, indemnify and hold each other harmless the and any of its past, present and future commissioners, officials, employees, agents or representatives from all losses, demands, claims, judgments, suits, costs and expenses (including without limitation the costs and fees of attorneys or other consultants) relating to their performance obligation under this Agreement.

11. **Insurance.** The United Way agrees that it will have general liability insurance, in the amount of \$1,000,000 and naming the City of Kalamazoo as additional insureds and its employees, subcontractors, and representatives.

12. **Authorization.** Each party represents and warrants to the other that this Agreement and its execution by the individual on its behalf are authorized by the board of directors or other governing body of that party.

13. **Effective Date.** This Agreement is only effective if approved by the City Commission.

14. **Termination of Agreement.** This Agreement may be terminated by a party at any time, either with or without cause, by providing the other parties with the required written notice of the same, as provided below. A party may terminate this Agreement at any time by providing the other parties with thirty (30) days advance written notice of the same. This Agreement shall be deemed to terminate thirty (30) days from the date that written notice is

deemed received by the non-terminating party as determined by this Agreement. This includes, but is not limited to, termination because (a) the United Way is no longer a tax-exempt agency under section 501(c) (3) of the Internal Revenue Code ("Code") and is not classified as a private foundation under Section 509(a) of the Code , (b) United Way attempted to influence the outcome of any specific public election or carry on, directly or indirectly, any voter registration drives, nor create any propaganda or otherwise attempt to influence legislation; (c) United Way granted funds to an individual which does not comply with the requirements of section 4945(d)(3) of the Code; (d) United Way granted funds to an organization which does not comply with the requirements of section 4945(d)(4) of the Code; (e) for any purpose other than one specified in Section 170(c)(2)(B) of the Code; or (f) the City no longer has the funds available.

15. **Notice.** Any notice, consent or approval required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been received upon (a) personal delivery, (b) one (1) business day after being deposited with Federal Express or another reliable, nationally-recognized overnight courier service for next day delivery or transmission, or (c) two (2) business days after being deposited in the United States first class mail, postage prepaid, and addressed to the recipient at the address of the recipient set forth below, or to such other address as that party may hereafter designate in writing to the other parties.

The City of Kalamazoo
Attention: City Manager
Copy to: City Attorney
241 West South Street
Kalamazoo, MI 49007
Phone: (269) 207-9429

United Way of the Battle Creek and Kalamazoo Region

Mr. Chris Sargent
President & CEO
United Way of the Battle Creek and Kalamazoo Region
709 S. Westnedge Ave.
Kalamazoo, MI 49007

16. **Non-Assignability/Binding.** This Agreement may not be assigned or delegated to anyone without obtaining the written consent of the other parties. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

17. **Severability.** If any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable, or void, this Agreement shall continue in full force and effect without such provision, unless the elimination of such provision substantially defeats the intents and purposes of the parties as embodied in this Agreement.

18. **No Non-Party Rights.** This Agreement is made solely for the benefit of the parties who are signatories to it, and not for the benefit of any other party. No other party can enforce any obligations under this Agreement.

19. **Force Majeure.** The United Way is excused from performing any obligations contemplated by this Agreement if these obligations cannot be performed because of delays due to strikes, riots, acts of God, shortages of labor or materials, war, governmental laws, regulations or restrictions or any other cause beyond the control of the United Way.

City of Kalamazoo

Date: _____

James K. Ritsema
City Manager

**United Way of the Battle Creek and Kalamazoo
Region**

Date: 1/15/2021



Mr. Chris Sargent
President & CEO

Kalamazoo

Small Business Loan Fund

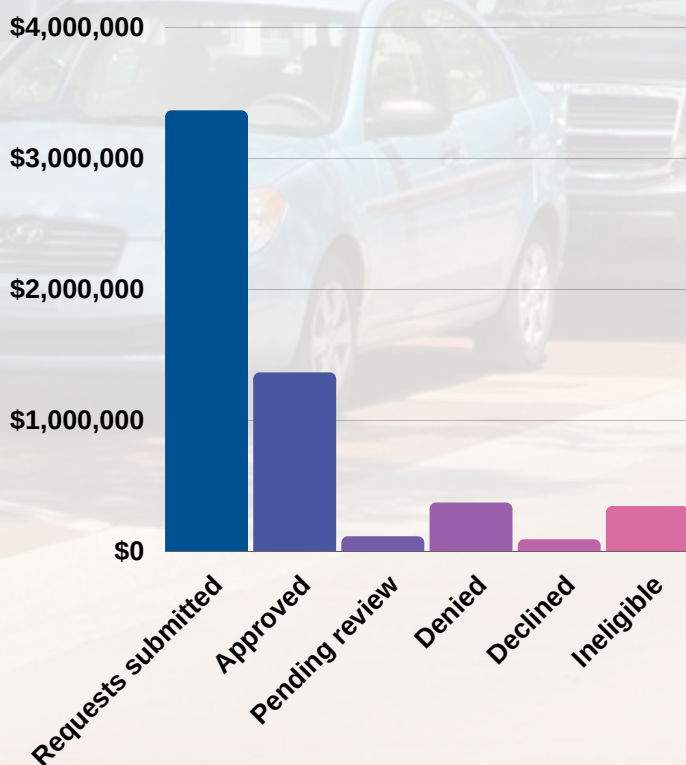
as of January 21, 2021

Total funding disbursed

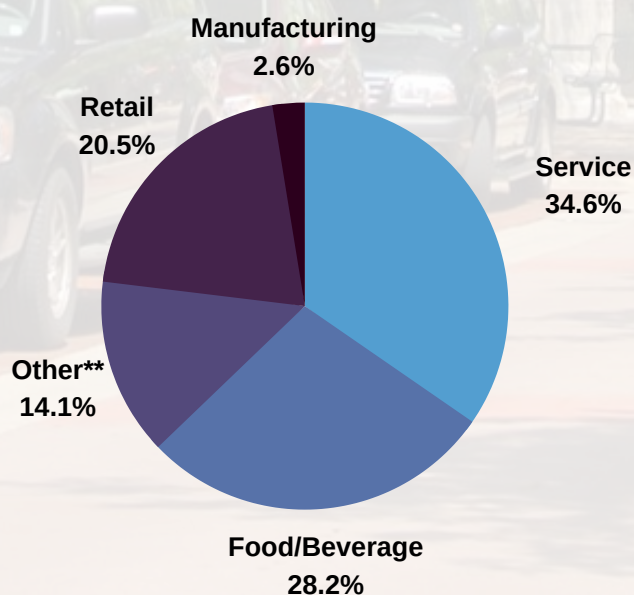
\$1,274,500

# of Businesses Submitted	105
# of Businesses Approved	78
# of Businesses Pending Review	5
# of Businesses Denied	10
# of Businesses Ineligible	11
# of Businesses that Declined (were approved but decided not to accept loan)	5

\$ Requested in Process



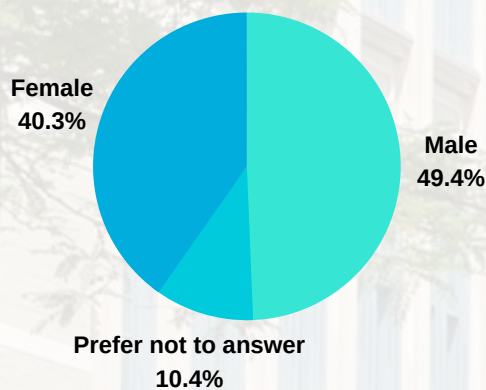
Funding by Industry*



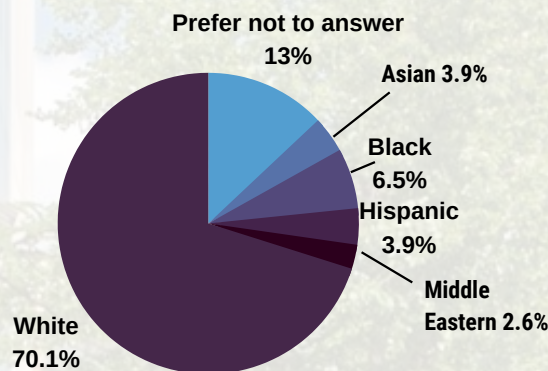
*Includes all approved businesses

**Other: Arts & performing arts, dance, entertainment, legal and compliance services, massage therapy, medical & laboratory, rental (hotel, real estate, residential)

Gender*



Race/Ethnicity*



*Charts represent borrowers who shared their information. We recognize there are many more identities not represented here.

Minority/Woman Owned Businesses

	% of total from Pg. 1	
Businesses submitted	61	58%
Businesses approved	44	56%

Funded Businesses*

- 359 Corp. (dba Central City Tap House)
- 600 LLC (dba 600 Kitchen and Bar)
- Amy Zane: Store & Studio, LLC (dba Earthly Delights at Amy Zane)
- Andrea Beardslee, LMT
- Ballet Kalamazoo, LLC
- Bird Nest, LLC (dba The Stamped Robin)
- Blue Eyes Group, LLC (dba Wine Loft)
- Bookbug, LLC
- B&W Charters, Inc.
- C's Perfect Tie and Accessories
- CARSTAR Kalamazoo
- Cherri's Chocol'art, LLC
- Clock N Lock Escape Rooms, LLC
- Color Adventures, LLC (dba Art Bayou)
- Craft Investments, LLC
- Crawlspace Theatre Productions, L3C
- Crosstown Auto and Truck Parts, LLC
- Desiderata, LLC
- Econolodge Hotel Ayushi, Inc.
- Elite Beauty Inc. (dba Kali Beauty Supply)
- Factory Coffee
- Genemarkers, LLC
- Global Cleaning Pros, LLC
- Godfathers Pizza
- Golden Needle Tailor Shop
- Green Door Distilling Company, LLC
- He Reigns
- Inspiring Massage & Spa
- Kalamazoo Athletic Wellness
- Kalamazoo Psychology, PLLC
- Kalamazoo Station, LLC (dba The Station)
- K'zoo in the Mitten, LLC
- LFG Bar, LLC
- LFW Consulting, LLC
- Little Chick Shoe Shop, Inc.
- Loti Inc. (dba Big Apple Bagels)
- Nove Communications, Inc. (dba LFK Marketing)
- Martell's, LTD
- Martini's Pizza, LLC
- PHG-Kalamazoo, LLC
- Principle Food & Drink
- Ramen & Rice
- Rentalex of Michigan, Inc.
- RSA of Kalamazoo
- Rustica, LLC
- Second Chapter, Inc.
- Shawn Craft, PC
- Sherman's Pet Care
- Southwest Foot & Ankle Specialists PC
- Suzanne's Organics Salon
- The Holmer (dba Rocket Fizz)
- The Crew Family Restaurant and Bakery
- The Union, LLC (dba The Union Cabaret & Grille and Cityscape Event Center)
- Tulips Little Pop Up Shop, LLC
- Wm. D. Nord Jewelers, Inc.
- Zoo City Cycle & Sport, Inc.

*Includes only businesses that have completed loan paperwork and agreed to be listed



City Commission Agenda Report

City of Kalamazoo

Date: **3/1/2021**

Item: **G.7.**

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

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

DATE: March 1, 2021

SUBJECT: Release of the DRAFT 2021 HUD Action Plan for a 30-day Public Comment Period

RECOMMENDATION:

It is recommended that the City Commission approve the release of the 2021 Draft Action Plan for a 30-day public comment period to begin on March 2, 2021, as required by the U.S. Department of Housing and Urban Development (HUD).

BACKGROUND:

The City of Kalamazoo 2021 Program Year (PY) Action Plan requires an open process in which citizens can provide input into the development of the plan. Public involvement includes a 30-day comment period and then public hearings with both the Community Development Act Advisory Committee (CDAAC) and the City Commission. Opening the comment period is the first step in the process, providing citizens 30 days to comment on the draft plan and the activities proposed for funding. The **Draft Action Plan** is included as **Attachment A** of this report. It is anticipated that the City Commission will take action on the PY2021 HUD budget in May 2021.

As this is the beginning of the public process, changes may still be made to the draft Action Plan. If the City Commission desires an alternative to the activities recommended within this report, direction can be provided to CDAAC for consideration prior to CDAAC's public hearing planned for March 25, 2021. The **funding recommendations from CDAAC** are included as Attachment B of this report. The remainder of this section provides information on available funding and the process CDAAC utilized to reach these draft recommendations.

I. Available Funding

Community Planning and Development (CP&D) expects that the 2021 funding levels will be as follows: Community Development Block Grant (CDBG) - \$1,629,516; and HOME Investment Partnerships Program (HOME) - 528,810. These funds will be used for eligible activities during PY2021 (July 1, 2021 – June 30, 2022).

The anticipated total funding to be allocated to PY2021 activities is \$2,279,006. The following table provides these totals by federal program:

Table 1: Total PY2021 Anticipated Funding

	CDBG	HOME	ESG	TOTAL
Entitlement	\$1,629,516	\$528,810	\$0	\$2,158,326
Anticipated Program Income (anticipated)	\$120,680	\$0	\$0	\$120,680
Totals	\$1,750,196	\$528,810	\$0	\$2,279,006

There are a few projects that have received CDBG funding in the past that generate program income on an annual basis. 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 PY2021 is:

Table 2: Program Income Estimated for PY2021

Organization	Activity	Program Income
City of Kalamazoo	Small Business Revolving Loan Fund	\$11,280
KNHS	Deferred Home Maintenance	\$95,000
Community Homeworks	Critical Home Repair	\$14,400
Total		\$120,680.00

Table 3: CDBG Unallocated Funds

PY2020 Unallocated Funding	\$0
Total	\$0

Table 5: HOME Unallocated Funds

PY2020 Prior Year Unallocated Funding	\$0
Total	\$0

II. Application Process

CP&D staff and CDAAC used a competitive application process that focused on housing and neighborhood investment for the CDBG and HOME grants. Staff, in partnership with CDAAC members, created two competitive applications, Affordable Housing and Neighborhood Enhancement Project.

The Affordable Housing Application combined both CDBG and HOME dollars and allowed for the following application types:

Funding Source	Activity
CDBG Affordable Housing	Homeowner Rehabilitation
	Down Payment Assistance
	Youth Development
	Critical Home Repair
HOME Affordable Housing	Rental - New or Rehabilitation
	Property Redevelopment for Homeownership

A total of three CDBG applications and one HOME applications were submitted for program year 2021. The CDAAC Affordable Housing Subcommittee spent a month reviewing the applications to determine draft funding awards based on a set of review criteria provided in the application packets. At the January 28, 2021, meeting, funding recommendations for funds set aside for competitive applications were accepted by CDAAC from the Scoring Committee and were approved to be sent to the City Commission to open the 30-day public comment period.

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:



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

Discussion: Funding will support the continued growth of vibrant neighborhoods throughout the city.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Collaborate (two-way conversation) - the community will have a chance to shape the project by providing feedback.

Discussion: For all HUD allocations, a community engagement process is supported through Community Planning and Economic Development - Citizen Participation Plan. The Citizen Participation Plan is used to develop and determine goals for the City's Consolidated Plan, Assessment of Fair Housing Plan, and Annual Action Plan. Engagement includes engaging applicable stakeholder, core neighborhood associations, holding public comment periods, public meetings and hearings to garner resident input. Comments and information gathered are used to identify resident needs and develop goals accordingly.

CDAAC is an instrumental part of the community outreach process. A subcommittee is convened to help CPED staff develop the community outreach process. The subcommittee members attend neighborhood meetings and provide support in reaching out to residents.

FISCAL IMPACT:

The CDAAC recommendations provide a benefit to the City's general fund, allowing for support of City staff from CP&D, 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.

Disclaimer: This document is a draft and provided as a courtesy. This document is not to be considered the final FY 2021-2022 Annual Action Plan. Because it is a work in progress, there are meetings that are forthcoming, parts that may be revised, including page numbers and references. All information contained herein is subject to change upon further review.



Community Planning & Economic Development PY2021 Action Plan

Year Three of 2019-2023 Consolidated Plan

City of Kalamazoo

Community Development Block Grant Program

HOME Investment Partnerships Program

Adopted by the Kalamazoo City Commission on May____, 2021

Submitted to HUD on: May____, 2021

*Prepared by Staff of the City of Kalamazoo
Community Planning and Economic Development
Community Services Division
245 N. Rose Street, Kalamazoo, MI 49007
269-337-8044*

TABLE OF CONTENTS

Comment [CE1]: Do you want a picture on the Table of Contents Page?

Comment [CV2]:

Annual Action Plan

AP-15 Expected Resources	3
AP-20 Annual Goals and Objectives	11
AP-35 Projects	19
AP-50 Geographic Distribution	36
AP-55 Affordable Housing	38
AP-60 Public Housing	39
AP-65 Homeless and Other Special Needs Activities	40
AP-75 Barriers to Affordable Housing	44
AP-85 Other Actions	47
AP-90 Program Specific Requirements	51

Action Plan

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

Each year the City of Kalamazoo is required to submit an Action Plan to HUD. The intent of the plan is to identify how federal grant funds received by the City will be utilized during that program year to address the priority needs acknowledged in the City's Consolidated Plan. Program Year (PY) 2021 Annual Action Plan (July 1, 2021 through June 30, 2022) represents the ^Ythird program year in which to address the needs identified in the City of Kalamazoo's 2019 - 2023 Consolidated Plan, approved by the Kalamazoo City Commission on May 06, 2019.

Comment [CE3]: Isn't this the second program year (from the title page)?

Comment [CV4]: Thanks for the correction

The Action Plan constitutes the City's application to HUD for its Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), and Emergency Solutions Grant (ESG) funding allocations, which are the primary resources for addressing Kalamazoo's housing and community development needs. The City expects to use approximately **\$2,279,006**, in PY2021 funding through the **CDBG (\$1,162,516)** and **HOME (\$528,810)** federal entitlement grants. The City and its subrecipients will also utilize approximately **\$120,680, in anticipated program income** in PY2021. The City does not have unallocated prior year CDBG or HOME program funds. The complete available budget to include unallocated funds for **PY2021 totals \$2,279,006**.

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, local nonprofits, and for-profits which address the housing and community development needs of the City and its residents.

Decisions about the annual allocation of federal resources is based upon the 2019 - 2023 Consolidated Plan, which was developed after a thorough public participation process conducted both informally with community partners, stakeholders, neighborhood organizations and residents and formally via public hearings. The priorities, goals and objectives outlined in the Consolidated Plan were developed 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.

PY2021 Action Plan Draft Budget- Sources and Uses

SOURCES			
CDBG Allocation		\$	1,629,516
HOME Allocation		\$	528,810
Anticipated Program Income		\$	120,680
TOTAL 2021 FUNDS AVAILABLE		\$	2,279,006
USES			
Agency	Activity Name	Funding	
CDBG ADMINISTRATION² (20% Cap)			
City of Kalamazoo	Administration	\$325,903	\$ 325,903
CDBG - GENERAL			
City of Kalamazoo	Code Enforcement	\$400,000	
City of Kalamazoo	Demolition	\$50,000	
		Total	\$ 450,000
CDBG PUBLIC SERVICE¹ (15% Cap)			
City of Kalamazoo Public Safety	Crime Prevention	\$150,000	
United Way	Continuum of Care	\$20,000	
Fair Housing Ctr of SW Michigan	Fair Housing	\$20,000	
City of Kalamazoo	P&R Youth Development	\$11,500	
		Total	\$ 201,500

CDBG - AFFORDABLE HOUSING			
Agency	Activity Name	Funding	
Community Homeworks	Critical Home Repair	\$95,000	
Senior Services	Minor Hm Repair - Seniors	\$150,000	
KNHS- DPA	Down Payment Assistance	\$105,000	
City of Kalamazoo	Lead Grant Match	\$94,541	
Total			\$ 444,541
2021 Neighborhood Enhancement (NE)			
City of Kalamazoo	2021 Unallocated	\$207,572	
Total			\$ 207,572

CDBG - UNALLOCATED PROGRAM FUNDS			
Agency	Activity Name	Funding	Total
City of Kalamazoo	2021 Unallocated	\$ -	
Unallocated Prior Years Program Funds - Total			\$ -
TOTAL CDBG PROGRAM ALLOCATIONS			\$ 1,629,516

ANTICIPATED PROGRAM INCOME			
Agency	Activity Name	Funding Recom	Total
City of Kalamazoo CP&D	Small Business Revolving Loan	\$11,280	
Kzoo Neighborhood Housing Services	Minor/Emergency Roof Repair	\$95,000	

Community Homeworks	Critical Minor Home Repair	\$14,400	
Anticipated Program Income Total			\$ 120,680

TOTAL CDBG FUNDING FOR PY2021			\$ 1,750,196

HOME - 10% Adm, 15% CHDO			
Agency	Activity Name	Funding	Total
City of Kalamazoo	City of Kalamazoo Adm	\$52,881	
KNHS	Lease Purchase	\$205,000	
City of Kalamazoo	Affordable Housing Project	\$270,929	
HOME CURRENT YEAR TOTAL HUD ALLOCATION			\$ 528,810
PROGRAM YEAR 2021 TOTAL			\$ 2,279,006

1Public Services activities are subject to a 15% cap

2 CDBG Planning and Administrative services are subject to a 20% cap

3HOME administration is subject to a 10% cap

4HOME-CHDO is subject to a 15% cap

5ESG administration is subject to a 7.5% cap

Priority Table

Program	Source of Funds	Uses of Funds	PY2019-PY2023 Anticipated Funding	Expected Amount Available Year 3				Expected Amount Available Remainder of ConPlan	Narrative Description
				Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$	\$	
CDBG, CV	Public and Federal	Acquisition, Admin and Planning, Economic Development, Housing, Public Improvements, Public Services	\$7,472,336	\$1,629,516	\$120,680	\$0.00	\$1,750,196	\$2,597,269	These funds will leverage City dollars through public infrastructure investment and other City services. In addition, other State and Federal funds will be leveraged by City subrecipients for housing activities.
HOME	Federal	Acquisition, Homebuyer Assistance, Homeownership, Lease Purchase, Rehab, Multifamily Rentals	\$2,460,730	\$528,810	\$0.00	\$0.00	\$528,810	\$910,964	HOME dollars will leverage additional HOME funds from MSHDA, as well as possible low income housing tax credits depending on the projects funded.

2019-2022 CDBG-CV	Federal	2019-2020 Homeless Prevention, SBG, Acquisition	\$1,441,519	\$0.00	\$0.00	\$0.00	\$0.00	\$1,441,519	These funds will leverage City dollars through public services that prevent and respond to the spread of infectious diseases such as the coronavirus. In addition, other State and Federal funds may be leveraged by City subrecipients for the prevention and respond to the spread of infectious diseases such as the coronavirus.
		2020-2021 Homeless Prevention, SBG, Acquisition	\$1,441,519	\$1,081,992	\$0.00	\$1,441,519	\$1,081,992.	\$359,527	
		2021-2022 Homeless Prevention, SBG, Acquisition	\$359,527	\$359,527	\$0.00	\$359,527	\$359,527	\$0.00	
		Homeless Prevention, SBG, Acquisition							

Table 1 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied.

Often, additional resources are leveraged by our subrecipients and partners to complete a project. These leverage funds often come from the State of Michigan through the Michigan State Housing Development Authority or through foundations like the Kalamazoo Community Foundation. However, these funds are not known until the subrecipient submits an application through the City's competitive application process.

Community Development Block Grant funds will leverage additional resources as follows:

- Public Infrastructure projects will be supported with additional City and State infrastructure dollars.
- Code enforcement, crime prevention and youth services will leverage additional City general fund dollars. Subrecipients of the City will leverage Michigan State Housing Development Authority and other State funds, as well as nongovernmental funding to expand the scope of rehabilitation assistance.

HOME Investment Partnership Funds will leverage additional public and private investment:

Homeownership investment will be supported by other agencies such as the Michigan State Housing Development Authority and community foundation grants.

- Rental projects may leverage additional funding from HUD; the Federal Home Loan Bank programs; the application of Low-Income Housing Tax Credits; private equity investment; private construction and acquisition financing; and other private sources.
- HOME match requirements will be 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

- Local or State general revenues
- Housing trust funds
- Foundations, 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.
- Grant equivalent of below market
- Interest rate loans to the project
- The cost of investments, not made with federal resources, 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.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan.

No publicly owned land will be utilized.

Discussion

Comment [CE5]: Anything to add here?

Comment [CV6]: No

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

#	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Affordable Housing	2021	2022	Affordable Housing	City-wide low-income households CDBG-Eligible Census Tracts	Acquisition of Existing Units, Administration of Programs, Production of New Units, Public Services, Rehabilitation of Existing Units, Rental Assistance, Down Payment Assistance	CDBG: \$444,541	Household Housing Units SS/CH-Homeowner Housing Rehabilitated: 123 Lead Reduction Units: 10 Down Payment Assistance: 12 Demolition: 3 Code Enforcement: 1100

Comment [CE7]: Some of the words seem randomly bolded. Is there a reason for that?

Comment [CV8]: Not, that I know of. The plan is a template that is download from HUD

Comment [CE9]: I put in commas to separate the list, but maybe it would be better to adjust the spacing?

#	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Affordable Housing	2021	2022	Non-Housing Community Development	City-wide low-income households CDBG-Eligible Census Tracts	Public Services	CDBG: 150,000	Household Housing Unit Crime Prevention
	Affordable Housing						HOME: \$475,929	Rental Unit Added: 4 KNHS Affordable Housing – 3

#	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
2	Homeless Assistance	2021	2022	Homelessness	City-wide low-income households CDBG-Eligible Census Tracts	Homeless Emergency Shelters Homeless Prevention	CDBG: \$20,000	Public Service dollars to assist Continuum of Care (CoC) administration of the prevention of 125 individuals ESG program

#	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Neighborhood Enhancement	2021	2022	Non-Homeless Community Development	Core Neighborhoods low-income households CDBG-Eligible Census Tracts	Neighborhood Improvement	CDBG: \$207,572	Household Housing Units - Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit - Public service activities other than Low/Moderate Income Housing Benefit: 28,884 Persons

#	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Youth Development	2021	2022	Non-Homeless Community Development	Core Neighborhoods low-income households CDBG-Eligible Census Tracts	Neighborhood Improvement	CDBG: \$11,500	Public service activities other than Low/Moderate Income Housing Benefit: Anticipated Assistance to 340 Persons

#	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
5	Economic Development	2021	2022	Non-Homeless Community Development	City-Wide		CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit: Anticipated Assistance to 340 Persons

Goal Descriptions

1	Goal Name	Affordable Housing
	Goal Description	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.
2	Goal Name	Create New Homeownership Opportunities - Down payment Goal
	Goal Description	Use HOME Program funds to assist first-time homebuyers to afford down payment expense.
3	Goal Name	Maintain Habitability for Elderly Homeowners
	Goal Description	Help the elderly maintain and retain their homes through the provision of home repairs.
4	Goal Name	Make the City More Livable for People with Disabilities
	Goal Description	Assist people with disabilities, landlords, and advocates in the areas of housing and housing rights; perform accessibility improvements in public facilities.
5	Goal Name	Promote Community Development through Planning
	Goal Description	Perform citywide comprehensive community development planning to help formulate long-term development and policy objectives for the City.

6	Goal Name	Demolition of Blighted Properties
	Goal Description	Improve neighborhood quality through the elimination or improvement of blighted properties.
	Goal Description	
7	Goal Name	Homeless Assistance
	Goal Description	Work towards ending homelessness within Kalamazoo County by supporting the U.S. Department of Housing and Urban Development's Strategic Plan to Prevent and End Homelessness. This will be implemented through the Kalamazoo County Continuum of Care by providing services and support to the City's homeless population. Funds will be used to invest in proven strategies to reduce the number of homeless individuals on the streets. Agency funded activities will include canvassing for clients, engaging clients, accessing or providing emergency and crisis intervention services, assessing clients, crisis intervention counseling, case management, providing access to any available entitlements, benefits, housing or other resources, direct provision of and/or referrals and linkages to health and/or behavioral health services, and transportation of clients. The City will require funded agencies to specifically focus on chronically homeless individuals.
8	Goal Name	Neighborhood Enhancement
	Goal Description	Advance the sustainability of the Community Development Block Grant neighborhoods identified in the Consolidated Plan through the continuation of City services and redevelopment of key neighborhood improvements.
9	Goal Name	Youth Development
	Goal Description	Develop well-adjusted and productive youth through supporting youth programs and activities that provide recreational opportunities to low- and moderate-income people. This will be done by funding staff to coordinate and manage programs at park facilities and the creation/improvement of parks and playgrounds.

Comment [CE10]: Should this goal be numbered? If so the rest of the goals after will need to be renumbered.

Comment [CV11]: No, row needs to be deleted

Table 2 – Goal Descriptions

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b).

Below are an estimated number of extremely low-income, low-income and moderate-income families the City will be assisting:

- 4 rental households at or below 80% of area median income with new affordable rental housing; 20% of these units will be further restricted to households at or below 50% of area median income.
- 12 households at or below 80% of area median income with homebuyer assistance.
- 3 households at or below 80% of area median income with new housing for ownership.
- 138 households at or below 80% of area median income with owner occupied rehabilitation.

AP-35 Projects – 91.220(d)

Introduction

The City of Kalamazoo continues to conduct meetings to address its goals and needs. Goals and needs to be addressed are either carried out by the City or through one of its subrecipient nonprofit partners. The following is PY2021 project listing:

#	Project Name	
1	CDBG Planning and Development	Administration
2	Code Enforcement	Code Compliance Program
3	Demolition	Blight Prevention Program
4	Public Safety	Neighborhood Safety Program
5	United Way - Continuum of Care - CDBG	Homeless Assistance Program
6	Fair Housing of SW Michigan	Fair Housing Program
7	Parks & Recreation - Youth Program	Summer and After-School Program
8	Community Homework - Critical Home Repair	Critical Home Repair Program
9	Senior Services - Home Repair for the Elderly	Elderly Home Repair Program
10	KNHS – DPA	Down Payment Assistance
11	Neighborhood Enhancement – Targeted Neighborhood – Edison Neighborhood	Revitalization Program
12	COK Lead-Based Paint Hazard Control Program	Lead Prevention Program
13	HOME Program Administration and Planning	Administration
14	KNHS – Lease Purchase/Homeownership	Lease Purchase – Home ownership Program
15	Affordable Housing Program	HOME – Affordable Housing Project(s)

Table 3 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs.

The reasons for allocation priorities results from the City of Kalamazoo completing an extensive outreach process as part of the development of the 2019-2023 Consolidated Plan. This outreach was evaluation against the data collected for the plan; the realities that the City must consider when determining priorities like yearly budgets, staff capacity, etc.; and what other funders are doing 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

Comment [CE12]: I made this statement blue too to be consistent with the others.

Commission as part of the 2019-2023 Consolidated Plan.

Obstacles to addressing underserved needs are due to the reduction of financial resources. More innovative and creative partnerships and funding schemes will need to be considered as these obstacles, particularly funding, are likely to continue.

Comment [CE13]: This sentence is confusing to me. The financial resources experience obstacles in addressing and helping those in need?

Comment [CV14]: Clarified

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 develop an affordable housing strategy. The City will continue to invest in affordable housing through both the CDBG and HOME grant programs.

Providing services, particularly housing, to the chronically homeless continues to be a challenge in Kalamazoo. The small numbers 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 frequent 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 or their communities.

To have a more proactive approach to homeless prevention, the Continuum of Care developed the Systems of Care team that established work groups to address the needs/barriers of those who may become homeless. The team works to promote the adoption of evidence-based and promising program practices in support of a Housing First philosophy of care. They prioritize Continuous Quality Improvement in service delivery and educate and inform members on national and community best practices.

In general, the City, particularly the Department of Community Planning and Economic Development, continues to make an effort to strengthen its relationship with county partners. The Kalamazoo County Department of Health and Community Services houses the Kalamazoo County Community Action Agency, which provides programs and services to help low income households achieve greater economic self-sufficiency. Working towards intergovernmental cooperation could result in joint community development projects, data sharing and best practices.

Projects

Project Summary Information

Table 4 – Project Summary

1	Project Name	CDBG Planning and Development
	Target Area	City-wide low-income households
	Goals Supported	Affordable Housing Homeless Assistance Neighborhood Enhancement Youth Development
	Needs Addressed	Administration of Programs
	Funding	CDBG: \$325, 903
	Description	The CPED Department will utilize the 20% percent cap available from the entitlement funding for management, monitoring and coordination of activities impacting low to moderate income residents. Funding also includes \$85,404 in anticipated program income.
	Target Date of Completion	06/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	There is population of approximately 75,984 residing in the City of Kalamazoo of a non-low/mod and low-mod status will benefit from proposed activity.
	Location Description	245 N. Rose Street, Kalamazoo, MI 49007
	Planned Activities	Administration of the CDBG program for the 2021 program year to include monitoring, reporting technical assistance, etc.
2	Project Name	Code Enforcement
	Target Area	CDBG-Eligible Census Tracts

	Goals Supported	Affordable Housing
	Needs Addressed	Public Services
	Funding	CDBG: \$400,000
	Description	The CPED Department will fund Housing Inspectors and Anti-Blight staff who work in the CDBG-eligible Census Tracts to reduce slum and blight.
	Target Date of Completion	06/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	For 2021, the program anticipates that it will issue Housing Code violations affecting an estimated 1000-1300 homeowner and rental housing units to address curb lawn trash, zoning violations, tall grass/weeds, graffiti, and general blight.
	Location Description	The activities will take place in the 1.00, 2.01, 2.02, 3.00, 5.00, 6.00, 9.00, 10.00 and 11.00 Census tracts.
	Planned Activities	The City's Code Enforcement and Anti-Blight Team will contribute to the quality of owner-occupied housing in the City through their enforcement efforts in the CDBG-eligible neighborhoods. The team will manage the following type of activities: abandoned residential structure cases; secure and board structures open to casual entry; condemn structures; work with the Building Board of Appeals; issue graffiti violations and general blight.
3	Project Name	Demolition
	Target Area	CDBG-Eligible Census Tracts
	Goals Supported	Neighborhood Enhancement
	Needs Addressed	Public Services
	Funding	CDBG: \$50,000
	Description	Funding for the emergency demolition of imminently dangerous buildings and blight removal.

Comment [CE15]: owner-occupied?

Comment [CV16]: Correction made

	Target Date of Completion	06/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	Three Buildings
	Location Description	The activities will take place in the 1.00, 2.01, 2.02, 3.00, 5.00, 6.00, 9.00, 10.00 and 11.00 Census tracts.
	Planned Activities	Will demolish <u>three</u> vacant, abandoned single-family residential structures.
4	Project Name	Public Services: COK Public Safety – Crime Prevention
	Target Area	CDBG-Eligible Census Tracts
	Goals Supported	Neighborhood Enhancement
	Needs Addressed	Public Services
	Funding	CDBG: \$207,572
	Description	The City of Kalamazoo Public Safety Department will use CDBG funds toward the salaries of two public safety officers for crime awareness and prevention in the low- to moderate-income neighborhoods.
	Target Date of Completion	06/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	Families within the CDBG-eligible neighborhood will benefit from this activity as Community Police Officers will provide needed crime prevention activities. Partnerships will be established with the neighborhood associations to ensure outreach to the community.

Comment [CE17]: Policing is a new word to me in this context.

Comment [CV18]: Clarified

	Location Description	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 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.
	Planned Activities	The role of the Community Policing is to prevent crime through identification of trends and the creation of action plans for resolution in partnership with neighborhood and community organizations. 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 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 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. The partnership between Public Safety and the citizens of the CDBG-eligible neighborhoods will assist in solving problems creatively to prevent crime.
5	Project Name	Public Services: United Way of the Battle Creek and Kalamazoo Region
	Target Area	City-wide low-income households
	Goals Supported	Homeless Assistance
	Needs Addressed	Homeless Emergency Shelters Homeless Prevention
	Funding	CDBG: \$20,000

	Description	United Way will provide technical assistance, capacity building training, and evaluation to approximately four housing and community development non-profit organizations, including CHDOs operating in the City of Kalamazoo, primarily in the eligible CDBG neighborhoods. United Way will also provide staff for the Affordable Housing Partnership.
	Target Date of Completion	6/30/2022
	Estimate the number and type of individuals that will benefit from the proposed activities	Homeless individual will benefit from this proposed activity.
	Location Description	City-wide
	Planned Activities	Provide administrative support to the Continuum of Care for addressing homeless prevention of 125 individuals
6	Project Name	Public Services: Fair Housing of SW Michigan
	Target Area	City-wide low-income households
	Goals Supported	Neighborhood Enhancement
	Needs Addressed	Public Services
	Funding	CDBG: \$20,000
	Description	Public service funding will be provided to support City staff who will conduct fair housing activities to support the 2021 Assessment of Fair Housing Plan.
	Target Date of Completion	6/30/2022

	Estimate the number and type of families that will benefit from the proposed activities	There is a population of approximately 75,548 residing in the City of Kalamazoo of a non-low/mod and low-mod status that will benefit from proposed activity. Families experiencing discrimination will benefit from this proposed activity.
	Location Description	City wide
	Planned Activities	Public service dollars will be utilized to address the action items from the 2014 Assessment of Fair Housing Plan. In addition, community outreach, provider testing, complaint investigation and technical assistance to the City and federally funded subrecipients will be provided.
7	Project Name	Public Services: Parks & Recreation - Youth Development
	Target Area	CDBG-Eligible Census Tracts
	Goals Supported	Neighborhood Enhancement
	Needs Addressed	Public Services
	Funding	CDBG: \$11,500
	Description	Sponsor programs that are devoted to the mental well-being, discovery of self-worth and relationship development of children.
	Target Date of Completion	06/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	The Parks and Recreation Department will provide an after school and summer youth program from the Youth Development Center located in CDBG-eligible Census Tract, Edison Neighborhood. The Center draws from families primarily in the Eastside, Edison, and Vine neighborhoods which are CDBG-eligible. Approximately 68 percent of the households in these four neighborhoods have an income that is 80 percent or below the area median income. In addition, 72 percent of the students within the Kalamazoo Public School system in these neighborhoods are eligible for free and reduced lunch.
	Location Description	230 East Crosstown Parkway, Kalamazoo. Activity will primarily serve Census tracts 9.00, 16.00 and 13.00.

Comment [CE19]: 6 years ago?

Comment [CV20]: Correct

Comment [CE21]: I added .00 to 9, 16, & 13 to make them consistent with the other times Census tracts are noted.

Comment [CV22]: Thank you

	Planned Activities	The Youth Development Center provides services that include meeting spaces for youth and youth organizations; youth and staff training; programs; a resource center with information and equipment available for use by youth; and collaborative programming that includes intergenerational youth programs, leisure, social/educational and entrepreneurial programs.
8	Project Name	Community Homeworks - Critical Home Repair
	Target Area	CDBG-Eligible Census Tracts
	Goals Supported	Affordable Housing
	Needs Addressed	Rehabilitation of Existing Units
	Funding	CDBG: \$95,000
	Description	Community Homeworks will use CDBG funding to complete approximately 60 emergency home repairs and will rehabilitate three homes for low- to moderate-income homeowners.
	Target Date of Completion	06/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	Sixty-three (63) low-income households will benefit from this proposed activity.
	Location Description	The activities will take place in one of following Census tracts: 1.00, 2.01, 2.02, 3.00, 5.00, 6.00, 9.00, 10.00 and 11.00
	Planned Activities	Community Homeworks will provide loans for minor/critical home repair and moderate housing rehabilitation
9	Project Name	Senior Services - Home Repair for the Elderly
	Target Area	CDBG-Eligible Census Tracts
	Goals Supported	Affordable Housing

	Needs Addressed	Rehabilitation of Existing Units
	Funding	CDBG: \$150,000
	Description	Senior Services, Inc. will use CDBG funds to perform minor home repairs and barrier-free accessibility enhancements to approximately 60 housing units owned by senior citizens in CDBG-eligible Census tracts throughout the City of Kalamazoo.
	Target Date of Completion	06/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	Sixty (60) senior households will benefit from this proposed activity.
	Location Description	The activities will take place in one of following Census tracts: 1.00, 2.01, 2.02, 3.00, 5.00, 6.00, 9.00, 10.00 and 11.00
	Planned Activities	Minor/critical home repair and ADA accessibility improvements
10	Project Name	KNHS – Down Payment Assistance
	Target Area	Eligible Census Tracts
	Goals Supported	Affordable Housing
	Needs Addressed	Home Purchase - Down Payment Assistance
	Funding	CDBG: \$105,000
	Description	City of Kalamazoo will use CDBG funds to address the need for down payment assistance for 10 to 12 low/mod families.
	Target Date of Completion	06/30/2022

Comment [CE23]: 10 or 12?

Comment [CV24]: 10 to 12

Estimate the number and type of families that will benefit from the proposed activities	City of Kalamazoo will use CDBG funds to address the need for down payment assistance for ten (10) to twelve (12) low/mod families. This program offers down payment assistance to first-time homebuyers. Eligible homebuyers can qualify for funding to use toward down payment and/or closing costs on a one- to four-family home purchased in one of the five neighborhoods. The amount of the assistance will be up to \$7500. Eligible borrowers must be first-time homebuyers with a maximum annual household income up to 80% of Area Median Income (AMI); purchase a one- to four-family home, or cooperative in one of the five core neighborhoods of the City of Kalamazoo; qualify for a mortgage loan from a participating lender; have their own savings to contribute toward down payment and closing costs; successfully complete a homebuyer education course with a HUD-approved counseling agency; and occupy the property as their primary residence for at least ten years.
Location Description	The activities will take place in one of following Census tracts: 1.00, 2.01, 2.02, 3.00, 5.00, 6.00, 9.00, 10.00 and 11.00
Planned Activities	City of Kalamazoo will use CDBG funds to assist twelve (12) low/mod families with down payment assistance

Comment [CE25]: I assume the previous number is 12 then. ☐

Comment [CV26]: 10 to 12

Comment [CE27]: Does this apply only if it is purchased in one of the five neighborhoods? I'm not understanding the "or" there.

Comment [CV28]: "or" removed

11	Project Name	Neighborhood Enhancement - Targeted Neighborhoods
	Target Area	CDBG-Eligible Census Tracts
	Goals Supported	Neighborhood Improvement
	Needs Addressed	Addresses stabilization of neighborhoods by providing funding to address quality of life, façade improvement, infrastructure and beautification projects in targeted neighborhoods.
	Funding	HOME: \$207,572
	Description	City of Kalamazoo will use CDBG funds to address targeted neighborhood needs for low to moderate income communities.
	Target Date	06/30/2022

Estimate the number and type of families that will benefit from the proposed activities	The City of Kalamazoo will use CDBG funds for targeted low/mod neighborhoods.
Location Description	The activities will take place in one to nine of following Census tracts: 1.00, 2.01, 2.02, 3.00, 5.00, 6.00, 9.00, 10.00 and 11.00
Planned Activities	The City of Kalamazoo will use CDBG funds to address quality of life, façade improvement, infrastructure and beautification projects in targeted neighborhoods. housing for low/mod income families.

12	Project Name	COK Lead-Based Paint Hazard Control Program
	Target Area	Eligible Census Tracts
	Goals Supported	Affordable Housing
	Needs Addressed	Stabilization of neighborhoods by mitigating and/or abating lead-based paint
	Funding	CDBG: \$94,541
	Description	The City of Kalamazoo, will use CDBG funds as match funding for LBPHRP grant that will mitigate and/or abate lead-based paint in 72 units within the City of Kalamazoo.
	Target Date of Completion	06/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	Seventy-two (72) Low to mod families' homes will be mitigated and or abated from PY2019 through 2022
	Location Description	The activities will take place in one of following Census tracts: 1.00, 2.01, 2.02, 3.00, 5.00, 6.00, 9.00, 10.00 and 11.00
	Planned Activities	The City of Kalamazoo, in partnership with Kalamazoo Neighborhood Housing Services, Inc. (KNHS) and Kalamazoo County Health Department, will use this match funding to mitigate and/or abate lead-based paint in 72 units within the City of Kalamazoo.

Comment [CE29]: Unclear to me – are we matching the abatement of 72 units?

	Project Name	HOME Program Administration and Planning
	Target Area	City-wide low-income households
	Goals Supported	Affordable Housing
	Needs Addressed	Administration of Programs
	Funding	HOME: \$49,214
	Description	The CPED Department will utilize the 10% percent cap available from the entitlement funding for management, monitoring and coordination of HOME Activities.
	Target Date	06/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	There is population of approximately 75,548 residing in the City of Kalamazoo of a non-low/mod and low-mod status will benefit from proposed activity.
	Location Description	These activities will take place in one of following Census tracts: 1.00, 2.01, 2.02, 3.00, 5.00, 6.00, 9.00, 10.00 and 11.00
	Planned Activities	Administration of HOME Program.

12	Project Name	COK Lead-Based Paint Hazard Control Program
	Target Area	Eligible Census Tracts
	Goals Supported	Affordable Housing
	Needs Addressed	Stabilization of neighborhoods by mitigating and/or abating lead-based paint
	Funding	CDBG: \$94,541
	Description	The City of Kalamazoo, will use CDBG funds as match funding for LBPHRP grant that will mitigate and/or abate lead-based paint in 72 units within the City of Kalamazoo.
	Target Date of Completion	06/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	Seventy-two (72) Low to mod families' homes will be mitigated and or abated from PY2019 through 2022
	Location Description	The activities will take place in one of following Census tracts: 1.00, 2.01, 2.02, 3.00, 5.00, 6.00, 9.00, 10.00 and 11.00
	Planned Activities	The City of Kalamazoo, in partnership with Kalamazoo Neighborhood Housing Services, Inc. (KNHS) and Kalamazoo County Health Department, will use this match funding to mitigate and/or abate lead-based paint in 72 units within the City of Kalamazoo.

Comment [CE30]: Unclear to me – are we matching the abatement of 72 units?

14	Project Name	HOME Program Administration and Planning
	Target Area	City-wide low-income households
	Goals Supported	Affordable Housing
	Needs Addressed	Administration of Programs
	Funding	HOME: \$52,881
	Description	The CPED Department will utilize the 10% percent cap available from the entitlement funding for management, monitoring and coordination of HOME Activities.
	Target Date	06/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	There is population of approximately 75,548 residing in the City of Kalamazoo of a non-low/mod and low-mod status will benefit from proposed activity.
	Location Description	These activities will take place in one of following Census tracts: 1.00, 2.01, 2.02, 3.00, 5.00, 6.00, 9.00, 10.00 and 11.00
	Planned Activities	Administration of HOME Program.
14	Project Name	KNHS – LEASE PURCHASE/HOMEOWNERSHIP PROGRAM
	Target Area	HOME-Eligible Census Tracts
	Goals Supported	Affordable Housing
	Needs Addressed	Rehabilitation of Existing Homes lease purchase/home ownership
	Funding	HOME: \$205,000
	Description	The City of Kalamazoo will use HOME funds to rehab and lease purchase to three (3) low/mod families.

Target Date of Completion	06/30/2022
Estimate the number and type of families that will benefit from the proposed activities	The City of Kalamazoo will use HOME funds to rehabilitate three (3) affordable housing units for low/mod income families
Location Description	The activities will take place in one of following Census tracts: 1.00, 2.01, 2.02, 3.00, 5.00, 6.00, 9.00, 10.00 and 11.00
Planned Activities	The City of Kalamazoo will use HOME funds to acquire and rehabilitate three (3) affordable housing units for low/mod income families.

Comment [CE31]: Housing units or houses?

Comment [CV32]: "Units" added

Comment [CE33]: Units or houses?

Comment [CV34]: "Units" added

15	Project Name	Affordable Housing Program
	Target Area	CDBG-Eligible Census Tracts
	Goals Supported	Affordable Housing
	Needs Addressed	Affordable housing
	Funding	HOME: \$270,929
	Description	City of Kalamazoo will use HOME funds as a grant or loan to fund multi-family Affordable Housing projects for the acquisition, rehabilitation or new construction that will house low to moderate income families
	Target Date	06/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	For 2021, the program anticipates providing housing for a minimum of three (3) low to moderate income families
	Location Description	The activities will take place in the 1.00, 2.01, 2.02, 3.00, 5.00, 6.00, 9.00, 10.00 and 11.00 Census tracts.

	Planned Activities	The City will work with developers to rehab or build four affordable housing units.
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AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed.

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 neighborhoods and Census tracts are:

67.9% Eastside – 1.00

67.9% Central Business District – 2.01

80.5% Northside – 2.02 and 3.00

68.7% Douglas/Stuart – 5.00

72.85% Vine – 6.00

68.5% Edison – 9.00, 10.00 and part of 11.00

55.5% Southside – 11.00

52.1% Oakwood – 16.03

HOME funds are intended to be used throughout the City.

Geographic Distribution

Target Area	Percentage of Funds
City-wide low-income households	44%
CDBG-Eligible Census Tracts	56%

Table 5 - Geographic Distribution

Rationale for the priorities for allocating investments geographically.

The focus of CDBG funding in these areas was not only because of eligibility under HUD rules. Many of the core neighborhoods have additional socioeconomic reasons that warrant concentrating resources.

Approximately 56% percent of individuals residing in the City of Kalamazoo are living below the federal poverty level. This is almost double the rate of individuals living below the poverty level for the State of Michigan and Kalamazoo

County. While the City is experiencing higher rates of poverty, only three Census tracts meet HUD’s definition of “racially or ethnically concentrated areas of poverty (R/ECAPs).” An area must have a non-White/Caucasian population of 50 percent or more and a poverty rate that exceeds 40 percent to be considered concentrated.

The three Census tracts are 1.00 (Eastside) and 2.02 and 3.00 (Northside). The Eastside Neighborhood has a poverty rate of 47.5 percent and 76.3 percent of the population is of minority status. The Northside Neighborhood (2.02 and 3.00) averages a poverty rate of 45.4 percent and a minority population of 92.1 percent.

The core neighborhoods also have much older housing stock. Approximately 90 percent of the homes were built prior to 1979, which raises the risk of lead-based paint. Over 90 percent of the homes in Census tracts 2.02 (Northside), 6.00 (Vine), 9.00 (Edison), and 16.03 (Oakwood) were built before 1979. According to the 2012 American Community Survey, approximately 60 percent of the homes found in the 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.

It appears that neighborhood disparities in accessing community assets exist between the more affluent neighborhoods in the City and many of the core neighborhoods. The Edison and Northside Neighborhoods struggle with poor performing schools, have higher percentages of poverty and persons receiving public assistance. Not unexpectedly, these same neighborhoods tend to have lower participation in the labor market, lower percentage of persons employed and lower percentage of persons with either a high school or bachelor’s degree. Access to employment centers may be more problematic because of difficulties accessing the transit system or limited financial means to own and maintain a car.

HOME funds are intended to be used throughout the City. HOME funds are predominately utilized to develop affordable housing. Dispersing affordable housing throughout the City helps to prevent concentrating low-income residents within one neighborhood. ESG funding was not a part of the City of Kalamazoo allocation for 2021. However, the City of Kalamazoo will use public services to fund ESG administrative efforts throughout the City of Kalamazoo. Many of the homeless shelters are located within downtown Kalamazoo or the core neighborhoods.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

As housing costs continue to rise, the City will utilize CDBG/HOME funding to develop safe, decent, affordable housing for low- and moderate-income households. CDBG/HOME funds will primarily be utilized for the development of single-family housing for ownership, multi-family housing for rental, rehabilitation of existing units and down payment/closing costs assistance for first time homebuyers. For PY2021, the following goals are expected:

One Year Goals for the Number of Households to be Supported	
Homeless	125
Non-Homeless – Direct Financial Assistance	12
Special-Needs	0
Total	137

Table 6 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through:	
The Production of New Units	3
Repair of Existing Units	133
Acquisition of Existing Units	3
Total	159

Table 7 - One Year Goals for Affordable Housing by Support Type

Discussion

The table describes the one-year goals for the CDBG/HOME Program as required by 91.220(g). It describes the term affordable housing to be defined in 24 CFR 92.252 for rental housing and 24 CFR 92.254 for homeownership. (This table does not reflect the 10 to 12 homes that will be supported through Down Payment Assistance (DPA)).

Comment [CE35]: I think this is missing a word?

Comment [CV36]: Clarified

AP-60 Public Housing – 91.220(h)

Introduction

Kalamazoo does not have public housing.

Actions planned during the next year to address the needs to public housing.

N/A

Actions to encourage public housing residents to become more involved in management and participate in homeownership.

N/A

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance.

N/A

Discussion

N/A

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The City of Kalamazoo have not received ESG funds in the past three years. However, it continues to invest CDBG funds in activities benefiting activities for low-income persons in the prevention of homeless who are homeless or have special needs. During the public outreach process, the City reconfirmed that homelessness is still a major issue the community faces. For this reason, the city allocates federal funds to the Continuum of Care and will give priority to affordable housing projects that provide housing units to homeless persons.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs.

The goals and actions for reducing and ending homelessness, including reach out to organizations that reach out to the homeless and assess their individual needs are as follows:

Housing Resources, Inc. and Goodwill Industries sponsor a weekly Community Housing Information Hour.

Participating organizations include, but are not limited to, the Department of Health and Human Services and Kalamazoo Community Mental Health. The services include coordinated entry screening for households experiencing homelessness or at risk of experiencing homelessness, information and referral, and screening and assessment.

Kalamazoo Community Mental Health and Substance Abuse Services support a Housing Recovery Center, which assists individuals with finding and maintaining affordable housing. One of the services the Recovery Center offers is outreach to people living in emergency shelters and places not meant for human habitation. Ultimately, the outreach is to provide homeless individuals with the services they need and to help them find permanent and supportive housing.

Catholic Charities Dioceses of Kalamazoo utilizes a street outreach program grant from the U.S. Department of Health and Human Services. The grant has enabled Catholic Charities to meet homeless youth at their point of need. The street outreach program allowed Catholic Charities to build upon and expand their current drop-in center services to include having staff available on the street at designated times, seeking out youth who most need their services.

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs.

To support outreach efforts to homeless persons, City of Kalamazoo staff and citizens are encouraged to participate in the annual point-in-time (PIT) count. Staff and residents have participated in the count in previous years.

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Addressing the emergency shelter and transitional housing needs of homeless persons?

Gryphon Place 2-1-1 provides 24-hour information and referral services to residents in need of help through Kalamazoo Continuum of Care organizations. These individuals are then presented through a Community Housing Matching Process (CHaMP) within 5 business days and matched with available housing resources that best meets their needs and prioritizes our community's most vulnerable citizens.

Comment [CE37]: and to Kalamazoo continuum of care?

Comment [CV38]: clarified

Persons with greatest need are referred to Housing Resources, Inc., the Lead Agency/Housing Assessment and Resource Agency (HARA) for housing assessment and development of the Community Housing Assistance Plan (CHAP). Those with an urgent need are referred to area emergency shelters where the CHAP is developed in consultation with the HARA.

The HARA schedules the Housing Assessment visit within two days of initial contact. The HARA Housing Resource Specialist creates the CHAP utilizing the Homeless Management Information System (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 City of Kalamazoo will continue to provide ESG funds upon allocation through the Kalamazoo County Continuum of Care to support emergency shelter and transitional housing needs upon funding. Exact outcomes will not be known until an allocation is made from HUD.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

Moving towards prevention, the Continuum of Care is currently utilizing over 1,100 vouchers to help in the fight to alleviate homelessness in the City of Kalamazoo. The Housing Assistance and Resource Agency (HRA) was given an increase in funding this year from MSHDA ESG monies to help more individuals stay in their housing to bring down the amount of people evicted or foreclosed upon in 2021.

The Continuum of Care funded agencies have also worked diligently in developing a standardized process of entry along the "no wrong door" premise. The new system will consolidate paperwork and essentially create a centralized bureaucracy that will eliminate confusion and remove multiple barriers to entry for those seeking housing in the City of Kalamazoo.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

The Kalamazoo County Multi-Purpose Collaborative Body passed a resolution to work cooperatively with the Kalamazoo Continuum of Care to ensure a discharge policy for persons leaving publicly funded institutions or systems of care.

There are strong "guidelines" about discharge from the State hospitals and from the mental health unit at Borgess Hospital. Kalamazoo Community Mental Health and Substance Abuse Services employ hospital liaisons to work with individuals prior to release to create a "person-centered plan" which includes next steps after discharge. Kalamazoo Community Mental Health and Substance Abuse Services also funds a jail liaison position to connect people in jail with appropriate mainstream, Medicaid funded mental health services.

The Continuum of Care Planning Policy regarding discharge follows:

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 planning 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.

The regional Veteran's Administration (VA) serves 14,000 veterans per year, half of whom are from the local area. The hospital follows a set of discharge criteria when releasing patients into the community. VA social workers and case managers assess and work with the patients who are homeless to find them appropriate shelter before their release.

Mental Health: The Kalamazoo County Mental Health and Substance Abuse Services agency 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 (VA) follows a set of discharge criteria when releasing patients into the community. VA social workers and case managers assess and work with the patients who are homeless to find them appropriate shelter before their release. The VA works with emergency shelters, other homeless housing, and supportive service providers in the Continuum of Care to assure suitable placement is achieved after discharge.

The rental assistance through Housing Resources, Inc. and Catholic Family Services may support individuals leaving an institutional setting. In addition, the ESG funds allocated through the Continuum of Care will assist with rapid re-housing and homeless prevention.

Discussion

In addition, Kalamazoo county conducts a 24-hour count of those who are experiencing homelessness in our community annually. The Point-in-Time 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 communities develop more effective plans and measure progress toward ending homelessness.

One-year goals for the number of households to be provided housing using HOPWA: N/A	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	
Tenant-based rental assistance	
Units provided in housing facilities (transitional or permanent) that are being developed, leased, or operated	
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	
	Total

- Comment [CE39]: Numbers needed
- Comment [CV40]: This information will be added upon receipt from Cares,

AP-75 Barriers to affordable housing – 91.220(j)

Introduction

Barriers to affordable housing are varied and complex. Possible barriers to the development or retention of affordable housing are public policies, particularly those of the City. Such policies include land use controls, zoning ordinances, building codes, and policies that affect the return on residential investment. In addition to public policies, larger social issues and outside forces impact the ability to access affordable housing. Social issues like poverty and lack of employment, and outside forces like reductions in Federal and State funding to develop new housing, present a barrier to affordable housing.

Actions planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment.

The following information reviews some of the barriers in Kalamazoo:

Land Use Controls

Most of the available land in the City has been developed. There are only a small number of large vacant tracts of land that remain, thereby limiting the future development of residential units. There are a number of smaller parcels that are vacant and suitable for infill construction of residential units. A number of vacant or underutilized commercial buildings are also prime locations for redevelopment, with residential use being at least a component of the use.

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

Zoning Ordinance and Subdivisions

Recognizing that Zoning can serve as a barrier to housing options and affordability, the City of Kalamazoo is undertaking a Zoning Code rewrite and an update to the Zoning Map. These changes are designed to increase the quantity and location of housing types throughout the City.

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. The City of Kalamazoo Zoning Ordinance allows for multi-family development in several commercial districts to allow for mixed-use and to encourage walkability.

Housing and Building Codes

The City of Kalamazoo enforces the Michigan Building Code, which is standard among municipalities in the State.

Concerns have been raised that the rental certification program 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 maintain or improve property values in City neighborhoods.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

The City will utilize a variety of strategies and support from community partners to help address barriers to affordable housing. Generally, the City utilizes 50 percent or more of the total HUD grant award towards housing activities. These funds will help to increase the supply of affordable housing, as well as helping 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 that would allow 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, thereby increasing the number of affordable housing units in the City.

The City of Kalamazoo has also provided CDBG funding to the Local Initiatives Support Corporation for capacity building and technical assistance of housing, Community Housing Development Organizations and/or neighborhood-based nonprofit organizations operating within Kalamazoo. The capacity and productivity of these organizations are important elements in addressing current barriers to the provision of affordable housing.

The Kalamazoo Brownfield Redevelopment Initiative has been a tremendous resource in addressing the issue of contaminated properties that may have the ability to be redeveloped. Using captured tax revenue, the Brownfield Initiative 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.

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.
- Pilot a housing repair program for low-income homeowners that receive code violations.
- Lead Hazard Removal. The City of Kalamazoo has been awarded a Lead Based Hazard Reduction grant. The purpose of this grant is to identify and control lead-based hazards. The focus is on homes with children under six year of age.

Discussion

Most of these partners also provide needed social services that help households with long-term housing sustainability. The nonprofit partners receiving funding to assist with affordable housing in PY2021 are:

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

The Kalamazoo Brownfield Redevelopment Initiative has been a tremendous resource in addressing the issue of contaminated properties that may have the ability to be redeveloped. Using captured tax revenue, the Brownfield Initiative 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.

The City of Kalamazoo will continue to support development for PY2021 as follows:

- Work with local nonprofit housing providers on the development of new and/or rehabilitated housing. Encourage variety in 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.

In addition, consider the development of a program where vacant and/or tax foreclosed properties are sold to landlords who maintain exceptional rental properties and will rehabilitate the home for rental use. Work with local nonprofit housing providers on free and/or reduced-cost financial literacy for households from the Eastside, Edison or Northside Neighborhoods. Focus CDBG funding on substandard housing and/or deferred maintenance of affordable housing units, particularly in the Eastside, Edison and Northside Neighborhoods

AP-85 Other Actions – 91.220(k)

Introduction

The City of Kalamazoo recognizes that the needs of Kalamazoo residents extend beyond housing and infrastructure. These needs include reducing lead-based paint hazards, reducing poverty, developing institutional structures, and enhancing coordination between public and private social service agencies. The following is a list of actions that the City of Kalamazoo intends to implement over the next fiscal year to achieve success in addressing the housing and community development needs of low to moderate income residents.

Actions planned to address obstacles to meeting underserved needs.

The City recognizes the significance of taking actions to address obstacles to meeting underserved needs, foster and maintain affordable housing, reduce lead-based paint hazards, reduce the number of poverty-level families and enhance the coordination between public and private housing and social service agencies. The paragraphs below address the actions being undertaken by the City.

Actions planned to foster and maintain affordable housing.

In PY2021, the City will continue to place an emphasis on affordable housing as part of the competitive grant application process. A total of five nonprofit organizations will receive CDBG and HOME funding to expand new and maintain existing affordable housing. Approximately **\$770,500** (CDBG/HOME) of the total funds provided to the City will be used towards the improvement of affordable housing in the City.

Actions planned to reduce lead-based paint hazards.

Lead-based paint hazards in the City of Kalamazoo remain a significant concern considering the City's desire to rehabilitate older housing stock to maintain affordable housing. 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, and of which, 26 percent of owner-occupied and 12 percent of renter-occupied have children present.

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

- Grant period is 2019 – 2022
- Grant award is \$1,999,362. We were awarded full amount of request.
- Number of houses - 72 (60% homeowner/40% rental)
- Grant was written in collaboration with Kalamazoo Neighborhood Housing Services
- Grant uses approximately \$200,000 of future CDBG funding as a match.

The City also continues to include lead hazard reduction strategies into repairs on rental properties inspected under the City Housing Code. The City inspects all rental properties at least once every three years. When potential or

existing problems are located, inspectors require appropriate remedial action. In addition to the lead-based paint disclosure rule of 1996, the City of Kalamazoo requires its subrecipients to comply with the September 15, 2000 regulation, "Requirements for Notification, Evaluation and Reduction of Lead Based Paint Hazards in Federally-Owned Residential Property and Housing Receiving Federal Assistance."

A minimum of two single-family homes will be completely rehabbed with PY2021 funds. The removal of lead-based paint, if found, will be a requirement of these rehabilitations. In addition, the City plans to utilize **\$50,000 to demo** blighted residential structures in the City. It is likely that these homes may contain lead-based paint because they tend to be older structures where lead is more prevalent. The removal of approximately three structures will reduce the chances of a household living with lead-based paint contamination.

Actions planned to reduce the number of poverty-level families.

For PY2021, the City of Kalamazoo will continue to work towards helping those in poverty access affordable housing. In addition, the City has developed a Section 3 preference policy to promote the procurement of Section 3 businesses. The intent is to improve the economic circumstances of local low-income business owners and residents.

Approximately one-third of the City lives below the federal poverty level. That number increases beyond 50% in several of the core neighborhoods that also have the highest concentration of people of color. The City of Kalamazoo has initiated Shared Prosperity Kalamazoo (SPK) to address poverty. SPK is a bold and ambitious plan to transform our community into a place where every child and every adult thrives and prospers. In 2014, the City Commission voted to make the reduction of poverty, especially among children, one of its top priorities. This City Commission priority was substantiated by the community through the Imagine Kalamazoo 2025 engagement process and the resulting Strategic Vision and Master Plan. More than 3,500 community voices gave input on the opportunities and challenges they felt the City faced. As a result of those voices, the following goals were laid out in the Strategic Vision – Shared Prosperity, Connected City, Inviting Public Spaces, Environmental Responsibility, Safe Community, Youth Development, Complete Neighborhoods, Strength through Diversity, Economic Vitality and Good Governance. Shared Prosperity aligns most closely with the Strategic Goals of Shared Prosperity, Complete Neighborhoods, Youth Development, Strength through Diversity and Economic Vitality.

SPK is guided by a coalition made of an Organizing Committee and goal teams. The Organizing Committee is responsible for convening stakeholders for conversations and accountability around recommendations to meet the goals set forth in the plan. There are three teams each one focusing on a specific SPK goal. The members of the teams include both service providers and residents. These teams are intended to meet 4-6 times a year to share information, actions/programs to be presented to the Organizing Committee. SPK budget, plans and initiatives will have final approval by the City Commission before implementation.

SPK has three goals that work is being planned and implemented on simultaneously. They are: 1) Promote the health growth, development and learning of children; 2) Increase access to good jobs; and 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; and 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 census tracts within the City—Eastside, Edison, and Northside for targeted action projects.

The goals for this Affordable Housing Plan and SPK are closely aligned. Both plans address the following:

- Low to mod income residents
- Low to mod income and racially concentrated areas of the City/Census tracts
- Housing - Found in the Strong Families goal in SPK
- Youth development

Comment [CE41]: Is this a title or is the housing found in the strong families goal?

Comment [CV42]: Clarified

The City of Kalamazoo is integrating HUD funding with private 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.

Comment [CE43]: An approved what? Or, is Section 3 Preference Policy to support local . . .

Comment [CV44]: Clarified

The City will also provide loans to for-profit organizations willing to partner with the City to address Affordable Housing.

Actions planned to develop institutional structure.

The City of Kalamazoo has strengthened relationships in the past few years with local funders and nonprofit organizations. A more coordinated effort to project implementation is a priority discussed among the major stakeholders in the community. The Director of Community Planning and Economic Development will attend these meetings during the 2021 program year. The goal is to allow foundations like the Kalamazoo Community Foundation, the Gilmore Foundation and the Arcus Foundation to work together towards improving grant coordination and the local distribution of grant funds.

For PY2021 United Way of the Battle Creek and Kalamazoo Region has replaced the Local Initiatives Support Corporation (LISC). The Action plan will be updated to reflect this change along with efforts to coordinate housing and community development efforts through the Sustainable Communities Initiative.

Comment [CE45]: will?

Comment [CV46]: Clarified

The City will host bi-monthly meetings with the core CDBG-eligible neighborhoods during PY2021. The executive directors of each neighborhood organization attend the meetings along with representatives from City departments like Public Safety, Public Services, Parks and Recreation, and Community Planning and Economic Development. The meetings will focus on neighborhood issues, the coordination of services, updates on City improvements, etc. The intent is to provide an open forum for neighborhood leaders to work cooperatively with the City on addressing neighborhood needs.

The City, particularly the Department of Community Planning and Economic Development, could benefit from stronger relationships with our county partners. The Kalamazoo County Department of Health and Community Services houses the Kalamazoo County Community Action Agency, which provides programs and services to help low-income households achieve greater economic self-sufficiency. The City will continue to work towards more intergovernmental cooperation in PY2021 with joint community development projects, data sharing and best practices.

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

The City of Kalamazoo has indicated that the priorities that need to be addressed during the five-year period of this Plan are affordable housing, homeless assistance, neighborhood enhancement, youth development and economic development. The institutional structure for the neighborhood enhancement and youth development priorities is internal to the City and has no gaps to providing services. The affordable housing priority could benefit from a stronger relationship with the Southcentral Michigan Community Action Agency. Community Planning and Economic Development staff at the City plan to engage with the housing programs staff to review possible areas of partnership that will improve affordable housing outcomes.

The development of new affordable housing, particularly with supportive services, is also a goal of the Continuum of Care. Partnerships with the City of Kalamazoo, local nonprofit housing providers and the Michigan State Housing Development Authority will need to develop an affordable housing development strategy. The City will continue to invest in affordable housing through both the CDBG and HOME grant programs. The development of new units will continue to be considered based on successful financial statements and plans.

Comment [CE47]: Partnerships will lead to an affordable housing development strategy?

Comment [CV48]: Clarified

To have a more proactive approach to homeless prevention, the Continuum of Care developed the Systems of Care team. The Team works to promote the adoption of evidence-based and promising program practices in support of a Housing First philosophy of care. They prioritize Continuous Quality Improvement in service delivery and educate and inform members on national and community best practices.

The Continuum of Care Director has also empowered the Allocations and Accountability Team to be a much more vocal and essential team to the health and sanctity of the operation of the Continuum. This will come with voting members being able to directly inquire to the leadership of the funded agencies about operations and performance and then holding the agencies accountable for their actions. This is also the impartial team that decides how Continuum of Care funding received from HUD will be allocated to the funded agencies or any others applying for funding.

Discussion

As the City continues to develop public policy to address these needs, it will keep close communication with internal and external stakeholders, participate in conferences and staff development, and provide aid to assure coordination among private and governmental health, mental health and service agencies.

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use and included in projects to be carried out

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use and included in projects to be carried out.

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	\$120,680
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 Program Income:	\$120,680

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	76%

Comment [CE49]: Maybe put (already included in totals for projects to be carried out.)

Comment [CV50]: Clarified

Comment [CE51]: ? See above.

HOME Investment Partnership Program (HOME)

Reference 24 CFR 91.220(l)(2)

1. A 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. However, the sale of the property during the affordability period triggers repayment of the HOME funds utilized when it was originally purchased.

- **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? See 24 CFR 92.254(a)(4) are as follows:

The period of affordability is detailed in either the subrecipient or developer agreement with the City of Kalamazoo. 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.

Comment [CE52]: Multi-family what?

Comment [CV53]: Clarified

Emergency Solutions Grant (ESG)
Reference 91.220(l)(4)

1. Include written standards for providing ESG assistance provided the City is funding at a later time during the year.

HUD did not allocate funding for this program for PY2021. However, \$20,000 (CDBG) is to be awarded to CoC for administrative support for homeless assistance.

Source of Funding. All CoC programs are funded by the McKinney-Vento Homeless Assistance Act of 1987 and administered by HUD. Some ESG funds are passed through to the Michigan State Housing Development Authority (MSHDA). McKinney-Vento programs provide outreach, shelter, transitional housing, supportive services, rent subsidies, and permanent housing for people experiencing homelessness and/or at risk of homelessness.

- Additionally, in 2009, Congress passed the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act to consolidate HUD homelessness programs (Supportive Housing Program, Shelter Plus Care, and Moderate Rehabilitation/Single Room Occupancy). The Hearth Act amended and reauthorized the McKinney-Vento Homelessness Assistance Act and is intended to further assist people in regaining stable, permanent housing and supports a coordinated intake process, effective data collection, performance measurement and program evaluation systems.
- The dollar amount of available funding is determined competitively for the Continuum of Care Program Competition and by formula to each jurisdiction (State of Michigan, Kalamazoo City and County) for the Emergency Solutions Grants program. The CoC and the City of Kalamazoo combine their Emergency Solutions Grants, funded by MSHDA and HUD, respectively, into a single application process.
- Funding is subject to federal appropriations, state and local allocations and terms of the relevant Notice of Funding Availability (NOFA). *Funding is not guaranteed by the CoC, City of Kalamazoo, HUD or MSHDA until grant agreements are finalized and executed.*

Eligible Uses of Funding. CoC and/or ESG funding as available will be awarded for projects that provide:

- Homeless outreach, assessment, and prevention; Emergency shelter (ES); Transitional housing (TH); Permanent housing with supportive services (PSH); Permanent Housing-Rapid-Rehousing (PH-RR); Permanent housing only (PH); Supportive services only (SSO), and Planning, HMIS, and Grant Administration.

Ineligible Uses of Funding. Funds cannot be allocated to any organization that:

1. Does not comply with the nondiscrimination provisions of local, State and Federal civil rights laws (see CoC Fair Housing Policy); or
2. Requires participation in religious activities as a condition for receiving services; or
3. Does not comply with the Equal Access to Housing in HUD Programs – Regardless of Sexual Orientation or Gender Identity Final Rule (2012 Equal Access Rule).

Comment [CE54]: CoC? Is this Continuum of Care?

Comment [CV55]: Yes

CoC Collaborative Applicant - Information to be updated due to current transfer of CoC from LISC to United Way of the Battle Creek and Kalamazoo Region.

- 2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.**

The Continuum of Care formalized a “No Wrong Door” countywide Coordinated Community Assessment System in 2009. *Gryphon Place 2-1-1 provides 24-hour information and referral services to residents in need of help to Kalamazoo continuum of care organizations. These individuals are then presented through a Community Housing Matching Process (CHaMP) within 5 business days and matched with available housing resources that best meets their needs and prioritizes our community's most vulnerable citizens.*

Persons with greatest need are referred to Housing Resources, Inc., the Lead Agency/Housing Assessment and Resource Agency (HARA) for housing assessment and development of the Community Housing Assistance Plan (CHAP). Those with an urgent need are referred to area emergency shelters where the CHAP is developed in consultation with the HARA.

The HARA schedules the Housing Assessment visit within two days of initial contact. The HARA Housing Resource Specialist creates the CHAP utilizing the Homeless Management Information System (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.

- 3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).**

The City of Kalamazoo currently renews funding for nonprofit agencies carrying out ESG-funded emergency shelter activities, provided that the contractual obligations have been met and project outcomes have been successful. The City may choose to reduce or eliminate funding to an agency that does not meet contractual obligations, or that administers a project that fails to meet outcome goals. If an existing program does not fit with the City's objectives, the agency may be asked to change its program design. The City may also transition to a competitive RFP process. The City does not plan to initiate other large ongoing ESG-funded emergency shelter programs. The City of Kalamazoo currently subcontracts all ESG funding to Housing Resources, Inc., which administers the ESG Program.

- 4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.**

In order to meet the requirements under § 576.405(b), the City of Kalamazoo has partnered with the Local Initiatives Support Corporation (the local CoC Board). The local CoC Board and its multiple subcommittees each include participation by multiple people with lived experience of homelessness. One CoC Board subcommittee

(the Community Advisory Forum) specifically provides a solutions-driven forum for those with lived experience of homelessness and front-line service workers to listen and support each other. It also brings consumers, providers and interested community members together to share information, and identify emerging issues and trends. For PY2021 the City of Kalamazoo did not receive funding for ESG. However, the City provided funds to the Local Initiatives Support Corporation in the amount of \$20,000 through its CDBG allocation.

5. Describe performance standards for evaluating ESG.

ESG-funded projects in the City of Kalamazoo.

Through on-site and desk monitoring, the reviewer can determine whether the program participant's performance meets program requirements and improve program participant performance by providing guidance and making recommendations. The specific purposes of monitoring are to:

- Validate the accuracy of information presented by the program participants;
- Follow-up on problems identified during the monitoring visit;
- Determine compliance for those activities where there is sufficient information to make eligibility and/or national objective determinations;
- Evaluate the reasonableness of judgments made for those activities that necessarily involve high levels of program participant judgment;
- Ascertain the subrecipient's ability to ensure that activities carried out meet compliance requirements;
- Verify the accuracy of the program participant's records; and,
- Identify apparent causes of any problem(s) and offer recommendations for corrective actions.

Discussion

For program year 2021 the Department of Housing and Urban Development did not fund the Emergency Solutions Grant (ESG).



CDAAC Grant Recommendation Form PY2021

The following scores are based on deviated scores of 41 to 76

CDBG FUNDING AMOUNT: \$350,000

Applicant Agency	Project	Units	Estimated Funding Cost Per Unit	Applicant Requested Award		Scoring Committee Recommended Award	Units	CDAAC Award
Community Homeworks	Critical Repair	100	\$1,500	\$150,000		\$95,000	38	
Senior Services	Critical Repair - Seniors	60	\$2,500	\$150,000		\$150,000	60	.
KNHS	Down Payment Assistance	12	\$7,500	\$105,000		\$105,000	12	
Totals		172		\$405,000.00		\$350,000	110	

HOME FUNDING AMOUNT: \$350,000

Applicant Agency	Project	Units	Estimated Funding Cost Per Unit	Applicant Requested Award		Scoring Committee Recommended Award	Units	CDAAC Award
KNHS	Home Ownership Rehab	3	\$68,333	\$205,000		\$205,000	3	
Totals		3		\$205,00.00		\$ 205,500	3	

Tami Rey, Chair	At-Large
Megan Buwalda V, Chair	Edison
Candice Howell	At-Large
James Martin	At-Large
Jennette Tarver	Eastside
Amina Shakir	Northside
Vacant	Stuart
Vacant	Oakwood
Vacant	Fairmont/Douglas
Margaret Wise	Vine
Vacant	At-Large
Vacant	At-Large



CDAAC Grant Recommendation Form PY2021



City Commission Agenda Report

City of Kalamazoo

Date: **3/1/2021**

Item: **G.8.**

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

FROM: Mayor David Anderson
Prepared by: Scott A. Borling, City Clerk

DATE: March 1, 2021

SUBJECT: Approval of the Mayor's Appointments and Reappointments to Boards and Commissions

RECOMMENDATION:

It is requested that the City Commission approve the Mayor's appointments and reappointments to the following boards and commissions:

- the appointment of **David Burgess** to the Planning Commission for a term expiring on March 31, 2024.
- the appointment of **Michael Harrison** to the Planning Commission for a term expiring March 31, 2024.
- the appointment of **Mariah Phelps** to the Planning Commission for a term expiring March 31, 2024.
- the reappointment of **James Pitts** to the Planning Commission for a term expiring on March 31, 2024.
- the appointment of **Jennifer Swan** to the Planning Commission for a term expiring March 31, 2023.
- the reappointment of **Jeff Carroll** to the Zoning Board of Appeals for a term expiring on March 31, 2024.
- the reappointment of **Christina Doane** to the Zoning Board of Appeals for a term expiring on March 31, 2024.

- the appointment of **Beth van den Hombergh** to the Zoning Board of Appeals for a term expiring March 31, 2022.

BACKGROUND:

City ordinance and state law establish that the Mayor appoints and reappoints members to the Planning Commission and Zoning Board of Appeals (ZBA). After reviewing the Nomination Reports submitted by these boards, I have reappointed James Pitts and appointed David Burgess, Michael Harrison, Mariah Phelps, and Jennifer Swan to the Planning Commission; and I have appointed Beth van den Hombergh (currently an alternate ZBA member) and reappointed Jeff Carol and Christina Doane to the Zoning Board of Appeals. I am now requesting City Commission approval of these appointments and reappointments as required by ordinance. The attached Nomination Reports describe the nominees' qualifications.

STRATEGIC VISION ALIGNMENT:

Relevant Priority Based Budgeting Program:

Board and Commission Support - The City Clerk's Office maintains the official meeting minutes, organizational documents, and membership records of the citizen boards, committees and commissions established by the City Commission. the Clerk's Office coordinates the process for appointing members to these boards.

This program/project has a high degree of impact on the following Strategic Goal(s):



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

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

Discussion: applicants for appointment to City boards and commissions are nominated by the respective boards and commissions, with the approval of those nominations taking place at open meetings where the public has a chance to give input.

FISCAL IMPACT:

There is no fiscal impact associated with these appointments and reappointments.



Advisory Boards and Commissions Appointee Nomination Report

City of Kalamazoo

RECOMMENDATION

The Planning Commission recommends Mayor Anderson reappoint the following Commission member:

- Reappointment of James Pitts to a second full term expiring on March 31, 2024

SELECTION PROCESS

Planning Commission members must be residents of the City of Kalamazoo and should have knowledge of the City as well as familiarity with the zoning ordinance and future land use plan, and an understanding of current issues in the community.

The Planning Commission member listed above has served on the Commission since 2018.

NOMINEE QUALIFICATIONS

Residency

Mr. Pitts is currently a resident in the Northside Neighborhood.

Term Limits

This will be Mr. Pitt's second full term. Mr. Pitts will not be eligible for any additional terms.

Training, Experience, Education, & Skills

Mr. Pitts has three years of experience on the Planning Commission.

Contribution To Diversity

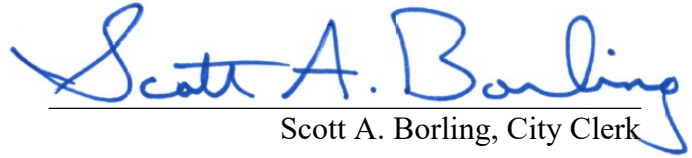
The nominee expands the diversity of the Planning Commission membership in multiple ways, including, race, background, and neighborhood.

NOMINATION RATIONALE

Mr. Pitts is seeking reappointment after serving three years on the Planning Commission. He is knowledgeable in many of the topics which are brought before the Planning Commission. He is the only Commissioner representing the Northside Neighborhood and contributes to the ethnic diversity of the Commission.

CITY CLERK'S CERTIFICATION

The nominees' 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



Advisory Boards and Commissions Appointee Nomination Report

City of Kalamazoo

RECOMMENDATION

The Planning Commission recommends Mayor Anderson appoint the following Commission members:

- Appointment of David Burgess to a full term expiring on March 31, 2024
- Appointment of Michael Harrison to a full term expiring March 31, 2024
- Appointment of Mariah Phelps to a full term expiring March 31, 2024
- Appointment of Jennifer Swan to a partial term expiring March 31, 2023

SELECTION PROCESS

Planning Commission members must be residents of the City of Kalamazoo and should have knowledge of the City as well as familiarity with the zoning ordinance and future land use plan, and an understanding of current issues in the community.

There was a total of 13 applicants for the four vacant seats. The applications were reviewed, and six candidates were interviewed on January 20th and 21st. The Interview Committee presented the best qualified candidates to the Planning Commission on February 4, 2021. The Planning Commission approved a recommendation to appoint David Burgess, Michael Harrison, Mariah Phelps and Jennifer Swan.

NOMINEE QUALIFICATIONS

Residency

Mr. Burgess resides in the Oakland Winchell Neighborhood.

Mr. Harrison resides in the Westnedge Hill Neighborhood

Ms. Phelps resides in the Central Business District

Ms. Swan resides in the Milwood Neighborhood

Term Limits

Mr. Burgess's first full term. Mr. Burgess will be eligible for one additional term.

Mr. Harrison's first full term. Mr. Harrison will be eligible for one additional term.

Ms. Phelps's first full term. Ms. Phelps will be eligible for one additional term.

Ms. Swan's first partial term. Ms. Swan will be eligible for two full terms.

Training, Experience, Education, & Skills

Mr. Burgess has served as Comstock Township Trustee and has completed the Citizen Planner Program.

Mr. Harrison has prior experience working in the municipal sector and nonprofit experience. Additionally, Mr. Harrison facilitates focus group and strategic planning initiatives for corporate clients.

Ms. Phelps has degrees in Public Policy and International Relations. She has worked on Redevelopment Ready Community projects for the City of Albion and has experience as a campaign manager for candidates in Kalamazoo County.

Ms. Swan is a 20-year resident of Milwood with background in architecture and construction. Ms. Swan works with Master Plans and Ordinances on a daily basis as the Senior Architectural Project Coordinator at Tower Pinkster.

Contribution To Diversity

Mr. Burgess is a representative of the Oakland Winchell Neighborhood

Mr. Harrison contributes to the ethnic diversity of the Planning Commission

Ms. Phelps contributes to the gender diversity of the Planning Commission

Ms. Swan contributes to the gender diversity of the Planning Commission

NOMINATION RATIONALE

These four candidates represent a wide variety of professional backgrounds and skill sets which will be of benefit to the Planning Commission. In addition to expanding the neighborhoods represented on the Planning Commission, these candidates will also add to the diversity of the membership.

CITY CLERK'S CERTIFICATION

The nominees' 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



Advisory Boards and Commissions Appointee Nomination Report

City of Kalamazoo

RECOMMENDATION

The Zoning Board of Appeals (ZBA) recommends the City Commission approve the following appointments:

- The reappointment of **Beth van den Hombergh** to partial term expiring March 31, 2022 (formerly Alternate #1)
- The reappointment of **Jeff Carroll** for a second term expiring on March 31, 2024.
- The reappointment of **Christina Doane** for a second term as expiring on March 31, 2024

SPECIAL REQUIREMENTS FOR THIS POSITION

Zoning Board of Appeals members must be residents of the City of Kalamazoo and should have knowledge of the City, including some familiarity with the Zoning Ordinance, as well as knowledge of the current issues in the community.

SELECTION PROCESS

Applicants Considered

Beth van den Hombergh has served on the Zoning Board of Appeals since mid-2019 as Alternate #1 and will now be a regular member.

Jeff Carroll has served on the Zoning Board of Appeals since 2017 and is the current Vice Chair.

Christina Doane has served on the Zoning Board of Appeals since 2018 and is the current Secretary.

Interview Process and Final Recommendation

All three of these Board members have continue to contribute to the deliberation of cases at each meeting and are valued members of the Zoning Board of Appeals

NOMINEE QUALIFICATIONS

Dual Board Memberships

Ms. van den Hombergh, Mr. Carroll and Ms. Doane are not presently serving on any other City boards.

Residency

Ms. van den Hombergh currently resides in the Westwood Neighborhood

Mr. Carroll currently resides in the Arcadia Neighborhood

Ms. Doane currently resides in the Milwood Neighborhood

Term Limits

Ms. van den Hombergh will be serving a second partial term. She will be eligible to serve two additional full terms.

Mr. Carroll will be serving his second full term and will not be eligible for any additional terms.

Ms. Doane will be serving her second full term and will not be eligible for any additional terms.

Training, Experience, Education And Skills

Ms. van den Hombergh has lived in the City for 25 years and has held various administrative professional roles at Western Michigan University. She has been an active member of the Zoning Board of Appeals since mid-2019.

Mr. Carroll is a medical office administrator. Mr. Carroll holds a degree in Business Administration and a Master's in Public Administration. He has experience in zoning and land use issues through his medical office administration work. Mr. Carroll is currently the Vice Chair of the Zoning Board of Appeals.

Ms. Doane is a librarian currently working at both the City of Parchment Public Library and City of Portage Public Library. She has degrees in Organizational/Business Management and Library Science. Ms. Doane has also been involved with United States Airforce Auxiliary since 1999 and is currently the Secretary of the Zoning Board of Appeals.

Contribution To Diversity

Mrs. van den Hombergh is from the Westwood Neighborhood which does not currently have a representative on the Board and will add to the gender diversity of the Board

Mr. Carroll is from the Arcadia Neighborhood.

Ms. Doane is from the Milwood Neighborhood and will further diversify the number of neighborhoods represented by the ZBA membership and will contribute to the gender diversity of the Board.

NOMINATION RATIONALE

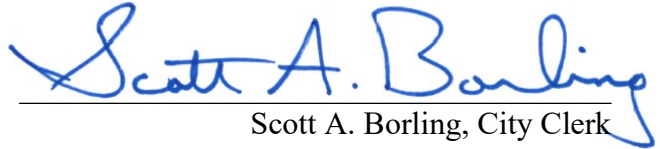
Ms. van den Hombergh possesses board experience, project management experience and is knowledgeable about the history of Kalamazoo.

Mr. Carroll has past volunteer experience, exposure to zoning and land use analysis through his current occupation, and three years of experience on the Zoning Board of Appeals.

Ms. Doane is from the Milwood Neighborhood and further diversify the number of neighborhoods represented by the ZBA membership, contributes to the gender diversity of the Board, and has one and half years of experience on the Zoning Board of Appeals.

CITY CLERK'S CERTIFICATION

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


Scott A. Borling, City Clerk