## Affordable Housing Fund Board Agenda Packet



300 Monroe Ave NW Grand Rapids, MI 49503

Date: February 5, 2025 9:00am Location: City Hall Commission Chambers

Members: Virginia Beard Christopher Romero

Eric Brown Monica Steimle-App
Daniel Drent Mark Washington
Cassandra Oracz Tabitha Williams
Lindsey Reames

- I. Call to Order
- II. Roll Call
- III. Approval of Minutes
  - a. Approval of meeting minutes from December 4<sup>th</sup> meeting.
- IV. Action Items
  - a. Approval of Affordable Housing Fund Board 2025 meeting calendar (memo attached).
  - b. Approval of letter to new Grand Rapids Local Land Bank (memo attached).
- V. Discussion Items
  - a. Update on final funds available for 2025 funding round (verbal update only).
  - b. RFP #1 Project Updates (memo attached, no discussion anticipated)
- VI. Public Comment

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Wednesday, December 4, 2024, Noon-2:00 pm City Hall, 300 Monroe Ave NW, 49503, Commission Chambers

- I. Call to Order by Chair Talen at 12:03 pm
- II. Roll Call Absent Members: City Manager Mark Washington (arrived late)

#### III. Approval of Minutes

a. After rollcall, the minutes from September 4<sup>th</sup> were discussed. Chair Talen requested a motion to approve the minutes of the September 4, 2024 meeting, as he was not present at that session. A motion was made to approve the minutes. Board Member Lindsey Reames noted a minor correction on page 4, suggesting that "amplified" be changed to "Amplify." Chair Talen accepted this as an amendment. The motion, with the amendment, passed unanimously.

#### IV. Action Items

- a. Approval of Emerging Opportunities and Fund Development Subcommittee Purpose Statements. Chair Talen introduced the purpose statements for the two subcommittees. Deputy City Manager Kate Berens explained the intent of the statements, emphasizing the request for Board consensus. Berens notes that scheduling for the subcommittee's initial meetings was in progress. Chair Talen opened the floor for questions from the Board. Board members inquired about the Emerging Opportunities Subcommittee's scope, particularly regarding identifying smaller funding opportunities. Berens clarified that the group would focus on identifying flexible funding opportunities and scaling impactful initiatives. A motion to approve the purpose statements was made, seconded, and passed unanimously.
- b. Selection of 2025 Board Chair and Vice Chair. Chair Talen announced his decision not to continue as chair in 2025 and opened the floor for nominations. Eric Brown was nominated for Chair by Board Member Christopher Romero and seconded by Daniel Drent. Brown accepted the nomination but noted a scheduling conflict with existing meeting dates. The Board agreed to consider rescheduling meetings to accommodate his availability. Eric Brown was unanimously elected Chair for 2025. Monica Steimle-App was nominated for Vice Chair by Lindsey Reames and seconded by Tabitha

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Williams. Steimle-App accepted the nomination. Monica Steimle-App was unanimously elected Vice Chair for 2025. Both Brown and Steimle-App expressed gratitude for their election and pledged their commitment to advancing the Board's mission.

c. Approval of 2025 Meeting Calendar. Chair Talen proposed adopting the February 5, 2025, meeting date as a placeholder while allowing flexibility to finalize the full calendar based on members' availability. Chair Talen opened the floor for comments. Several members shared scheduling conflicts, emphasizing the need for a thorough review of availability through Doodle polls. The Board agreed to confirm the February 5<sup>th</sup> meeting date and adopt the remaining calendar in February.

#### IV. Discussion Items

a. Preview of Upcoming Funding Allocation Process. City staff provided an overview of the funding allocation process for 2025, outlining the steps and the roles of the Affordable Housing Fund Board and its subcommittees.

The allocation process is structured around the City's Neighborhood Investment Plan, which integrates various funding sources—including federal programs like the Community Development Block Grant (CDBG), HOME Investment Partnerships, and Emergency Solutions Grants. Staff emphasized that this unified process eliminates the need for applicants to specify funding sources upfront, allowing the City to strategically match projects with appropriate funding streams. The Emerging Opportunities and Fund Development subcommittees will play a critical role in reviewing and providing input on funding recommendations. These recommendations will focus primarily on two outcomes: Outcome 3 - Creation of new affordable housing units and Outcome 4 - Preservation and rehabilitation of existing affordable housing. The funding process follows a two-step structure. The first step is the Notice of Intent to Apply (NOI): Organizations submit basic information about their capacity and alignment with strategic outcomes. This step includes an organizational assessment to ensure compliance with federal and local requirements. The next step is full

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proposal submission, where selected applicants are invited to submit detailed proposals. Staff will assess these proposals for feasibility, alignment with strategic goals, and funding compatibility. Subcommittee members will work with City staff to evaluate applications, ensuring alignment with Board priorities. They will assess projects' contributions to Outcomes 3 and 4, as well as their ability to leverage resources and achieve community impact. Feedback from the subcommittees will inform final recommendations presented to the full Board for affirmation before public release. The timeline starts in January 2025 with the start of the funding process, with NOI submissions. In March the Subcommittee will review the preliminary recommendations and in May the final funding is sent to the City Commission for approval following a 30-day public comment period.

Staff explained the intricacies of managing multiple funding streams and ensuring compliance with federal regulations. Board members were reminded to disclose potential conflicts of interest to ensure the integrity of the process. The Board discussed the importance of focusing on Outcome 3 (new construction) while recognizing the value of Outcome 4 projects, such as housing rehabilitation and preservation. Board Member Reames emphasized the need to prioritize new housing units while remaining open to supporting Outcome 4 projects, particularly where they prevent housing loss or align with Board priorities. Berens highlighted the importance of flexibility, given the potential for changing federal funding levels and evolving community needs. Chair Talen reiterated that subcommittee recommendations should reflect the Board's collective priorities and encouraged members to provide guidance as needed. Staff outlined the role of the City Commission in the approval process and the requirement for public transparency. A 30-day public comment period, including a public hearing, will allow citizens to provide feedback on funding recommendations before final decisions are made.

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- b. Presentation on City Housing Planning and Policy Work. Berens delivered a presentation highlighting key milestones in Grand Rapids' housing strategy, including the adoption of the 2002 Community Master Plan, initiatives such as Great Housing Strategies and Housing Now. Berens also shared recent achievements with the Board, including exceeding the 2024 target of 1,000 new housing units. The Board acknowledged the progress and discussed opportunities to further leverage available tools and resources.
- c. Update on RFP #1 Funding Round report attached. Staff provided a brief update on the status of projects funded under RFP #1, noting significant progress, including recent groundbreaking ceremonies for Amplify Boston Square and Genesis Leonard Apartments.
- V. Public Comment
  - a. No public comments were received.
- VI. Adjournment by Chair Talen at 1:15 pm



Date: February 5, 2025

To: Eric Brown, Chair and Affordable Housing Fund

**Board Members** 

From: Mary Kate Berens, Deputy City Manager

Subject: Grand Rapids Affordable Housing Fund –2025 Calendar

At the December 2024 meeting, the Board directed staff to work with Members to confirm dates for the quarterly 2025 meeting cadence, noting that a recurring date and time was difficult given changing schedules and new conflicts. In addition, we have confirmed the schedule details for the Neighborhood Investment Plan funding process that is being used to distribute Affordable Housing funds in 2025, so a meeting is required for the Board to issue its recommendations as part of that process on March 18. Given the challenge in aligning calendars, and the fact that the Board meeting must occur on March 18 to meet the overall Community Development calendar, we will ask the Board to establish the start time for that meeting from the options listed below based on availability of sufficient members to establish a quorum. Following review and discussion, a motion to approve the remaining 2025 Board meeting dates is requested.

### 2025 Affordable Housing Fund Board Meeting Calendar

Meeting Date	Anticipated Topics*			
March 18, 2025	Adopt recommendation to City Commission on disbursement of			
<ul> <li>9:00am; or</li> </ul>	Affordable Housing fund contribution to the FY 2026			
<ul> <li>11:00am; or</li> </ul>	Neighborhood Investment Plan process			
• 1:00pm; or				
• 3:00pm				
June 4, 2025 (3:00pm)	Update on prior funding rounds			
	Sub-committee reports (as needed)			
	Review of available balance and options to use funds			
September 17, 2025 (noon)	Sub-committee reports (as needed)			
	Direction on any funding for Community Development FY 2027			
	process			
December 18, 2025 (noon)	Elect Chair/Vice Chair			
	Adopt 2026 Calendar			
	Sub-committee reports			
	Annual review of progress			

<sup>\*</sup>Not exhaustive; Chair and staff will finalize agenda for meetings as appropriate

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Date: February 5, 2025

To: Eric Brown, Chair and Affordable Housing Fund

**Board Members** 

From: Mary Kate Berens, Deputy City Manager

Subject: Grand Rapids Local Land Bank Briefing

In January, the Emerging Opportunities subcommittee learned about and discussed the potential for collaboration with the newly formed Grand Rapids Local Land Bank. State law changes in 2024 created the ability for the City of Grand Rapids to create a local land bank to operate within the city. Traditionally, land banks are public authorities or non-profit organizations created to buy, hold and manage properties that have come into public ownership, with a goal of facilitating redevelopment of those properties into a productive use.

The City of Grand Rapids had been contracting with the State of Michigan to manage land bank properties within the city. While this relationship was useful, and the state land bank did work collaboratively with the City and potential developers, the City Commission in late 2024 saw an opportunity for more local control of and direction over land banked properties through creation of a local land bank. The Grand Rapids Local Land Bank (GRLLB) now has been created and is managed by a Board appointed by the Commission. The GRLLB Board is constituted with the same membership as the Grand Rapids Brownfield Authority and is supported by Economic Development (ED) Department staff. The reason for these governance recommendations was to allow for efficient identification, using ED staff expertise, to identify the package of local incentives and authority that can best facilitate redevelopment and productive use of those properties. The GRLLB is in its early days, and will soon undertake an analysis of the existing properties held in the land bank.

One of the local tools available to help facilitate redevelopment of land bank and other properties is the Affordable Housing Fund. As the GRLLB Board evaluates the property portfolio and city policies and plans to identify priorities for their work, we recommend sending the attached letter to request that the Land Bank prioritize opportunities in line with the AHF Board priorities. These opportunities include development of affordable housing units at scale; support for emerging developers; and support for Accessory Dwelling Units (ADUs) as a strategy for low and moderate income housing and homeownership. These areas of focus represent the priorities that emerged from the AHF Board's work and discussion in 2024, which were described most recently in your August 2024 meeting. The letter invites collaboration between the two Boards, as well as with the Emerging Opportunities subcommittee, as appropriate to the topic and the work of the GRLLB.

After discussion of the letter, we are recommending a motion authorizing the Board Chair to finalize the letter consistent with the discussion and send it to the Land Bank Board.

Attachment

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Grand Rapids Local Land Bank Jeff Edwards, Chair 300 Monroe Avenue NW Grand Rapids, Michigan 49503

Subject: Collaboration Between the Grand Rapids Local Land Bank and the Affordable Housing Fund Board

Dear Mr. Edwards,

Congratulations to you and the rest of the members of the Grand Rapids Local Land Bank for being appointed to this important work. I am reaching out to offer the support of the Affordable Housing Fund Board in your efforts to move land bank properties into uses that will enhance our community and offer opportunities for all of Grand Rapids' diverse residents. We would like to explore opportunities for collaboration between the Grand Rapids Local Land Bank and the Affordable Housing Fund Board to align our collective efforts in addressing the city's critical affordable housing needs.

As outlined in the City Commission Policy 900-62, the Affordable Housing Fund was established to facilitate strategic investments that expand affordable housing options across Grand Rapids. The policy emphasizes mixed-income development, long-term affordability, and strategic partnerships to increase the availability of rental and for-sale housing at all income levels.

Given the Land Bank's role in acquiring, holding, and repurposing underutilized properties, a partnership between our entities could significantly enhance efforts to create and preserve affordable housing. Specifically, we would like to discuss potential areas of alignment, including:

- Property Utilization Identifying land bank-owned properties that can be prioritized for affordable housing development in coordination with Affordable Housing Fund investments.
- 2. **Emerging Developer support** Supporting developments led by diverse and community-based developers, consistent with the policy's goal of fostering an expanded ecosystem of developers of color and female developers.
- 3. **Financing and Incentives** Exploring ways to leverage the Affordable Housing Fund's flexibility when compared to other available funding sources, such as use for gap financing and subsidy programs, to facilitate the development of affordable units on Land Bank properties.
- 4. **Sustainability and Long-Term Affordability** Aligning strategies to ensure long-term affordability by structuring sales, leases, or development agreements that prioritize affordability requirements for households earning at or below 80% of the Area Median Income (AMI).

We invite a joint meeting of our Boards, or a conversation with our Emerging Opportunities subcommittee to identify specific actions we can undertake together. By working together, we can maximize impact and ensure that more Grand Rapids residents have access to safe, stable, and affordable housing. Please coordinate opportunities for collaborative discussions with our staff liaison, Kate Berens who can be reached by phone at (616) 888-0520 or by email at <a href="mailto:mberens@grcity.us">mberens@grcity.us</a>. We look forward to working together.

Sincerely,

Eric Brown Chair, Grand Rapids Affordable Housing Fund Board

Cc:

Grand Rapids Local Land Bank Board Members Affordable Housing Fund Board Members Sarah Rainero, Economic Development Director Kate Berens, Deputy City Manager

# Community Development Department Affordable Housing Fund (ARPA) Project Status Report

Organization/Project	Award Amount	Period of Performance	Planned Outcomes	Status to Date	Funds Drawn to Date
Amplify GR Boston Square Together II (F2)	\$540,000	9/1/24 – 9/30/26	57 affordable rental units	7% of construction completed	\$0
Commonwealth Development Corporation of America Lexington Apartments	\$1,500,000	7/26/23 – 3/31/25	39 affordable rental units created for seniors	Construction is nearly complete. Preparing for occupancy.	\$1,430,000
Dwelling Place of GR NHC 2080 Union Site Condos	\$600,000	9/1/23 – 6/30/25	At least 6 households will receive purchase price subsidy to buy one of the 42 project units	85% of construction completed. Two properties sold with ARPA purchase price subsidies.	\$118,560
Genesis NHC Leonard Apartments	\$1,200,000	8/1/24 – 1/31/26	55 affordable rental units created for seniors	12% of construction completed	\$0
New Development Corporation SF Homeownership Construction/Rehab	\$240,000	House 1: 3/15/24 – 6/30/25 House 2: 9/1/24 – 11/30/25	2 affordable homes (1 new construction and 1 rehab) for sale to homebuyers under 80% of AMI	House 1: Sold to eligible buyer 1/23/25 House 2: 20% of construction completed	House 1: \$112,000 House 2: \$31,900
LINC Up NHC Avenue II Apartments	\$394,418	Completed	10 affordable rental units created for seniors (addition to existing 10-unit building)	Construction completed and units occupied	\$394,418
<b>61</b> st <b>District Court</b> Eviction Diversion Initiative	\$220,663	Completed	60 households receive financial assistance to avert homelessness	46 households received financial assistance to prevent homelessness	\$220,663
AYA Youth Collective Supportive Housing Services for Youth	\$270,000	Completed	45 youth-led households exit to permanent housing	38 youth-led households exited to permanent housing	\$270,000