



**Kalamazoo County  
Public Housing Commission**

**Business Board of Directors Meeting Minutes  
July 1, 2021**

**Commission Members Present:** David Anderson, David Artley, Monteze Morales, and Evelyn Thompson

**Commission Members Absent:** LaToya Haywood

**Kalamazoo County Commissioners Present:** Tracy Hall and Tami Rey

**LHAF Millage Monitor and Recording Secretary Present:** Melanie Gildea and Lisa Willcutt

**Call to Order and Approval of Meeting Agenda**

The meeting was called to order on Zoom

(<https://zoom.us/j/93676363644?pwd=R01PSEhBQ0p0ejMwWDhgN2JLYzR1UT09>) by Artley at 4:34 pm.

Artley asked to add Resignation of Kalamazoo County Public Housing Commissioner Monteze Morales under New Business as item “b.”

*Motion by Morales*

*Support by Thompson*

*Roll call vote on the motion was as follows:*

*Thompson – Yes*

*Artley – Yes*

*Morales – Yes*

*Anderson – Yes*

*The motion passed*

*Motion Approved*

**Approval of Regular Meeting Minutes**

There was a motion to approve the minutes from the June 3, 2021, meeting.

*Motion by Morales*

*Support by Thompson*

*Roll call vote on the motion was as follows:*

*Thompson – Yes*

*Artley – Yes*

*Morales – Yes*

*Anderson – Yes*

*Motion Approved*

**Approval of June 3, 2021, Closed Meeting Minutes**

There were two closed sessions during the June 3, 2021, meeting. Artley explained that the minutes can only be approved in regard to the discussion on 3809 Miller Road. The closed session regarding 116 Fellows was not eligible to be discussed in closed session. As a result, Artley has received legal advice that the closed session should be reenacted. The discussion of the closed session will be detailed during the agenda item regarding the Fellows property. There was a motion to accept the minutes of the closed session regarding 3809 Miller Road only.

*Motion by Thompson*

*Support by Morales*



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*Roll call vote on the motion was as follows:*

*Thompson – Yes*

*Artley – Yes*

*Morales – Yes*

*Anderson – Yes*

*Motion Approved*

**Public Comment on Agenda and Non-Agenda Items**

None

**Reports**

June Financial Reports

Willcutt explained that the financial reports reflect changes that were requested by Housing Director, Balkema during the last meeting. Millage and County funds were received during the month as well as interest income. Willcutt said that expenses were high for the Veteran's Homeless Initiative due to case management services that are billed quarterly. Year-to-date expenses are in line for the Veteran's Homeless Initiative. Fund balances are now reflected on report and will be moving forward. Willcutt shared that LBGTQ+ expenses have decreased year-to-date. All expenses related to improvements have been moved to the balance sheet and reflect in the assets of the KCPHC. Bank statements and reconciliation reports were also included. Artley will look at the cashflow sheet for the Commission.

*Motion to accept financial report by Thompson*

*Support by Morales*

*Roll call vote on the motion was as follows:*

*Thompson – Yes*

*Artley – Yes*

*Morales – Yes*

*Anderson – Yes*

*Motion Approved*

May 2021 Housing Resources, Inc. Millage Reports

Willcutt provided reports to the Board prior to the meeting. She said that costs are decreasing as people exit the program. Seventy-two families have been served in year 5 with a total of 440 housed throughout the program. Willcutt also wanted to point out that the In-process list decreased from 65 families to 45. The families on this list have preliminarily been informed that they are eligible for the Millage program. Kalamazoo County Board Vice Chair, Tami Rey, inquired about the decreasing number. Willcutt indicated that some had already been housed. Others were not responsive, so they were taken off the list. Willcutt added that some were denied because they do not have any children, so they do not qualify for the program.

*Motion to accept report by Morales*

*Support by Thompson*

*Roll call vote on the motion was as follows:*

*Thompson – Yes*

*Artley – Yes*

*Morales – Yes*



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*Anderson – Yes  
Motion Approved*

LHAF Millage Survey Responses

Willcutt did not have anything to report. She has not received any new surveys.

Bethany House

Willcutt said there nothing to report and that the staff has requested that Lockhart install the window air conditioning units. Willcutt was pleased with this as it should avoid additional wall damage due to poorly directed condensation.

**Old Business**

LGBTQ+ Initiative/116 Fellows Construction Update

Artley reported that all rehab work will be completed by July 12, 2021. All the water heaters, windows, flooring, and furnaces have been installed. The kitchen is complete except for the stove and cabinets are in place. Artley has talked to the City of Kalamazoo about approving the occupancy permit. There will be a follow-up on lead inspection as well.

Discussion of Minutes from the Closed Session Regarding Ownership of 116 Fellows

Artley explained that his reading of the Open Meetings Act was incorrect; the discussion regarding selling 116 Fellows could not be discussed in close session. To remedy the situation Artley began reading the minutes of the discussion. Morales stated that she did not feel comfortable reading the minutes and asked if they could be accepted. Willcutt provided some clarity by explaining that the Board does not need to accept the minutes if they have a discussion during the meeting, then that discussion will be in the minutes from this meeting and made public. She stated that only certain topics can be discussed in a closed session, and what they discussed at the last closed session was eligible. Instead of reading the minutes the discussion will occur in the meeting. Artley went on to say that there was a lengthy conversation about the offer on June 3, 2021, with Board members Anderson, Artley, Morales and Thompson. Willcutt and Gildea were also in attendance. One of the key points from the discussion was that the KCPHC needs to do their due diligence on an acquisitions and dispositions policy. Morales had shared a sample acquisitions and dispositions policy. Artley went on to say that OutFront Kalamazoo's intention is to own the property.

Anderson said in order for the Board to transparently, and with appropriate procedure, evaluate an offer to purchase, he suggests creating a policy relative to purchase and dispose of property. He suggested that we create such a policy by the next meeting. There was a motion for the KCPHC to create and adopt a policy relative to the acquisition or disposing of real estate. This will be on the agenda for the August meeting. Morales shared that she needs to remain neutral since it is a conflict of interest since she is on the KCPHC Board as well as the OutFront Board.

*Motion by Anderson  
Support by Thompson*

Anderson communicated that he did not see why a reenactment was necessary since no decisions were made during the closed session. Vice Chair Rey asked when the details of the closed



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session discussion would be known. Morales said that the conversation that just took place summarized the conversation that occurred in closed session. She went on to say that during the closed session it was clear that the KCPHC did not have any policies or procedures in place and no decisions were made. Morales asked Willcutt to display the letter offer from OutFront Kalamazoo (which was then displayed on screen). The KCPHC determined that they would have discussion on the motion at hand and then return to other topics (the letter offer was removed from the screen).

*Roll call vote on the motion was as follows:*

*Thompson – Yes*

*Artley – Yes*

*Morales – Abstain*

*Anderson – Yes*

*The motion passed*

Artley stated that a reenactment needed to occur. Anderson said he was not sure how the reenactment could occur as it was a conversation from a month ago and he was not sure he could remember the entire conversation. Furthermore, it was a discussion that should not have occurring and in which no decisions were made. We are saying now is that we need to have policies and procedures in place in order to have a framework for decision making and it will all be public. A reenactment seems artificial. Morales stated that the motion has been passed and in order to address Vice Chair Rey's question she stated that the Commission is here to discuss the property and the options. It is important to go to the initial conversation as to what was happening with this property. Morales stated there is confusion between having a programming partner vs selling the property. She thinks it is important to share the letter offer from OutFront Kalamazoo as that would help Vice Chair Rey understand the initial discussion regarding the purchase and the Commission not having a policy in place. Artley went on to summarize the conversation including the fact that an offer to purchase the house for \$25,000 from OutFront. At the next meeting we should have the letter offer, the budget and the policy in front of us in order to decide. Rey felt that this summary answered her question and was more concerned that an Open Meetings Act violation may have occurred.

Anderson noted that Amy Hunter had her hand up, but as it was not public comment time the comment was deferred until later in the Agenda.

Artley and Willcutt drafted a potential lease agreement between the KCPHC and OutFront Kalamazoo. Artley just wanted to inform the Board about this. He also had a conversation with OutFront and CARES regarding the potential lease. If the KCPHC decides in its policies and procedures that they want to sell the property, then they would enter into a Right of First Refusal with OutFront for a 2-year term. If a purchase did not happen at the first two-year mark, then a 2-year extension would be offered. The rental rate of \$1,259 offered in the lease corresponds to the HUD Fair Market Rent for a 4-bedroom property. Anderson asked about the certificate of occupancy. Artley said that once the follow-up reports from the inspections are complete, then the house will be approved by the City of Kalamazoo for occupancy.



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The potential lease and management agreement are complete. The Board discussed forming a committee in advance of the next meeting. The primary function of the committee will be to prepare an acquisition and disposition policy, obtain legal approval of the policy, and then it will be added to the agenda for the August meeting. After some discussion, the committee will be made up of Thompson, Housing Director Mary Balkema and Vice Chair Rey. Balkema stated that when the policy is brought forward it would be the first time it would be seen, but it will have been reviewed by an attorney. Morales noted that there was a comment from OutFront that they will want to have their attorney look at it and possibly propose changes. Morales asked if making changes to a lease was allowed. Artley stated that it was. There was a motion to form a committee made up of Thompson, Balkema and Rey that will create and develop an acquisition and disposition policy with legal council approval and bring it back to the Board.

*Motion by Anderson*

*Support by Thompson*

*Roll call vote on the motion was as follows:*

*Thompson – Yes*

*Morales – Abstain*

*Artley – Yes*

*Anderson – Yes*

*Motion Approved*

Willcutt shared the proposed budget for 116 Fellows. She indicated that there was no need to do a budget amendment at this time until other decisions regarding the rental or sale of the property are made. There is a building maintenance fund (or reserve for replacement) where any surplus cash would go. To date, \$79,337.50 has been spent on rehab for the property this year. That leaves about \$62,000 in the budget. Artley indicated that exact costs will be determined by the next meeting. The board decided to defer any budget amendments to a future meeting.

Website Proposal

Willcutt obtained a proposal from Allegra/Creative Marketing Group to create a website at a cost of \$2,450. The following motion was made to amend the budget and approve for a website to be created at a cost of \$2,450 by reducing the following expenditures: miscellaneous administrative expenses by \$600, office supplies by \$300, and Bethany House roofing reserve by \$1,550.

*Motion by Thompson*

*Support by Anderson*

*Roll call vote on the motion was as follows:*

*Anderson – Yes*

*Morales – Yes*

*Artley – Yes*

*Thompson – Yes*

*Motion Approved*

Memorandum of Understanding for the 2015 Millage Program

Artley said the only change from the last meeting is the effective date and term of agreement. The purpose is to use funds from the original millage for and apply to use for current needs. Kalamazoo County Board of Commissioners Chair Hall said that it has not yet been approved.



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Balkema said that it has been approved by County legal counsel. Chair Hall advised waiting for approval from the Kalamazoo County Board of Commissioners before approving it for signature. There was a motion to table the discussion until the next meeting on August 5, 2021.

*Motion by Anderson*

*Support by Thompson*

*Roll call vote on the motion was as follows:*

*Thompson – Yes*

*Artley – Yes*

*Anderson – Yes*

*Morales – Yes*

*Motion Approved*

Establishing End Date for 2015 Millage In-Process Participants

A proposed motion was included prior to the meeting and recommended allowing new Millage participants into the program only through September 30, 2021. For purposes of discussion Anderson made the motion as follows:

*It is moved that Housing Resources, Inc. will provide 90-day written notice to all families on the In-Process List as of May 31, 2021 to notify each family that they will have until September 30, 2021 to be approved for housing and be enrolled in the 2015 Millage Program.*

*Motion by Anderson*

*Support by Thompson*

The KCPHC has requested that the 2015 Millage Funding be used permanent affordable housing in addition to housing assistance. Housing Resources, Inc. (HRI) has been working with the families and maintains a list of in-process families who have been preliminarily matched with the 2015 Millage program.

The Board had some discussion about the dates that were made in the motion. Willcutt clarified that anyone on the In-process List as of May 31, 2021, will be enrolled in the 2015 Millage Program. No one new will be added to the In-process List. Anderson asked if we knew the amount of Millage funds that would be available for other programs. Willcutt stated that a calculation was done by Michele Davis of HRI, but she does not recall the number. Thompson wanted to clarify what would happen to the families if they did not find housing. Willcutt stated that all families on the In-process List have been notified in writing that, “Assistance is also based on the availability of funding and whether the program has reached capacity.” She went on to say that some could possibly be matched with other programs. Anderson asked which programs. Willcutt stated that there were families mistakenly put on the In-process List that were matched with other programs, but she did not ask which programs. She assumed the Siemer program. Michelle Davis from HRI noted that her proposal was to allow for families to be housed through December 1, 2021, but this date is significantly shorter than that. She also stated that the Millage Program is the only resource for people doubled up. She stated that the Siemer program is not an option for doubled-up families and can only be used for families exiting



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another housing assistance program. She added that the second round of funding for emergency housing can be used for hotel and housing loss prevention for a period of 3 months with the purpose of finding housing within that time frame. Davis shared that there is not enough housing available, and after calling around to landlords within the county only 107 units are available in Kalamazoo County. Both Anderson and Thompson agreed to amend the motion to add the following at the end of the original motion:

*If a family has been approved for housing, but cannot take possession of the unit by September 30, 2021, then exceptions can be approved at the discretion of the Millage Monitor.*

*Roll call vote on the motion was as follows:*

*Artley – Yes*

*Anderson – Yes*

*Morales – Yes*

*Thompson – Yes*

*Motion Approved*

### **New Business**

#### **FOIA Coordinator**

Artley requests to make Willcutt and Lockhart Management & Consulting the FOIA coordinator for the KCPHC. Anderson made the motion and Thompson supported the motion. There were some questions as to whether the FOIA coordinator can assign a designee. Artley wants to look at the process a little further and will bring it back to the agenda in August. The motion was not approved.

#### **Morales to Kalamazoo County Board of Commissioners**

Morales was unanimously voted into the County Commission and will be sworn in on Friday, July 2, 2021. She appreciates being able to serve on the KCPHC. She thanked the commissioners and Willcutt for all their hard work.

### **Public Comment on Agenda and Non-Agenda Items**

None.

### **Commissioner Member Comments**

Artley wishes Morales the best. He is grateful for her hard work on the KCPHC.

Thompson congratulated Morales and is glad to be getting new eyes and ears on the County Board.

Anderson also congratulated Morales. He looks forward to working with her on other projects. He added that she is the right person for the job.

The meeting adjourned at 6:42 pm.

Submitted by: Melanie Gildea