

EXECUTIVE SUMMARY

The City of Kalamazoo has estimated the housing and community development needs of its very low, low, and moderate income families and individuals through the 2005-2009 Consolidated Plan. The Consolidated Plan is mandated by the Cranston-Gonzalez National Affordable Housing Act of 1990. This Act provides that the Consolidated Plan be approved by the U.S. Department of Housing and Urban Development (HUD) as a pre-requisite for the receipt by the City of HUD assistance through the Community Development Block Grant Program (CDBG) and the HOME Investment Partnerships Program (HOME). In addition, several other HUD-administered programs require a finding of consistency with the Consolidated Plan in order to receive consideration by HUD of an application for funding.

The Consolidated Plan includes an estimate of the needs of various categories of lower income rental and homeowner households, an estimate of Kalamazoo's non-housing community development needs, an estimate of the needs of homeless families and individuals, an estimate of the needs of special needs populations, lead-based paint needs, assisted housing needs, and an inventory of various types of assisted housing and non-assisted housing. The Plan also discusses barriers to affordable housing, the institutional structure and gaps affecting the provision of affordable housing, and fair housing impediments. All of the above is to be carried out pursuant to three major statutory goals whose primary beneficiaries are to be low and very low income persons. These goals are: providing decent housing, providing a suitable living environment, and expanding economic opportunities.

Independent planning consultants, under the direction of the City of Kalamazoo's Community Planning and Development Department, developed the Consolidated Plan. The process included a series of public input meetings held throughout the City with a broad range of interests including neighborhood residents, service providers, advocacy groups, service recipients, City Commission members, and other public officials and administrators. Seven public input sessions were held along with numerous other personal and telephone interviews with agencies and organizations responsible for various portions of the plan. Additionally, two public hearings were held to obtain further public input.

The Plan contains a significant amount of background information that is useful in defining the existing conditions in Kalamazoo. During the 1990's, the population in the city dropped 3.9% to 77,145. Meanwhile, the population in the County increased by 6.8%, and the population in each of the surrounding municipalities increased by at least 3.3% to as much as 27.3% during the same decade. The population was more diverse in 2000 than it was in 1990. According to the census, 70.8% of the population was White alone compared to 76.2% in 1990 in the City of Kalamazoo. In the County, 84.6% of the population was White alone in 2000. For the City in 2000, the Black or African American alone population comprised 20.6% and the Hispanic or Latino population made up 4.9% of the population.

While the population in the City of Kalamazoo has decreased in the past decade, the number of households has increased (29,413) indicating a shrinking in average household size. Of these households, 7.6% (1,060) are considered extremely low income (below 30% median family income). However, 14.1% of Black or African American alone households, 12.4% of Hispanic or Latino

households, and 18.4% of American Indian and Alaska Native alone households specifically fall into this category putting these groups at greater risk. Most households are renter occupied (52.3%). This is also the case for all minority groups, with home ownership rates never greater than 43% among minorities. Conversely, in the County, the vast majority of households are owner occupied (81.4%).

Housing affordability was raised as a significant issue during the public meetings for this Consolidated Plan. Median gross rent in the City is \$520, and 32.5% of all units exceed 40% of the median household income. The median value for a home in the City is \$83,000. Affordability can create housing problems, and 77.7% of the 5,907 households in the less than 30% HUD Assisted Median Family Income (HAMFI) category are experiencing some housing problem. In total, 33.7% of all households (9,904 households) have some form of housing problem.

Homelessness was another concern identified in the Consolidated Plan. In recent years, the number of nights spent at shelters has increased, while funding for homeless shelters and services has been cut. Due to demographic shifts, the City no longer receives Emergency Shelter Grant (ESG) funds from the federal government. However, the City has successfully partnered with the County and other jurisdictions and worked with the State (MSHDA) to get additional funding in its place.

Other needs addressed in Consolidated Plan include community development needs, fair housing, and the needs of special needs populations. The City of Kalamazoo's primary resources for addressing its housing and community development needs are the Community Development Block Grant program and HOME grants. It is estimated that the City of Kalamazoo will receive about \$15,000,000 these programs during the grant period of 2005-2009. The City will utilize to the extent possible other resources. The City will endorse applications by other agencies, local non-profits, and for profits that address the identified housing and community development needs of the City and its residents.

Based on the analysis of needs and the inputs received, the City's highest priority needs, in no particular order, are as follows:

- A commitment to use a substantial amount of funding for affordable housing;
- Infrastructure rehabilitation to accommodate special needs populations, including easier access to sidewalks, ramps, and other public rights of way;
- Maintenance, rehabilitation, and weatherization for income eligible home owners;
- Neighborhood based economic development, micro enterprise development, community development, and retail development; and
- Focus on youth recreation programming and crime prevention programming.

The Annual Action Plan to be submitted by the City of Kalamazoo will detail specific activities, which will be funded to accomplish these goals. The strategic portion of this Consolidated Plan contains strategies that will guide these funding decisions. The Plan includes strategies to meet the needs of housing, homelessness, special needs population, and non-housing community development as well as present strategies to reduce poverty and lead based paint impacts.