

**COMMUNITY DEVELOPMENT ACT ADVISORY COMMITTEE
(CDAAC)
Minutes
August 9, 2007**

Development Center
Conference Room #1
445 W. Michigan Ave.
Kalamazoo, MI 49007

Members Present: David Kinsey, Chair; Shirley Coleman, Vice Chair; Charley Coss; Mark Fricke; Doris Jackson; Pegg Osowski; Mildred Smith; Kathy Steppenwolf

Members Excused: Sue Oakes

Members Absent: Jennifer Mills

City staff: David Thomas, Neighborhood Development Specialist; Amy Thomas, Recording Secretary

Guests: Wade Allen; Don Weed; Mike Bracy

Public Hearing – PY2006 Consolidated Annual Performance and Evaluation Report (CAPER)

The CAPER is a compilation of all that was accomplished with CDBG and HOME funds in the City of Kalamazoo during Program Year (PY) 2006 - June 1, 2006 to May 31, 2007. Mr. Thomas advised that the CAPER is due at the HUD offices on August 31st. He distributed a 12-page summary of the CAPER to the CDAAC members. The records show that CDAAC contributed approximately 210 hours toward deliberations concerning the distribution of HUD funds. Locally, there were 41 activities funded with HUD money in PY2006.

The Executive Summary indicates that there were \$1,872,055 in Community Development Block Grant (CDBG) and \$689,483 of HOME Investment Partnership (HOME) funds awarded to the City of Kalamazoo in PY2006. The City Commission has identified six core CDBG neighborhoods: Eastside, Edison, Fairmont, Northside, Stuart & Vine - areas have been identified as having 51% or more of their population in the low-to-moderate income level, which qualifies them to receive HUD funding as an area benefit.

Other City priorities include the anti-blight efforts to reduce vacant and abandoned properties and problems with absentee landlords and the A+ Neighborhoods initiative, which is a comprehensive neighborhood revitalization effort.

Page 3 provides the following information for the period June 1, 2006 – May 31, 2007:

Total Federal Funds: \$2,561,538

CDBG... \$1,872,055

HOME...\$ 689,483

Page 4 refers to the five-year Consolidated Plan and the five priority areas where the city is to spend its federal dollars. Those five priorities and details regarding funding are as follows:

#1: A Commitment to Use a Substantial Amount of Funding For Affordable Housing

For PY2006, the following projects were funded to address this priority:

CDBG:

*Housing Assistance Fund	\$250,000.00	City General Funds Released to match \$250,000 of County funds.
Housing Resources, Inc.	\$ 25,000.00	408 persons assisted
**Kalamazoo Neighborhood Housing Services (overlap of PY2005 program paid in PY2006)	\$205,956.79	9 units 5 purchase/refinance 2 SF site preparation
Kalamazoo Neighborhood Housing Services (PY2006)	\$228,804.83	19 units 17 purchase/refinance 2 SF site preparation
Local Initiatives Support Corporation	\$21,792.05	13 CDC's
**My Own Home (overlap of PY2005 program pd. In PY2006)	\$60,000.00	1 housing unit
My Own Home (PY2006)	\$70,000.00	1 housing unit

HOME:

Kalamazoo Area Housing Corporation (Rosewood Single Family)

\$140,075.00 3 Single-Family Units

Totals:

**\$1,001,628.67 1 trust fund
33 SF units
408 persons
13 CDC's**

(*On December 5, 2006, the Kalamazoo County Board of Commissioners approved the commitment of \$250,000 of general funds to match the City of Kalamazoo's \$250,000 of general funds to establish a \$500,000 county-wide Housing Assistance Fund.)

#2. Maintenance, Rehabilitation, and Weatherization for Income Eligible Home Owners.

**Kalamazoo Neighborhood Housing Services (overlap of PY2005 program paid in PY2006) \$ 63,650.78 25 units:
8 lead/dpa's
10 roofs
7 furnaces

Kalamazoo Neighborhood Housing Services (PY2006) \$119,584.92 24 units:
2 rehabilitations
8 lead/dpa's
5 furnaces

City Anti-Blight Team/Code Enforcement \$425,025.00 192 units
City Anti-Blight Rehabilitations \$170,589.78 7 units

Douglass Community Association	\$ 51,569.78	57 units
Senior Services, Inc. – Home Repair	\$ 99,697.74	31 units
Kalamazoo Valley Habitat for Humanity	\$ 40,000.00	2 units
Kalamazoo Northside Nonprofit Housing Corp.	\$ 59,361.55	9 units
Open Door and Next Door Shelters – Rehab	\$ 5,000.00	5 units
Totals:	\$1,034,479.49	352 units

Ms. Osowski inquired as to why Habitat contributed only two units. Mr. Thomas advised that CDBG money cannot be utilized for building new housing units, although CDBG funds may be used in site preparation as well as the rehabilitation of existing housing. Accordingly, Habitat utilized CDBG funds for the rehabilitation of two existing units. Adding priorities # 1 and #2 for PY2006 shows a total of \$2,036,108.16 in CDBG funds utilized for affordable housing. Therefore, approximately 79% of available funds were utilized for affordable housing projects.

Mr. Fricke inquired if the anti-blight/code enforcement funds are being used to bring properties up to code and not just to identify blighted buildings. Mr. Thomas advised that those funds are used to inspect and re-inspect blighted buildings. On August 20th there will be an announcement regarding a fund to assist property owners in bringing their properties up to code.

Mr. Kinsey mentioned that there has been an issue in the Edison Neighborhood with elderly people being cited for property violations that they cannot afford to remedy. This issue has been discussed with Jeff Chamberlain at the neighborhood meetings.

Mr. Fricke interpreted this to mean that there have been 192 houses removed from the housing stock because they have been designated as blighted buildings. Technically, no one is living in those units so they should not be counted as positives. Mr. Thomas stated just because there has been no resolution on 192 houses, doesn't mean that work isn't proceeding on the blighted properties. They will likely be returned to the housing stock in the near future. He referred to the Executive Summary on page 2, which provides further details on that subject. Mr. Fricke inquired as to how the demolition of a unit could count as a positive. Mr. Thomas stated that the intent is that after the house is demolished the property will be put back to use as affordable housing.

Ms. Smith inquired if this is the program which has provisions for property donations. Mr. Thomas responded in the affirmative.

Mr. Coss inquired if the Building Blocks program utilized HUD funds. Mr. Thomas advised that it does not because the Building Blocks program doesn't get involved with income verification; therefore, they utilize private fund raising.

Mr. Thomas referred to priority #3 and provided the following information:

#3. Infrastructure Rehabilitation to Accommodate Special Needs Populations, Including Easier Access to Sidewalks, Ramps, and other Public Rights of Way.

CDBG:

Disability Resource Center	\$ 10,452.00	6 ramps
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Kal-Haven Accessible Trailway	\$ 21,592.43	1 pedestrian path
HRI – Rickman House Elevator	\$ 24,758.00	1 elevator; 84 persons
Totals:	\$ 56,802.43	8 activities

#4. Neighborhood Based Economic Development, Micro Enterprise Development, Community Development, and Retail Development.

City of Kalamazoo –

City of Kalamazoo:

Small Business Revolving Loan Fund (CDBG Program Income)	\$40,000.00	1 loan; 2 jobs
Neighborhood Planning/5 Year Plan	\$ 8,856.49	North-East & 5 year
Eastside Neighborhood Association	\$ 3,000.00	Youth Facility Plan
Edison Neighborhood Association	\$50,000.00	Community Facility
Northside Association for Community Development	\$ 7,352.09	Daycare Facility expense
Totals:	\$109,208.58	2 Low/Mod. income persons; 2 community facilities 3 planning activities

Mr. Fricke inquired as to why there is so little activity in the neighborhood and economic development category. Mr. Thomas stated that there was a preliminary CDBG economic development proposal last December but it did not materialize. That proposal may be submitted this year. While NEPG submitted an economic development proposal, they had demonstrated some programmatic weaknesses and were not funded. In terms of the City's own Small Business Revolving Loan Fund, the maximum amount allotted is \$40,000 and there is much record keeping involved with these funds. Mr. Fricke inquired if something could be done to better advertise those funds. Mr. Thomas stated that he had spoken with Warren Cook, the Business Grown Specialist for the Economic Development Department. Mr. Cook suggested that \$75,000 would be a more appropriate funding level for the small business revolving loan fund, and city staff is looking into that option.

#5. Public Services with a Focus on Youth Recreation Programming and Crime Prevention Programming.

Catholic Family Services – the ARK Shelter	\$ 5,000.00	39 youth; 274 nights of shelter
City of Kalamazoo – Parks and Recreation	\$ 18,728.00	7,235 youth
*City of Kalamazoo – Public Safety – 2 officers (includes \$20,791.88 of PY2005 carryover)	\$178,791.88	17,576 activities
Eastside Neighborhood Association	\$ 1,104.04	918 youth
Ecumenical Senior Center	\$ 5,000.00	146 seniors
Fair Housing Center of Southwest Michigan	\$ 27,567.00	788 served
Hispanic American Council – Hispanic Liaison	\$ 10,000.00	1,560 served
Kalamazoo Drop-In Child Care Center	\$ 8,155.00	120 youth served
Legal Aid of Western Michigan	\$ 10,000.00	455 served
Open Door/Next Door Shelters	\$ 10,000.00	753 served; 14,802 Nights of shelter

HOME

Housing Resources, Inc.

Family Self-Sufficiency	\$200,000.00	124 household assisted
Totals:	\$507,120.92	8,349 youth

<u>Obj#</u>	<u>Specific Objectives</u>	<u>Performance Measure</u>	<u>Expected Units*</u>	<u>PY2006 Actual Units</u>
	housing units for ownership			
1D	Build capacity among CHDO's and neighborhood staffs to assist with ownership opportunities	New homeowners	70	13 CDC's
COMMUNITY DEVELOPMENT OBJECTIVES				
5A	Provide youth programming to reduce crime	Contacts	1,500	7,392
5B	Engage local residents in neighborhood service and programming	Contacts	300	17,576 – Community Policing
5C	Support quality after school programming	Contacts	400	918 direct
INFRASTRUCTURE OBJECTIVES				
3A	Create comprehensive strategy to improve public infrastructure that creates barriers (2005 – 2007)	Identified Barriers	50 removed	TBD
3B	Strategize ways to prevent infrastructure disrepair (2005 – 2007)	Strategy	1	TBD
4C	Improve curb appeal and build pride in neighborhoods through beautification	Sites	10	0
PUBLIC FACILITIES OBJECTIVES				
		Sites	TBD	4 activities
PUBLIC SERVICES OBJECTIVES				
2A	Reinstate and expand housing rehabilitation, maintenance, and weatherization program	Program	1	City program TBD; subrecipients provided 65 rehabbed units
2B	Fund anti-blight team, housing inspection staff, and rental certification program	Program	1	1; 192 units impacted
2D	Continue to integrate lead based paint abatement procedures into city programs and seek alternate means to fund abatement	New cases of elevated blood lead levels	10% Decrease	TBD
ECONOMIC DEVELOPMENT OBJECTIVES				
4A	Develop specific retail opportunities in neighborhoods	Commercial sites developed	2	TBD
4B	Create incentives for businesses to hire and train income eligible residents	Residents employed	20	2 jobs
4D	Provide opportunities for neighborhood based employment, self employment, and job training	Jobs	35	8 jobs
OTHER OBJECTIVES				
1B	Streamline funding process by using outcome based performance measures	Performance System Developed	1	1

**Expected Units is on a per year basis*

Mr. Thomas advised that the city was recently awarded a \$100,000 grant from the EPA to be used for lead-based paint remediation. Accordingly, city staff should have information on that to report next year. Mr. Fricke inquired as to how cases of lead poisoning are reported. Ms. Osowski stated that people with symptoms of lead poisoning

who seek medical advice, are tested for lead poisoning. If tests determine that there is a problem, the case is reported to the board of health.

Mr. Thomas concluded his review of the PY2006 CAPER, and asked for any questions, concerns, or input from anyone, including the community guests there. There were no questions, concerns, nor input.

Therefore, Mr. Kinsey ended the Public Hearing at 7:14 p.m.

CALL TO ORDER

Mr. Kinsey called the CDAAC meeting to order at approximately 7:15 p.m.

ROLL CALL

Roll call was completed by the recording secretary and it was determined that the aforementioned members were present.

AGENDA (August 9, 2007)

There were no changes to the agenda.

Mr. Coss, supported by Ms. Coleman, moved approval of the August 9, 2007 CDAAC agenda as presented. With a voice vote, the motion carried unanimously.

MINUTES (July 12, 2007)

There were no changes to the minutes.

Ms. Jackson, supported by Ms. Osowski, moved approval of the July 12, 2007 CDAAC minutes as presented. With a voice vote, the motion carried unanimously.

CITIZENS' COMMENTS ON NON-AGENDA ITEMS

Mr. Allen advised that he submitted an application to join CDAAC. He inquired as to the process for becoming a member. Mr. Kinsey advised that the nominating committee would review the applications. Their recommendations will then be reviewed by CDAAC and the City Commission. Mr. Fricke explained that CDAAC is comprised of neighborhood representatives and at-large members. Mr. Allen advised that he applied for one of the at-large openings and that he would be representing the homeless community.

COMMUNICATIONS/MEMBERS' REPORTS

Ms. Osowski mentioned that there were guests present and she requested that introductions be made. The guests were as follows: Mike Bracy, Fairmont

Neighborhood Board; Don Weed, community member; Wade Allen, community member. The guests expressed interest in joining the CDAAC board.

OLD BUSINESS

Mr. Thomas requested that discussion regarding the general fund dollars be covered first since Ms. Roberts was present.

General Funds for Summer Programming Review Process – Update

Mr. Thomas introduced Alfrelynn Roberts from the City Manager's office to provide more details regarding the summer youth program.

Ms. Roberts advised that she contacted Mr. Thomas to determine if CDAAC could provide assistance with reading the proposals received for the summer youth programming. Mr. Thomas stated that he reviewed the application for summer youth programming funds and made some changes. The draft has been provided to the CDAAC board tonight. There are ten questions on the application. The budget sheet is specific to the summer youth program. The matrix questions address each of the criteria areas; outputs, needs, benefits, etc. Information was also included on how to assess proposals that are submitted. Ms. Roberts advised that the applications can be made available on-line if CDAAC provides approval for that to be done.

Mr. Thomas referred to the timeline on page 3. The applications are due by October 15th, the next CDAAC meeting would be November 8th, and the recommendations would be reviewed at the December 2nd City Commission meeting.

Mr. Roberts stated that she is expecting 7 or 8 applications. Mr. Fricke inquired if city staff would be seeking out applicants who might be qualified to receive those funds. Ms. Roberts advised that city staff would approach applicants who have received funding in the past. There is no publicity planned at this point. Mr. Fricke commented that the funds can only be distributed to people/entities who apply for the money. Ms. Roberts suggested that feedback could be provided to the City Manager's Office with regard to this program. She stated that she would inquire about having publicity for the next round of funding. At this point, city staff is not looking for anyone to create a new program.

Ms. Osowski expressed concern that applicants may not understand the terminology used in the application. Ms. Roberts advised that anyone with questions should feel free to call her for clarification. Ms. Jackson suggested that there should be a limited space for applicants to respond to questions. This helps eliminate redundancy.

Mr. Fricke commented that the applications will come back to CDAAC for review. He inquired as to what the City Commission is trying to accomplish. Mr. Thomas stated that he would provide to CDAAC the "Blueprint", which outlines the goals in more detail.

Ms. Roberts stated that, in the past, the funds were distributed to applicants through city staff and the city commission; the new procedure will formalize that process. The new process will also give applicants accountability and it will cover potential liability issues with the city.

Mr. Kinsey advised that CDAAC should be able to review the applications in one day. Mr. Thomas pointed out that decisions regarding the summer youth programming should be completed prior to CDAAC's regularly-scheduled funding decisions.

The general consensus was that a motion was not necessary, and that the CDAAC members were agreeable with reviewing the applications for summer youth programming.

PY2007 Emergency Shelter Grant – Update

Mr. Thomas stated that the deadline for submission of the ESG proposals was July 18th. There were five proposals recommended for funding. Mr. Thomas advised that he provided copies of the ESG applications and requested input from Mike Kilbourne, Don Weed, and Wade Allen who are all homeless or formerly homeless. In addition, Mr. Thomas attended a meeting of approximately 15 homeless and formerly homeless people on July 24, 2007 at the Crows Nest restaurant on Westnedge and discussed the ESG proposals. This input serves to meet the HUD requirement that a homeless or formerly homeless person be included in the funding decisions for ESG.

Mr. Allen advised that "PITCH" (People Involved in Trying to Change Homelessness) has been suggested as a possible name. This diverse group of people has been meeting for approximately 3 months and they hope to decide on a name at next Tuesday's meeting.

Mr. Fricke inquired as to why this group of people was not involved with KHAN (Kalamazoo Homeless Action Network). Mr. Allen stated that he was a member of KHAN for about 8 years and that he helped form the group. The new group is being formed so that all of the members can have input. There have been some issues in the past with members of KHAN not having an equal say in how that organization is run.

Mr. Thomas stated that the ESG proposals are scheduled to be on the City Commission agenda for August 20th. Several people from the new group have expressed an interest in joining CDAAC. Four applications have been submitted for the two at-large positions that are currently available.

Mr. Fricke inquired if the ESG funds were tied to population statistics. Mr. Thomas confirmed that ESG dollars are indirectly related to population because that money is connected with CDBG funds, which are determined using census statistics. Mr. Fricke mentioned the prior discussions regarding the correlation between population and CDBG funds allotted to the City of Kalamazoo. He mentioned that those concerns had been expressed to the City Manager's office, but there has been no response. There is a

possibility that more funding will be lost next year due to declines in population. Mr. Fricke requested that city staff provide information regarding this matter.

Citizen Participation Plan Update/Rewrite

Mr. Thomas advised that there are no updates regarding the Citizen Participation Plan at this time. Ms. Osowski suggested that this topic be added to the next CDAAC agenda for further discussion.

NEW BUSINESS

Nominating Committee Report

Mr. Kinsey advised that there are new applications to be reviewed. He suggested adding this topic to the next CDAAC agenda so there will be time for the subcommittee to meet and make a recommendation. Mr. Thomas stated that the applications were only mailed to the nominating committee, not the entire CDAAC board. The nominating committee consists of Ms. Smith, Ms. Jackson, Mr. Kinsey, and Ms. Mills. Mr. Kinsey suggested that the applications could be discussed over the phone. Ms. Coleman stated that the Fairmont representative would likely submit an application to the City Clerk's office.

CITIZENS' COMMENTS

None

ADJOURMENT

Ms. Steppenwolf, supported by Ms. Smith, moved to adjourn the August 9, 2007 CDAAC meeting. With a voice vote, the motion carried unanimously.

The meeting adjourned at 7:45 p.m.

Submitted by: _____
(Recording Secretary)

Dated: _____

Reviewed by: _____
(Staff Liaison)

Dated: _____

Approved by: _____
(CDAAC Chair)

Dated: _____