

City of Grand Rapids
Affordable Housing Fund Board Meeting Agenda
Wednesday, February 1st, 2023 Noon-2:00 pm
City Hall, 300 Monroe Ave NW, 49503, Commission Chambers

- I. Call to Order by Chair Talen at 12:05pm
- II. Roll Call-Beard, Oracz and Steimle-App absent
- III. Approval of Minutes
 - a. Approval of Minutes from January 4, 2023-Motioned by Brown, seconded by Drent, motion carried.
- IV. Action Items
- V. Discussion Items
 - a. Financing Models for Affordable Housing, Ryan Kilpatrick
 - Mr. Kilpatrick reviewed a model proforma with 1-, 2- and 3-bedroom apartments with participation from the board members. Rents were gradually increased, and the subsidy was removed to show impact. The Debt Service Coverage Ratio was drastically impacted by these changes. There was discussion about unit density and how it effects cost per unit of overall costs and end user rent price. Four stories of stick frame is defined as the four over one or five over one (four stories of residential over one story of retail) and can greatly increase the cost of a building. Market rate vs affordable housing rates were a topic of concern for the group during discussion.
 - b. Overview of City Funding Tools and Incentives, Kate Berens
 - Staff reviewed a presentation originally prepared by Economic Development covering the basic tax abatement programs and how they work along with Tax Increment Financing (TIF) and how these programs can be stacked on a piece of property and the taxes are “captured”. Other programs and the type of projects covered were overviewed, pointing out those available for housing.

City of Grand Rapids
Affordable Housing Fund Board Meeting Agenda
Wednesday, February 1st, 2023 Noon-2:00 pm
City Hall, 300 Monroe Ave NW, 49503, Commission Chambers

VI. Updates

a. RFP #1 Update

- Ms. Berens gave an update on the RFP that will be published today and coordinated with the Community Development department. She reviewed the Economic Development Incentives and explained the Community Development process. There is currently \$1M in the AHF fund and the board will seek contributions from other sources and will pursue those opportunities in the future. The RFP will be posted on the City's website today. Applications are due at noon on Friday, February 17th, 2023. The Affordable Housing Fund Board will present to the City Commission at the final meeting in March and make a recommendation.

VII. Public Comment-None

VIII. Adjournment at 1:15pm by Chair Talen.

Jim Talen, Board Chair

City of Grand Rapids
Affordable Housing Fund Board Meeting Agenda

Wednesday, February 1st, 2023 Noon-2:00 pm
City Hall, 300 Monroe Ave NW, 49503, Commission Chambers

Next Meeting is Wednesday, March 1st at Noon in Commission Chambers