

COMMUNITY DEVELOPMENT ACT ADVISORY COMMITTEE
(CDAAC)
February 12, 2009
Minutes

**Development Center
445 W. Michigan Ave., Suite 101
Kalamazoo, MI 49007**

Members Present: Shirley Coleman, Chair; Mildred Smith, Vice Chair; David Bills;
Charley Coss; Buddy Hannah; Trent Hines; David Kinsey

Members Excused: None

Members Absent: Wade Allen; Mike Bracy; Steve Chervenak

Guests: Alfrelynn Roberts (City Administration); Matt Marek (Davenport
University student); Tracey Arsulowicz (Western Michigan
University student)

City Staff: David C. Thomas, Neighborhood Development Supervisor;
Jackie Haske, Recording Secretary

CALL TO ORDER:

Ms. Coleman called the meeting to order at 6:30 p.m.

AGENDA (February 12, 2009)

Mr. Coss, supported by Mr. Bills, moved to amend the February 12, 2009 CDAAC agenda as submitted to postpone discussion on the Old Business item “2009 COMMISSION INITIATIVES: FUNDING PLAN” until Ms. Roberts’ arrival. With a voice vote, the motion carried.

It should be noted that Ms. Roberts arrived in a manner which allowed for the commencement of the agenda as submitted.

APPROVAL OF MINUTES (December 11, 2008)

Ms. Smith, supported by Mr. Bills, moved approval of the December 11, 2008 minutes as submitted. With a voice vote, the motion carried unanimously.

CITIZEN COMMENTS ON NON-AGENDA ITEMS

None.

COMMUNICATIONS/MEMBERS' REPORTS

NEIGHBORHOOD STABILIZATION PROGRAM (NSP) FUNDING PLAN

Mr. Thomas stated that on or about March 1, 2009, the City is expected to hear from the Michigan State Housing Development Authority (MSHDA) regarding its application for \$1.7 million of Neighborhood Stabilization Program (NSP) funds funded by the United States Department of Housing and Urban Development (HUD) as part of the Housing and Economic Recovery Act of 2008. These funds are targeted at cities with high rates of foreclosures, future foreclosure projections, sub-prime mortgages, vacation, and blight. If awarded, the City will utilize funds to alleviate the above problems in specific tracts in three targeted areas: the Northside, the Eastside, and the Edison neighborhood.

Mr. Thomas directed committee members to the handout summarizing the application. He then described the proposed budget for NSP, the bulk of which would be used for rehabilitation, preservation, demolition of blighted homes beyond repair, and new construction including site development. He added that 10% of the funds are set aside for administration, and pointed out how some leveraged funding may be utilized. Mr. Coss asked if 10% is a normal amount for administration, to which Mr. Thomas replied that 10% is allowed for administering the HOME program while CDBG administration allows up to 20%. He added that this new program has its own rules, albeit similar to HOME and CDBG.

Mr. Thomas added that NSP can be used to assist people up to 120% of area median income, which blankets most of the City. Mr. Coss then asked if Oakwood would then qualify, to which Mr. Thomas stated it would if the other factors weren't taken into consideration. It is not a targeted area. Mr. Coss then commented that Oakwood has a growing number of blighted and condemned homes.

Mr. Thomas stated more information should be available in March, and the City will keep CDAAC informed.

HUD UPDATES/TIMELINES

Mr. Thomas then referenced the handout of the target dates for the PY2009 Annual Action Plan. He stated that the target date for the Public Hearing to present the Annual Action Plan is March 12, 2009, to be held in conjunction with the regular CDAAC meeting. After a public comment period, the Action Plan is targeted for submission to HUD on April 13, 2009. Mr. Thomas confirmed the Public Hearing would be held in the Development Center's conference room, and stated upon inquiry that HUD has not yet determined a dollar amount for PY2009 CDBG funds, and CDAAC recommendations are based on status quo amounts.

CITY OF KALAMAZOO GENERAL FUND SUPPORT FOR NEIGHBORHOOD ASSOCIATIONS

The City Commission has approved a budgeted \$2,500 for neighborhood associations for Mini-Grants of up to \$500. A handout regarding the timeline and the application draft was provided to committee members. These grants are for specific projects which might

include websites, marketing, event-hosting and other small activities. Mr. Thomas stated a draft application is currently under review by City administration. Mr. Coss asked if the application process would entail two rounds of funding. Mr. Thomas explained the simple application will entail a short, separate page narrative, and the first round would be limited to the “non-core” neighborhoods, i.e., those currently not receiving funding assistance from the City. Any remaining funding would necessitate a second round with a new deadline open to core neighborhoods for similar projects. Mr. Thomas stated these proposals will come to CDAAC for review.

OLD BUSINESS

(Ms. Roberts arrived just prior to the following discussion, thus allowing the agenda to be administered as submitted.)

2009 CITY COMMISSION INITIATIVES: FUNDING PLAN

Mr. Thomas refreshed the committee on the Initiatives Funding. He stated in November 2008, the City Commission asked CDAAC to review Initiatives Funding proposals, but had no set budget to allocate at that time. Mr. Thomas directed members to a draft Funding Plan handout which provided a recommended formula for allocating awards. He explained the decisions for full, partial, or no funding depended on the average compiled score provided by the committee. A score of 34.5 and above yielded a recommendation for full funding, while a score between 30 and 34.4 determined partial funding recommendation. Scores lower than 30 resulted in no recommendation for funding. He reminded the committee that the dollar amount to be distributed is \$70,000.

Mr. Thomas stated that CDAAC’s liaison, Commissioner Don Cooney met with Chair Coleman, Mr. Kinsey, and himself regarding the CDBG and City Commission Initiative Funds in general, and the Kalamazoo County Poverty Reduction Initiative proposal in particular. Mr. Kinsey then informed the committee about that meeting. He stated Commissioner Cooney wanted to see what CDAAC thought of this agency’s proposal. CDAAC members had explained to Commissioner Cooney that although this proposal fit well with CDBG requirements under the capacity building category, it did not fit with the goals of the City Initiative funds. CDAAC members stated to Commissioner Cooney that thus far, \$17,000 of CDBG funding would be recommended for this agency.

Mr. Kinsey then clarified to the members of CDAAC that this agency requested \$10,000 in Initiative funding as well as \$27,500 in CDBG funds, for which the committee had not recommended full funding. He stated that as a liaison, Commissioner Cooney wanted to be aware of how CDAAC develops their recommendations, and get the committee’s views on this particular proposal. Mr. Coss added that he was thankful for that meeting and the feedback it provided to the committee from the Commission.

After a short discussion on AmeriCorps workers’ and WMU students’ potential assistance with the Kalamazoo County Poverty Reduction Initiative, Mr. Thomas verbally went over the City Initiatives Funding handout as follows.

Name/ Request	Score (AV)	Rank	2008 Award	2009 Recommendation and NOTES
Boys & Girls Club \$10,000	40.83	1/18	\$16,000	\$10,000... Similar proposal as 2007; well-written and well-defined proposal; solid program; very good final report; transportation is addressed in proposal
Ministry with Community \$3,200	35.33	2/18	\$15,000	\$3,200... full funding; meets City Commission priorities in assistance with transportation to employment for the homeless; accessible program
YWCA Summit on Racism \$10,000	35.16	3/18	0	\$10,000... good community program; well-presented proposal
Goodwill Industries \$5,000	34.83	4/18	\$5,000	\$5,000... good project; reasonable budget; education and literacy together
Kal Co YMCA \$7,000	34.5	5/18	\$4,000	\$7,000... youth recreation as one of the City Commission priorities
Oakwood Neigh Assn \$3,200	34.33	* 6/18	\$1,310	\$3,100... good match of other resources; Summer Youth Program; assists several single mothers
Senior Services \$9,294	34.33	* 6/18	\$5,000	\$6,100... foster grandparent/Summer reading program
Prevention Works \$6,438	32.83	7/18	0	\$4,600... meets City Commission priorities in youth programming and substance abuse prevention
Douglass CA \$9,060	32.33	8/18	\$5,000	\$4,600... accessibility is an issue; program is not meeting its own crime prevention objectives
New Genesis \$10,000	32	9/18	N/A	\$4,600... program is limited in scope; transportation issues not addressed and might be a hindrance to youth participation
Fire Historical... \$10,000	31.8	10/18	N/A	\$4,600... appears to have a good Board; youth receive funds and community and other youth benefit
Eastside Neighb Assn \$7,175	30.33	11/18	\$6,000	\$3,600... youth jobs element is good; proposal is not especially strong
Ecumenical Senior Ctr \$5,000	30	12/18	0	\$3,600... limited impact; duplication of efforts?

Kal Co Poverty Reduction Initiative \$10,000	29.33	* 13/18	0	0...The proposal does not seem to fit the City Commission priorities of this program; not enough direct action to assist in the reduction of poverty
Fair Housing Ct. \$10,000	29.33	* 13/18	N/A	0...The proposal does not seem to fit the City Commission priorities of this program; unimpressive proposal
Edison Neigh. Assn. \$7,424.63	27.5	14/18	N/A	0...Is this a duplication of other recycling efforts?; application is not signed off by Board
Child Care Resources \$10,000	27.33	15/18	\$10,000	0...issues with completing 2007 grant as intended; use of self reporting is not solid evaluation tool; question the benefits/impact of this program
Vineyard Outreach \$10,000	26.83	16/18	\$2,690	0...not well-presented; appears to be general operating support and not project specific

Mr. Kinsey stated he was satisfied with the process and the results. Mr. Hannah also expressed satisfaction.

Mr. Kinsey, supported by Mr. Hannah, moved to recommend City Initiative Funding to the City Commission as discussed. With a voice vote, the motion carried.

Ms. Roberts then thanked the committee for meeting with Commissioner Cooney as well as participating in the City Initiative Funding recommendation process. She advised that upon CDAAC’s request, she can facilitate future meetings between Commissioner Cooney and the committee.

NEW BUSINESS

PY2009 CDBG SUBCOMMITTEE REPORTS

Ms. Coleman then directed members to the reports for both the Public Services and Housing subcommittees regarding their review of the PY2009 CDBG proposals. The review process for each subcommittee, as stated on the handouts, took the following factors into consideration:

- Quality/Merits of the application
- Funding and programmatic history (where available)
- Criteria Scoring and Ranking

Based upon those factors, the subcommittees reached consensus during meetings held in January, which were compiled in the following report:

Housing Subcommittee

Constructive Community Builders: \$30,000

The application was significantly stronger than previous proposals from CCB; all agreed that Ada Street is in need of some improvement; this seems like a feasible proposal; CDBG for one-half the estimated rehab as a challenge grant

Disability Network Southwest Michigan: \$15,000

Good solid program addressing an underserved need; consistently meets goals

Douglass Community Association – Home Repair: \$45,000

Lots of errors and typos in this application; appear to have used last year's application without changing the dates; this program is too reliant on annual CDBG funding without making any enhancements to the program; good Summer program but the 12% increase in costs appear to be administrative with no justification; this program has become too costly for the number of units impacted

Edison Neighborhood Association: \$30,000

Timeliness of PY2008 grant expenditures suggest that the full amount requested is not required to proceed; no draws to date, so what's being done?

Housing Resources, Inc. – Summit Park: -0-

Low community impact; would appear to have been a foreseeable capital improvement or maintenance item, not a special project; it appears there are funds in their capital improvement/reserve budget for this project

Housing Resources, Inc.: \$40,000

Administration of short-term financial assistance; see also, Public Services–Admin of Housing Plus Program

*Kalamazoo Neighborhood Housing Services: *\$206,000

The lack of timeliness of PY2008 grant expenditures suggest that the full amount requested is not required to proceed; are there capacity issues here? The use of CDBG for CHDO match is unnecessary since KNHS is a locally-certified CHDO and could use HOME funds; 20% for program delivery costs? The use of HOME funding needs to be looked at more than CDBG

Kalamazoo Northside Nonprofit Housing Corporation: -0-

No PY2008 CDBG has been drawn; therefore, the lack of timeliness of PY2008 grant expenditures suggest that this grant is not required to proceed; LISC has supported capacity building for this organization, but it isn't apparent from the application; lack of detail in the application;

possibly partner with Constructive Community Builders for the benefit of the Northside?

Kalamazoo Valley Habitat for Humanity: \$40,000
Good, solid program.

Living Ways Foundation: 710 Lovell Street: \$25,000
PY2008 funding was for \$15,000 for this same address; partial funding to get the job done; lack of specificity is quite unprofessional here, “The total estimated cost for weatherization improvements to this home is around \$60,000” is as close as we get to a budget for this project; the leverage is \$10,000

My Own Home: 704 Lovell: -0-
The City has already invested \$20,800 (1993) and \$70,000 (2006) in this property; the language from the CDBG Agreement: “The estimated cost of rehabilitation shall be less than 75% of the total estimated cost of replacement after rehabilitation” will prohibit any more CDBG expenditures on this property

*Senior Services, Inc.: *\$90,000
The in-home assessments and safety checks are especially useful; with a corps of volunteers to do the bulk of the work, as described in the application, \$125,000 is costly; the leveraged funds amount to \$28,147; CDBG is 81% of the program

****(City Staff recommend Kalamazoo Neighborhood Housing Services be reduced to \$200,000 and Senior Services be increased to \$96,000)***

Public Services Subcommittee

Catholic Family Services – The ARK: \$7,000
Strong program; narrow focus area within homelessness; therefore, limited community impact; plans for a capital campaign?

Douglass Community Association – Youth and Adult Services: \$9,000
Once again, did not complete the HUD Matrix; solid program serving the youth of the Northside primarily; must improve on documentation; shows good leveraging.

Ecumenical Senior Center: -0-
CDBG is not the best funding choice for a pilot program; the emphasis on this application is more for the youth than the seniors; Page 6 Selection Process is problematic and not income-based per CDBG; Page 6 includes budget discrepancies; overall, low community impact for too much funding.

Fair Housing Center of Southwest Michigan: \$13,000

Typos indicate \$30,000 request in one section and \$13,000 in others; page 11 is a good run-down on all services; this is an important service in the community and is eligible under CDBG Administrative rather than Public Services

Hispanic American Council: \$8,000

Under new director; new staff to take the role of Liaison position; if this has been a “core program” for 27 years, CDBG should not necessarily continue to be a primary funder.

Housing Resources, Inc.: \$18,000

Administration of short-term financial assistance; see also, Housing – TBRA Admin

Kalamazoo County Poverty Reduction Initiative: \$17,000

CDBG Public Services must provide a benefit to L/M income persons; this is a research project building a data base; this is eligible under Planning as a project to determine the community need in order to establish applicable policy, 24 CFR 570.205(a)(6)

Kalamazoo Drop-In Child Care Center: \$5,000

Good program; well-written application; limited direct impact, but meets a need

Kalamazoo Valley Habitat for Humanity: -0-

CDBG is not the best funding choice for a pilot program; this appears to be a duplication of existing efforts within the community

Legal Aid of Western Michigan: \$10,000

This continues to be an important service in the community especially in light of the foreclosure prevention and mitigation efforts underway; funded in PY2008 under City of Kalamazoo General Funds

Local Initiatives Support Corporation: \$30,000

Solid connection to City’s planning efforts; eligible under CDBG Administrative rather than Public Services

Ministry with Community: \$18,000

Serves an important function as a daytime shelter; addresses City’s homelessness issues

Minority Business Alliance: -0-

The proposal requests funds to train the trainers; while the entrepreneurial training is a good objective, CDBG would be better used

to assist those going into the program; high administrative costs; question the cost of stipends for those going through the program

New Genesis PAL Basketball: -0-

This appears to be a duplication of other community recreational efforts; limited leveraging

Open Door and Next Door Shelters: \$10,000

Good solid program assisting homeless issues and mentoring both young men and young women; good leveraging; good capacity to complete project

Professional Development and Training Center of SW Michigan: -0-

Application was not well-prepared; HUD matrix demonstrates a lack of understanding of CDBG; \$4,300 cash is uncommitted; request is for 10 computers, adjunct instructor; bus tokens, and marketing

Red Tent - Scholarships for Girls in the Wild: -0-

Limited impact of only 5 families from Kalamazoo for \$20,000 request; 78% administrative costs

YWCA Domestic Assault Program: \$20,000

Good solid program addressing community homelessness for domestic assault; consistent program; need is there, but CDBG cannot make up for other budget shortfalls

A discussion then began regarding each subcommittee's decisions and their processes. Committee members stated that both subcommittees scored proposals similarly to how the City Initiatives proposals were scored, utilizing a ranking system with commentary. One subcommittee also separated the applications into yes/no categories based on the above factors to aid decisions. That subcommittee also went through the proposals several times with the rankings in mind and adjusted remaining funds based on the strengths of the organizations. A few proposals were not recommended for funding. Those projects duplicated efforts of other proposals or existing organizations, the expected impact was non-proportional to the amount requested, or the proposal included high administration costs.

(Ms. Roberts departed during this discussion at 7:05 p.m.)

Mr. Thomas stated that Director Jeff Chamberlain reviewed the reports and is in agreement with all but two of CDAAC's recommendations, to which he suggested minor redistribution of funding. Mr. Thomas is also in agreement with this change. **City Staff recommends Kalamazoo Neighborhood Housing Services be reduced to \$200,000 and Senior Services be increased to \$96,000.** Mr. Coss then commented that due to his experiences with Senior Services, he would like them to be awarded as much funding as

possible, as he feels seniors are an underrepresented population with a great amount of need. He agreed with the City Staff recommendation.

After brief discussion regarding specific proposals (as summarized in the reports above), **Mr. Coss, supported by Mr. Bills, moved to amend CDAAC's PY2009 CDBG recommendations to include City Staff changes and forward the recommendations to the City Commission. With a voice vote, the motion carried.**

CDBG/HOME/ESG BUDGET PUBLIC HEARING: MARCH 2, 2009

Mr. Thomas informed the Committee that the CDBG/HOME/ESG budget public hearing will be held Monday, March 2, 2009 at the City Commission. He thanked the Committee for its hard work in reviewing the proposals. He then went on to describe the HOME Investment Partnerships Program, as well as PY2009 requests.

HOME REQUESTS

On March 2, the City Commission will receive recommendations regarding three HOME requests. Mr. Thomas advised that CDAAC has been advised of, but not responsible for, HOME funding requests, because at this point it is designed as an open-ended, year-round program with separate rules and regulations. He stated that the three programs to be recommended are Family Self-Sufficiency (FSS), Tenant Based Rental Assistance (TBRA) for the YWCA, and a housing rehabilitation project by the Kalamazoo Area Housing Corporation. Mr. Thomas referenced a handout describing these programs as well as staff recommendations to be given to the City Commission.

The FSS program is being proposed by Housing Resources, Incorporated (HRI). This program has been offered since 1995 for three months worth of emergency rent subsidies, security deposits, and utility assistance. Last year, this program assisted 110 households. An amount not exceeding \$200,000 is recommended for renewal through May 31, 2010.

The second program is a TBRA program for domestic violence victims run by the YWCA. Participants in this program will receive housing and extensive support including group counseling, mental health and substance abuse treatment. Staff recommends \$45,000 be awarded.

The final program is Kalamazoo Area Housing Corporation's proposal for renovation of the Rickman House to include changing the rooms from single-room occupancy to efficiency rooms. This change will include equipping units with kitchenettes, air conditioning, full bathrooms, beds, and furniture. City staff recommends \$200,000 be awarded.

Mr. Bills expressed concern over downtown businesses possibly objecting to the Rickman House project. Mr. Thomas advised there have been no objections at this time.

Ms. Coleman then encouraged everyone to attend that City Commission meeting on Monday, March 2.

PY2009 ANNUAL ACTION PLAN PUBLIC HEARING: MARCH 12, 2009

Mr. Thomas reiterated that the target date for the Public Hearing to present the Annual Action Plan is March 12, 2009, in conjunction with the regular CDAAC meeting. The notice to the Kalamazoo Gazette has been sent. After the presentation is a 30-day public comment period, after which the Action Plan must be submitted to HUD at least 45 days prior to the beginning of the Program Year.

NOMINATING COMMITTEE RECOMMENDATIONS

Mr. Kinsey noted that next month, CDAAC membership is due for changes. There will be an election for the Chair and Vice Chair positions. He added some current members of CDAAC have been consistently absent, thus affecting quorum. He stated opening these positions to new members may assist in achieving quorum. A staff report of attendance records indicated that Mr. Allen, Bracy and Chervenak have all been unexcused for either three consecutive meetings, and/or five meetings during the course of the year, making them eligible for removal from the CDAAC Committee. As Chair of the Nominating Committee, **Mr. Kinsey, supported by Ms. Coleman, moved to remove Wade Allen, Steve Chervenak, and Mike Bracy from CDAAC membership due to lack of attendance.**

Members of the committee commented that when he was present, Mr. Allen did have valuable input, which was appreciated.

Mr. Thomas stated letters to the above will be signed by Chair Coleman and submitted to the City Clerk’s office for the record. **Due to lack of adherence to the Bylaws, Mr. Coss, supported by Mr. Bills, moved for Wade Allen, Steve Chervenak, and Mike Bracy to be notified via letter of their termination from CDAAC. With a voice vote, the motion passed.**

CITIZEN COMMENTS

Guests Mark Marek and Tracey Arsulowicz thanked CDAAC for letting them sit in on the meeting.

ADJOURNMENT

Mr. Kinsey, supported by Mr. Bills, moved to adjourn the February 12, 2009 CDAAC meeting. With a voice vote, the motion carried unanimously.

Ms. Coleman adjourned the meeting at 7:36 p.m.

Submitted by: _____ Dated: _____
(Recording Secretary)

Reviewed by: _____ Dated: _____
(Staff Liaison)

Approved by: _____ Dated: _____