



City Commission Agenda Report

City of Kalamazoo

Date: **10/2/2023**

Item: **H.2.**

TO: Mayor Anderson, Vice Mayor Cooney, and City Commissioners

FROM: James K. Ritsema, ICMA-CM, City Manager
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DATE: October 2, 2023

SUBJECT: First Reading for Updates to the Emergency Housing Ordinance

RECOMMENDATION:

City staff supports the first reading of this ordinance amendment.

BACKGROUND:

In 2021, the City of Kalamazoo approved an Ordinance to amend Municipal Code Chapter 9 Buildings and Building Regulations to create Article 8 Emergency Housing. This Ordinance set forth parameters to allow the development of temporary emergency housing throughout Kalamazoo by housing service providers. This Ordinance was created with a sunset date of December 1, 2023. Since its adoption, no temporary emergency housing has been developed, though several housing providers have considered how it could be done. With this Ordinance set to expire this fall and the high need for housing remaining, City staff have proposed the Ordinance's sunset be extended and updates be made to the Ordinance text.

Extension of Sunset Date. After speaking with housing partners, the two-year sunset window to fund, development, and manage temporary emergency housing presented a challenge. A longer sunset period would provide more time to develop this challenging type of housing and give more time to implement it. In the draft Ordinance update, staff propose an extension of the Emergency Housing provisions until April 30, 2029. This is an extension of five years plus one additional winter. One housing provider is close to being able to develop under this Ordinance, if the sunset is extended; City staff hope that with the extension of five plus years, other housing providers will also move forward with projects.

Text Edits to Ordinance. The extension of the Ordinance to five plus years resulted in some staff questions and concerns about project implementation. The Ordinance was set up in 2021 to allow the development of temporary emergency shelter units with a light site review process. The thought behind the lighter process was that these shelter units are intended to be temporary

emergency housing for a period of two years and did not need the rigorous review of a permanent housing development. Extending the sunset of the Ordinance to five plus years starts to blur temporary emergency housing with housing that is more permanent. To balance these concerns, staff has added to the Ordinance a phased implementation of occupants for larger projects (more than 20 shelter units) aligned with site inspections. This occupant phasing allows the housing provider time to review and adjust staffing, programs, or physical site needs as the project grows to capacity and allows the City time to confirm that the development meets codes and safety requirements as the project grows to reach capacity. This approach helps to bridge the gap between a light review for a temporary emergency housing project and the lengthy, full review for permanent projects. The phasing in the draft Ordinance allows up to twenty (20) shelter units to be occupied initially. Each subsequent twenty (20) shelter occupants can be added with a passed inspection, with inspections occurring every six-months. This would mean a project with sixty shelter units, could have all shelter units constructed and/or occupied after 12 months and two passed inspections.

Staff also proposes a few changes to the Ordinance language on the required Memorandum of Understanding (MOU) between the housing provider, the City, and the property owner, if it is a third party. Several of these changes came about after speaking with a local housing provider. These changes are less about content, and more about clarity and phrasing of MOU elements. Another change to the MOU language is tied to the addition of phasing-in larger temporary emergency housing. This change in text notes that the phasing plan for a project must be detailed in the MOU, including number of phases, additional shelter units or occupants per phase, and the need for additional community services or staffing to support each phase. The final change in this section details that the MOU for projects with greater than twenty (20) shelter units will be presented for informational purposes to the City Commission. City staff believe this step is necessary to support transparency and accountability with the community at-large.

STRATEGIC VISION ALIGNMENT:

Strategic Goal Impact:

Good Governance- Ensuring the City organization has the capacity and resources to effectively implement the community's Strategic Vision in a way that is sustainable over the long term.

Safe Community- Creating a safe environment for living, working, and playing.

Shared Prosperity - Abundant opportunities for all people to prosper.

The need for more housing, of all types and price points, is a stated need in the 2025 Master Plan, supported by the Strategic Vision. This Ordinance and the proposed update specifically align with good governance, safe community, and shared prosperity goals.

COMMUNITY ENGAGEMENT:

Appropriate Depth of Engagement

Consult (two-way conversation) – the community will have a chance to react to the project

through two-way conversation.

Discussion: City staff released a draft of the updated Ordinance for public review. The draft was shared with many housing providers directly, which led to several conversations with City staff and edits to the proposed Ordinance. City staff also made a presentation at a Committee of the Whole meeting in September and October.

FISCAL IMPACT:

There is not an immediate fiscal impact associated with the updates to this existing Ordinance.