

DWELLING PLACE OF GRAND RAPIDS
REAL ESTATE DEVELOPMENT AND ASSET MANAGEMENT COMMITTEE

October 12, 2020

Committee Approved November 9, 2020

MEMBERS PRESENT Juan Daniel Castro, Larry Titley, Rich Kogelschatz, George Larimore, Lee Nelson Weber

MEMBERS ABSENT Eleanor Moreno, Mike McDaniels, Troy Zapolski

STAFF & GUESTS PRESENT Chris Bennett, Kim Cross, David de Velder, Rebecca Long, Scott Page, Zoe Post, Steve Recker, Dennis Sturtevant, Stephen Wooden

John Wynbeek, Genesis NPHC

The meeting was convened via conference call at 11:31 AM by Mr. Kogelschatz.

APPROVAL OF MINUTES **Minutes of the Dwelling Place RED & Asset Management Committee meeting of September 14, 2020 were approved by motion of Lee Nelson Weber, supported by Larry Titley and carried without objection.**

POTENTIAL JOINT VENTURE Mr. Wynbeek described a joint venture similar to that of St. James Apartments that Dwelling Place and Genesis recently collaborated on: a 38-unit property with 15-19 permanent supportive housing apartments. The venture would feature adaptive reuse of the building at 851 Leonard and Dwelling Place would provide property management services. If Dwelling Place's partnership is needed, Mr. Wynbeek is planning on applying for the February round of LIHTC funding.

Mr. Bennet mentioned that partnering in this joint venture would not put Dwelling Place over the \$3 million LIHTC funding cap. **Motion to authorize pursuit of this joint venture was made by Larry Titley, supported by Juan Daniel Castro, and carried without objection, George Larimore abstaining due to a conflict of interest.**

CLT Mr. Larimore further explained how the estimated \$75,000 funding gap created by selling CLT homes below their appraised value could be partially covered by brownfield TIF. As these funds come in the form of reimbursements over 25-30 years, there remains a challenge of identifying a funding source that could provide immediately available funds. A meeting is scheduled with the City of Grand Rapids brownfield administration to discuss details of this funding model.

Mr. Sturtevant also mentioned that due to increasing community awareness and support for the CLT, it may be prudent to fast-track development of a CLT unit on a Dwelling Place vacant lot to showcase the CLT and how it functions.

DIVERSITY, EQUITY & INCLUSION PLAN

Mr. de Velder discussed how potential partnerships with other local nonprofits, such as ICCF, could help locate additional properties and units to include in the CLT and to identify interested buyers.

Housing development staff have met twice to discuss how the department and the committee can integrate diversity, equity, and inclusion (DEI) goals into their work and inform the DEI work plan. Mr. Bennett described four themes of the discussion—partnerships, advocacy and engagement, bidding, and internal actions—and will distribute the notes from these meetings to the committee.

The committee discussed several additional ways in which Dwelling Place is pursuing or could further pursue DEI goals:

- Incentivize hiring MBE and WBE
- Working with Next Steps, a construction company that hires individuals who were formerly incarcerated
- Reducing criminal history check for housing applicants
- Recovery housing initiatives
- Advocating for DEI principles and access to capital in the Association for Builders and Contractors, West Michigan Building Trades, and other similar associations.
- Sponsoring a scholarship for students interested in construction and development
- Recruiting additional members to fill demographic and expertise gaps of the committee

PROJECT UPDATES

Pine Ave: Five apartments are still vacant but 4 move-ins are expected by the end of the month. It has proven difficult to get documentation from applicants due to the pandemic.

OTHER BUSINESS

Ms. Long shared that the total amount of receivables for Dwelling Place at the end of September was about \$116,000; nearly \$48,000 in the month of September alone, a 8.5% increase from August. Rental assistance funds are continuing to be disbursed.

ADJOURNMENT

The meeting was adjourned at 12:50 PM by Mr. Kogelschatz.