MEMBERS PRESENT  Juan Daniel Castro, Rick Stevens, Lee Nelson Weber, Renee Williams

MEMBERS ABSENT  Sadie Malady

STAFF PRESENT  Jeremy DeRoo, Zoe Post

The meeting was convened via video conference at 8:10 AM.

APPROVAL OF MINUTES

Minutes of the October 12, 2021 and November 9, 2021 Executive Committee meeting were approved by motion of Rick Stevens, supported by Lee Nelson Weber, and carried unanimously.

STRATEGIC PLANNING

The committee reviewed proposals from three strategic planning consultants: Barbara Rapaport, Dave Medema, and Nadia Brigham. There was agreement that the Medema proposal was operational and staff-centric in nature and did not fit the scope that the committee had in mind for the strategic planning process. Significant discussion continued over the merits of the proposals from Ms. Rapaport and Ms. Brigham. Central points of discussion included the scope of the desired work (particularly as it relates to DEI initiatives), the role of the consultant, and the anticipated cost. A consensus was not reached, with Ms. Weber and Mr. Stevens favoring the Rapaport proposal and Ms. Williams and Mr. Castro preferring the Brigham proposal. As further discussion is required before bringing a recommendation to a vote, Mr. DeRoo and Mr. Castro will speak with both consultants about adjusting their proposals. The committee will continue its conversation at the Governance Committee meeting scheduled for December 20.

JANUARY BOARD MEETING

The January 5, 2022 board meeting will include the follow agenda items:

- Strategic planning and consultant recommendation
- Approval of the budget
- Ferguson-Heartside resolutions from Orlebeke | Mackraz

ADJOURNMENT

The Executive Committee adjourned at 9:00 AM.
MEMBERS PRESENT: Juan Daniel Castro, Rick Stevens, Sadie Malady, Lee Nelson Weber

MEMBERS ABSENT: Renee Williams

STAFF PRESENT: Jeremy DeRoo, Zoe Post

The meeting convened at 10:00 AM.

APPROVAL OF MINUTES:
Minutes of the Governance Committee meeting of November 16, 2021 were approved by motion of Lee Nelson Weber, supported by Rick Stevens, and carried unanimously.

STRATEGIC PLANNING CONSULTANT:
Mr. DeRoo and Mr. Castro spoke with Barbara Rapaport about her proposal, which did not include two components:
1) a written strategic plan
2) including DEI into the process
Ms. Rapaport would be willing to expand the scope of her work to include additional DEI elements, which would also increase the cost. Mr. DeRoo noted that the proposal from Brigham Consulting would likely be more costly and time-consuming, but would also include more work with and develop buy-in from the entire management team; Ms. Rapaport’s proposal focused primarily on C-suite positions. The committee members acknowledged that a written strategic plan was an essential aspect of the work, but some expressed concern about the broader scope of the Brigham proposal. Mr. DeRoo emphasized the importance of a culture-shaping methodology that can inform the goals of the organization across departments. After some additional discussion, a motion to recommend the Brigham Consulting proposal for approval by the full board, subject to further negotiation and approval by the CEO and not to exceed the amount identified in the proposal, was made by Juan Daniel Castro, seconded by Rick Stevens, and carried unanimously.

RESIDENT BOARD MEMBER APPLICATIONS:
Committee members reported on their conversations with potential resident board candidates. Oxtis Hendricks (Harrison Park) and Patrick Sheridan (Herkimer) both expressed significant interest in joining the board and/or its committees. These individuals will be invited to attend the next Governance Committee meeting, after which the committee will make a formal recommendation to the board.

RESIDENT ENGAGEMENT COMMITTEE:
Since Ms. Buller stepped down from the board, the Resident Engagement Committee (REC), for which Ms. Buller was the chair, has suspended its meetings. Mr. DeRoo asked the committee for any recommendations in reevaluating the purpose and function of the REC. One aspect to consider is how to measure organizational success related to the CB&E and Support Services departments and what items to track to inform those metrics. The committee also suggested contacting NeighborWorks for resources and to connect with other organizations. This issue will also be addressed in the upcoming strategic planning process.

ADJOURNMENT:
The Governance Committee meeting adjourned at 10:58 AM.
MEMBERS PRESENT        Juan Daniel Castro, Rich Kogelschatz, George Larimore, Mike McDaniels, Larry Titley, Lee Nelson Weber

STAFF PRESENT          Chris Bennett, Kim Cross, Jeremy DeRoo, David de Velder, Rebecca Long, Scott Page, Zoe Post, Steve Recker, Stephen Wooden

The meeting convened via video conference at 11:33 AM.

APPROVAL OF MINUTES    Motion to approve the minutes of the December 13, 2021 RED & Asset Management Committee meeting was made by Mike McDaniels, supported by Larry Titley, and carried unanimously.

THIRD QUARTER MFI     Ms. Long noted that Avenida Brillante has been added to the MFI portfolio as it is now fully leased. There are still technical issues with the NeighborWorks site, so peer comparison data is not available.

Net Cash Flow as % of GPI: Slightly lower (7%) than Q3 2020 (8%). Due in part to operating reserve or HUD grant draws (BSP, Commerce), high vacancy loss (Goodrich, Kelsey, Herkimer, VBP, Weston), maintenance repairs (Harvest Hill, Herkimer, LHA, Martineau, Midtown), and legal fees and taxes for CLT units (Grandville).

Operating Expenses as % of GPR less DSC: Identical to last year (84%) and slightly higher than Q2 (80%). Contributing factors include computer consulting costs (BSP) heating and cooling costs (BSP, Herkimer, LHA, Martineau, Midtown), maintenance repairs (Goodrich, Herkimer, LHA, Midtown), and CLT-related legal fees and taxes (Grandville, Martineau).

Vacancy as % GPR: Slightly higher than last year (4.4% from 3.3%) and lower than Q2 (4.7%). Vacancy was caused by carry-overs from 2020 (nearly all bin 4 properties), new property staff (Weston), and a slow referral and/or documentation process (Commerce, VBP).

Collection Rate: Improvement from last year and from Q3 (95% from 93%). Positively affected by a full and dedicated RSC staff and negatively affected by residents at properties without subsidies, who frequently pay late or not at all.

Debt Service Coverage: Lower than last year (1.73 from 2.02) and lower than Q2 (2.19). Affected by some rental loss from Harvest Hill's departure of the RD program (though improved from last year), maintenance repairs at Martineau, and vacancy loss at Weston.

Turnover Percentage, Annualized: Identical to last year (4%). Affected by vacancy (including vacancies due to transfers or death) at properties with few units (Biermeister, Goodrich, Lenox).
**Average Days Vacant:** Decrease from last year (65.5 from 73) due partly to difficulty staffing maintenance positions.

**OTHER BUSINESS**
The City of Grand Rapids will be issuing an RFP for HOME funds. Staff are hoping to apply for the funds to support the new CLT site at 2080 Union, which recently received approval from the city commission. Mr. Larimore reported some difficulty getting the brownfield authority to designate the site as a brownfield site due to insufficient levels of contamination; additional environmental testing has been requested.

$4.6M of HUD funding has been allocated to the City of Grand Rapids for housing projects and support services for housing-insecure households. Kent County will also be working with a consultant to administer additional ARPA funds. Rural housing projects such as West Shore may be able to apply for USDA ARPA funds.

**PROJECT UPDATES**
- **Ferguson and Madison Lofts:** In the final stages and nearly completed.
- **Coit:** Working through construction and architectural documents in the pre-closing stage.
- **Weston:** Staff is working to develop a combination 4%/9% LIHTC application combining several aspects of the building to make the proposal viable for the April funding round.

**ADJOURNMENT**
The meeting adjourned at 12:10 PM.