MEETING MATERIALS

Meeting Agenda ........................................................................................................................................... p 1

Consent Agenda
1. Board of Directors Minutes (12/04/19) ................................................................................................. p 3
2. Committee minutes:
   a. Executive Committee minutes (11/12/19) ......................................................................................... p 7
   b. Finance Committee minutes (10/30/19) ............................................................................................... p 9
   c. Governance Committee minutes (11/19/19) ...................................................................................... p 11
   d. Governance Committee minutes (12/17/19) ...................................................................................... p 13
   e. Marketing & Development Committee minutes (10/29/19) ........................................................... p 15
   f. Marketing & Development Committee minutes (11/26/19) ........................................................... p 17
   g. RED & Asset Management Committee minutes (11/11/19) ......................................................... p 19
   h. RED & Asset Management Committee minutes (12/09/19) ......................................................... p 21
3. Board Committees Nominations Flow Chart (Governance Committee 01/21/20) ......................... p 25
4. 2020 Resource and Marketing Plan (Marketing & Development Committee 01/28/20) .......... p 27-32
5. Board Calendar Annual Review Items:
   a. Dwelling Place Mission & Bylaws ........................................................................................................ p 33, 35
Ferguson Resolutions ........................................................................................................................................ p 45, 49

DP Foundation unapproved minutes (12/12/19) .................................................................................. p 51

RED & Asset Management Committee unapproved minutes (01/13/20) ............................................... p 53

2020 CEO Goals ........................................................................................................................................... p 57

SUPPLEMENTAL MATERIALS (separate attachment)

New Board Member Applications
1. Lee Nelson-Weber ......................................................................................................................................... p 1
2. Troy Zapolski ............................................................................................................................................. p 5

Diversity, Equity, and Inclusion Plan (Draft) ............................................................................................... p 9-17

MiBiz Article on St. James Apartments & Townhomes ............................................................................... p 19

Dwelling Place Financial Dashboard ........................................................................................................ p 23

Feeding America Report ............................................................................................................................. p 25

Resident Engagement Committee unapproved minutes (11/05/19) ................................................ p 27

SAWKAW Board Minutes (06/14/19) ........................................................................................................ p 29

SAWKAW Board unapproved minutes (11/08/19) ............................................................................... p 31
AGENDA

I. 7:30 Mission Moment

II. 7:40 Election of New Board Members (Action Required)

III. 7:45 Approval of Consent Agenda (Action Required)
    Enclosures:
    1. Board of Directors minutes (12/04/19)
    2. Committee minutes:
        a. Executive Committee minutes (11/12/19)
        b. Finance Committee minutes (10/30/19)
        c. Governance Committee minutes (11/19/19)
        d. Governance Committee minutes (12/17/19)
        e. Marketing & Development Committee minutes (10/29/19)
        f. Marketing & Development Committee minutes (11/26/19)
        g. RED & Asset Management Committee minutes (11/11/19)
        h. RED & Asset Management Committee minutes (12/09/19)
    3. Board Committees Nominations Flow Chart (Governance Committee 1/21/20)
    4. 2020 Resource and Marketing Plan (Marketing & Development Committee 01/28/20)
    5. Board Calendar Annual Review Items:
       a. Dwelling Place Mission & Bylaws
       b. Signing Authority for Financial Accounts

IV. 7:50 Ferguson Resolutions (Action Required)
    Enclosures:
    1. MSHDA Resolution RE Ferguson Apartments

V. 7:55 Dwelling Place Foundation Officer Elections (Action Required)
    Enclosure:
    1. DP Foundation unapproved minutes (12/12/19)

VI. 8:00 Community Land Trust (Action Required)
    Enclosures:
    1. Memo RE Business Plan for Dwelling Place Regional CLT (01/27/20; sent in advance)
    2. CLT Business Plan & Operating Budget (sent in advance)
    3. RED & Asset Management Committee unapproved minutes (01/13/20)

VII. 8:30 Updates & Announcements
     1. Project Updates
     2. FUSE
     3. Board Portal

VIII. 8:40 CEO Review Discussion
       Enclosure:
       1. 2020 CEO Goals (Action Required)

IX. 9:00 Adjournment for New Building Tour
Supplemental Materials:
1. New Board Member Applications
   a. Lee Nelson-Weber
   b. Troy Zapolski
2. DEI Plan (Draft)
3. MiBiz article
4. Dwelling Place Financial Dashboard
5. Feeding America Report
6. Resident Engagement Committee unapproved minutes (11/05/19)
7. SAWKAW Board Minutes (06/14/19)
8. SAWKAW Board Unapproved Minutes (11/08/19)

Handouts:
1. 2019 Attendance Report
2. Committee Sign-up list
3. Board Contact Info List
4. Conflict of Interest Forms
The meeting was convened at 7:32 AM by Annamarie Buller.

The board watched a video about neighborhood revitalization work that Dwelling Place is doing with Huntington Bank.

The consent agenda for the December 4, 2019 meeting contained the following items:

1. Board of Directors minutes (10/02/19)
2. Committee minutes:
   a. Executive Committee minutes (09/10/19)
   b. Finance Committee minutes (08/28/19)
   c. Governance Sub-committee minutes (09/17/19)
   d. Marketing & Development Committee minutes (09/24/19)
   e. Marketing & Development Committee minutes (10/29/19)
   f. RED & Asset Management Committee minutes (09/09/19)
   g. Resident Engagement Committee minutes (09/23/19)
3. Finance Policy & Procedure Manual (10/30/19 Updates)
4. Board Calendar

Mr. Byers requested that staff offer additional clarification on agenda item 3. Mr. Recker explained that the finance manual changes are due to updated thresholds from HUD.

Consent agenda for the meeting was approved by motion of Gil Segovia, supported by Kyle Irwin, and carried unanimously.

Mr. Sturtevant explained that Dwelling Place, as a 10% owner of the St. James development, agreed to act as guarantor of loans from Mercantile Bank, which requires specific additional language for the resolution. The board elected Ms. Irwin to act as a temporary secretary, as Ms. Gaston could not be physically present at the meeting. Motion to approve the resolution was made by Larry Titley, supported by Juan Daniel Castro and carried unanimously.

All board members will receive a comprehensive online survey to review CEO performance. As several survey questions assess progress on 2019 goals, Mr. Sturtevant briefly shared additional details about the 2019 and 2020 lists of goals, which the board received in advance of the meeting.
Mr. Sturtevant updated the board on our progress in forming a Community Land Trust (CLT) for West Michigan. This topic was discussed in a board meeting in the previous year as a new line of business for the organization to consider. The CLT model for affordable housing is a form of shared equity home ownership. Under this model, the Dwelling Place CLT entity would own the land while home buyers would own the improvements on the land. Initially, Dwelling Place plans to convert Martineau Apartments, New Hope Homes and Grandville Homes from rental to homeownership. Qualified buyers within a certain income bracket could purchase the improvements at a discounted cost. In exchange for selling the home at a reduced rate, the owner agrees to limit their profits from a sale of the property to just 25% of its appreciated value, making it affordable to the next buyer. CLTs also have the right of first refusal should the owner decide to sell, and a low income buyer was not immediately available to purchase the unit. The CLT also functions as a backstop to prevent foreclosure of the properties. No current residents would be displaced as a result of the planned conversion. Residents will have first option to buy if they qualify for financing and units would only become available to sell as residents move out.

Initial start up costs for the CLT will be defrayed by two grants from DGRI and NeighborWorks totalling $150,000 and a similar amount that Dwelling Place would contribute from sales proceeds. Dwelling Place would recoup about $2.6 million from the remaining sales proceeds, maintain control of the land via the CLT, and continue to own two commercial spaces in the Martineau project. The business plan for the CLT is about halfway finished, and the RED & Asset Management Committee plans to have a recommendation for the Board at the February meeting.

After 9 months of review with about 30 community partners, Dwelling Place is launching a Frequent Users Systems Engagement (FUSE) project to help address behavioral health problems in the Heartside neighborhood. Now well-funded, the initiative will engage social services, housing, health care, and law enforcement to focus on the top consumers of community resources in the area. A kickoff meeting with the Corporation for Supportive Housing will take place in mid-January.

The Dwelling Place annual report along with a flyer and donation envelope was sent out today as part of the annual appeal. Board members may meet with Ms. Sosebee to personalize these mailings. Donations of any size can be given via check or online.

Dwelling Place received a $450,000 grant from the Wege Foundation, $10,000 from Wolverine, and has applied for a $100,000 grant from the Steelcase Foundation. The gap, initially around $4 million, is now down to about $2.9 million. If necessary, Dwelling Place may use its developer fee to cover the remaining costs.

Staff met with Gordon Olson, retired city historian, and Matt Ellis, City of Grand Rapids Archives Assistant, to discuss the creation of a Dwelling Place archive. Mr. Olson will assist in creating a framework and Mr. Ellis has volunteered to host the archive at the public library. Next steps involve gathering, identifying, and organizing documents from legal counsel and various Dwelling Place locations.
Heartside Clinic Closing Update (GRBJ Article & Response)
The Grand Rapids Business Journal printed a correction addressing a miscommunication in a recent article about the closing of Mercy Health's Heartside Clinic. As landlord, Dwelling Place did not require Mercy Health to vacate as the article incorrectly indicated.

ADJOURNMENT
The Board of Directors meeting was adjourned at 9:12 AM by Annamarie Buller.
MEMBERS PRESENT  Annamarie Buller, David Byers (via phone), Juan Daniel Castro, Francine Gaston (via phone), Rick Stevens

MEMBERS ABSENT  Larry Titley, Renee Williams

STAFF PRESENT  Zoe Post, Dennis Sturtevant

The meeting was convened at 8:04 AM by Ms. Buller.

APPROVAL OF MINUTES  Minutes of the Dwelling Place Executive Committee meeting of September 10, 2019 were approved by motion of Rick Stevens, supported by Francine Gaston and carried unanimously.

BOARD SELF-ASSSESSMENT  A recent NeighborWorks report requested a board self-assessment within the past two fiscal years. As the board did not conduct an assessment this year, the committee discussed the best time and means to conduct one in 2020. The committee created the following timeline:

- April/May: Executive and/or Governance Committee determine which self-assessment to use (BoardSource or otherwise)
- June: Full board completes self-assessment
- September/October: Board reviews results of self-assessment at board retreat

FREQUENCY OF EXECUTIVE MEETINGS  The committee has not found it necessary to meet in the same month as a full board meeting, and decided by consensus to convene bi-monthly, effective immediately. Special meetings may still be called if the board needs to act on time-sensitive business.

CEO/EXECUTIVE DIRECTOR PERFORMANCE EVALUATION UPDATE  After Ms. Buller presented some quotes from local firms to conduct a CEO performance evaluation, the committee weighed the pros and cons of hiring a firm or keeping the review in-house by using BoardSource materials. Ultimately BoardSource was selected for the 2019 performance review, but the committee recommended considering CEO and board goals when creating a future standard, written process for the next CEO. To prepare the board for the CEO performance evaluation survey, the December board meeting will include 2019 and 2020 CEO goals and the strategic plan.

PROJECT UPDATES  Ferguson: All environmental testing is done and approval from EGLE is expected by January 15, giving Dwelling Place a month to close with MSHDA. The financial damage due to the delay is being evaluated.
Franklin & Grandville Apartments: Just starting construction this week and expected to be completed end of 2020.
Harrison Park: Nearly complete; lease-up in December.
Pine Ave: Nearly complete; lease-up in January 2020.
Garfield Lofts: All leased up.
Roosevelt Apartments Exercise Park: Following a large work day in October with residents and Republic Services, the park is almost complete. Dwelling Place received a $5,000 grant from Muskegon Community Foundation and the CLI team will focus on art installation.

Our Westside Story Fundraiser: About $106,000 raised and lots of representation from community groups.

CAPITAL CAMPAIGN UPDATE

The funding gap for properties under development will likely need to be supplemented by a Dwelling Place’s developer fee. However, proposals or letters of intent have been sent to the Frey Foundation, Steelcase Foundation, Wege Foundation, and DeVos Foundations. GRCF is also willing to consider a second grant application for Plaza Roosevelt or Ferguson.

DECEMBER BOARD MEETING AGENDA

Ferguson Update

Mr. Sturtevant will include a memo updating board members.

CEO Evaluation and Goal Setting 2020; Goal setting for Board

Mr. Sturtevant will discuss his list of goals for 2019 and 2020; a copy of the strategic plan will be included in the board packet.

Annual Appeal

Latrisha Sosebee will distribute a copy of the annual appeal to board members and allow them to personalize some before mailing.

CREATION OF DWELLING PLACE ARCHIVE

A meeting with Gordon Olson and Matthew Ellis will take place this afternoon with some Dwelling Place staff to discuss creating a Dwelling Place archive. Mr. Sturtevant hopes to learn about the process to take and materials to use to create a well-organized set of files to maintain a history of the organization.

ADJOURNMENT

The Executive Committee was adjourned at 9:21 AM by Ms. Buller.
MEMBERS PRESENT: Michael McDaniels, Gil Segovia, Holly Jacoby, Sadie Erickson

MEMBERS ABSENT: David Byers, Angela Sanborn, Troy Stressman

STAFF PRESENT: Karen Monroe, Steve Recker, Grace Thuo, Jessica Johnson, Brandon Watson, Rebecca Long, Jessica Beeby, Liz Mui, Chris Bennett, Kim Cross, Dennis Sturtevant, Justin Rhodes, Stephen Wooden. Laurie Mullennix

The meeting was convened at 12:10 pm by Ms. Erickson.

APPROVAL OF AUGUST MINUTES

Minutes of the Finance Committee meeting of August 28th, 2019 were approved by motion of Mr. McDaniels, supported by Ms. Jacoby and carried unanimously.

REVIEW OF 3RD QUARTER FINANCIAL STATEMENTS

Mr. Recker reviewed the 3rd Quarter Finance Dashboard. Our expenses were slightly below budget. We had a negative cash flow due to the current construction projects, including Ferguson, Plaza Roosevelt, Pine Avenue, and Harrison Park.

Mr. Segovia asked if there was a way to verify that regardless of a negative cash flow, that the totals still made sense due to specific events. Mr. Recker referenced the Negative Cash Flow - Housing Development Spreadsheet as a resource to better understand the cash flow.

Mr. Sturtevant distributed the Campaign to Increase Affordable Housing in Grand Rapids - Sponsor Loans.

Mr. Recker reviewed the Combined Balance Sheet, with a detailed explanation of Harrison Park.

GLOBAL FINANCIAL STATEMENTS

Ms. Jacoby recommended to skip the discussion on the Global Properties and Related Entities due to the more important discussions related to cash flow.

403(b) UPDATE

403(b) plans are required to be updated every 6 years. No changes were made from the previous plan. The matching contributions were found on page 16.

Mr. McDaniels recommended that the board adopt the agreement in December, which was supported by Ms. Jacoby and carried unanimously.
PROCUREMENT POLICY

HUD recently changed the procurement standards to $10,000, which can be referenced on page 18 of the packet that was distributed to all committee members.

Ms. Jacoby recommended to the board that the changes be accepted, which was supported by Mr. McDaniels and carried unanimously.

PROPOSED AGENDA AND NEXT MEETING DATE

The next Finance Committee meeting will be held on Friday, December 13th from 12:00 PM to 1:30 PM.

ADJOURNMENT

The Finance Committee meeting was adjourned at 1:17 pm by Ms. Erickson.
The meeting was convened at 9:01 AM by Juan Daniel Castro.

APPROVAL OF MINUTES

Edits were made to clarify that the Committee did not recommend term limits to the Board and that knowledge of Dwelling Place is a guideline (but not required) for membership of the Governance Committee. Minutes of the Governance Committee meeting of September 17, 2019 were approved with above edits by motion of Larry Titley, supported by Rick Stevens and carried unanimously.

POTENTIAL BOARD CANDIDATES

Mr. Sturtevant passed out maps detailing census tracts for both Grand Rapids and Kent County. Because the board is out of compliance with NeighborWorks criteria, the committee discussed recruitment of another board member that meets these criteria. Zoe Post will check Mr. Castro's address to see whether it meets NeighborWorks standards. A recruitment strategy was proposed to find candidates in-house by looking at the background of people already in a committee, as well as from Property Manager and staff suggestions of residents displaying leadership in the community.

Several resident names were proposed, and more information regarding these individuals will be gathered for the next meeting.

After review of their resumes, it was decided by the committee to recommend Lee Nelson-Weber and Troy Zapolski to the board, along with identifying another candidate that meets NeighborWorks criteria.

REVISIT EIG GOVERNANCE WORK PLAN

The committee proposed creating a formal process for recruitment by identifying the community connections that staff and board members have. It was suggested that research should be made into other organizations’ best practices, especially in regards to DEI.

NEIGHBORWORKS BOARD RESOURCES

The committee would like to bring awareness to the board of the many resources and training available through NeighborWorks. Ms. Buller will bring copies of a succession binder to the next meeting.

NEW NEIGHBORWORKS BOARD MEMBER SURVEY REPORT

After reviewing the survey questions based on annual NeighborWorks reporting, the committee requested that the survey be added to the annual board calendar. It also discussed adding healthcare as an area of expertise to the list of board recruitment priorities.
REVIEW OF TASKS/IDEAS LIST 2020

Mr. Castro will continue to reach out to Steve Robbins for inclusion initiatives. This agenda item was tabled and added to the beginning of the next meeting.

ADJOURNMENT

The Governance Committee meeting was adjourned at 10:24 AM by Juan Daniel Castro.
MEMBERS PRESENT  Annamarie Buller, David Byers, Juan Daniel Castro, Holly Jacoby (via phone), Larry Titley, Tommie Wallace

MEMBERS ABSENT  Rick Stevens

STAFF & GUESTS PRESENT  Zoe Post, Dennis Sturtevant, Lee Nelson Weber

The meeting was convened at 9:00 AM by Juan Daniel Castro.

APPROVAL OF MINUTES  Minutes of the Governance Committee meeting of November 19, 2019 were approved by motion of Larry Titley, supported by Annamarie Buller and carried unanimously.

BOARD CANDIDATE INTERVIEW  The committee interviewed Ms. Weber, former Neighborhood Initiatives Director at the Dyer-Ives Foundation. In addition to her background in neighborhood and community organizing, Ms. Weber is a Grand Rapids native and is well connected to the community, currently serving on the board at Next Step West Michigan and LINC UP. She is interested in Dwelling Place’s creation of a CLT and viewing housing as an economic development issue. Ms. Weber expressed interest in serving on the Governance or Finance Committees, though she would leave it to the organization to determine an area of best fit.

STEVE ROBBINS INCLUSION INITIATIVES  Mr. Sturtevant, Mr. Castro, and Justin Rhodes, Dwelling Place HR Manager, will meet with Mr. Robbins to discuss how Dwelling Place might engage his services. He is excited about working with the organization.

BOARD CANDIDATE FEEDBACK  The committee reviewed feedback from current board members on Troy Zapolski and Ms. Weber. Committee members concurred with the positive comments regarding the candidates’ skills and talents, and will make a recommendation to the board at its January meeting, following an interview with Mr. Zapolski.

REVIEW OF TASKS/IDEAS LIST FOR 2020  After briefly reviewing the list of governance tasks, the committee added two more items: a board book club and adding an agency director or social worker as a future board member. The committee will review the list further and prioritize the tasks at its February meeting.

COMMITTEE EVALUATION  As all board committee chairs are part of the Governance Committee, Ms. Buller will ask Rich Kogelschatz to join the Governance Committee at the January meeting to discuss committee recruitment.

OTHER BUSINESS  Ms. Post distributed a list of potential board candidates for the committee to consider based on the 2019 “40 Under 40 Business Leaders” list from the Grand Rapids Business Journal. In addition, Mr. Sturtevant will ask staff for recommendations for resident board candidates and provide the committee with a list at the next meeting.

ADJOURNMENT  The Governance Committee meeting was adjourned at 10:30 AM by Juan Daniel Castro.
MEMBERS PRESENT: Leah Carpenter, Rick Stevens

MEMBERS ABSENT: Thomas Carpenter, Kyle Irwin, Tommie Wallace

STAFF PRESENT: Jessica Beeby, Amy Henderson, Zoe Post, Latrisha Sosebee

The meeting was convened at 10:03am by Rick Stevens.

APPROVAL OF MINUTES: Minutes of the Marketing and Development Committee meeting of September 24, 2019 were approved with edits by consensus.

DONATIONS SINCE LAST MEETING: Funding from the Our Westside Story event accounted for 69% of all funding dollars raised to date, and pushed total dollars over 50% of the annual goal. An increase in donations is expected as the year-end appeal starts.

2019 FUNDRAISER REVIEW: Feedback on Our Westside Story was largely positive and attendees appreciated the relaxed atmosphere and pace of the event. Suggestions for a future event included limiting the silent auction to 12 items and combining several smaller gifts into larger baskets. Total income for the event—not including some substantial in-kind donations—was $106,440 and the estimated cost was $20,958 for a net of over $85,000. A summary of the event and Dwelling Place mugs will go out as a thank-you to event participants and sponsors.

2019 ANNUAL APPEAL: Ms. Sosebee distributed a draft of the annual appeal: a copy of the community report in a sleeve that describes highlights from the year and invites recipients to make a year-end gift. The mailings will be sent out before Thanksgiving in transparent envelopes. The Committee made suggestions to crop the back cover photo, add colored boxes to match the community report, and create captions for the front cover.

2020 RESOURCE DEVELOPMENT PLAN: Per the Strategic Plan, staff is composing a Resource Development Plan to reflect updated marketing and branding goals. The Plan is due February 2020, but an initial draft will be available to the Committee at the next meeting for feedback. Mr. Stevens advised connecting resident stories with appeals for donations as much as possible to emphasize the impact of donor gifts.

40TH CELEBRATION: In honor of Dwelling Place’s 40th anniversary, 40 stories from past and present residents, Board members, staff, community members, and buildings will be collected and shared throughout the year, culminating in the creation of a coffee table book. Staff and Board are encouraged to give names of potential storytellers to Ms. Sosebee. In addition, staff will meet to discuss creating a Dwelling Place archive at the Grand Rapids Public Museum.

OTHER BUSINESS: Collections Drive Update
Several groups have held successful collection drives for 68 welcome home baskets at Harrison and Pine Apartments.

ADJOURNMENT: Mr. Stevens adjourned the meeting at 11:03 AM.
DWELLING PLACE OF GRAND RAPIDS
MARKETING & DEVELOPMENT COMMITTEE
November 26, 2019
Committee Approved January 28, 2020

MEMBERS PRESENT
Leah Carpenter, Kyle Irwin, Rick Stevens, Tommie Wallace

MEMBERS ABSENT
Thomas Carpenter

STAFF PRESENT
Jessica Beeby, Kim Cross, Amy Henderson, Zoe Post, Jenn Schaub, Denny Sturtevant

The meeting was convened at 10:07 am by Rick Stevens.

APPROVAL OF MINUTES
Minutes of the Marketing and Development Committee meeting of October 29, 2019 were approved by consensus.

DONATIONS SINCE LAST MEETING
The Wege Foundation approved a $490,000 grant for the affordable housing campaign, bringing Dwelling Place well past its annual fundraising goal of $305,000 (without the grant, year-to-date progress is at 78% of this goal). Requests to various other foundations are in progress to address the remaining funding gap for these developments. Other notable donations included a $5,000 gift from Mercy Health St. Mary’s to further the Heartside FUSE project and several donations for the Muskegon Heights Senior Exercise Park.

2020 MARKETING PLAN DRAFT
Ms. Schaub presented a draft of the Resource Development Plan that draws on strategic plan goals, past marketing plans, and management team meetings. It outlines several objectives within four main focus areas: building brand awareness, identifying ways to connect to key demographics, expanding philanthropic giving and grants to Dwelling Place, and evaluating the impact of marketing and development initiatives. Several events and initiatives will incorporate Dwelling Place’s 40th anniversary. A revised, final draft will be distributed to the committee in February.

IN-KIND DONATION TRACKING
Ms. Henderson shared a tracking system that aims to coordinate staff efforts in contacting and following through with in-kind donors. The pilot process includes a letter template for staff to use when requesting donations and both pre- and post-event forms that the Marketing Coordinator will use for tracking purposes. The committee recommended writing thank-you letters describing (but not appraising) the in-kind gift and adjusting wording in the letter to clarify that Dwelling Place is a 501(c)(3) nonprofit organization.

OTHER BUSINESS & UPDATES
Dwelling Place was selected by Wealthy St. Bakery to be the recipient of the proceeds from their Sips for Tips event on December 5. Ms. Sosebee will contact Wealthy St. to provide promotional materials for the event.

The year-end appeal will go out in one week to avoid Black Friday mail traffic.

With grant funds from DGRI, the CB&E department has set up LED screens at 140 and 315 S Division with neighborhood news and updates and advertisements for Dwelling Place commercial spaces.

ADJOURNMENT
Mr. Stevens adjourned the meeting at 11:28 AM.
The meeting was convened at 11:33 AM by Mr. Kogelschatz.

APPROVAL OF MINUTES

Minutes of the Dwelling Place RED & Asset Management Committee meeting of September 9, 2019 were approved by motion of Mike McDaniels, supported by George Larimore and carried unanimously.

CLT BUDGET AND BUSINESS PLAN

Michael Brown presented his draft of a business plan for the community land trust (CLT). The CLT will use Martineau Apartments as a pilot program and if the model succeeds, it may be modified to incorporate New Hope Homes, Grandville Homes, and other properties into the CLT portfolio.

Some clarifications were made concerning staffing and governance; committee members suggested altering the operating assumptions to read, “mutually appropriate” and “may” rather than “will be” to reflect the evolving nature of these areas.

The committee reviewed the proposed budget for the CLT. Considering all costs reflected in the capital needs assessments, multiple development sources, and soft costs, Dwelling Place would net an estimated $2.7 million, approximately the cost of what is owed to the organization in long-term payables. Operating expenses will include a full-time CLT Director position, 1-2 additional staff positions, start-up costs, and other administrative/ stewardship fees. Revenue is expected from three major categories: portfolio revenue, earned fee revenue, and external fundraising.

Tasks related to building organizational capacity for the CLT include designing the CLT homeownership program, stewardship program, and community education strategy. The plan also details four ongoing functions of the CLT once it is established.

After some discussion, Mr. Sturtevant suggested gathering the committee, staff, and representatives from Huntington and ORF to research worst-case scenarios for the CLT and how to avoid them while Mr. Brown further develops the plan with staffing details and a five-year operating budget.
HOLLAND LAND ACQUISITION
Several privately-owned parcels located near First United Methodist Church in Holland have been identified for acquisition in order to create a more desirable project site. Staff recommend approaching each owner with representatives from Dwelling Place and the two local churches to negotiate a purchase price and option, however, this could also be done via a third party. The committee agreed with the strategy suggested by staff. **Motion to pursue acquisition of these properties directly was made by George Larimore, seconded by Mike McDaniels, and carried unanimously.**

PROJECT UPDATES
With considerable preliminary work done for the Weston Apartments lots and $100,000 in NeighborWork grant funding for portfolio strengthening, **the committee reached consensus to proceed with fee proposal requests from several architectural firms.**

Dwelling Place has closed Plaza Roosevelt and the Grandville and Franklin sites are under construction.

OTHER BUSINESS
Mr. Larimore presented the committee with a 132-unit, family-owned property located in Marquette, Michigan in which Dwelling Place could get involved. After some discussion, **the committee agreed to have Mr. Larimore look into the details of the project and return to the committee with a more formalized proposal.**

ADJOURNMENT
The meeting was adjourned at 1:34 PM by Mr. Kogelschatz.
MEMBERS PRESENT  Juan Daniel Castro, Rich Kogelschatz, George Larimore, Mike McDaniels

MEMBERS ABSENT  Mike DeVries

STAFF PRESENT  Jessica Beeby, Chris Bennett, Kim Cross, Rebecca Long, Scott Page, Zoe Post, Steve Recker, Dennis Sturtevant, Stephen Wooden

The meeting was convened at 11:37 AM by Mr. Kogelschatz.

APPROVAL OF MINUTES

Minutes of the Dwelling Place RED & Asset Management Committee meeting of November 11, 2019 were approved by motion of George Larimore, supported by Juan Daniel Castro and carried unanimously.

3RD QUARTER MFI

Ms. Long presented third quarter MFI numbers; additional comments and notable items discussed are as follows:

**Net Cash Flow as % of GPI:** Overall decreased (Q2 5.74% to Q3 4%) and is significantly lower than Midwest peers (17%). These numbers are due to real estate taxes paid for a majority of properties during this quarter.

**Operating Expenses as % of GPR less DSC:** Increased from previous quarter (Q2 87% to Q3 91%) and higher than Midwest peers (74%). This was affected by real estate taxes, flooring replacement at BSP, elevator maintenance at Goodrich, water main break repairs at Peterlien, and incorrect billing at Roosevelt.

**Vacancy as % of GPR:** Overall performing well with outliers due to long referral processing times caused by GRHC staffing changes, and units held for Ferguson transfers. Better than the Midwest average (4.4%) and improved from Q2 (2.96%) to Q3 (2.67%).

**Collection Rate:** Overall increased slightly (Q2 92% to Q3 93%), which is below the Dwelling Place threshold (95%) but higher than Midwest peers (88%). Rates were affected by affordable properties where tenants consistently pay late.

**Debt Service Coverage Ratio:** Decreased (Q2 2.05 to Q3 1.89) due to taxes paid and is in line with last year’s numbers (1.78).

**Turnover (Annualized):** Overall turnover has remained consistent and is comparable to Midwest peers (18% vs. 16%). Several properties not meeting the threshold had more move-outs than the previous year, including some resident deaths.

**Average Days Vacant:** Portfolio average increased (Q2 47 days to Q3 52 days) due to rehabbing some Grandville homes, holding units for Ferguson transfers, and GRHC referral delays. Other properties had several unit turns in the first
quarter but have improved in the second and third quarters. Portfolio performed better than Midwest peers (59 days).

**Economic Vacancy:** Overall improved (Q2 4.8% to Q3 4%). Ms. Long explained that unlike other metrics, economic vacancy accounts for total bad debt and vacancy against total gross potential rent. To address similar disparities in the portfolio averages caused by variation in the size of the properties, next year Ms. Long will calculate other metrics to account for total units (rather than averaging averages).

**Tenant Receivables:** A correction was made to New Hope Homes (10%, not 11.2% is correct); overall improvement from last quarter (Q2 2.2% to Q3 1.9%).

**Recertification:** Overall, numbers improved from 2018, but most properties did not meet the threshold (30 days prior to the due date for properties with a subsidy and 15 days prior for those without), and 4 properties went past the recertification due date. This is largely due to receiving information late from MSHDA.

**NOI to Budget:** The portfolio NOI to budget number was corrected from 92% to 80%. Properties exceeding 100% of the budget provided by the finance department include BSP (flooring replacement), Peterlien (water main break), Roosevelt (incorrect billing).

**Curb Appeal:** The consistency of this metric is improving, however, there remains some subjectivity in the evaluations and not all properties are reviewed every quarter. Staff are working to develop better training and tools to ensure this metric is reliable.

**16TH & RIVER HOLLAND LOT**
A vacant lot in Holland opposite Midtown on 16th St. is available for a purchase outright. If acquired, the lot could be added to the development with First UMC or added to the CLT, though there are no concrete plans at this time. After some discussion, a motion to approach Scott Weirda with a purchase option and to pursue acquisition of these properties directly was made by George Larimore, seconded by Mike McDaniels, and carried unanimously.

**CLT UPDATE**
The committee received a memo outlining the work completed for the CLT and a list of tasks yet to do. After some discussion, the committee requested a final—or nearly final—business plan to review at the January meeting in order to make an official recommendation on the CLT to the full Dwelling Place Board.

**PROJECT UPDATES AND OTHER BUSINESS**

**Plaza Roosevelt:** Construction underway and on schedule despite disagreements with Ferris State University over the voting structure of the condo association.

**Harrison Park:** Several units will be turned over for occupancy this week and 18 units are scheduled for a final cleaning and inspection.
Pine: Occupancy approvals for 5 townhomes to be rented by the end of the month, 4 units shy of the end-of-year goal. This could be made up in early 2020.

Ferguson: Draft response activity plan nearly finalized to be sent in to EGLE for review. No additional contamination was found inside the building; Hooker DeJong will design a vapor ventilation system to address vaping intrusion found on the driveway. HUD will allow residents to stay in their temporary locations as long as necessary and they will not lose their eligibility in the interim.

The Keeler building at 56 Division Ave, which has 137 units and 8 live/work units for mixed-income residents under a 9% LIHTC deal, is for sale by Jim Azzar. A potential bargain sale would include a purchase price for Dwelling Place of approximately $7.2 million; the difference between this price and the estimated value of $9.6 million would be considered a charitable contribution. The committee reached consensus to proceed with consideration of the development. Staff will schedule a meeting with Hooker DeJong and Pioneer to inquire about estimated construction costs.

ADJOURNMENT The meeting was adjourned at 1:18 PM by Mr. Kogelschatz.
Committee needs bench-strength.  

YES  

Has the committee agreed on the ideal number of members?  

YES  

Has the committee determined the profile/skills needed?  

YES  

Does the committee have a person in mind?  

YES  

Inform Governance committee about the recommendation.  

NO  

Determine committee goals/deliverables.  

NO  

Determine the profile/skills of person needed.  

NO  

Inform the Board chairperson.  

NO  

Inform the Board chairperson.  

Governance activates talent search and identifies potential nominee  

Governance committee considers nomination  

Governance committee recommends nominee to the Board  

Board approves.
Draft Resource and Marketing Plan 2020

Introduction

The Marketing and Development Committee is a standing committee of the Dwelling Place Board of Directors that exists to raise funds, expand awareness of the work of Dwelling Place, gain new friends in the community, and provide oversight and direction of fundraising events and tactics that fit within the overall strategic goals of the organization. The committee meets once a month.

The purpose of the Resource Development Plan is to identify the activities Dwelling Place will undertake to expand the Dwelling Place brand and grow an active audience of community members who will alert Dwelling Place of opportunities for growth.

- Outline strategies to build awareness of the Dwelling Place brand
- Identify ways to help connect Dwelling Place to key demographics
- Identify means by which to expand philanthropic giving and grants
- Evaluate and measure the impact of annual marketing and fund development initiatives

Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td>Build Brand Awareness</td>
<td>2</td>
</tr>
<tr>
<td>Schedule of Events</td>
<td>3</td>
</tr>
<tr>
<td>Fundraising Goals</td>
<td>3</td>
</tr>
<tr>
<td>2020 Key Demographics</td>
<td>4</td>
</tr>
<tr>
<td>Staffing Needs</td>
<td>6</td>
</tr>
<tr>
<td>Budget</td>
<td>6</td>
</tr>
<tr>
<td>Attachment 1. From Awareness to Action</td>
<td>7</td>
</tr>
</tbody>
</table>

Build Brand Awareness

Position Dwelling Place as an organization with expertise in the field of community development corporations in the West Michigan area. Strategies to build awareness of the Dwelling Place brand have been broken out into 4 objectives.
Objective 1: Celebrate 40 years of investing in affordable housing to establish Dwelling Place as an industry leader.
- Promotional materials highlighting 40 years
- Design and Secure a 40th Birthday Billboard campaign
- Coffee Table Book
- Host contests to engage residents and nearby neighbors
  - Children’s Artwork for Thank You Cards
  - Naming Plaza Roosevelt Buildings
  - Naming Roosevelt Senior Exercise Park

Objective 2: Increase brand visibility to grow new audiences.
- Produce and distribute select printed materials in Spanish Language
- Improve Website Google Analytics
- Grow Instagram/Facebook by %5
- Meet industry standards for open rate & click rate for Dwelling Place Newsletter
- Identify target organizations for guest speaking opportunities (churches, community groups, institutions, and businesses)
- Grow relationships with local media outlets

Objective 3: Enhance brand to maintain existing audiences.
- Segmenting the Dwelling Place mailing list
- Provide timely stories and content on monthly e-newsletter and social media
- Include monthly blog content and news on Dwelling Place Website
- Instagram/Facebook: Increase post engagement
- Yearly Corporate Brochure Insert

Objective 4: Improve internal brand awareness to strengthen staff engagement.
- Establishing a Dwelling Place Archive
- Quarterly Internal Newsletter
- Dwelling Place branded swag

Schedule of Events

Our quarterly in-person events and direct mail will feature stories that share our mission’s impact. These events and mailings, paired with daily social media posts and monthly newsletters will allow our donors, future donors, volunteers, and community members, sharing the value of our work and the impact on the communities we serve. All event marketing includes regular e-newsletter and social media content.
<table>
<thead>
<tr>
<th>Months</th>
<th>Recurring Events</th>
<th>Unique Events</th>
<th>Mailed Event Marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td>January - March</td>
<td>Lunch &amp; Learn - Heartside</td>
<td>● Pine &amp; Harrison Grand Opening</td>
<td>Dwelling Place Birthday Card</td>
</tr>
<tr>
<td></td>
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</tr>
<tr>
<td>April - June</td>
<td>Lunch &amp; Learn - Heartside</td>
<td>● Announcement of new Community Land Trust Initiative</td>
<td>Invitation card to Summer Lunch and Learn/Hops and Housing</td>
</tr>
<tr>
<td></td>
<td>Hops &amp; Housing - Muskegon</td>
<td></td>
<td></td>
</tr>
<tr>
<td>July - September</td>
<td>Lunch &amp; Learn - Holland</td>
<td>● 40th Celebration/ Fundraiser</td>
<td>Fundraiser Invite Community Report</td>
</tr>
<tr>
<td></td>
<td></td>
<td>● Volunteer Recognition Event</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>● Staff Recognition Event</td>
<td></td>
</tr>
<tr>
<td>October - December</td>
<td>Lunch &amp; Learn - Heartside</td>
<td>● Plaza Roosevelt - Fall Open House</td>
<td>Year End Mailing</td>
</tr>
<tr>
<td></td>
<td>Hops &amp; Housing - Grand Rapids</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Fundraising Goals

Staff will engage Board Members, Committee Members and other volunteers to identify new potential ways to expand philanthropic giving and grants.

**Objective 1: Increase Individual Giving**
- 10% increase in giving from current donors
- Increase of 25 new individual donors

**Objective 2: Increase sponsorship for Dwelling Place 40th Anniversary**
- $125,000 in sponsorships
- 7 new event sponsors

**Objective 3: Increase operating support, program or capital projects through grant funding**
- Minimum of $100,000 in grant funds (does not include Neighborworks Grant Funds)
- Identify 3 new grant opportunities
**Objective 4:** Increase donations from businesses to support programs & special events

- A minimum of 25 new businesses will be approached to support programming and special events.

**2020 Key Demographics**

Donor List Segmentation breaks down our audience into different categories. These categories recognize similar characteristics among an audience and identify core messages for targeted outreach.

<table>
<thead>
<tr>
<th>Age Range</th>
<th>Key Engagement Strategy</th>
<th>Core Message</th>
<th>Example Gift</th>
<th>Outreach</th>
</tr>
</thead>
</table>
| Under 24  | Volunteering opportunities & direct service involvement | Your time is valuable and getting involved makes a difference | Property Days | Messaging platform:  
Social Media  
Newsletter  
Activities:  
Committee service  
Volunteer Service Projects |
| 24-35     | Some volunteering, giving to identified specific needs | Your giving directly impacts a person’s quality of life | Welcome Baskets | Messaging platform:  
Social Media  
Newsletter  
Activities:  
Committee service  
Hops & Housing |
| 36-45     | Monetary contributions via direct and indirect giving or community foundation | Your giving creates stability for families and neighborhoods | Payroll Deduction | Messaging platform:  
Social Media  
Newsletter  
Direct mail  
Activities:  
Committee & Board service  
Hops & Housing |
| 46-60     | Monetary contributions via direct repeat donations moving towards sponsorship | Your giving is an Investment in your community, supporting persons whose experiences are complex | Monthly or Annual contributions | Messaging platform:  
Social Media  
Newsletter  
Direct mail  
Activities:  
Committee & Board service  
Annual Fundraiser |
<table>
<thead>
<tr>
<th>Age Group</th>
<th>Contributions Description</th>
<th>Benefits</th>
<th>Annual Contributions</th>
<th>Sponsorship Type</th>
<th>Board Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>60 &amp; up</td>
<td>Monetary contributions via direct repeat donations and sponsorship. Generational giving and estate planning</td>
<td>Your giving is an investment in your community, creating a legacy</td>
<td>Annual contributions</td>
<td>Event Sponsorships</td>
<td>Board service</td>
</tr>
<tr>
<td>New Business Sponsors</td>
<td>Monetary contributions at a $1,000 - $5,000 level to fund specific initiatives</td>
<td>Your giving creates stability for families, neighborhoods and directly impacts people’s quality of life</td>
<td>Pick-Up Truck Sponsor</td>
<td>One-on-One Direct Mailing</td>
<td></td>
</tr>
<tr>
<td>Existing Business Sponsors</td>
<td>Increased monetary contribution at</td>
<td>Your business is contributing to building stability for families, neighborhoods and directly impacts people.</td>
<td>Event Sponsorship</td>
<td>Program Sponsorship</td>
<td></td>
</tr>
</tbody>
</table>

**Staffing Needs**

Assigned staff will implement strategies and tactics outlined in the 2020 Branding Plan consistent with goals from the 2020 Strategic Plan. Staff includes but is not limited to:

1. Marketing Coordinator
2. Volunteer Coordinator
3. Director of Community Building & Engagement
4. CEO
5. Executive Assistant

**Budget**

To be added upon review of the 2020 draft of the Marketing Plan
## Attachment 1. From Awareness to Action

<table>
<thead>
<tr>
<th>Marketing Stages</th>
<th>Awareness</th>
<th>Understanding</th>
<th>Interest</th>
<th>Support</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Communication Phases</strong></td>
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<td><strong>Public Relations Activity</strong></td>
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<td>&gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;</td>
<td>All &gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;&gt;</td>
<td>Content creation</td>
<td>Traditional Media engagement</td>
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<td>Social Media Engagement</td>
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<td>Influencer Engagement</td>
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<td>Events/Speeches</td>
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<tr>
<td><strong>Intermediary Effect</strong></td>
<td>Audience Reach (traditional/ Social Media Impressions/Target audience impressions)</td>
<td>Number of articles</td>
<td>Video views</td>
<td>Frequency</td>
<td>Share of Voice</td>
</tr>
<tr>
<td></td>
<td>Key message alignment</td>
<td>Accuracy of facts</td>
<td>Key message alignment</td>
<td>Frequency of Positive Mentions</td>
<td>Expressed opinions of interest</td>
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<td></td>
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<td></td>
<td>retweets/shares</td>
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<tr>
<td><strong>Target Audience Effect</strong></td>
<td>Unaided awareness</td>
<td>Knowledge about area</td>
<td>Knowledge about creative spaces/businesses on the Avenue</td>
<td>Relevance of issue to stakeholder</td>
<td>Visitors to websites</td>
</tr>
<tr>
<td></td>
<td>Aided awareness</td>
<td>Knowledge of living spaces on the Ave.</td>
<td>Knowledge of events</td>
<td>Click through to site</td>
<td>Time spent on Site</td>
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<td></td>
<td>Downloads from site</td>
<td>Calls</td>
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<td>Event/meeting attendance</td>
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<td>Attitude Change</td>
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<td>Endorsement</td>
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<td>Links to Site</td>
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<td>Active advocates, Letters of Support, Donations, Cost savings</td>
</tr>
</tbody>
</table>
MISSION, VISION, VALUES STATEMENT

MISSION STATEMENT
Dwelling Place improves the lives of people by creating quality affordable housing, providing essential support services, and serving as a catalyst for neighborhood revitalization.

VISION STATEMENT
1. Dwelling Place will provide quality housing and supportive services which respond to the needs of its customers. Commitment and dedication to the wellbeing of the whole person will characterize Dwelling Place.
2. Diversification of housing will be a hallmark of future developments, with efforts made to create varied types of mixed-income housing throughout West Michigan. Dwelling Place will continue to creatively collaborate with others in building healthy neighborhoods with our primary focus being housing creation, which supports economic revitalization and stabilization.
3. Dwelling Place will continue to strengthen its internal resources in order to guarantee its long-term effectiveness. This effort will include the initiation of new fund development endeavors to help ensure the long-term financial stability and success of the organization, as well as strengthening staff effectiveness by providing appropriate professional development opportunities.

CORE VALUES AND BELIEFS

WE BELIEVE
- Diversity in people and in the use of land builds healthy neighborhoods.
- All people deserve a choice of quality affordable housing environments.
- Dwelling Place should act as a leader in the field of housing development.
- Our residents are our customers and they deserve and expect professionalism in the services they receive.
- The input of our customers and an ingrained respect and trust of the broader community is crucial to our success.
- Staff and Board must have opportunities for professional development and personal growth.
- Financial stability is crucial in order to fulfill its mission.

WE VALUE
- High standards of ethics and conduct of the staff and Board.
- An open and inclusive decision-making process.
- Substantial and significant communication between all of our constituents.
- Collaboration and alliance building with others in order to encourage neighborhood revitalization and stabilization.
AMENDED AND RESTATED BYLAWS
OF
DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION
(As of August 3, 2016)

ARTICLE I
NAME and PURPOSES

Section 1. Name. The name of the corporation shall be Dwelling Place of Grand Rapids Nonprofit Housing Corporation hereinafter referred to in these Bylaws as the “Corporation”.

Section 2. Purposes. The purposes for which the Corporation is formed are those stated in the Restated Articles of Incorporation. The programs of the Corporation shall include the creation of new housing and/or the rehabilitation and preservation of existing housing stock for the purpose of providing affordable housing for low and moderate income persons. The Corporation’s activities and purposes shall be as permitted for a nonprofit corporation by State law in accordance with the provisions of Section 501(c)(3) of the Internal Revenue Code. The Corporation shall have such additional purposes as shall be approved from time to time by the Board of Directors and incorporated into the Articles of Incorporation.

ARTICLE II
OFFICES

Section 1. Registered Office. The Corporation shall have and continuously maintain in the State of Michigan a principal office and a registered office located at 101 Sheldon Blvd. SE, Suite 2, Grand Rapids, MI 49503. The Corporation may, by resolution of the Board of Directors, change the location of the registered office to any place in the State of Michigan.

Section 2. Other Offices. The Corporation may also maintain offices at such other places, within or without the State of Michigan, as the Board of Directors may, from time to time, establish.

Section 3. Geographic Jurisdiction. The geographic area in which the Corporation shall conduct business includes Kent, Muskegon, Ottawa, Oceana, Newaygo, Ionia, Montcalm, Allegan, Mason, Lake, Osceola, Mecosta, Van Buren, Kalamazoo, and Barry Counties.

ARTICLE III
MEMBERS

Section 1. Directorship. The Corporation shall be organized on a directorship basis and governed exclusively by its Board of Directors. An Honorary Director as defined in Article IV shall not participate in the Corporation’s governance nor, except as defined in Article IV, Section 1, be considered a corporate director for any other purpose under these Bylaws or the Michigan Nonprofit Corporation Act.

Section 2. Special Class of Members. The Board of Directors may, from time to time as such Board deems necessary, create a Special Class of Members (each one of whom shall be called a “member”) of the Corporation in order to further the Corporation’s lawful purposes. The duties of the Special Class of Members will be defined by the Board of Directors. A Special Class of Members will be appointed by and serve at the pleasure of the Board of Directors, and
such appointees will be bona fide members of the Corporation. The Board of Directors may authorize the Chief Executive Officer of the Corporation to act on its behalf in appointing members of the Special Class of Members. Members of the Special Class of Members shall have no voting power unless empowered with such by specific resolution of the Board of Directors nor does the appointment or maintenance of the Special Class of Members affect the Corporation’s system of governance. Candidates for a Special Class of Members must be employees of, volunteers associated with, or directors of the Corporation. No part of the net earnings of the Corporation may inure to the benefit of any Special Member.

ARTICLE IV
DIRECTORS

Section 1. General Powers. All the lawful powers of the Corporation shall be vested in and exercised by or under the authority of the Board of Directors and the business and property of the Corporation shall be managed and controlled by such Board. The Corporation shall in no manner be controlled by any private individual(s) or entity(s) seeking to derive profit or gain from the Corporation. The Board of Directors shall exercise all of the powers that may be exercised by the Corporation under the statutes of the State of Michigan, the Articles of Incorporation, and these Bylaws. This general grant of power to the Board of Directors shall not be deemed to be curtailed by any other provisions of these Bylaws that declare the powers of, or impose any duty on, the Board of Directors in any specific matter.

Section 2. Rules, Regulations and Policies. The Board of Directors may adopt such supplementary rules and regulations for the transaction of its business, not inconsistent with these Bylaws, as it shall deem necessary or advisable. In addition to, but not inconsistent with these Bylaws, the Board of Directors may adopt such policy statements as it shall deem advisable to clarify and sustain (a) the Corporation’s mission, and (b) the model of governance chosen by the Board for the Corporation.

Section 3. Number and Composition of Directors. The Board of Directors shall consist of at least ten (10), but no more than twenty-one (21) Directors. Within these limits, the Directors then in office may establish by majority vote, at any annual, regular or special meeting of the Board, the number of Board Directorships, and any subsequent increase or decrease in that number. At least one-third of the Board of Directors shall be representatives of the low-income community, being either 1) residents of low-income neighborhoods, 2) other low-income community residents, or 3) elected representatives of low-income neighborhood organizations. No more than one-third of the Board of Directors may be public officials or employees of a CHDO Participating Jurisdiction or State Recipient.

Section 4. Terms of Office. Each Director elected to the Board shall serve for a term of three (3) years or until his/her successor is properly elected. A Director elected to fill a vacancy created by the resignation or removal of another Director will serve the unexpired portion of the predecessor’s term of office, and will then be eligible for election to a full three (3) year term.

Section 5. Resignation and Removal. A Director may resign by written notice to the Corporation, specifying the effective date of such resignation. If no date is specified, the resignation shall be effective upon receipt by the Corporation. A Director may be removed, with cause, by a vote of majority of the Directors then in office at any regular, special or annual meeting. For purposes of applying this provision, “cause” for which a Director may be removed, shall include, but not be limited to, nonfeasance, malfeasance, misfeasance, conduct detrimental
to the interest of the Corporation, lack of sympathy with its objectives, failure to render reasonable assistance in carrying out its purposes and poor attendance at meetings. Any Director proposed to be removed shall be given at least ten (10) days’ notice in writing by mail of the meeting of the Board at which such removal is to be voted upon, and shall be entitled to appear before and be heard by the Board at that meeting.

Section 6. Vacancies. When any vacancy is created on the Board of Directors by reason of death, resignation, incapacity, removal of the incumbent, increase in Board size, or for any other cause, the remaining Directors shall fill such vacancy by majority vote at a regular, special or annual meeting of the Board. Each Director so appointed by the Board shall hold office for a full elective term, in the case of a new Director, or for the unexpired portion of the term of his or her predecessor.

Section 7. Noncompensation. No compensation shall be paid to the Directors of the Corporation for their services as Directors.

Section 8. Executive Committee. The Executive Committee shall be composed of the Chairperson, Vice Chairperson, Secretary, Treasurer, and one or more other members of the Board of Directors. The Executive Committee shall be vested with the power to act on behalf of the Board of Directors between Board meetings. The Executive Committee shall report all actions taken between Board meetings to the Board of Directors at the next regularly scheduled meeting of the Board of Directors.

Notwithstanding the powers granted in the above paragraph, the Executive Committee may not take action, make decisions, incur obligations, or exercise power without the ratification of the Board of Directors with respect to:

(a) the sale of all or substantially all of the assets and property of the Corporation;
(b) any amendment or restatement of the Articles of Incorporation or these Bylaws that would materially and adversely affect the purpose and affairs of the Corporation;
(c) any action that would result in a material change in the character of the Corporation’s business;
(d) any act that would make it impossible for the Corporation to carry on its ordinary business;
(e) any act that would dissolve the Corporation or cause it to go out of business; or
(f) any act that would contravene any provision of the Articles of Incorporation, these Bylaws, or the Michigan Nonprofit Corporation Act.

Section 9. Committees of the Board and Delegation of Authority. The Board shall have the power to create such committees as it shall deem necessary to conduct its affairs, and to appoint such members to its committees as it deems appropriate. Within the limits provided by law the Board of Directors may delegate, to the extent that it considers desirable or necessary, any portion of its authority to manage, control, and conduct the current business of the Corporation, including the investment and reinvestment of institutional funds, to any standing or special committee of the Corporation or to any officer, employee, or agent.

Section 10. Limited Liability for Directors and Officers. For the purposes of this section, the terms “volunteer director” and “volunteer officer” shall have the same meaning as the term “volunteer director” as defined by the Michigan Nonprofit Corporation Act, and any amendment or successor thereto. “Volunteer director” is defined by the Michigan Nonprofit Corporation Act.
as “a director who does not receive anything of more than nominal value from the corporation for serving as a director other than reasonable per diem compensation and reimbursement for actual, reasonable, and necessary expenses incurred by a director in his or her capacity as a director.”

(a) Volunteer Directors' and Volunteer Officers’ Liability To The Corporation. Volunteer directors and volunteer officers of the Corporation shall not be personally liable to the Corporation for monetary damages for any breach of their fiduciary duty, except for the following:

(i) breaches of the Director's or officer’s duty of loyalty to the Corporation;
(ii) acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
(iii) violations of Section 551(1) of the Michigan Nonprofit Corporation Act, as the same may be amended.

MCL 450.2551(1) states: In addition to any other liability imposed by this act or other law upon directors of a corporation, directors who vote for, or concur in, any of the following corporate actions are jointly and severally liable to the corporation for the benefits of its creditors, shareholders, or members, to the extent of any legally recoverable injury suffered by such persons as a result of the action but not to exceed the amount unlawfully paid or distributed:

(a) Distribution of assets to shareholders or members contrary to this act or contrary to any restriction in the articles of incorporation or bylaws.
(b) Purchase of shares or memberships of the corporation contrary to this act or contrary to any restriction in the articles or bylaws.
(c) Distribution of assets to shareholders or members during or after dissolution of the corporation without paying, or adequately providing for, all known debts, obligations, and liabilities of the corporation.
(d) Making of a loan to an officer, director, or employee of the corporation or of a subsidiary thereof contrary to this act.

(iv) transactions from which the Director or officer derives an improper personal benefit;
(v) acts or omissions occurring before January 1, 1988; and
(vi) acts or omissions that are grossly negligent.

(b) Volunteer Directors’ and Officers’ Liability To Third Parties. To the fullest extent now or hereafter permitted by law and by regulations and rulings issued by the Internal Revenue Service, the Corporation shall assume all liability for monetary damages to persons other than the Corporation for all post-incorporation acts and omissions of the Corporation's volunteer Directors and officers in their capacity as Directors and officers, if all of the following are met:

(i) the Director or officer was acting, or reasonably believed he or she was acting, within the scope of his or her authority;
(ii) the Director or officer was acting in good faith;
(iii) the Director's or officer's conduct did not amount to gross negligence or willful and wanton misconduct or an intentional tort;
(iv) the Director’s or officer’s conduct was not a tort arising out of the ownership, maintenance, or use of a motor vehicle for which tort liability may be imposed under the Michigan No-Fault Act, MCL 500.3135.
This assumption of liability will continue for the lifetimes of all persons who have ceased to be
volunteer Directors or volunteer officers of the Corporation, and shall also inure to the benefit of
their respective heirs and personal representatives.

(c) **Subsequent Amendments.** Any repeal, modification or adoption of any provision in
these Bylaws inconsistent with this section shall not adversely affect any right or protection of a
Director or officer of the Corporation existing at the time of such repeal, modification, or
adoption.

(d) **Liability Insurance.** The Corporation shall have the power to purchase and maintain
insurance on behalf of any person who is or was a Director, officer, employee or agent of the
Corporation against any liability asserted against that person and incurred because of his or her
status or activities as a Corporation Director, officer, employee or agent, regardless of whether
the Michigan Nonprofit Corporation Act expressly gives the Corporation power to indemnify
that person.

Section 11. **Honorary Director.** The Board of Directors may, from time to time at its
discretion, appoint a current or former Director as an Honorary Director to recognize the
individual’s contributions to the Corporation. An Honorary Director may attend and participate
in all Board meetings, functions, special projects, and events. The specific duties of an Honorary
Director, if any, shall be defined by the Board of Directors, subject to the limitations contained in
Article III, Section 1.

**ARTICLE V**

**MEETINGS OF DIRECTORS**

Section 1. **Annual Meetings.** The annual meeting of the Board of Directors of the
Corporation shall be held no later than June 30th of each year, at a date, time and place
designated by the Board.

Section 2. **Business at Annual Meetings.** Pursuant to MCL 450.2901, and any
amendment or successor thereto, the Corporation shall cause a report of the Corporation for the
preceding fiscal year to be made and presented at the annual meeting of the Board of Directors.
The report shall include the Corporation’s year-end statement of assets and liabilities, and the
principal change in assets and liabilities during the year preceding the date of the report. The
report may be distributed by electronic transmission, but the Corporation shall also provide the
report in written form to a director upon request. When required by these Bylaws, the Directors
shall also elect Directors to succeed those whose terms are due to expire in that year. As
provided elsewhere in these Bylaws, the officers of the Corporation shall be elected by the
Directors at their annual meeting. In addition, the Directors shall conduct such other business as
may properly come before their annual meeting.

Section 3. **Special Meetings.** Special meetings of the Board of Directors for any purpose
or purposes, may be called by the Chairperson. Special meetings of the Board of Directors shall
be called by the Chairperson upon the written request of not less than two (2) Directors.

Section 4. **Notice of Meeting.** Written notice stating the place, day and hour of a
meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is
called, shall be delivered either personally or by mail to each Director, not less than ten (10) days
nor more than sixty (60) days before the date of any meeting. If mailed, such notice shall be
deemed to be delivered when deposited in a post office or official depository under the exclusive
care and custody of the United States Postal Service, addressed to each Director, at the address of
the Director as it appears on the books of the Corporation, with postage prepaid thereon. Notice
of a meeting may also be delivered personally to a director, sent by facsimile or other electronic
transmission, or telephoned or otherwise orally noticed to a director not less than 10 days nor
more than 60 days before the date of any meeting.

Additionally, any notice required by these Bylaws may be delivered to the directors by
electronic transmission, unless a director has requested notice by other means.

Section 5. Waiver of Notice. Whenever any notice is required to be given to any person
under the provisions of these Bylaws, the Corporation's Articles of Incorporation, or any statute,
a waiver thereof in writing signed at any time, whether before or after the time of meeting, by the
person entitled to such notice shall be deemed equivalent to the giving of such notice. Attendance
at a meeting in person constitutes a waiver of notice of the meeting, except when a
person attends the meeting for the express purpose of objecting, at the beginning of the meeting,
to the transaction of any business on grounds that the meeting is not lawfully called or convened.

Section 6. Conduct of Meetings. The Chairperson shall preside over all such meetings
and the Secretary of the Corporation, or else a person chosen for the purpose, will act as
Secretary for such meetings.

Section 7. Quorum. A majority of the Directors of the Corporation then in office shall
constitute a quorum at any meeting. If less than a quorum of directors is represented at a
meeting, a majority of the Directors so represented may adjourn the meeting from time to time
without further notice. At any such adjourned meeting at which a quorum is present, any
business that may have been transacted at the meeting as originally called may be transacted.

Section 8. Voting. At any meeting, each Director shall be entitled to one (1) vote upon
every matter submitted to a vote of the Board of Directors. A vote may be cast either orally or in
writing. An action shall be authorized by a majority of the votes so cast, unless a greater
plurality is required by law or by these Bylaws.

Section 9. Presumption of Assent. A Director who is present at a meeting of the Board
of Directors at which action is taken on any Corporation matter shall be presumed to have
assented to the action unless a dissent shall be entered in the minutes of the meeting or unless the
Director shall file a written dissent to such action with the person acting as the Secretary of the
meeting before the adjournment thereof, or shall forward such dissent by registered mail to the
Secretary of the Corporation immediately after the adjournment of the meeting. Such right to
dissent shall not apply to a Director who voted in favor of such action. A Director who is absent
from a meeting of the Board at which any such action is taken is presumed to have concurred in
the action unless the Director files a dissent with the Secretary of the Corporation within a
reasonable time after obtaining knowledge of the action.

Section 10. Participation. A Director may participate in any meeting of the Board of
Directors by conference telephone or similar communications equipment or other means of
remote communication by means of which all persons participating in the meeting are able to
hear each other. Participation in a meeting pursuant to this section shall constitute presence in
person at the meeting. A meeting of the Board may be conducted solely by means of remote
communication.
Section 1. **Action By Written Consent Without Meeting.** Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting, without prior notice, and without a vote, if a consent in writing setting forth the action so taken is signed by all members of the Board of Directors.

**ARTICLE VI**

**OFFICERS, AGENTS AND EMPLOYEES**

Section 1. **Officers and Agents.** The officers of the Corporation shall consist of a Chairperson, a Vice Chairperson, a Chief Executive Officer, a Secretary, a Treasurer, a Chief Financial Officer, and may also include such other officers, agents and employees as the Board of Directors may deem proper. Multiple offices may be held by the same person, except for the offices of Chief Executive Officer and Chairperson, which shall not be held simultaneously by the same person, and the offices of Treasurer and Chief Financial Officer, which shall not be held simultaneously by the same person. An officer shall not execute, acknowledge or verify an instrument in more than one capacity if the instrument is required by law to be executed, acknowledged or verified by two or more officers. The Chairperson shall be elected from among the Directors in office. Other officers, agents and employees of the Corporation need not be Directors. Except for the offices of Chief Executive Officer and Chief Financial Officer, Directors may serve as officers, agents or employees of the Corporation.

Section 2. **Election and Terms of Officers.** Except for the Chief Executive Officer and the Chief Financial Officer, officers of the Corporation shall be elected annually by the Board of Directors at its annual meeting for one (1) year terms. Each officer shall hold office until the officer's successor shall have qualified, or until death, incapacity, or until the officer shall resign or shall have been removed in the manner hereinafter provided. The Chief Executive Officer and the Chief Financial Officer shall be appointed by, and serve at the pleasure of, the Board of Directors and shall not be subject to annual election.

Section 3. **Resignation and Removal.** An officer or agent may resign at any time by giving written notice to the Corporation. The resignation shall be effective upon its receipt by the Corporation or at a subsequent time specified in the notice of resignation. An officer or agent elected or appointed by the Board of Directors may be removed by the Board, with or without cause, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create any contract rights. Any officer proposed to be removed shall be given at least ten (10) days’ notice in writing by mail of the meeting of the Board at which such removal is to be voted upon, and shall be entitled to appear before and be heard by the Board at that meeting.

Section 4. **Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise shall be filled by the Board of Directors for the unexpired portion of the officer's annual term.

Section 5. **Chairperson.** A Director shall be elected by the Board of Directors to serve as Chairperson of the Board. The Chairperson shall preside at all meetings of the Board of Directors and of the Executive Committee, and shall perform such other duties as may be determined by resolution of the Board of Directors.

Section 6. **Vice Chairperson.** In the absence of the Chairperson, or in the event of the Chairperson’s death or inability to act, the Vice Chairperson shall perform the duties of the Chairperson, and when so acting, shall have all the powers of and be subject to all the restrictions
upon the Chairperson.

Section 7. **Chief Executive Officer.** The Chief Executive Officer shall be the principal executive officer of the Corporation and, subject to the control of the Board of Directors, shall supervise and control all of the business and affairs of the Corporation. The Chief Executive Officer is the President of the Corporation within the meaning of the Michigan Nonprofit Corporation Act. The Chief Executive Officer may sign any deeds, mortgages, bonds, contracts, and other legal instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws or by law to be otherwise signed or executed. The Chief Executive Officer shall see that all orders, resolutions, policies and missions of the Board of Directors are carried into effect and shall be an *ex officio* member of all standing committees and shall attend, but not vote at, all meetings of the Board. In addition, the Chief Executive Officer shall have the general powers and duties of supervision and management usually vested in the office of chief executive officer or president of a corporation and such other duties as may be prescribed by the Board of Directors from time to time. The Chief Executive Officer shall be accountable to the Board for the Corporation’s performance and financial integrity. During the absence or disability of the Chief Executive Officer the Board may, at its discretion, appoint an Acting Chief Executive Officer to perform the duties of the Chief Executive Officer, as described herein.

Section 8. **Secretary.** The Secretary shall attend all meetings of the Board of Directors of the Corporation and keep the minutes of its meetings in one or more books provided for that purpose. With the assistance of the Chief Executive Officer and staff support, he or she shall safely keep in his or her custody the corporate records of the Corporation and keep a current register of the post office address of each Director. He or she shall give or arrange all notices required by statute, these Bylaws, or resolution of the Board of Directors and shall perform any other duties as may be delegated by the Chief Executive Officer or by the Board of Directors. In the event of the Secretary's absence from a meeting, the Chairperson may designate an Acting Secretary to record the proceedings at that meeting.

Section 9. **Treasurer.** The Treasurer shall work closely with the Chief Executive Officer and Chief Financial Officer to coordinate:

- Approval of financial procedures and practices, including internal controls;
- Development of an annual budget for presentation and review by the Board;
- Provision of an audited annual financial report to the Board;
- Establishing and periodically reviewing the Corporation’s insurance coverage;
- Developing and implementing a financial plan which maximizes return on funds.

Section 10. **Chief Financial Officer.** The Chief Financial Officer shall have charge and custody of, and be responsible for, all funds of the Corporation, shall receive and give receipts for monies due and payable to the Corporation from any source whatsoever, and shall deposit all such monies in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of these Bylaws. In addition, the Chief Financial Officer shall perform all such other duties as from time to time may be assigned to the Chief Financial Officer by the Chief Executive Officer or by the Board of Directors.

All checks and orders for the payment of money may be signed by the Chief Financial Officer, or by such other person as is specifically authorized by the Board of Directors.
The books kept by the Chief Financial Officer shall at all times be open to the inspection of any Director of the Corporation. The Chief Financial Officer shall render such statements of the accounts to the Board of Directors as they may require and shall make a full report of the financial condition of the Corporation at each annual meeting of the Board of Directors.

Section 11. Execution of Legal Instruments. Unless revoked or restricted by a specific resolution of the Board of Directors, the Chairperson, Vice Chairperson, Chief Executive Officer, Secretary and Treasurer are generally authorized to execute deeds, mortgages, bonds, contracts and all other legal instruments on behalf of the Corporation.

Section 12. Compensation of Officers and Agents. All officers other than the Chief Executive Officer and Chief Financial Officer shall serve without compensation except as otherwise directed by the Board of Directors. The Board of Directors shall have the power to: employ agents, factors, clerks, counsel, accountants and employees; to fix their compensation; to prescribe their duties; and to dismiss them without prior notice.

**ARTICLE VII**

**FISCAL YEAR**

The fiscal year of the Corporation shall begin on January 1st and end on December 31st of each year.

**ARTICLE VIII**

**AMENDMENT OF BYLAWS AND RESTRICTIONS**

Section 1. Amendment of Bylaws. All provisions of these Bylaws, except Article IX, shall be subject to amendment consistent with Act 162, Public Acts of 1982, State of Michigan (Michigan Nonprofit Corporation Act), as the same may be amended, and Section 501(c)(3) of the Internal Revenue Code of 1986, as the same may be amended, at any annual, regular, or special meeting of the Board of Directors by a two-thirds (2/3) vote of the Directors then in office, provided that notice of the proposed amendment shall have been mailed with notice of such meeting to each Director not less than ten (10) days nor more than sixty (60) days before the date of the meeting.

Section 2. Restriction on Benefit. No part of the net earnings of the Corporation may inure to the benefit of any Director, founder, contributor, or private individual, except that the Corporation may pay reasonable compensation for services rendered to it and may make payments and distributions in furtherance of its purposes as set forth in Article II of these Bylaws.

Section 3. Distribution and Retention of Income. Notwithstanding any other provision of these Bylaws, if at any time the Corporation shall be a private foundation as defined in Section 509 of the Internal Revenue Code of 1986 (“Code”), as the same may be amended, then during such time the Corporation shall distribute its income at such times and in such manner as not to subject the Corporation to tax under Section 4942 of the Code, shall not engage in any act of self-dealing as defined in Section 4941(d) of the Code, shall not retain any excess business holdings as defined in Section 4943(c) of the Code, shall not make any investment in any manner as to subject the Corporation to tax under Section 4944 of the Code, and shall not make any taxable expenditure as defined in Section 4945(d) of the Code.
Section 4. **Restriction Against Lobbying and Political Campaigning.** No substantial part of the activities of the Corporation shall consist of engaging in propaganda, influencing legislation, or participating in or intervening in (including publication or distribution of statements) any political campaign on behalf of any candidate for public office.

**ARTICLE IX**

**DISTRIBUTION OF ASSETS UPON DISSOLUTION**

If the Corporation should ever be dissolved, the Board of Directors shall, after paying or making provision for payment of all liabilities of the Corporation, distribute all remaining assets of the Corporation exclusively to such charitable, religious, scientific, educational or other organizations as shall at that time qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986 (or corresponding provisions of any future United States Internal Revenue Code) as the Board of Directors shall determine.

**ARTICLE X**

**COMMUNITY BENEFICIARY ENGAGEMENT**

As part of the development process for each affordable housing project or program undertaken by the Corporation, the Chief Executive Officer shall appoint an advisory committee to advise the Corporation in its decisions regarding the design, siting, development, and management of the project or program to be undertaken. The advisory committee will be composed as follows: fifty percent (50%) will be beneficiaries of the proposed project or program and fifty percent (50%) will be members of the Corporation’s Board of Directors. The committee shall meet and shall report to the Board of Directors as directed by the Chief Executive Officer.

Effective Date: August 3, 2016
CERTIFIED RESOLUTIONS OF
NEW FERGUSON LLC
AS MANAGER OF
LIMITED LIABILITY COMPANY MORTGAGOR

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
835 E. Michigan Avenue, Lansing, Michigan 48912

I CERTIFY that I am the duly appointed Secretary and keeper of the records of NEW FERGUSON LLC, a Michigan limited liability company (“Company”); that the following is a true and correct copy of a Resolution duly and unanimously adopted at a meeting of the Board of Managers of the Company on __________________________; that the Resolution does not conflict with any provision of the Operating Agreement of the Company nor has the Resolution been in any way altered, amended or repealed and is in full force and effect, unrevoked and unrescinded as of this date, and has been entered in the records of the Company as of the date of adoption, and that the Member of the Company has, and at the time of adoption of the Resolution, had, full power and lawful authority to adopt the Resolution and to confer the powers granted in the Resolution to the Managers named in the Resolution, who have full power and lawful authority to exercise those powers:

RESOLUTION

On this __________________________, the Board of Managers of New Ferguson LLC has adopted a proposal to become the Manager and a Member of a Michigan limited liability company known as Ferguson Apartments Limited Dividend Housing Association LLC, a Michigan limited liability company (“Mortgagor”) and for the Mortgagor to borrow from the MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY, a public body corporate and politic (“Authority”): 1) a sum not to exceed $994,963 (“Mortgage Loan”); 2) a sum not to exceed $5,161,000 (“HTF Loan”); and 3) a sum not to exceed 239,000 (“MHCDF Loan”), to finance the acquisition and rehabilitation of a housing development to be known as Ferguson Apartments (“Development”), which borrowing shall be evidenced by the Mortgage Notes of the Mortgagor, secured by Mortgages on real property and improvements owned or to be constructed by the Mortgagor and located in the City of Grand Rapids, Kent County, Michigan, which real property is more fully described in Exhibit A attached to and made a part of this Resolution (“Property”), and a Security Agreement/Financing Statement covering the personal property owned by the Mortgagor and located on the Property. As a further condition of the MSHDA Loans, the Mortgagor shall also be required to enter into the following agreements with the Authority: Mortgage Loan Commitment(s), Environmental Indemnification Agreement(s), and Regulatory Agreement(s) restricting the use and occupancy of the Development.

It is also necessary that the Mortgagor enter into a Building Loan Agreement(s) with the Authority, and a Construction Contract with Pioneer General Contractors, Inc., a Michigan corporation, in connection with the MSHDA Loans.

The Mortgagor also anticipates receiving an AHP loan from the Federal Home Loan Bank of Indianapolis in an amount not to exceed $500,000 (“AHP Loan”) to be used as financing for the Development.

There has been presented to the Board of Managers of this Company the proposed forms of the First Amended and Restated Operating Agreement of the Mortgagor (“Operating Agreement”), Mortgage Notes, Mortgages, Security Agreement/Financing Statement(s), Mortgage Loan Commitment(s), Environmental Indemnification Agreement(s), and Regulatory Agreement(s), as well as the Building Loan Agreement and Construction Contract.
IT IS RESOLVED by the Board of Managers of the Company, that the Company be and is
authorized to become the Manager and a Member of the Mortgagor and, that as the Manager of the
Mortgagor, the Company has the power and authority to borrow money, pledge the assets of the
Mortgagor and execute mortgage(s) or grant other security interests in the assets of the Mortgagor in
connection with said borrowing and any action(s) in furtherance thereof taken by any of the Board of
Managers or any officer(s) of the Company prior to this Resolution is hereby ratified and affirmed; and

IT IS FURTHER RESOLVED, that Dennis Sturtevant, President of the Company and/or
Annamarie Buller, Vice-President of the Company, or either of them acting individually, be and they are
authorized, on behalf of the Company at any time after adoption of this Resolution and without further
action by or authority or direction from the Members of the Company to execute the Operating
Agreement of the Mortgagor in such form and containing those provisions as may be deemed to be ap-
propriate, to borrow from the Authority a sum not to exceed $994,963 for the Mortgage Loan, and a sum not
to exceed $5,161,000 for the HTF Loan, and a sum not to exceed $239,000 for the MHCDF Loan, and to
execute on behalf of the Company as the Manager of the Mortgagor and deliver to the Authority in such
form as may be required by the Authority, the Mortgage Notes and Mortgages of the Mortgagor
evidencing and securing said borrowing, the Security Agreement/Financing Statement(s), Mortgage Loan
Commitment(s), Environmental Indemnification Agreement(s), Regulatory Agreement(s), Building Loan
Agreement(s) and Construction Contract, and the execution of any document(s) in furtherance thereof by
any Member or Manager of the Company prior to this Resolution is hereby ratified and affirmed; and

IT IS FURTHER RESOLVED, that Dennis Sturtevant, President of the Company and/or
Annamarie Buller, Vice-President of the Company, or either of them acting individually, be and they are
authorized and directed on behalf of the Company as Manager of the Mortgagor at any time and from
time to time after the adoption of this Resolution and without further action by or authority or direction
from the Board of Managers of the Company, to execute and deliver or cause to be executed and
delivered all such other and further agreements, assignments, statements, instruments, certificates and
documents and to do or cause to be done all such other and further acts and things as the named Managers
may determine to be necessary or advisable under or in connection with the AHP Loan, and that the
execution by said Managers of any such agreement, assignment, statement, instrument, certificate or
document, or the doing of any such act or thing, shall be conclusive evidence of their determination in
that respect; and

IT IS FURTHER RESOLVED, that the Authority be and it is authorized to rely on the continuing
force and effect of this Resolution until receipt by the Executive Director of the Authority at its principal
office of notice in writing from the Company of any amendments or alterations to this Resolution.

Dated: ___________________________

Francine Gaston
Secretary of the Board of Managers of New Ferguson LLC,
the Manager of Ferguson Apartments Limited Dividend Housing Association LLC
EXHIBIT A

Unit No. 1, Ferguson Condominium, a condominium according to the Master Deed recorded in Instrument No. 2020__________, and amendments thereto, if any, and designated as Kent County Condominium Subdivision Plan No. ________, together with rights in the general common elements and the limited common elements as shown on the Master Deed and as described in Act 59 of the Public Acts of 1978, as amended.
CERTIFIED RESOLUTION OF
DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
735 East Michigan Avenue, Lansing, Michigan 48912

I CERTIFY that I am the duly elected Secretary and keeper of the records of DWELLING PLACE OF GRAND RAPIDS NONPROFIT HOUSING CORPORATION, a Michigan nonprofit corporation, ("Corporation"), that the following is a true and correct copy of a Resolution duly and unanimously adopted at a meeting of the Board of Directors ("Board of Directors" or "Directors") of the Corporation on ________________, during which the following Directors were present:

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

and constituted a quorum for the transaction of business; further, that the meeting was called in compliance with all applicable laws and the bylaw requirements of the Corporation; that the Resolution does not conflict with any bylaw of the Corporation nor has the Resolution been in any way altered, amended or repealed and is in full force and effect, unrevoked and unrescinded as of this date, and has been entered upon the regular Minutes Book of the Corporation as of the date of adoption, and that the Board of Directors of the Corporation has, and at the time of adoption of the Resolution, had, full power and lawful authority to adopt the Resolution and to confer the powers granted in the Resolution to the Officers named in the Resolution, who have full power and lawful authority to exercise those powers:

RESOLUTION

WHEREAS, a Michigan limited liability company known as Ferguson Apartments Limited Dividend Housing Association LLC, ("Company") was formed by New Ferguson LLC as Member and Manager by filing of Articles of Organization filed with the Michigan Department of Licensing and Regulatory Affairs, Bureau of Commercial Services on August 1, 2018 to acquire, develop, finance, construct, own, maintain, operate, sell or otherwise dispose of a multifamily apartment development known as Ferguson Apartments located in Grand Rapids, Michigan ("Project"); and

WHEREAS, the Company anticipates receiving the following financing for the Project from the Michigan State Housing Development Authority ("Authority"): 1) a sum not to exceed $994,963 ("Mortgage Loan"); 2) a sum not to exceed $5,161,000 ("HTF Loan"); and 3) a sum not to exceed 239,000 ("MHCDF Loan") (together, the “MSHDA Loans”); and

WHEREAS, the Company also anticipates receiving an AHP loan from the Federal Home Loan Bank of Indianapolis in an amount not to exceed $500,000 ("AHP Loan") to be used as financing for the Project; and
WHEREAS, the Corporation wishes to support the Project by guaranteeing, as may be necessary, the obligations of New Ferguson LLC and/or the Company in connection with the MSHDA Loans.

NOW, THEREFORE, the following Resolution is duly made, seconded, and adopted:

IT IS RESOLVED that the Corporation is hereby authorized to act as a Guarantor of New Ferguson LLC and/or the Company.

IT IS FURTHER RESOLVED that Dennis Sturtevant, Chief Executive Officer of the Corporation, and/or Annamarie Buller, Chairperson of the Corporation, is authorized, on behalf of the Corporation, at any time after adoption of this Resolution and without further action by or authority or direction from the Board of Directors of the Corporation, to execute such documents and take such actions as may be necessary, and as may be deemed appropriate by such Officer and the Corporation's legal counsel, in order to guaranty the obligations of New Ferguson LLC and/or the Company, including, but not limited to, the execution and delivery to the Authority of a Guaranty(s), and such other guaranties as may be required by the Authority to make the MSHDA Loans.

IT IS FURTHER RESOLVED that either Dennis Sturtevant, Chief Executive Officer of the Corporation, or Annamarie Buller, Chairperson of the Corporation, is authorized, on behalf of the Corporation, at any time after adoption of this Resolution and without further action by or authority or direction from the Board of Directors of the Corporation, to execute any and all documents, including, but not limited to, commitments, loan and grant agreements, notes, and mortgages related to the AHP Loan, and/or any amendments or changes thereto in such form and containing such provisions as may be deemed appropriate and necessary by such Officer and the Corporation's legal counsel.

IT IS FURTHER RESOLVED that any prior actions taken by any one of the Officers of the Corporation with regard to the foregoing matters is hereby ratified and affirmed by the Board of Directors of the Corporation.

IT IS FURTHER RESOLVED, that the Authority be and it is authorized to rely on the continuing force and effect of this Resolution until receipt by the Executive Director of the Authority at its principal office of notice in writing from the Corporation of any amendments or alterations to this Resolution.

Dated: ____________________________

Francine Gaston
Secretary
Dwelling Place of Grand Rapids
Nonprofit Housing Corporation
The meeting was convened at 2:07 PM by Dennis Sturtevant.

**APPROVAL OF MINUTES**

Ms. Irwin noted that she should be listed as an absent member in the previous meeting minutes. **Minutes of the Dwelling Place Foundation meeting of September 12, 2017 were approved with edits by motion of Juan Daniel Castro, supported by David Byers and carried unanimously.**

**REVIEW OF ORGANIZATIONAL DOCUMENTS**

The board reviewed the articles and bylaws of the foundation and agreed to continue meeting annually with additional special meetings if necessary, as described in Article IV.

**ELECTION OF OFFICERS**

The articles of incorporation and by-laws of the Foundation call for the Dwelling Place CEO to serve as President of the corporation. Other officer positions are elected. The following slate of officers and trustees was proposed:

- President and Chairperson: Dennis Sturtevant, CEO of Dwelling Place
- Vice Chair: Juan Daniel Castro, Vice Chair of Dwelling Place
- Treasurer: David Byers, Treasurer of Dwelling Place
- Secretary: Francine Gaston, Secretary of Dwelling Place
- Voting members: Annamarie Buller, Chair of Dwelling Place; Kyle Irwin, Board Member of Dwelling Place
- Non-voting members: Kim Cross, COO of Dwelling Place; Steve Recker, CFO of Dwelling Place

**Motion to approve the proposed board of trustees was made by Kyle Irwin, supported by David Byers and carried unanimously.**

**REVIEW OF FINANCIAL STATEMENTS**

The financial statements indicated about $1.35 million in the investment account; Mr. Recker explained that most expenses were due to tax returns or other small miscellaneous costs. There were no distributions in 2018 or 2019.

**Motion to accept the financial statements was made by Kyle Irwin, support by David Byers and carried unanimously.**

**FOUNDATION INVESTMENT POLICY**

The investment policy for the foundation is the same as that of Dwelling Place, which is reviewed twice annually with the Finance Committee. Foundation board members are invited to attend this meeting on January 29, 2020.
GRANTS FOR THE YEAR

The foundation did not make any grants during 2018 and Dwelling Place does not, from a cash flow standpoint, need support from the foundation. There are, however, several applicants for Harrison Park and Pine Avenue Apartments ready to move in but who lack the money to cover a security deposit. If these costs were covered by the foundation, residents could sign a third party security deposit agreement; this would allow the portion of the deposit not used for repairs to be returned to the resident, incentivising care of the apartment. After some discussion, the board determined that $40,000 should cover this need. Motion to approve a $40,000 grant for security deposits for Harrison Park and Pine Avenue Apartments residents was made by Juan Daniel Castro, supported by Kyle Irwin and carried unanimously.

BOARD COMPOSITION

Consideration of new members for the foundation board was tabled for the next meeting.

OTHER BUSINESS

Mr. Recker will check current liability insurance coverage for the board and notify the board.

The next meeting of the Dwelling Place Foundation Board is scheduled for December 2, 2020, immediately following the Dwelling Place NPHC Board of Directors meeting.

ADJOURNMENT

The Dwelling Place Foundation meeting was adjourned at 2:50 PM by Denny Sturtevant.
The meeting was convened at 11:27 am by Rich Kogelschatz.

Correction: Mike McDaniels was marked absent for the December 9th meeting, but he was present.

Mr. Sturtevant provided background on the proposal to develop Dwelling Place-owned parking areas adjacent to Weston Apartments. Dwelling Place received a $100,000 grant from NeighborWorks to explore the feasibility of the development. It may be possible to combine these new developments with Weston Apartments when it is eligible to resyndicate in 2021.

Mr. Sturtevant and Mr. Wooden provided background on the optioning of the Keeler building, located at 56 Division Ave N. The building is currently owned by Mr. Azar, who has expressed a willingness to work with Dwelling Place on the project. It was appraised at around $11,000,000 during the last LIHTC application. It is possible that the cost to proceed could be up to $50,000. Submittal of an application to MSHDA would be due April 1. As a full RFP process may not be feasible by this deadline, a decision to proceed should include waiving the full RFP process. Mr. Wooden added that a self-score was completed and received 130 with vouchers and 125 without. A meeting is scheduled to discuss getting those vouchers from the Wyoming Housing Commission, as MSHDA has indicated they will not provide vouchers.

There was some additional discussion about considerations for parking. The City of Grand Rapids does not require parking spaces for adapted reuse buildings, but some other options should be reviewed.

The Committee discussed contacting architects for fee proposals based on their work on projects of similar sizes, and suggested Hooker DeJong, Kim DeStigter, and Tower Pinkster. Of the three, Dwelling Place has not worked with Tower Pinkster, but they had previously worked on designs for the Keeler building for another developer. There was a general consensus to proceed with due diligence for both the development of the Weston parking...
area and the optioning of the Keeler building.

**The recommendation to proceed with both projects was approved by motion of Larry Titley, supported by George Larimore, and carried unanimously.**

**CLT UPDATE**

There was a brief round of introductions from guests Angela Durrah-Bays (Horizon Bank), Christine Coady Narayanan (Opportunity Resource Fund, CDFI), and Michael Brown (Burlington Associates).

Mr. Sturtevant expects that the units will not turn over quickly as some current renters may not be interested and/or eligible, but still able to retain their housing. He also noted that there may be opportunities to explore the CLT model in rural areas where LIHTC applications traditionally score low, but there is a demand for affordable housing.

Mr. Kogelschatz asked for more information about personnel services. Mr. Sturtevant clarified that an administrative assistant (existing), the Stewardship Coordinator (Isaac DeGraaf, current Property Manager), and the Community Development Associate (new position) would be responsible for managing the transition to the CLT model. Once fully implemented, the personnel needs may need to be re-evaluated. It was further noted that the Coordinator may need to have a real estate license.

Ms. Cross asked for more details on operating costs structure, such as for maintenance. It was noted that Martineau would form a condo association with those costs outlined, possibly two condo associations for the different buildings (since one building has an elevator and they each have their own roof, but also share some parking area). Martineau may be the most complex of the three projects for this reason. Mr. Brown added that there are opportunities to capitalize pools which would essentially function as a replacement reserve, used for certain repairs and replacements and those decisions would need to be made going forward.

There was some additional discussion about appraisal fluctuation due to market changes and how the other CLT models have adapted to those changes. Mr. Brown also noted that any contract can be amended if there is an agreement by both parties.

The Committee discussed the transition from rental to sales, clarifying that at some point, property management will stop filling vacant units while also meeting with interested current renters and coordinating with lenders to see if they qualify. There will also be a required home ownership training component for prospective residents, which may need to be CLT-specific. There is an expectation that some marketing efforts will need to be done to spread the word and this is reflected in the proposed budget.

**Motion to recommend the CLT model proposal to the Board of Directors was approved by motion of Larry Titley, supported by George Larimore and carried unanimously.**
PROJECT UPDATES AND OTHER BUSINESS

Mr. Wooden summarized development and construction updates: 200 Madison, a former church on the corner of Madison and Cherry, was funded in the last LIHTC round and Dwelling Place is a 10% owner. We are awaiting the 15-day, conditional award letter. Harrison Park is 97% completed. Pine Avenue is just over 50% completed. Plaza Roosevelt projects recently completed their footings. Ferguson Apartments is on track to start construction in mid-February.

ADJOURNMENT

The Real Estate Development and Asset Management Committee meeting was adjourned at 1:22 pm by Rich Kogelschatz.
2020 CEO Goals

1. Construction completion of the following housing projects
   a. Harrison Park Apartments
   b. Pine Avenue Apartments
   c. Grandville Apartments
   d. Franklin Apartments
   e. Ferguson Apartments

2. Implement Community Land Trust Initiative including:
   a. Formation of legal entity to own land and land leases
   b. Identification of initial qualified buyers in conjunction with local lenders.
   c. Completion of needed repairs/renovations on CLT properties

3. Complete Rural Development (RD) loan prepayment process for Harvest Hill Apartments (Rockford, Michigan) including restructuring the MSHDA LIHTC regulatory agreement to allow all units to rent at 60% of area median income.

4. Implement FUSE Initiative in the Heartside Neighborhood with health care, social service and governmental agency partners.

5. Support Board Succession Planning effort by researching, identifying and sharing NeighborWorks resources for succession planning.


7. Maintain Dwelling Place’s strong cash position as evidenced by an overall increase of at least 5% in cash and traded securities in Dwelling Place and the Dwelling Place Foundation.

8. Maintain at least an 85% positive resident approval rating for Dwelling Place based on annual resident survey results.

9. Consider creation of a Dwelling Place archive with the City of Grand Rapids.