



**Kalamazoo County
Public Housing Commission**

Business Board of Directors Meeting Minutes March 4, 2021

Commission Members Present: David Anderson, David Artley, LaToya Haywood, Evelyn Lewis, and Monteze Morales

Commission Members Absent: None

Kalamazoo County Commissioners Present: Zachary Bauer 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=R01PSEhBQ0p0ejMwWDhqN2JLYzRlUT09>) by Artley at 4:39 pm.

Bauer noted that, while he could not change the agenda, he wondered if there was interest in discussing the master lease program that will house people from the encampments. Artley stated he would add this under new business for discussion and also requested that the Gull Pointe fire be added to New Business as well. Item b. Gull Pointe Fire and item c. Encampment discussion were added to the agenda under New Business.

Motion to approve the amended agenda by Lewis

Support by Morales

Motion Approved

Approval of Minutes

There was a motion to approve the minutes from the February 4, 2021 regular meeting and the February 11, 2021 special meeting.

Motion by Anderson

Support by Morales

Motion Approved

Public Comment on Agenda and Non-Agenda Items

Bauer commented that he would like to have the Kalamazoo County Public Housing Commission (KCPHC) create a website so that the public could access their financial reports and FOIA policy. Artley said we would add this to the discussion under new business.

Reports

Financial Reports

Willcutt reported that the income for the month was fairly static other than receiving rents from Keystone and Bethany House. The next millage payment from the 2015 Millage will be on the March financial report. There was a refund of \$4,666.43 that resulted from the most recent millage campaign as the unused donation was returned. Payments to HRI were for administration costs, staff, and direct client assistance. Balkema said she did not see anything on audit regarding Bethany House being listed as an asset. Willcutt will check with the auditor.



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Balkema added that Keystone should be on financials as an asset as well. Anderson clarified that Keystone is leased by the KCPHC and not owed, so it is not an asset of the KCPHC.

*Motion to accept financial report by Anderson
Support by Morales
Motion Approved*

LHAF Millage Progress Report

Willcutt reported that there are currently families from Millage Year 4 and Millage Year 5 being served. Willcutt shared that there are 9 families remaining in year 4. There are 52 families remaining in year 5. Year 6 was supposed to start in January 2021.

Willcutt shared that there was a fire at Gull Pointe Apartments in Kalamazoo over the past weekend. Housing Resources, Inc. (HRI) has a master lease for several units at this apartment community for Millage families. Several Millage families were affected. The fire affected one building but was not started in a unit occupied by a Millage family. The general knowledge is that the cause of the fire was related to a space heater. The American Red Cross is helping with emergency needs. Willcutt informed the Commission that Jacob Beach from HRI asked if Millage funds could be used to reoutfit the homes. Willcutt said that would be fine as long as they try places like St. Luke's or other funding sources prior to using millage funds. Currently, families are either staying with family members or in a motel.

*Motion to accept report by Morales
Support by Anderson
Motion Approved*

Haywood asked about Year 5 millage funding and whether it ends at a certain time. Willcutt explained that the millage funding stops when all the money is used. She said it is unlikely that it will be used by the end of the year. Funding is available until the last family goes into the program. If a family enters the program in June of 2021, then they will have until June 2022 to remain in the program. Willcutt did add that the funds will be available until the needs of the family are met; however, if the family has an income increase or becomes ineligible then the funds can be used to meet the needs of another family.

Bauer also had a few questions pertaining to the Millage. He asked how much of the millage funds are currently available. Willcutt showed the financials and shared that there is about \$900,000 according to the February statement. The next question Bauer asked was did the KCPHC receive all operational support last year. Willcutt clarified that Bauer was referring to the \$125,000 set aside by the County for the KCPHC and then went on to confirm that the entire amount was received. She explained that the KCPHC must spend the funds and then request reimbursement. The final question asked by Bauer was the cost of a person for 12 months in the program. Willcutt said the cost is approximately \$6,000. This includes the first month's rent, security deposit, and one year of subsidy (\$400/month). Bauer said that he asked these questions to have a better knowledge of the program for he and the Vice-Chair of the Kalamazoo County Board of Commissioners.



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LHAF Millage Survey Responses

Willcutt sent out a survey to all millage participants on February 15, 2021. Eighty-three surveys were sent out. A summary of survey results was sent to all commissioners prior to today's KCPHC meeting. Willcutt added that some current and previous millage participants called her to provide input. She wrote general notes based on the conversations included in the survey results distributed. Willcutt followed up with HRI on some of the participants based on conversations or the surveys returned. One of the things that Willcutt wanted the Board to pay special attention to was participants' responses to what they would do when their time is up with the program; most said they were worried about their housing situation when they were no longer part of the Millage program. She added that some participants called because they did not know whether they were part of the millage program or not.

Some of the issues raised during phone conversations and surveys prompted Willcutt to request case notes. Willcutt shared that she compared the case notes with the Case Tracking Report to see if they matched up in terms of the number of home visits recorded. She found only a few instances in which they matched as the Case Tracking Report often reported 2 monthly home visits, when the case notes reported one or no visits. Willcutt tied these findings to the contract with HRI back to 2018 when some of the same issues were identified. KCPHC contracted with HRI because of their expertise and experience with family success planning, self-sufficiency, and long-range goal setting. She added that HRI creates a work plan using the family prioritization tool called SPDAT in order to evaluate every family after 30 days, 60 days, and every 90 days thereafter. Willcutt said she only saw one case where this was used. The contract also states that visits should be made every 2 weeks following the initial move-in. The fact that this is not being done is a violation of the contract. She went on to explain that iEval will not continue to evaluate the program because the recommendations that they had requested since their initial involvement were not being implemented. Willcutt added that iEval also shared that they cannot continue services when participants are not getting what they need. Willcutt wanted to share this with the Board since they had been discussing HRI's role recently.

Bethany House

Willcutt shared that the ceiling is repaired.

Old Business

LGBTQ+ Initiative

Artley shared that there was a walk-through at 116 Fellows on March 4, 2021. Attendees included members from Kalamazoo Community Foundation, the contractor, Kalamazoo Neighborhood Housing Services, and the Kalamazoo County Board of Commissioners. The furnace and water heater are installed. Modifications are being made to the kitchen. Artley said that he is working on a draft lease by using the Bethany House lease as a template. The schedule is being stretched out a bit but Artley shared that he is hoping to stay within the cost of the contract. He is hoping to have it completed by mid-May to early June 2021.



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Year 4 Millage Evaluation Report

Willcutt shared that Bauer, Artley, and herself met with HRI on two occasions to discuss the response plan with Jacob Beach, Michelle Davis and Claudia Wink-Basing of HRI. HRI requested additional staffing in order to reduce caseloads to 25 persons per caseload. HRI will commit to returning calls within 48 hours.

Artley asked Willcutt if she would review HRI's submitted response plan with the Commission. Willcutt explained that the first topic covered communication to participants in the program. HRI will rewrite the letter to Millage participants and a sample is include at the end of the document. They will provide participants more contact methods and will put in place a better way to monitor responses. They will have a designated phone number that would allow them to track calls and be utilized as a reporting mechanism. The Millage staff will be retrained on communication with participants.

Davis shared that millage staff are being retrained. Interviews are being conducted at this time as there is only one housing specialist and one leasing specialist, all others are no longer working in the Millage program. Morales inquired about what is being done to make sure participants are getting what they need. Davis said the program manager does the tracking process. Morales is frustrated with how long the process has been taking. Davis stated that there is not emergency housing in Kalamazoo County and went on to say that there are 200-300 households on the waitlist trying to receive assistance. She added that this is the reality of the housing crisis right now. Lewis said that because there is no emergency housing, she must be upfront and honest with individuals seeking help in her work. She likes to share steps and guidelines so that people can be prepared. Some programs give the false sense that individuals will get housing immediately, but this is not the case. Lewis concluded that by communicating the processes that must occur for housing assistance, the better prepared and informed people will be on the housing crisis.

Millage Budget Amendment

Willcutt reviewed the additional funding requested by HRI. Willcutt shared that the LHAF 2016-2019 reconciliation funds are from real estate taxes paid late and total \$266,850 as of January 31, 2021. There is a surplus so Willcutt feels that the budget is in line with what is anticipated. She noted that the funds identified as COVID-19 are in the amount of \$85,504.75 and can be continued for use to assist Millage participants with financial issues related to COVID-19, or other ways as the KCPHC determines. Willcutt noted that \$15,000 has been requested for Landlord Partnership Funds by HRI. Davis explained that the Landlord Partnership funds are only used for Millage families. These funds total \$30,000, as HRI will match these funds with an additional \$15,000. The funds are used to pay for excessive damages not covered by the security deposit and for vacancy loss when a landlord allows a unit to be re-rented to another Millage family. Bauer said that capacity issues affecting moving people into vouchered apartments seems to be the biggest challenge for HRI. Davis says leasing specialists are needed. She would like to add 2 leasing specialists and 1 housing specialist. There are 150 slots left in the program and adding these staff members would allow them to fill the slots much faster. Staffing expenses for 2 leasing specialists would be \$96,000 and \$48,000 for 1 housing



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specialist. Willcutt added that an additional administrative fee of \$17,345.25 could be allowed based on 6.5% of the new funds being administered.

Anderson asked whether this recommended option was coming from the small group committee to the rest of the Commission. Artley responded that yes, this was the case.

*Motion to accept LHAF budget amendment by Anderson
Support by Haywood*

Anderson restated the goal of the Millage program is to house 100 families per year and take them out of homelessness, and that additional staffing had been approved in the past to boost the support services side of things. He said it is hard for him to hear that we may not be meeting our core goals. He went on to say that we have families housed, we want them engaged with in the most robust way possible and we want them to transition to a more affordable housing setting. We need to make sure that these families are getting on Homeless Preference Voucher lists, subsidized housing waiting lists and the like so that if they are not able to maintain their housing they have something to fall back on. If the Committee believes this is the way to support the families currently in the program, and that will be entering the program, then he is willing to support this budget, and that is why he made the motion. We will need to have some real time monitoring and evaluation as the program goes on.

Lewis is in total agreement. We have housed some people, and nothing is perfect. People don't realize how difficult the work is.

Morales has the same reservations as Anderson and wants to be sure that the commitment can be made by HRI to serve participants, that is why she is hesitant to vote yes on this. The fact that HRI is hiring to replace positions is worrisome, how much time will that take? How long will it take to train so that we can serve the families in the program right now. Morales has reservations but does not want families being unserved.

Artley asked Michelle Davis of HRI what the timeline is to have the leasing and housing specialists on board and has anyone been interviewed yet? Davis did not respond and did not appear to be present on the call.

Haywood agrees with what Anderson and Morales have said and she wants to know what will be different this time with the new personnel that HRI is hiring. She stated that she does not want to house people just to house people if they are not getting the services they need. If there isn't someone helping the participant and guiding them, then they aren't going to be successful. Haywood wants the rest of the program to high quality and effective. The information stated in the surveys is disturbing to her. She wants families to be assisted in a way that they can maintain their housing on their own.

There was a roll call vote as follows:

Lewis – Yes



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*Morales – Yes
Haywood – Yes
Anderson – Yes
Artley – Yes
Motion Approved*

90-Day Evaluation Criteria

Artley wanted a reminder as to the contents of this agenda item. Willcutt stated that Artley had asked her to place this on the agenda because HRI sought the criteria by which their performance would be evaluated. Anderson noted that the evaluation criteria for HRI includes fulfilling contractual obligations and achieving the expectations that are listed on the work plan. Artley stated we would look at the number served and other criteria.

FOIA

Artley sent out the proposed *KCPHC FOIA Policy and Procedure* to the Board prior to the meeting. Anderson made a motion to approve the *KCPHC FOIA Policy and Procedure*.

*Motion by Anderson
Support by Morales
Anderson – Yes
Lewis – Yes
Morales – Yes
Haywood – Yes
Artley – Yes
Motion Approved*

Artley shared the *KCPHC FOIA Policy and Procedure Summary*, which is a working document. There was one typographical change. Anderson made a motion to move approval of the *Summary* of the FOIA Policy.

*Motion by Anderson
Support by Lewis
Anderson – Yes
Lewis – Yes
Morales – Yes
Haywood – Yes
Artley – Yes
Motion Approved*

Artley gave an update on the original request with the attorney Robert Dubault from Warner Norcross & Judd LLP. The letter of engagement was sent. No action needs to be taken due to previous approval by the KCPHC.

Amendment to 2020 Budget

The budget was already amended to add legal expense for \$1,500. Willcutt added the fund balances in as well and displayed the revised budget on the screen.

New Business

Advisory Board Guidelines

Willcutt will send the form to the Board. The Board members need to read the document, sign, and send it back to Willcutt. She will send these to the County as was requested.

Gull Pointe Fire

This had been summarized earlier in the meeting under LHAF Millage Report.

Encampment Discussion

Bauer would like the Board to consider allocating the \$85,500 identified on the *LHAF Millage Funds – Addendum Budget* as “COVID-19 Funds/Funds to be Allocated” to help fund the master lease program sponsored by the Continuum of Care (CoC) where they are trying to house encampment individuals. Anderson wants to be careful about recognizing the intent of the millage when it was passed by Kalamazoo County voters. Artley asked Willcutt if the COVID-19 funds were Millage funds. Willcutt stated that they are Millage funds that were simply earmarked to be used for COVID-19 financial issues that Millage participants have, the primary issue being that of delayed unemployment income. She went on to clarify that the funds resulted from reconciled real estate tax payments that arrived later and so were set aside to help with this issue, but they are all Millage funds and are to be used for the purpose of the Millage.

Anderson said that the purpose of the Millage funds would be recorded in Kalamazoo County Board of Commissioners meeting minutes as well as the ballot language. For any decisions made about spending outside of the initial proposal, he wants to make sure the KCPHC has the capacity to be that flexible before any action is taken, given his understanding about how the money was initially intended to be spent. Haywood agrees with Anderson that the first step is to verify the use. If we can use the funds for another purpose what would that be? Bauer explained that this was brought to his attention from Alyssa Stewart with United Way and the CoC. He went on to say that currently the CoC is fundraising in order to house encampment individuals at the Baymont Inn through a master lease program. The cost is approximately \$50 per night per room. This is a way to get individuals out of tents and be safe. Open Doors will serve as the fiduciary for the program. It is the hope that then Open Doors can help individuals get into permanent housing.

Anderson clarified that when the original Millage request was made it was to address homelessness for families with school aged children. That is not the target population for the Baymont, rather that target population is single people.

Artley stated that the request to the County in 2015 was for families with children. Willcutt brought onto the screen the Memorandum of Understanding (MOU) signed by the KCPHC and the County last year that stated, “WHEREAS, the County levied the approved Kalamazoo County Local Housing Assistance Fund Millage in 2015, and entered into an Agreement with the Commission to provide housing assistance to assist families with children of low income who are homeless or at risk of homelessness; . . .”. She went on to state that the Budget & Workplan



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reiterates the same goal. Anderson stated if there is an extra \$85,000 then we should assist more families or allow families to remain in the program longer.

Artley asked if there was a commissioner that wanted to make a motion to allocate the \$85,000 to the CoC master lease.

Morales made a motion to designate \$85,000 toward supporting housing for the encampment individuals.

Motion by Morales

Support by Lewis

Anderson stated that he will be voting against the motion, not to diminish the need, but there have been resources available for individuals that are not available for families with children. That is why the request was made for the Millage so that families could be served. Individuals who are camping are very public, but there are many, many families that are doubled-up with family members or friends. Anderson went on to say that if you look at the homeless numbers for a year, you will see more on the families with children side than on the individual side of things. For that reason is why he will be voting no on this motion.

Morales stated that we just had a discussion that showed we are not able to serve families, so she would like to put this money into serving someone. We are not serving the 53 families in the program because we don't have that capacity. She believes we need to take care of everyone, and we should be serving these individuals as well. There is money available because we don't have the resources to help families. We can get people out of encampments and then wrap them around with services so they can be successful and have affordable housing.

Haywood said she is not in support of this motion because of the MOU with the County and the Board must stick to its word. She stated that these funds cannot be redirected without input from the citizens that voted for the Millage. She went on to say that she doesn't know much about the proposed encampment program and whether or not it is an effective solution. It could be like the Millage program and there will be problems with it. Furthermore, she does not trust the United Way and she doesn't know enough about the program to invest \$85,000 into it. Haywood sees it as an integrity issue, so if the funds are to be used for a specific purpose then that is the purpose they have to be used for. The MOU between Kalamazoo County and the KCPHC states that these parties entered into agreement to provide housing assistance to assist families of children with low income, who are homeless, or at risk of homelessness. In addition, Kalamazoo County citizens voted this way.

Morales stated that since the funds are still being used for housing she doesn't see an issue, but maybe there is something that needs to be amended in order to pursue this purpose. She asked if the COVID-19 funds would be lost. Anderson stated that the funds are not COVID-19 funds, they are Millage funds. Artley asked for Willcutt to address this and then asked Bauer to comment. Willcutt stated that there is not \$85,000 available because that number is as of the end of January 2021 and funds were probably spent during February 2021. The funds are not



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COVID-19 funds, they were simply Millage funds that came at a later date due to the reconciliation. When HRI asked if there were funds to help families struggling due to COVID-19, then these Millage funds were allocated to that purpose. She then displayed the original Millage request that went to the County in 2015.

Bauer stated it was not the right place to bring this request up and he would like to take the discussion off the table. Artley asked if Morales would withdraw her motion, and she declined.

He added that it is a difficult decision but would move to a roll call for each member's vote. If a board member is in favor of spending the money to support the encampment, vote "yes," if not, vote "no."

*Anderson – No
Lewis – Yes
Morales – Yes
Artley – No
Haywood – No
The motion did not pass.*

PHC website discussion

Artley said it is difficult to get information about the KCPHC on the County's website. He would like Willcutt to check into the cost of setting up a 1-page website. Artley said a simple website where information such as FOIA policy, agenda, and minutes can be found. Willcutt will look into this and give a report at the April 1, 2021 meeting.

Public Comment on Agenda and Non-Agenda Items

None

Commissioner Member Comments

Haywood appreciates Willcutt's knowledge and expertise.

Artley echoes the comments of Haywood. He added that he is not always timely with submitting information, but appreciates Willcutt for always getting the information out to the Board.

There was motion to adjourn the meeting.

*Motion by Anderson
Support by Lewis
Motion Approved*

The meeting adjourned at 7:11 pm.

Submitted by: Melanie Gildea