

DWELLING PLACE OF GRAND RAPIDS  
REAL ESTATE DEVELOPMENT AND ASSET MANAGEMENT COMMITTEE  
November 9, 2020  
*Committee Approved December 14, 2020*

**MEMBERS PRESENT** Rich Kogelschatz, George Larimore, Mike McDaniels, Larry Titley, Lee Nelson Weber

**MEMBERS ABSENT** Juan Daniel Castro, Eleanor Moreno

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

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

**APPROVAL OF MINUTES** Mr. Titley asked for clarification regarding the receivables in the “Other Business” section. Ms. Post will adjust the minutes accordingly. **Minutes of the Dwelling Place RED & Asset Management Committee meeting of September 14, 2020 were approved with noted edits by motion of Larry Titley, supported by Lee Nelson Weber and carried without objection.**

**CLT** **City Tax-foreclosed Lots**  
Dwelling Place is considering applying to purchase a lot at 609 Lincoln NW, one of 5 tax-foreclosed homes offered to nonprofits by the City of Grand Rapids in conjunction with the state land bank in an effort to ensure permanent housing affordability. The house on the lot could be demolished and at least 2 homes constructed in its place. Mr. de Velder presented a pro-forma that included estimates of the cost of the lot (\$12,500), modular construction costs (\$211,000), and cost to each buyer (\$160,500). Funding for the \$73,000 gap could come from local banks and foundations, brownfield TIF, or directly from Dwelling Place, but the city will require Dwelling Place to develop the site in a relatively short amount of time regardless of its ability to raise funds.

**Recognizing that the process could require as much as \$75,000 of Dwelling Place funds to complete, motion to proceed with the 609 Lincoln project was made by George Larimore, seconded by Mike McDaniels, and carried without objection.**

**BROWNFIELD TIF UPDATE** Dwelling Place was invited to participate in a half-market-rate, half-affordable housing project in Grand Haven by Michigan Community Capital (MCC). This development could effectively illustrate the use of brownfield TIF to MSHDA. Mr. Larimore presented a proforma based on the proposal from MCC for twenty 1,100ft<sup>2</sup> single family homes. The average market value would be \$225,000, leaving a funding gap of \$77,560 per unit; about \$56,000 of this could be covered if use of brownfield TIF is approved. The CLT would sell the TIF stream to a CDFI or other socially-motivated

investor to convert the TIF funds into immediately usable dollars. Staff will present this model to MCC and to partners at other potential sites.

**PROJECT UPDATES**

**Ferguson:** Framing continues on the property management office and the lobby area is nearing completion.

**Plaza Roosevelt:** Construction going well; delay on countertops at Franklin has been resolved, but there is a delay with doors at Grandville due to a quality control issue.

**Holland:** Still waiting on acquisition; working with Ryan Kilpatrick to engage the new owner of the 9th St. property. Parking requirements may mean acquisition of an additional corner lot on 9th or 10th St.

**OTHER BUSINESS**

Ms. Long shared that the total amount of receivables for Dwelling Place at the end of October was about \$118,400; nearly \$43,000 in September—a 2.09% increase from September—but a -11% change for the last 30 days. About \$22,000 of the rental assistance funds have been used.

**ADJOURNMENT**

The meeting was adjourned at 12:56 PM by Mr. Kogelschatz.