

COMMUNITY DEVELOPMENT ACT ADVISORY COMMITTEE
(CDAAC)
June 11, 2009
Minutes

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

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

Members Excused: None

Members Absent: Trent Hines

Guests: None

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

CALL TO ORDER

Due to Ms. Smith's initial absence, Mr. Hannah, serving as Vice Chair, called the meeting to order at 6:30 p.m.

ROLL CALL

The Recording Secretary proceeded with roll call and determined that a quorum of the members existed.

AGENDA (06/11/09)

Mr. Coss, supported by Mr. Kinsey, moved approval of the June 11, 2009 CDAAC agenda as submitted. With a voice vote, the motion carried unanimously.

APPROVAL OF MINUTES (05/14/09)

Mr. Kinsey, supported by Ms. Coleman, moved approval of the May 14, 2009 CDAAC minutes as submitted. With a voice vote, the motion carried unanimously.

CITIZEN COMMENTS ON NON-AGENDA ITEMS

None.

COMMUNICATIONS/MEMBERS' REPORTS

Mr. Coss noted an increase in the amount of condemned/abandoned homes in the Oakwood neighborhood, and added that Oakwood would benefit from further funding. Mr. Bills asked how to search data on units in that area. Mr. Coss stated he thought the City may be tracking that data. He then suggested a neighborhood walkthrough may provide the City with additional information and perhaps other neighborhoods should do the same. Mr. Thomas agreed with the suggestion, stating the information could be matched up with City data. Mr. Hannah inquired as to how to go about conducting this sort of inventory. *(At this time, Ms. Smith joined the meeting.)* Mr. Bills suggested a formal request be made by the City asking neighborhood associations to conduct a count. Mr. Coss questioned if the City had already done so in the past, while Mr. Bills questioned the availability of funds to perform such a count. Mr. Coss reiterated that the neighborhoods have personal knowledge of their housing stock and a different perspective than the City. *(At 6:37PM, Vice Chair Hannah officially turned the meeting over to Chair Smith and informed her of what agenda item the current discussion regarded.)* Mr. Thomas clarified that the terms “vacated” and “abandoned” have legal connotations. Any reporting on the status of a home must be accurately reflected in the language.

Mr. Thomas then advised that every year, soon after April 1st, the State provides a list to municipalities of properties the State has acquired through tax foreclosure. Municipalities are provided with the first option on acquiring those tax reverted properties from the State. Mr. Thomas stated that this year’s list was substantially larger than last year, indicative of the economic downturn. He explained the City buys these properties for a few reasons: to protect any investment the City may already have in the property (for instance, previous rehab work), and/or to keep the home from being run down by disreputable landlords. The City examined the list carefully weighing risks. Some properties will be demolished and the vacant land can later be used for redevelopment. Mr. Thomas indicated that many of the homes currently in tax reversion have been tax reverted in the past, and the City acquiring them may stop this trend.

Mr. Thomas added that on Monday, June 15, 2009, the City Commission will consider the acquisition of some of these tax reverted homes, mostly in the Eastside and Northside areas. He stated that Director Chamberlain had shared with the Eastside and Northside associations the list of the properties the City wishes to acquire, and received their approval to purchase those properties for specified reasons. Approximately \$100,000 is needed to acquire these properties.

Mr. Coss advised that the tax problem will likely accelerate in the coming two years, as more people this year were probably unable to pay taxes due to the economic downturn. Ms. Smith added that the County Treasurer, Mary Balkema, is very interested in creating a land bank for Kalamazoo County, which had previously opted out of forming one. Under land bank regulations, properties may be purchased, bundled, and strategically held for redevelopment. Ms. Smith noted that due to the nature of her work, she has knowledge of how land banks in Detroit have kept disreputable landlords from buying properties at auction on an individual basis.

Mr. Kinsey added that the Edison neighborhood looked at the idea of forming land banks about a year ago, when clear houses were sitting vacant. He stated the County is willing to give Edison favorable terms, perhaps two or three houses to rehab and move someone into. It will be run like Kalamazoo Neighborhood Housing Services (KNHS) runs its rehab program, offering credit repair and help to the homebuyer. He stated this will hopefully occur in the next few months. Mr. Kinsey also stated that the Edison Neighborhood Association hosted a youth violence event recently that was very successful. He stated approximately 75 people attended this meeting, and there were many good discussions.

OLD BUSINESS

PY2009 ANNUAL ACTION PLAN, HERA, and ARRA UPDATES

Mr. Thomas stated that the PY2009 Annual Action Plan has been submitted to HUD. He stated the report for the original April 15th due date had been based upon last year’s allocation as an anticipated funding amount. On May 4th, however, HUD contacted the City with information on the PY2009 allocations. The Annual Action Plan needed to be revised, as more funding than anticipated was to be received. This week, after the public comment period was complete, information on HUD’s website informed the City that the allocation had changed again. The additional funding was then revised in the Action Plan for Code Enforcement and Blight use.

Mr. Thomas then directed members to a spreadsheet summarizing the various funding types, what they are for, and how much funding the City will receive, as follows:

City of Kalamazoo - 2009 Funds from the U.S. Department of Housing and Urban Development Program, Amounts, Uses and Limitations

<u>CDBG</u>	<u>HOME</u>	<u>ESG</u>
\$1,846,466	\$736,860	\$81,270
Housing related activities;	Housing units and support;	Homeless shelter assistance;
70% minimum L/M benefit;	15% set aside for CHDO's;	allocation is proportionate to CDBG;
15% cap for Public Services;	10% cap for Admin;	5% Admin cap (City passes through);
20% cap for Admin;	Must be matched with non-federal funds at 25% (12.5% for distressed communities)	Rehabilitation;
No match requirement, but leveraging is increasingly important		Essential Services (30% cap);
		Operations (10% cap on staffing);
		Homeless Prevention (30% cap)
		100% match requirement;
<u>*NSP(1)</u>	<u>HPRP</u>	<u>CDBG-R</u>
\$1,700,000	\$758,089	\$495,533
Through MSHDA;	Homeless Prevention	Job Creation/Retention focus
Demos...40 @ \$300,000	Financial Assistance...\$530,000;	Northside economic ... \$250,000
Financing...10 @ \$100,000	Housing services...\$176,089;	City Infrastructure...\$121,983

Acq of foreclosed properties...9 @ \$180,000	Data Collection/Evaluation...\$15,000; Admin @ 5%...\$37,000 (City to pass through)	Foreclosure Prevention...\$35,000 Economic Opportunity/Training...\$39,000
Rehabs...\$470,000		
Redevelopment of vacant land...\$480,000		Admin (10% cap)...\$49,550
Admin (10% cap)...\$170,000 * New Program with separate guidelines NSP1 ...mixture of CDBG and HOME regs		<u>NSP(2)</u>
HPRP...not the same as ESG		?
CDBG-R...variations from CDBG		

Mr. Coss asked if CDBG may require a match percentage in the future. Mr. Thomas advised not at this time. Regarding HOME, Mr. Thomas mentioned that Kalamazoo Area Housing Corporation (KAHC), Kalamazoo Neighborhood Housing Services, Inc. (KNHS), and the Northside Association for Community Development (NACD), are the only current CHDO's currently registered with the City of Kalamazoo. Kalamazoo Valley Habitat for Humanity is considering becoming one. A brief discussion ensued about using HPRP funds for utility assistance and rent, but not for mortgages, and how the City may wish to prioritize its HPRP funds to assist family units, those most likely to break out of homelessness with some financial assistance.

The initial public hearing regarding CDBG-R did not contain enough specificity in its project descriptions to meet the new guidelines. Therefore, a revised plan/Substantial Amendment to the PY2008 Annual Action Plan was submitted (due June 5th) with specific plans for subrecipients. A 7-day public comment period followed. He added that the specifics of this plan include NACD running a grocery store where the recently defunct Felpausch is on the Northside on N. Park St. (NACD - \$250,000), streets and infrastructure (City of Kalamazoo - \$121,983), employment training (Minority Business Alliance - \$39,000), foreclosure prevention local funding pool (KNHS - \$35,000), and Administration (City of Kalamazoo - \$49,550).

NEW BUSINESS

CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER) TIMELINE

Mr. Thomas directed members to a timeline handout for the next Consolidated Annual Performance and Evaluation Report (CAPER). He explained the CAPER is a report due to HUD that explains how the recent program year's funding was used. The final reports from subrecipients are due June 30th and will be used to create the CAPER. A 15-day public comment period follows compilation of that data, as well as a public hearing.

Mr. Thomas explained that he will be out of the office on August 13th, and would like to move the August CDAAC meeting to August 6th to coincide with the public hearing. He stated that meeting will likely take place in the City's Community Room to accommodate those making public comments. Members of CDAAC verbally affirmed the change of date for the August CDAAC meeting.

Mr. Thomas added that 2009 is the last year covered in the City's current Five-Year Consolidated Plan, so the August meeting may be well-attended. He stated he plans on covering how funding was utilized for the entire 5-year period. Discussion then turned to the update for the Consolidated Plan itself.

CITY OF KALAMAZOO CONSOLIDATED PLAN 2010-2014

Mr. Thomas explained that the City recently sent out a Request for Proposal (RFP) nationwide to find a firm to take on this project. Three bid proposals were received. Mr. Thomas directed members to a handout summarizing the bids.

Mr. Thomas stated that the items in bold were aspects pertinent to McKenna Associates being awarded the bid, and briefly discussed the other bids. He did state, however, that the same group doing consecutive plans in a row may be a weakness, as it encumbers fresh perspectives.

He then referenced the last page of McKenna Associates' proposal, which is a timeline that includes working with City staff, neighborhood meetings, and meetings with CDAAC. Mr. Thomas stated that McKenna Associates plans on meeting with CDAAC in November or October. At that time, CDAAC will have a chance to look at drafts of the new Consolidated Plan and be part of the process.

CITIZEN COMMENTS

Mr. Kinsey was asked if the Nominating Committee had anything to report. He stated there has been little activity since the last meeting. Mr. Bills stated there were some worthwhile dates and meetings coming up and inquired into CDAAC participation in Super Saturday weekend. He asked if any flyers have been made up, to which Mr. Kinsey responded there have not.

Mr. Thomas added that he has followed up with the application from the potential homeless representative, attempting to get an alternative address from the applicant, Lena Haynes. She had provided an address on her application that indicates she is not a City resident. He has not received a response at this time.

Mr. Coss asked for follow up regarding having Mr. Hannah serve as an Eastside representative rather than At-Large and an official letter from Eastside stating such. Mr. Hannah stated it was initiated months ago but no further action has been taken. Mr. Coss reiterated that filling the neighborhood seats is the priority. Mr. Thomas added that he thought the Eastside Neighborhood Association was aware of this, to which Mr. Hannah

reiterated that he was told the Eastside’s board was going to be asked about it. He stated he would ask Pat Taylor of the Eastside Neighborhood Association for follow up. Mr. Kinsey clarified that the CDAAC neighborhood representative doesn’t have to be on a neighborhood board but has to be selected by the board.

Ms. Coleman stated she has asked the Stuart neighborhood for information about getting CDAAC an At-Large member. Mr. Coss stated he is willing to make personal contacts at events, perhaps setting up a booth. Mr. Kinsey reiterated that it was suggested to go to local coffee shops with flyers, and advised that Mr. Hines has experience in graphic design, if the City would assist him with copy to design a flyer.

Ms. Coleman expressed the need for CDAAC to have more outreach and gain members. She stated there is time to increase the group’s membership by fall. Mr. Coss asked he heard about a state wide neighborhood event in the fall and asked if Kalamazoo has something similar, and if the City puts it on. Ms. Haske mentioned that National Night Out, a multi-neighborhood event, is in August. Ms. Coleman stated that event would be good to have flyers ready for. Mr. Hannah mentioned he has open time slots available for his radio show on the 27th of June for someone to come discuss CDAAC.

Mr. Thomas asked if Mr. Hannah was still active with the Northside paper, to which Mr. Hannah stated it is only available online. Mr. Thomas asked if a brief informational piece was created, if that could be posted in the online newsletter (www.comvoices.net), to which Mr. Hannah said it could. Mr. Coss asked Mr. Thomas to copy the informational piece to him and he’ll send it to Western’s newspaper. Mr. Thomas mentioned that CDAAC could probably place an ad in other neighborhoods’ newsletters as well. Mr. Kinsey mentioned that the Edison neighborhood has an online newsletter as well. Ms. Smith added that she creates NACD’s newsletter and can place an informational piece in a future issue.

ADJOURNMENT

Mr. Hannah, supported by Mr. Coss, moved to adjourn the June 11, 2009 CDAAC meeting. With a voice vote, the motion carried unanimously.

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

Submitted by: _____ Dated: _____
(Recording Secretary)

Reviewed by: _____ Dated: _____
(Staff Liaison)

Approved by: _____ Dated: _____