

COMMUNITY DEVELOPMENT ACT ADVISORY COMMITTEE
(CDAAC)
August 6, 2009
Minutes

**City Hall
Community Room
241 W. South St.
Kalamazoo, MI 49007**

Members Present: Mildred Smith, Chair; Shirley Coleman; Charley Coss;
Trent Hines;

Members Excused: Buddy Hannah, Vice Chair; David Kinsey

Members Absent: David Bills

Guests: Laura Lam, Community Development Manager

City Staff: David C. Thomas, Neighborhood Development Supervisor;
Amy Thomas, Recording Secretary (attended);
Jackie Haske, Recording Secretary (transcribed)

CALL TO ORDER:

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

PUBLIC HEARING: PY2008 CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT

Mr. Thomas stated one of the requirements to receive funds from the U.S. Department of Housing and Urban Development (HUD) is the completion of the Consolidated Annual Performance and Evaluation Report (CAPER), which summarizes the use of HUD dollars for the program year. Mr. Thomas gave an update on the PY2008 CAPER and opened the public hearing. He stated the notice of the public hearing was published in the Kalamazoo Gazette on July 27, 2009. He stated HUD materials for will be available for public review at our office and the downtown public library. Mr. Coss asked if these materials would be online, to which Mr. Thomas replied they would be shortly.

Mr. Thomas then explained the provided spreadsheet. He advised it serves as a reference for the 43 different eligible activities funded with Community Development Block Grant (CDBG) funds, 28 of which were funded. PY2008 included 10 HOME funds and 5 Emergency Shelter Grant (ESG) funds. Each type of fund has its own requirements. He then explained that the spreadsheet shows the number of households affected, as well as a demographic breakdown regarding of race, disability, female head-of-household status, area median income, grant amount, ownership assistance, rental assistance, meals provided, and other information.

Mr. Thomas went over the next sheet, explaining that the program year for 2008 is June 1, 2008 through May 31, 2009. For federal funds, the City received \$2,569,621, broken out into CDBG, HOME, and ESG. The City will also report on program income, including anticipated figures from Kalamazoo Neighborhood Housing Services, the Small Business Revolving Loan Fund, and the City's Rehab program. At this time, those numbers are still being processed but will be finalized by the August 31, 2009 deadline.

Mr. Thomas explained the City's five-year Consolidated Plan addresses five priorities via federal funds, and the current Consolidated Plan ends this year. This year is program year four of the Plan. Next year, in addition to program activity, the City will also prepare a cumulative five-year report for projected activity, how funding was spent, and what was achieved. He explained that when the current Consolidated Plan was being written in 2004, the foreclosure crisis and economic downturn were unforeseen, but will affect the next Consolidated Plan. Mr. Thomas then discussed the current five priorities of the Consolidated Plan in reference to how PY2008 outcomes met those objectives.

The first priority is **a commitment to use a substantial amount of funds available for the purposes of available housing**. Mr. Thomas pointed out the usage of funds in the spreadsheet addressing that objective. Forty-nine percent of available HOME and CDBG funds available went toward activities that support affordable housing, specifically addressing 87 housing units, 1,273 persons, and 12 community development corporations and neighborhood associations.

The second priority is **maintenance, rehabilitation and weatherization for income-eligible homeowners**. The majority of funding supports these activities. Page three of the handout summarizes how 48% of available CDBG and HOME funds addressed those activities. 606 units were rehabbed or weatherized at the cost of \$1,182,305.03.

The third priority of the Consolidated Plan is **infrastructure/rehabilitation to accommodate special needs populations**. The Kalamazoo County YMCA received \$6,179 for two accessible entrances at the Maple Street YMCA. Mr. Thomas stated he has inspected those entrances, and they are being utilized, evidenced by an increase in the level of senior and disabled citizens able to easily access the YMCA.

The fourth priority is **neighborhood-based economic development, micro-enterprise**. Mr. Thomas stated there were no applicants for this activity this program year.

The fifth priority is **public services with a focus on youth recreation and crime prevention**. \$315,090 funded such activity for 8,674 youth. In total, almost 24,000 people benefitted from this funding, including Public Safety activities funded in part with these dollars. Regarding homelessness, 126,151 nights of shelter were provided. Mr. Thomas pointed out the top of the sheet where the public service activities totaled 11% of CDBG. The maximum allowed is 15%.

Mr. Thomas then stated the City is allowed to use up to 20% of CDBG, up to 10% of HOME funds, and up to 5% of ESG funds for administration, monitoring, preparation of reporting legal documents, and similar activities. This also includes some Planning dollars. The Bryant Mills Reuse plan was funded at \$83,740. The total amount used for administration, monitoring, and

planning were \$429,811.26, which represents 17% of the CDBG and HOME funds available to the City.

Next, Mr. Thomas went over Table 46, which is a HUD form required for the CAPER. He stated this form is a tracking tool that references the Consolidated Plan's objectives. At the time consultants McKenna Associates prepared the Consolidated Plan in 2004, they projected how to meet an unmet need in the community regarding how many units to target on an annual basis. From the reports, Mr. Thomas gathered data on how many units were reported back as having addressed these objectives.

Under the **homelessness objective**, a proactive approach to services that help residents to remain in their homes, 500 units were expected, yet 1,176 units were reached. Of the 21 objectives, 14 goals were met or exceeded while 7 were missed.

Under the **housing objective**, which is to partner with developers to produce affordable housing units for ownership (new construction), 30 units were expected. Assistance was met for 12. Mr. Thomas attributes this to the current housing market.

Under the objective regarding **building capacity among community housing development organizations and neighborhood associations' staff to assist with ownership opportunities**, the performance measure was new homeowners, with 70 new homeowners expected each year. This goal was not met. We were able to reach 12. Mr. Coss asked if referrals counted, to which Mr. Thomas stated they weren't.

The next objective that was not met was **support for quality after-school programming**. Mr. Thomas stated in the last several years, there has been a decrease of applicants in this objective category. The goal of 400 was not met; only 105 were reached. Mr. Thomas stated this number may change, as the youth programming objective through Parks and Recreation exceeded expectations. Mr. Coss asked how those numbers are counted, to which Mr. Thomas stated the participants are counted each day, so there may be duplicate people benefitting.

After clarifying that this report is only on federal funding and does not include General Fund, Mr. Thomas discussed the objective regarding **creating a comprehensive strategy to improve public infrastructure**. He stated CDBG has not been used for improving public infrastructure, and thus the removal of 50 expected barriers has not occurred, nor do we have a strategy to prevent infrastructure disrepair using federal dollars. The City does have a Capital Improvement Program which does this; however, it is not via CDBG. Mr. Thomas stated this outcome may change as the City's budgeting changes. More demand may be put on federal dollars to improve infrastructure. Mr. Coss asked about CDAAC representation on a future ad hoc committee for this objective, to which Mr. Thomas stated he would pass the idea on to the City Manager.

Mr. Thomas stated for the **Economic Development objectives**, there was no activity this year, so the City did not reach its goal.

Mr. Thomas then referenced the Performance Outcome Measurement System handout, which is required by HUD via CPD notice 0309. He stated that HUD has to report to Congress, and this

matrix system assists that process. It breaks down all HUD funding into three objectives: **Suitable living, decent housing, and economic opportunity**. Within those objectives are three outcomes in which all HUD funding will be categorized, having made one of those three objectives available or accessible, affordable, or sustainable. He stated that the 43 projects are placed into one of the objectives and outcomes of the matrix. HUD will then “roll up” our information with that of other municipalities and states, then provide Congress a simplified report of that information via the matrix of the three objectives and three outcomes.

Mr. Thomas stated for the City, \$217,400 was used to make suitable living accessible or available. \$8,000 went to suitable living that was affordable, primarily the Kalamazoo Drop-In Childcare Center. \$880,438 supported suitable and sustainable living environments. Therefore, \$1,113,833.72 of City funding created a suitable living environment for 28,856 low-mod income people, and assisted 42 non-profit community organizations toward a suitable living environment. The same system was used for the decent housing and economic opportunity objectives. \$1,528,866 of federal funds were used to assist 185 housing units, 1,179 households for down-payment assistance or short-term rental assistance, and 23 non-profit organizations were assisted, all in support of decent housing.

Mr. Thomas commented that there seems to be an increase in the level of support in the standard programs, CDBG and HOME. He reminded the group that the stimulus funds (CDBG-Recovery, Homeless Prevention and Rapid Rehousing, Neighborhood Stabilization Programs 1 & 2) will require further reporting tasks.

At that time, Mr. Thomas opened the floor for questions, and stated the CAPER will be submitted to HUD by August 31.

He added that there have been issues with some agencies’ lack of rehab and weatherization activity. He noted on the handouts where certain projects were incomplete, to include: Eastside Neighborhood Association weatherization program (\$8,000), Edison Neighborhood Association rehabs (\$50,000), Northside Association for Community Development’s weatherization program (\$50,000), and Mt. Zion Safe House’s community garden project (\$40,000).

After a brief general discussion about various agencies, Mr. Coss asked about bringing in people to CDAAC from WMU’s Business College and the Chamber of Commerce as a task force to help develop the economic development portion of the objectives. Mr. Thomas stated that Mr. Warren Cook in the Community Planning and Development Department is involved with the Small Business Revolving Loan fund, a portion of which is funded with CDBG Program Income, so there is some economic development activity occurring, with job training included. With the recovery funds, the Minority Business Alliance is an agency able to receive the funds for job assistance development. Additionally, under CDBG-R, the Northside grocery store is being developed. He reiterated that there is activity, but it is not reportable via CDBG.

Mr. Coss suggested that perhaps the Chamber of Commerce could be used as a primary intake source, a sub-recipient responsible for their own reporting and self-managing, able to provide small business loans via CDBG. Ms. Coleman supported this idea.

Mr. Hines asked for clarification on the Northside Association for Community Development's (NACD) grocery store as a community development activity. Mr. Thomas advised that LISC has some job training funding available for use on this project, as well as a consultant from Virginia who specializes in this type of activity. He explained that low-income neighborhoods often lack local access to fresh produce. NACD will be the owner-operator of this grocery store with an off-site general manager or similar leader. NACD already owns the building and equipment inside. LISC will bring in expertise to get the grocery store running. \$250,000 of CDBG-R will help get that process running. Mr. Hines asked if this process included "buying out" Felpausch, to which Mr. Thomas stated they are still paying on the lease. There has been some discussion about Horrocks becoming involved. Mr. Coss suggested the Farmer's Market also become involved.

The public hearing then closed.

AGENDA (August 6, 2009)

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

APPROVAL OF MINUTES (July 9, 2009)

Mr. Hines, supported by Ms. Coleman, moved approval of the July 9, 2009 minutes as submitted. With a voice vote, the motion carried unanimously.

CITIZEN COMMENTS ON NON-AGENDA ITEMS

Mr. Coss welcomed Ms. Laura Lam, newly hired Community Development Manager, to the City of Kalamazoo.

COMMUNICATIONS/MEMBERS' REPORTS

Ms. Smith advised the group about the upcoming Kalamazoo Summit on Racism Annual Community Conference, to be held Thursday, September 10th, from 8:30am to 4:30pm at the Fetzer Center on Western Michigan University's campus. She provided the number for questions and stated that the speaker is Dr. Beverly Tatum, President of Spelman College. Ms. Coleman commented that she enjoyed the event last year and looks forward to this conference.

Ms. Coleman then stated that the Stuart Area Restoration Association hosted National Night Out on August 4th, and 70 people came to the event. She mentioned there are new people on the Stuart board. She added that there are also a few ad hoc committees that are reviewing historic sites and the condition of housing stock. She stated the committees will see if the owners of homes in disrepair can receive help. Mr. Coss asked if those owners can receive help via CDBG, to which Mr. Thomas reiterated owners must meet certain income eligibility requirements.

Mr. Coss commented that the Oakwood Neighborhood Association received a good turnout for National Night Out as well. He added that Oakwood is working with the Vine Neighborhood

Association to produce a neighborhood garden, much like Vine's. He stated the garden is a little more than an acre big. He stated the City has been helping and there is much support for the effort. He added that the youth neighborhood program was also successful.

Ms. Smith stated the NACD also had a successful National Night Out. She stated the fire department and police were there, including about 12 police cadets, which the children enjoyed. She stated the water park recently opened, and added that the neighborhood garage sale was successful despite not many people attending the event.

OLD BUSINESS

CDAAC MARKETING PIECE

Mr. Hines brought the CDAAC marketing pieces with him and stated he read the comments from the last set of minutes regarding editing the pieces to a half a page. He wished to know from the group what to take out to slim it down in size. Mr. Coss suggested a few things should be reworded to be friendlier. Mr. Hines stated the verbiage of the piece should be discussed regarding the time and what a potential member should expect. Mr. Coss stated "no prior experience" be changed to "all citizens welcome." Mr. Coss also suggested changing the language regarding the word "grant" to something more casual like "help the City with programs."

Ms. Coleman stated she felt it was a tremendous effort and is attractive. Mr. Hines stated he liked the final flyer the best. Mr. Coss stated that this would precede an interview where the details are discussed, and is meant to attract potential board members. After a discussion about wording the flyer in regards to attendance and time, Mr. Thomas asked the flyer be emailed to him and he would pass it along to the group for edits. Ms. Lam stated she felt the processing and discussion of the verbiage of the flyer was on task. Mr. Coss suggested the verbiage specific to CDBG and ESG be generalized to something along the lines of "helping the homeless." Ms. Smith and Mr. Thomas agreed. Mr. Hines stated he would email two copies; the unedited version and the edited version. He added that he felt the whole group, not just the Nominating Committee, should be involved with the edits. Mr. Coss clarified that the group would reply to the email with suggestions. Mr. Thomas asked Mr. Hines to email the flyers to him and Ms. Haske for distribution to the entire group.

NOMINATING COMMITTEE UPDATE

Mr. Thomas stated there are three potential CDAAC members including Lena Haynes (mentioned at previous CDAAC meetings), who represent the homeless population. Ms. Haynes lives in the township, so her membership could be in violation of the City Commission rules and regulations concerning board member residency. Mr. Thomas stated when he asked the City Clerk about this regulation, it was suggested that the wording on her application be specified, as her representation of the homeless population is paradoxical to the residency regulation. Ms. Haynes' activities take place in the city; she is the Chairperson for People United to Secure Housing (PUSH), a local homeless advocacy group. Mr. Thomas stated he believes she will be approved as a new CDAAC member, but would need CDAAC approval to continue the process.

The grant schedule was then briefly discussed in regards to obtaining new members. Mr. Coss asked if any other applicants could fill the homeless representative position, to which Mr. Thomas stated that she was currently the only applicant for that role.

Mr. Thomas stated Nick Gardner has been approached and has agreed to serve as an Eastside Neighborhood Association representative, but the paperwork is forthcoming. Additionally, there is an application from the Vine Neighborhood Association for Pat McCarthy, a staff member (Marketing Director) there. There is some confusion as to whether or not Ms. McCarthy is applying for At-Large membership or as an alternative Vine Neighborhood Association representative. In the past, staff members have not been allowed to represent their Association.

NEW BUSINESS

2010 – 2014 CONSOLIDATED PLAN

Mr. Thomas stated there recently were two public meetings regarding updating the City's Master Plan (also know as the Comprehensive Plan). That update coincides with the five-year Consolidated Plan, specific to federal funding and required by HUD. McKenna Associates won the low bid for consultancy. An effort is being made to share information between the two plans. He pointed out the timeline provided in the packet, which showed that McKenna Associates is already working on the demographics and research, and has a key database of shareholders from the previous Consolidated Plan, for which they were the consultants. They are also keeping in touch with this department and are planning six neighborhood meetings for September. McKenna Associates will be meeting with staff in October after these meetings to let us know where they are in the process. They would like to meet with CDAAC on October 8th to give their status of the plan. A public hearing will be held on November 12th, followed by a 30-day public comment period, followed by finalization. They will meet with CDAAC again on January 14th for the second public hearing, at which time they will present the nearly-finished Plan. With CDAAC's approval, the Plan will then go on to the City Commission for adoption. At that point, the Consolidated Plan will be sent to HUD for their approval. This timeline coincides with the next set of Annual Action Plans.

Mr. Coss was concerned that after the 2010 Census, the Oakwood neighborhood would become ineligible for CDBG. He asked how that information would work with the Consolidated Plan update, as the results of the Census will be unknown upon the Plan's completion. Mr. Thomas stated that can be discussed with McKenna during their meeting with CDAAC in October. He added that nothing has been finalized, and stated he has spoken with the Oakwood Neighborhood Association Director advising that Oakwood can apply for CDBG, but not on an area-wide basis, if specific activities were fundable. He added that HUD's tools for determining neighborhood eligibility should be based on the Census data available at that time, which for next year would still be the 2000 Census. He also stated that McKenna has agreed to work with updated Census information where available. Mr. Coss clarified that after the 2010 Census data is complete, HUD will use that data. Mr. Thomas reiterated that neighborhood information in the Consolidated Plan in regards to the Census data is open for discussion with McKenna at a later time.

Mr. Hines stated it would be beneficial if the Consolidated Plan update be shifted to 2011 to coincide with the finalization of the Census data. Mr. Thomas stated in the past the Census data has taken up to two years to be finalized and officially published. The issue would be with HUD to move the dates for the Consolidated Plan requirements.

CITIZEN COMMENTS

None.

ADJOURNMENT

Ms. Hines, supported by Ms. Coleman, moved to adjourn the August 6, 2009 CDAAC meeting. With a voice vote, the motion carried unanimously.

Ms. Smith adjourned the meeting at 8:24 p.m.

Submitted by: _____ Dated: _____
(Recording Secretary)

Reviewed by: _____ Dated: _____
(Staff Liaison)

Approved by: _____ Dated: _____