COMMUNITY DEVELOPMENT ACT ADVISORY COMMITTEE
(CDAAC)
Minutes
11/19/2020

ZOOM Virtual Public Meeting

Members Present: Tami Rey, Jeanette Tarver, Margaret Wilson, James Martin, Amina Shakir, Candice Howell

Members Absent: Megan Buwalda

City Staff: Venessa Collins-Smith, Community Development Coordinator
Christopher Raschke; Community Development Compliance Specialist
Antonio Mitchell, Community Investment Manager

CALL TO ORDER

ROLL CALL (Quorum 4)

Ms. Marsman conducted roll call of CDAAC members and determined quorum existed.

APPROVAL OF AGENDA

Ms. Collins-Smith requested that the 2021 Notice of Funding Availability and Pre-Submission Meeting under “Old Business” be moved to Item #1.

Ms. Howell made a motion to accept the November 19, 2020 Agenda with the correction as noted above. Supported by Ms. Wilson. A voice vote was taken, and the motion passed.

APPROVAL OF SEPTEMBER & OCTOBER 2020 MINUTES

Ms. Shakir, supported by Mr. Martin, motioned to approve the September 10, 2020 minutes. A voice vote was taken, and the motion passed.

Ms. Shakir, supported by Mr. Martin, motioned to approve the October 8, 2020 minutes. A voice vote was taken, and the motion passed.

CITIZEN COMMENTS ON NON-AGENDA ITEMS

No citizen comments.

OLD BUSINESS

2021 Notice of Funding Availability and Pre-Submission Meeting

Mr. Raschke provided an overview:

- The 2021 Pre-Submission Meetings were held on November 5.
There were two meetings, one at 10:00 a.m. and one at 5:30 p.m. Due to COVID restrictions, these meetings were held virtually.

16 applicants attended the morning session. The applicants included individuals, developers, public service agencies and some local community development organizations.

Two applicants attended the evening session.

Funding amounts available:
- CDBG: $350,000
- HOME Fund: $350,000

The presentation included:
- Overview of the City’s goals and priorities in the 2019-2023 HUD Consolidated Plan
- Overview of the 2021 HUD Action Plan, which carries out the goals and priorities on a yearly basis.
- For this year, the CDBG priorities are:
  - Minor and critical home repair
  - Down payment assistance
  - Youth development
- For this year, the HOME priorities are:
  - New construction rental
  - Home ownership
  - Rental rehab
  - Lease purchase

Because the application was not available at the pre-determined time, the application deadline has been extended to Monday, December 7, 4:00 p.m. to give applicants an extra two days to complete their application.

2021 Application Committee Report

Candace thanked everyone for a job well done during our development of the 2020 Affordable Housing Application. A special thank you to Ms. Rey, as Chair of the Committee and thank you to Mr. Martin for serving. During this process, they ensured that the recommendations mirrored the voices of city residents that resulted from the 2019-2023 Consolidated Plan. She thanked everyone, also, for their recommendations related to COVID-19. This great work has been both tangible and beneficial. Thank you to everyone who made recommendations as interested parties to get additional applicants.

COVID 19 (Third Tranche of CDBG CARES Act funding)

Presentation from Lisa Willcutt, Lockhart Management regarding COVID-19 solutions:

Lisa came to address a specific need with the City of Kalamazoo - the ability to have enough housing for persons experiencing homelessness. The LIFT Foundation, one of her clients, has looked at many ways to address this situation and, ultimately, settled on motels in the area. There are ways to convert motels quickly into permanent, affordable housing. There are
approximately 130 individuals currently residing at known encampment sites (this was determined through a study done in August by the Integrated Services Path Outreach Team). Some of these folks will not be able to transition from an encampment to a shelter due to capacity guidelines. We need to be able to find a way to get people housed quickly. There is a long-term plan to renovate The Knights Inn on S. Westnedge to permanent, affordable housing. These units would be renovated to include kitchenettes and studio apartments. Also, new windows, energy efficient mechanicals, updated exteriors, new floor coverings, etc. would all need to be done. In the immediate future, though, they want to secure the purchase of this building. It is $1.5 million dollars. There is an option agreement in place for the motel right now. That agreement does have a renewal option, but they would like to do things a quickly as possible so that they can start renting hotel rooms to those in need.

Renovation cannot start right away – there needs to be city site plan approval, drawings prepared, and bids taken. It will take 4 months to get that work done, but during those four months, we can house 60 individuals from January – April so that they are not out in the cold weather. The work would start after April with an estimated time of finishing the work in September and renting to people with permanent leases in October. They are asking for funding from the CDBG CV funds to go towards the purchase of that motel to begin the work.

Ms. Wilson asked who the property would be purchased from? Ms. Willcutt replied that it is an LOC that owns it right now - BAHVAC LLC. Ms. Willcutt explained that one of the reasons we are re-using an existing building is that it is a very cost-effective option. It will cost 1/3 less than building new and is also much quicker.

Ms. Wade inquired if the people in the encampment will pay rent for January – April? Ms. Willcutt confirmed that, because it is a motel and needs to stay in motel status, they will be charged based on what they can pay – no more than $10 a night. For folks with no income, they will sign a certification stating that they have no income. There is another funding source to run those four months of operations. Ms. Willcutt confirmed that Lockhart will oversee this process.

Mr. Raschke asked if people would remain at the motel during the renovation process over the spring/summer? Ms. Willcutt said that they would not, as an empty motel would enable the renovations to happen efficiently. Ms. Rey asked if there would be a plan for those residents during that time. Ms. Willcutt confirmed that they are working on a plan with ISK (Integrated Services of Kalamazoo formerly known as Kalamazoo Community Mental Health and Substance Abuse Services). Perhaps the shelter situation will be different at that time.

There are 60 units total, 5 of them were, at one point, converted to manager units that would need to be converted back to single units. Mr. Martin asked if there were any current long-term residents of that motel? Ms. Willcutt was not aware of any as it is designed for transient housing at this time. However, if there were, they would be able to stay with this plan. Mr. Martin asked if there are there restrictions on the # of people per unit? Ms. Willcutt said that there wasn’t anything she was aware of.

Ms. Wilson asked if the final plan was to have it be 100% affordable housing or is it to be mixed income? And, if it’s mixed income - what’s the breakdown? Ms. Willcutt explained
that because this isn’t a low-income tax housing project, there isn’t the normal terms that you are used to hearing. There is a hope of a subsidy from HUD that Ms. Willcutt would be able to move to the property which would give 35 units of Project Based Section 8. ISK has their own subsidies which could possibly put 6 households there. She stated that we want to leave some units open, however, as there are a lot of people in the county that cannot use their HPV (Homeless Preference Voucher) voucher as they cannot find housing to use it. We want to leave some open for those folks. It would not be restricted if someone wanted to rent it, but the purpose is to rent it to persons who have a low income. Ms. Willcutt stated that the Project Based Section 8 units do not have any residents attached to them.

Ms. Tarver asked what will happen between now and January? Ms. Willcutt stated that it is unlikely that they would be able to close on the property in that short of time but would like to proceed as fast as possible.

Ms. Howell asked how far the money that CDAAC would be re-allocating towards homelessness and COVID would go towards this project? Ms. Willcutt stated that this money would give them 1/3 of the purchase price. They are having conversations with other funders, but they need someone to be first-in for the other funders to go forward.

This project falls under HUD’s national objective of “Urgent Need.” It is very important that we provide shelter for the homeless population for the winter and to start as soon as possible. This concluded the presentation.

Ms. Collins-Smith thanked the Application Committee for doing an outstanding job: CDAAC Chair: Ms. Rey, Committee Chair: Ms. Howell, Committee Member: Jim Martin, Community Development Compliance Specialist: Chris Raschke. The Committee showed experience, knowledge, critical thinking and helpfulness. Thank you.

**NEW BUSINESS**

**Formation of Nominating Committee**

The responsibilities of the Nominating Committee are:
- To make recommendations for appointment to CDAAC (We currently have two applicants, so we need our Nominating Committee back up and running.)
- With the assistance from City Staff to begin outreach for new appointments in November of each year.
- To review applications prior to the regularly scheduled February meeting
- In the event that all Committee members cannot meet to interview potential candidates, the Chair or Vice-Chair may vote in their absence.

Three volunteers are needed to serve on this Committee: The following people volunteered: Margaret Wilson, Jennette Tarver and Jim Martin.

Ms. Wilson asked everyone to reach out to people that might be a good fit. We currently have 7 of 13 seats filled. This is a pressing issue for the longevity of the committee.
If even one current member is lost, there would be significant consequences. We would no longer be able to do our duties as every subcommittee would have quorum. It is very important to fill some of the seats.

COMMUNICATIONS/MEMBERS' REPORTS/STAFF UPDATES

Venessa – Thank you for being such a great team to work with. Thank you.

Antonio – Thank you to CDAAC for your assistance and feedback. This is important to not only the City Staff but to the community. He looks forward to introducing two new staff members to this committee next month.

Chris – No updates at this time.

CITIZEN COMMENTS

No citizen comments.

ADJOURNMENT

Ms. Tarver, supported by Ms. Howell, moved to adjourn the meeting. A voice vote was taken and passed. The meeting adjourned at 6:10 pm.

Submitted by: ________________________________  Dated: ____________________
 (Recording Secretary)

Reviewed by: ________________________________  Dated: ____________________
 (Staff Liaison)

Approved by: ________________________________  Dated: ____________________
 (CDAAC Chair/Vice Chair)