

Agenda Packet



Date: March 18th 9:00 AM

Location: City Hall Commission Chambers

Members:

Virginia Beard
Eric Brown
Daniel Drent
Cassandra Oracz
Lindsey Reames

Christopher Romero
Monica Steimle-App
Mark Washington
Tabitha Williams

- I. Call to Order
- II. Roll Call
- III. Approval of Minutes
 - a. Approval of meeting minutes from February 5, 2025 meeting
- IV. Action Items
 - a. Recommendation to City Commission for award of \$746,000 from the Affordable Housing Fund to projects as identified through the Community Development FY 2026 Neighborhood Investment Plan Process (memo attached)
- V. Discussion Items
 - a. RFP #1 funding agreement status (written update only, no discussion anticipated)
- VI. Public Comment

City of Grand Rapids
Affordable Housing Fund Board Meeting Agenda
Wednesday, February 5, 2025, 9:00 - 11:00 am
City Hall, 300 Monroe Ave NW, 49503, Commission Chambers

- I. Call to Order by Chair Brown at 9:03 am
- II. Roll Call – Absent Members: Virginia Beard, Daniel Drent, and Tabitha Williams
- III. Approval of Minutes
 - a. A motion was made to approve the minutes by City Manager Mark Washington. The motion was seconded by Board Member Christopher Romero, and the minutes are approved.
- IV. Action Items
 - a. Affordable Housing Fund Board 2025 meeting calendar. Deputy City Manager Kate Berens presented proposed meeting dates to the Board based on the majority’s availability. A motion was made by Chair Brown and seconded by City Manager Mark Washington. Meeting schedule for 2025 was approved.
 - March 18th at 9:00 am
 - June 4th at 3:00 pm
 - September 17th at 12:00 pm
 - December 18th at 12:00 pm
 - b. Grand Rapids Local Lank Bank. Deputy City Manager Kate Berens introduced Doug Booth from the City’s Economic Development department to provide background on the Grand Rapids local land bank authority and where we are in the process of setting it up. Berens shared with the Board that the Emerging Opportunities Subcommittee discussed the importance and value of getting in front of the local land bank authority early in their process of setting priorities and thinking about what opportunities they saw with local control of that land bank portfolio. Berens presented a suggested letter to the Board introducing and highlighting the priorities of the Board to the Local Land Bank. Berens then welcomed Doug Booth from the City’s Economic Development department to provide an overview of the newly established Grand Rapids Local Land Bank Authority to the Board.

Booth shared with the Board a brief history and concept of land banks. The concept of land banks exists in 17 states, granting statutory powers to public authorities or nonprofit organization to manage and redevelop vacant, tax-delinquent, or abandoned properties.

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There are currently over 250 land banks nationwide, with 51 land banks in Michigan—50 at the county level and only two city-level land banks, including Grand Rapids. Grand Rapids aims to set a precedent for future city land-banks, leveraging its unique local control. The establishment of the Grand Rapids Land Bank is enabled by Public Act 258 of 2003, which was amended in 2024 and now allows Grand Rapids to qualify as a city-level land bank. The City Commission retains authority over certain land bank decisions, including board composition.

The Grand Rapids Land Bank Authority is designed to acquire, hold, and manage vacant properties to support economic development and housing initiatives. The key objectives include returning underutilized properties to productive use, increasing affordable housing opportunities, and to stabilize neighborhood property values while encouraging economic investment. While land banks are not developers, they play a critical role in facilitating real estate redevelopment. The Grand Rapids Land Bank has broad statutory powers including issuing bonds and borrowing funds for property acquisition and redevelopment, holding and clearing property titles to expedite sales and reduce legal barriers, entering contracts for property services, managing rental properties, acquiring properties through various means including tax foreclosure sales, and selling properties strategically to align with community development goals. The land bank currently operates under an intergovernmental agreement with the State Land Bank Authority. The Grand Rapids Brownfield Redevelopment Authority serves as the initial governing board. The land bank currently holds 106 parcels, all vacant lots with no existing structures. The land bank cannot acquire occupied properties and will not compete with private real estate markets but serves as a facilitator rather than a developer. The Grand Rapids Land Bank will collaborate closely with City Planning and Economic Development Departments, the Grand Rapids Brownfield Redevelopment Authority (which was recently amended to include housing as an eligible use), and the Affordable Housing Fund Board to explore funding and development synergies.

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Booth shared with the Board that the future plans and next steps for the Grand Rapids Land Bank is to ensure residents understand the role of the land bank and its potential benefits while building stronger community partnerships for land acquisition and redevelopment through the development of a transparent, publicly accessible property database. The exploration of innovative land bank strategies including affordable housing incentives, community garden initiatives, small-scale public park development and vacant land redevelopment projects while facilitating the acquisition and resale of properties through strategic partnerships.

Discussion continued surrounding the potential areas for joint efforts between the Affordable Housing Fund and the Land Bank. Possible areas of collaboration include identifying parcels that could be used for affordable homeownership or rental projects, utilizing affordable housing fund dollars to remove development barriers, supporting emerging developers through training and strategic partnerships, and exploring opportunities to blend resources for larger-scale affordable housing projects.

The Board reviewed a draft letter to formally engage with the Land Bank Authority. Revisions were requested to include a summary of the Affordable Housing Fund Board's past contributions and a request to the Mayor to meet regarding the future governance structure. Board member Lindsey Reames moved, and City Manager Mark Washington seconded approval of the memo with suggested revisions. Motion passed unanimously.

IV. Discussion Items

- a. Update on final funds available for 2025 funding round. Deputy City Manager Kate Berens provided an update on the available funds to the Board as well a review of ongoing projects funded by the American Rescue Plan Act. Based on past Board direction, \$746,159.84 is available to distribute through the City's NIP funding round led by Community Development. That leaves just under \$500,000 in the Fund, \$250,000 of which must remain as required

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minimum fund balance. Discussion continued with the acknowledgement of additional anticipated proceeds from the sale of 201 Market property. The subcommittee is scheduled to meet with Community Development staff on March 6, 2025 to review applications for funding. During this meeting the Community Development staff will present an initial funding proposal that aligns with the restrictions and best-use cases for the available funds. The primary focus of this funding cycle is unit creation at scale, meaning the Board aims to maximize the number of affordable housing units generated through these funds. If alternative opportunities arise that the Affordable Housing Fund's mission, Community Development staff will explore and present them for consideration. The subcommittee will evaluate how well each application meets the fund's priorities. The subcommittee will refine and finalize funding recommendations based on Community Development staff's analysis. These recommendations will be formally discussed at the March 18, 2025, Board meeting. Given the tight timeline the board's goal is to endorse and finalize funding decisions swiftly to allow for the necessary City Commission review and approval. A public comment period is required before final adoption, ensuring transparency and community input. Between March 6 and March 18, the subcommittee will collaborate with Community Development staff to finalize all necessary details for presentation. The board's final recommendation once approved will be submitted to the City Commission for official resolution. Once approved, the funds will be allocated.

- b. RFP#1 Project Updates. Deputy City Manager Kate Berens shared with the Board the standard report on the progress of the ARPA dollars that were awarded in fiscal year 2024. Overall, projects are progressing well, and all service-based projects have been completed successfully, as these were structured as one-year awards aimed at enhancing housing stability. Concerns were raised regarding fund utilization with the Amplify and Genesis projects as both projects have yet to draw down any funds, but staff confirmed they are closely monitoring the situation. Amplify has begun construction, and fund utilization is expected to accelerate soon, ensuring full expenditure before the end of 2026. Genesis is in a

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similar position. The timing of drawdowns depends on specific eligibility requirements for different funding categories. Berens shared with the Board that contract managers are actively overseeing the process to ensure compliance with ARPA timelines. The Dwelling Place project will need to sell four more homes by June 30, 2025 to meet funding requirements. Staff will confirm whether the funding trigger is tied to the sale of homes or the ARPA subsidy timeline and will report back to the board with clarification.

The discussion continued with the board discussing enhancing public visibility of ARPA-funded projects to highlight their impact on the community. Berens shared that a new communications strategy is in development with the City's Communication Department to improve outreach, transparency, and project tracking.

V. Public Comment

- a. No public comments were received.

VI. Adjournment by Chair Brown at 9:43 am



CITY OF GRAND RAPIDS AGENDA ACTION REQUEST

DATE: March 12, 2025

TO: Affordable Housing Fund Board Members

FROM: Connie M. Bohatch *CMB*
Senior Managing Director of Community Services
Virginia Beard, Daniel Drent, and Chris Romero
Affordable Housing Fund Board Subcommittee Members

**SUBJECT: Grand Rapids Affordable Housing Fund – Presentation of
Funding Recommendations through the Community
Development FY 2026 Neighborhood Investment Plan Process**

Recommendations will be presented for the use of \$746,000 from the Affordable Housing Fund (AHF) to be allocated through the City's FY 2026 Neighborhood Investment Plan (NI Plan) funding process. AHF Board Subcommittee members and Community Development Department staff reviewed proposals received under NI Plan outcomes 3 and 4 relating to affordable housing development and improvement of existing multi-family housing. The AHF Board will be asked to affirm the recommendations that complement its initial Request for Proposal funding process.

Background. On September 4, 2024, the AHF Board passed a resolution recommending that 75 percent of available AHF dollars be allocated to projects through the Community Development Department's annual funding process. The Neighborhood Investment Plan is the framework for investing various resources for housing and community development activities in one streamlined process. This includes Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) funds that support affordable housing. The AHF Board established a subcommittee to work with Community Development staff to review project proposals and make funding recommendations.

Public Notice and Comment Opportunity. FY 2026 NI Plan funding recommendations will be presented to the City Commission on March 25, 2025. Some sources of funds to be allocated through the NI Plan funding process require a 30-day public comment period and public hearing. AHF resources will also be made available for public comment. Citizens may submit written comments to the Community Development Department at communitydev@grcity.us from March 25, 2025, through April 24, 2025. Input will also be invited at a public hearing before the City Commission on April 15, 2025.

Award Approval. Final NI Plan funding awards, including AHF allocations, are scheduled to be approved by the City Commission on May 13, 2025.

**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 <i>Boston Square Together II (F2)</i>	\$540,000	9/1/24 – 9/30/26	57 affordable rental units	7% of construction completed	\$0
Commonwealth Development Corporation of America <i>Lexington Apartments</i>	\$1,500,000	7/26/23 – 3/31/25	39 affordable rental units for seniors	Construction is complete. Preparing for occupancy.	\$1,490,000
Dwelling Place of GR NHC <i>2080 Union Site Condos</i>	\$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 <i>Leonard Apartments</i>	\$1,200,000	8/1/24 – 1/31/26	55 affordable rental units for seniors	22% of construction completed	\$762,437.79
New Development Corporation <i>SF Homeownership Construction/Rehab</i>	\$240,000	House 1: Completed 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: 50% of construction completed	House 1: \$120,000 House 2: \$112,000
LINC Up NHC <i>Avenue II Apartments</i>	\$394,418	Completed	10 affordable rental units for seniors (addition to existing 10-unit building)	Construction completed and units occupied	\$394,418
61st District Court <i>Eviction Diversion Initiative</i>	\$220,663	Completed	60 households receive financial assistance to avert homelessness	46 households received financial assistance to prevent homelessness	\$220,663
AYA Youth Collective <i>Supportive Housing Services for Youth</i>	\$270,000	Completed	45 youth-led households exit to permanent housing	38 youth-led households exited to permanent housing	\$270,000