



Steering Council Meeting Agenda
April 21, 2023 ▫ 8:30 – 10:30am ▫ Zoom

1. Call to Order/Introductions
2. Approval of the Agenda*
3. Approval of March 17, 2023 Meeting Minutes*
4. Public Comment on Agenda Items (Limit 3 minutes ea.)
5. Approval of Consent Agenda*
 - a. Steering Calendar
 - b. ESG Financial Assistance Report
 - c. Committee & Initiatives Updates
 - d. Budget Report: Statement of Activity
 - e. Data Reports: none
6. Petitions and Communications
7. Dwelling Place Presentation: MSHDA PSH Gap Financing for 21 Weston and Verne Barry Place* – *Dwelling Place will present and is requesting a letter of support for these projects*
8. Staffing & Funding Updates
9. Youth Homelessness Demonstration Program: Coordinated Community Plan*
10. MSHDA Funding Opportunities – *informational items*
 - a. Shelter Diversion Pilot – *one proposal submitted in response to the CoC's RFP, letter of support was signed by CoC chairperson*
 - b. MSHDA HOME-ARP Non-Congregate Shelter RFP – *local RFP responses due 4/24, anticipate Steering Council vote on funding recommendations in early May*
11. Draft Point-In-Time and Housing Inventory Count Reports – *draft documents were sent with the agenda packet*
12. Community Engagement
13. Any other matters by Steering Council Member(s)
14. Public Comment on Any Matter (Limit 3 minutes ea.)
15. Adjournment

Next meeting: Friday, May 19th, 8:30 – 10:30am

* denotes potential action item



**STEERING COUNCIL
MEETING MINUTES - DRAFT**

March 17, 2023

8:30-10:30

Facilitator:	Casey Gordon		
Meeting Attendees:	<u>Steering members present:</u> Casey Gordon, Elizabeth Stoddard, Victoria Arnold, Alonda Trammell, Lindsey Reames, Charisse Mitchell, Lauren VanKeulen, Kate Berens, Karen Tjapkes, Jose Salinas, Paul Smith (for Nicole Hofert), Adrienne Goodstal <u>Steering members absent with notification:</u> Fran Dalton, Ryan Kilpatrick, Holly Wilson, Victoria Sluga, Mark Contreras, Ryan VerWys, Gustavo Perez <u>Steering members absent without notification:</u> <u>Community Members:</u> Vera Beech (Community Rebuilders), Sam Elliot-Mosley (Community Rebuilders), Zenaida Jimenez (Safe Haven), members of the public viewing on Zoom <u>Staff:</u> Courtney Myers-Keaton, Brianne Robach		
Time Convened:	8:38 am	Time Adjourned:	10:33 am

Approval of Agenda			
Motion by:	Adrienne Goodstal	Support from:	Lauren VanKeulen
Discussion			
Amendments	None		
Conclusion	All in favor, motion passes.		
Approval of Minutes		February 17, 2023	
Motion by:	Karen Tjapkes	Support from:	Lauren VanKeulen
Discussion			
Amendments	None		
Conclusion	All in favor, motion passes.		
Public Comment on Any Agenda Item			
Discussion			
None			
Approval of Consent Agenda			
Motion by:	Lauren VanKeulen	Support from:	Lindsey Reames
Discussion	None		
Conclusion	All in favor, motion passes.		
Petitions and Communications			
Discussion			
None			
Community Housing Connect 2.0 Status Update			
Discussion			
<p>Courtney Myers-Keaton, CoC Director, Vera Beech and Sam Elliot-Mosley, both of Community Rebuilders, shared an update on the development of Community Housing Connect (CHC) 2.0. A website will be available next week and will contain an overview of CHC 2.0, regular status updates, and ways to get involved. They overviewed each of the engagement pathways, and the roles of the Coalition and Community Rebuilders.</p>			



**STEERING COUNCIL
MEETING MINUTES - DRAFT**

March 17, 2023
8:30-10:30

Question and answer time about topics including data sharing, how resources will be available on the platform, processes related to access and referrals, maintenance costs, and iteration. Vera indicated that Community Rebuilders will own the CHC technology and will be responsible for making changes requested by the community based on feedback and data.		
Action Items	Person Responsible	Deadline
MSHDA Shelter Diversion Pilot Funding		
Discussion		
Courtney shared that the Michigan State Housing Development Authority (MSHDA) recently released a Request for Proposals (RFP) for shelter diversion. MSHDA will fund up to 10 communities and has limited CoCs to providing one letter of support which is a requirement for submission. Based on precedent, Courtney recommends that the CoC issue and RFP and strongly recommend a collaborative application. CoC staff will coordinate meetings for a collaborative application. Attendees expressed excitement given the community's history with a successful diversion pilot and opportunity to increase the amount of available funds for flexible financial assistance.		
Action Items	Person Responsible	Deadline
MSHDA HOME-ARP Housing Navigation Program (HNP) Funding		
Discussion		
Courtney indicated that MSHDA has allocated funds for housing navigation staff. Her staff recommendation is that the funds are allocated to The Salvation Army (TSA) to hire at least 2 new staff as they already provide work in this category. Conversation around ensuring all populations have access to these funds. Lindsey shared that the Grand Rapids Housing Commission has added a homeless preference for 25% of all units.		
Lauren VanKeulen motioned that CoC formally select TSA as subrecipient of Housing Navigation Program funds through MSHDA with the expectation that TSA hold at least one community meeting to gather input on how to bring this funding to all eligible populations. Adrienne Goodstal seconded. In favor: 10, Opposed: 0, Abstentions: 1 - Victoria Arnold due to conflict of interest. Motion passes.		
Action Items	Person Responsible	Deadline
Convene meeting to gather input for HNP funding	The Salvation Army	
Community Engagement		
Discussion		
Courtney provided an overview of upcoming community engagement sessions being held by the City of Grand Rapids.		
Action Items	Person Responsible	Deadline
RRH Service Standards		
Discussion		



**STEERING COUNCIL
MEETING MINUTES - DRAFT**

March 17, 2023
8:30-10:30

<p>Last month, Steering Council recommended Coordinated Entry consider approving the RRH Service Standards with suggested language regarding housing quality standards. That committee has approved the policy with suggested language; it is presented to Steering Council for approval. Lauren VanKeulen motioned to approve the RRH Service Standards Policy as presented. Elizabeth Stoddard supported. All in favor, motion passes.</p>			
Action Items		Person Responsible	Deadline
Staffing & Funding Updates			
Discussion			
<p>Courtney provided an update on new staff positions. An Administrative Coordinator will start in early April and additional positions (HMIS System Administrator, Data Analyst, and YHDP Project Coordinator) will be posted soon. The expectations for the Coordinated Entry Program Manager role are being developed. Given the addition of staff, she has been considering how to ensure sufficient space.</p>			
Action Items		Person Responsible	Deadline
Other Matters from Steering Council members			
Discussion			
<p>Elizabeth Stoddard invited folks to the Fair Housing Center’s annual event on April 27 which will focus on fair housing and social determinants of health.</p> <p>Lauren VanKeulen expressed concern with any housing provider holding housing referral software and encouraged thoughtfulness in the development of policies and processes.</p> <p>Casey Gordon asked about the cost of CHC 2.0 and expressed concern of a potential real or perceived conflict of interest with a housing provider becoming a vendor operating a tool that would refer households into their programs. Courtney indicated the anticipated costs have been included in budget conversations. She also suggested requesting HUD TA examine the proposed structure to ensure the interests of all parties are protected.</p> <p>Kate Berens indicated that the City of Grand Rapids is considering broadening their rental certification program to include lead swiping and remediation. She invited folks to attend community engagement sessions around public safety. She indicated that the City’s federal formula grant recommendations are slated to go before the City Commission on March 28.</p>			
Public Comment on Any Item			
Discussion			
None			
Adjourn			
Motion by:	Victoria Arnold	Support from:	Alonda Trammell



GRAND RAPIDS/WYOMING/KENT COUNTY
STEERING COUNCIL ANNUAL CALENDAR
Updated November 2021

January

Steering Council Orientation
Executive Officer Elections
Point in Time Count
Draft Budget Presentation
Steering Council Annual Conflict of Interest
Forms Completed
Strategic Plan: Review of Q4 Rocks and
Introduction of Q1 Rocks

February

City of Grand Rapids Emergency Solutions Grant
Application
Reallocation Discussion
Budget Approval

March

Data Quality Committee Report
CoC and ESG Mid-Term Monitoring

April

LIHTC Developer Presentations to Steering
(October Round)
Point in Time Count Submitted to HUD
Budget Review
Strategic Plan: Review of Q1 Rocks and
Introduction of Q2 Rocks

May

Nominating Committee forms

June

Steering Council Funding Process Review
Governance Charter Recommended Changes to
CoC membership
Open Call for New CoC Members
PIT Data Released

July

NAEH Annual Conference
Strategic Plan: Review of Q2 Rocks and
Introduction of Q3 Rocks

August

HUD CoC Program Funding Vote (Anticipated)
System Performance Measures Reported to CoC
CoC, Fiduciary, HARA MOU for ESG Execution

September

MSHDA Emergency Solutions Grant Application
HUD CoC Program Application Due (Anticipated)
PIT Planning Begins

October

LIHTC Developer Presentations to Steering
(April Round)
Governance Charter Review, including Fiduciary
MOU
Strategic Plan: Review of Q3 Rocks and
Introduction of Q4 Rocks

November

Staff Evaluations Initiated by Fiduciary

December

Steering Council elections (at CoC meeting)
Staff Evaluations Concluded by Fiduciary
Budget Preparation Begins
Strategic Plan: Review & Update Annual
Priorities

ESG Financial Assistance Report

Recipient/Subrecipient	Grant Term	Total Grant Amount	Direct Financial Assistance Amount	Activities Funded	% of Grant Term Complete	Total Amount Spent	% Spent	Planned # of Households Served	# of Households Served Grant Term to Date	Special Population(s) Served	Data Reported as of
MSHDA*											
ESG - Community Rebuilders	10/1/2021 - 2/28/2023	\$53,290	\$53,290	RRH	100%	\$53,290.00	100%	not currently available	not currently collected		3/31/2023
ESG - ICCF	10/1/2021 - 2/28/2023	\$128,834	\$78,000	RRH	100%	\$128,933.97	100%	not currently available	not currently collected		3/31/2023
ESG - Pine Rest	10/1/2021 - 2/28/2023	\$48,600	\$0	Outreach	100%	\$40,668.89	84%	not currently available	not currently collected		3/31/2023
ESG - The Salvation Army	10/1/2021 - 2/28/2023	\$209,365	\$37,990	Outreach, RRH, Prevention	100%	\$209,365.03	100%	not currently available	not currently collected		3/31/2023
ESG-CV - Community Rebuilders	1/1/2021 - 2/28/2023	\$234,532	\$149,156	RRH	100%	\$234,532	100%	not currently available	not currently collected		3/31/2023
ESG-CV - Family Promise	1/1/2021 - 2/28/2023	\$1,215,131	\$0	Shelter	100%	\$1,215,131	100%	not currently available	not currently collected	Families	3/31/2023
ESG-CV Mel Trotter	1/1/2021 - 2/28/2023	\$54,200	\$0	Shelter	100%	\$54,200.47	100%	not currently available	not currently collected		3/31/2023
ESG-CV - Pine Rest	1/1/2021 - 2/28/2023	\$56,700	\$0	Outreach	100%	\$56,700.00	100%	not currently available	not currently collected		3/31/2023
ESG-CV - The Salvation Army	1/1/2021 - 2/28/2023	\$203,044	\$139,972	Prevention, RRH	100%	\$203,042.96	100%	not currently available	not currently collected		3/31/2023
ESG - ICCF	10/1/2022-9/30/2023	\$133,334	\$84,700	RRH			0%	not currently available	not currently collected		no reporting yet
ESG - Pine Rest	10/1/2022-9/30/2023	\$100,409	\$0	Outreach			0%	not currently available	not currently collected		no reporting yet
ESG - The Salvation Army	10/1/2022-9/30/2023	\$190,883	\$38,000	RRH, Prevention			0%	not currently available	not currently collected		no reporting yet
City of Grand Rapids**											
ESG - The Salvation Army	7/1/2022 - 6/30/2023	\$295,902	\$255,069	Rapid Re-housing	75%	\$ 258,345.00	87%	40	39		3/31/2023
Kent County***											
ESG-CV	4/01/20 - 9/30/23	\$1,511,168	\$1,427,182	Prevention/Hotel/Motel	78%	\$1,009,206.58	67%	231	158		12/31/2022
ESG 21	7/01/21 - 6/30/23	\$148,422	\$137,291	Prevention	75%	\$2,683.20	2%	100	0		12/31/2022

Recipient/Subrecipient	Grant Term	Total Grant Amount	Direct Financial Assistance Amount	Activities Funded	% of Grant Term Complete	Total Amount Spent	% Spent	Planned # of Households Served	# of Households Served Grant Term to Date	Special Population(s) Served	Data Reported as of
Kent County***											
ESG 22	7/01/22 - 6/30/24	\$148,716	\$137,563	Prevention/HMIS Support	25%	\$167.00	0%	100	0		12/31/2022

Notes

*MSHDA reports are submitted quarterly. Grant amendments are in progress and UW Finance Team is currently short staffed so Q4 numbers are not yet available. Team is working to get reporting up to date.

*Some MSHDA ESG-CV amounts are anticipated to change in the coming months. Additional \$50k awarded but not yet shown here.

**City of Grand Rapids payment requests and reports are due monthly.

***Kent County's data reported quarterly. The direct assistance portions have been fully committed to programing through subrecipients for all ESG grants, the remaining grant amount has been held for Kent County administrative expenses associated with each grant. Kent County will be using an subrecipient application process to program the ESG 2023 grant expected from HUD in July 2023. Proposals will be due in late March or Mid-April, depending on when our ESG application is published.



**Grand Rapids/Wyoming/Kent County CoC – MI 506
Steering Council Committee & Initiative Reporting – April 2023**

Coordinated Entry Committee –

- April Meeting: Dwelling Place brought up concerns about the lack of referrals being sent compared to the amount request - discussion was held as to current practices and suggestions. The group decided that there be a one-time referrals of the top 30 names on the chronic by-name list (by VI score) who have already been verified as experiencing chronic homeless. Outreach and shelter providers will support getting those referred individuals to Dwelling Place. It was agreed to add this agenda item to the next meeting. Discussion was held and volunteers obtained to develop a small workgroup to work on the Coordinated Entry policy self-evaluation. Brief discussion on the Limited English Proficiency (LEP) and Marketing small group and process change form.
- March Meeting: Built for Zero planning team shared that they met the 3-month standard for data reliability – a large milestone for the community! Discussions were held to incorporate FUSE into the community’s prioritization processes - a small group will develop a recommendation. RRH Service Standards language was approved at the recommendation of the Steering Council/
- February Meeting: Family Promise shared community dashboards with family shelter data; there was an agreement that data on single individuals would be important to see as CoC staff capacity increases. Discussion was held and suggestions offered for DV providers and clients accessing CE; it was suggested that more discussions should be held with the FFO DV workgroup.

Youth Action Board --

- Update not submitted

Family Functional Zero

- No update

Continuum of Care Grant Financial Status

As of February 28, 2023

Grant	Grant Award Amount	Total Projected Expenses	Overspent or (Underspent)	Grant Year End Date	Notes
MSHDA Pass Thru Grants					
2021 MSHDA ESF	\$ 207,049	\$ 182,720	\$ (24,329)	3/31/2023	FSR's filed for expenses through 9.30.22, Award extended thru 3/31/23
MSHDA ESM & ESM 02 (2022 ESM)	\$ 258,000	\$ 244,153	\$ (13,847)	3/31/2023	FSR's filed for expenses through 9.30.22, Award extended thru 3/31/23. Will be fully spent.
MSHDA EHV	\$ 174,000	\$ 25,964	\$ (148,036)	9/30/2023	Grant will be reduced to \$100k
MSHDA CV	\$ 1,813,699	\$ 1,813,699	\$ (0)	3/31/2023	Award increased \$50k and extended thru 3/31/23. Will be fully spent.
2022 MSHDA ESF	\$ 226,076	\$ 226,076	\$ -	9/30/2023	
2023 MSHDA ESM	\$ 216,292	\$ 216,292	\$ -	9/30/2023	
HWMUW (Match)	\$ 17,000	\$ 13,143	\$ (3,857)	6/30/2023	
City of GR CDBG (Match)	\$ 20,000	\$ 20,000	\$ 0	6/30/2023	
City of Wyoming CDBG (Match)	\$ 5,000	\$ 5,000	\$ (0)	6/30/2023	
HUD Planning 11.30.23	\$ 217,358	\$ 217,358	\$ (0)	11/30/2023	
Frey Foundation (CoC Transition)	\$ 75,000	\$ 37,256	\$ (37,744)	10/31/2023	Transitional one-time funding. Forecasting out this fiscal year, remainder to be spent next fiscal.
DeVos/Trillium Foundation 22.23	\$ 110,000	\$ 63,696	\$ (46,304)	1/31/2026	3 year award to fund Data Analyst. Est May 2023 start.
Kent County CUNP 12.31.23 (Match)	\$ 14,850	\$ 14,850	\$ (0)	12/31/2023	
HMIS, HUD 11.30.23	\$ 100,000	\$ 100,000	\$ (0)	11/30/2023	HMIS System Admin est May 2023 start.
Kent County ESG	\$ 10,000	\$ 10,000	\$ -	6/30/2024	HMIS system admin expenses
HUD SSO					Will transfer from TSA. 3 grants; 2 run Jun-May, 1 runs Feb-Jan
Total	\$ 3,464,324	\$ 3,190,206	\$ (274,118)		
CoC Fund Balance					
Fund Balance @ 6/30/20	\$ -				
Add:					
HWMUW grant fye 6.30.21 (not spent)		6,600			
Mission Matters - Strategic planning		(4,000)			
Comm Solutions Int'l income		1,000			
CoC Fund Balance 6/30/22	\$ 3,600				
NPTA remaining		100			
Kent County ESG (admin)		(909)			
CoC Fund Balance 1/31/2023	\$ 2,791				



**21 Weston (9%)
Grand Rapids, Michigan**

Project Narrative

Background & Property

The historic “Corl-Knott” building at 21 Weston Street SW was originally building in 1911 as a warehouse for a wholesale and retail millinery (women’s hats) business. It has been a 96-unit, affordable apartment building in downtown Grand Rapids since 1982. The property is currently encumbered by an FHA backed mortgage that is also secured by a 94-unit affordable apartment building at 44 Ionia. All 190 apartments are covered under the same project-based rental assistance contract. Both properties are owned by 44 Ionia LDHA LP, a wholly owned subsidiary of Dwelling Place. The buildings restructured with LIHTC in 2006. Now passed it’s 15-year compliance period, 21 Weston has significant deferred maintenance and requires renovation.

Renovation Plan

Renovations plans current include the following:

1. Building Envelope: Full replacement of windows, storefronts, and entrances. Minor stone masonry restoration. Full removal and replacement of the existing roof. All exterior work will be done in accordance with historic rehabilitation standards.
2. Interiors: Full replacement of interior finishes, including new drop ceilings, casework, doors, windowsills and flooring.
3. Equipment: Upgrading the elevator and replacing all kitchen and laundry appliances.
4. Systems: Replacing the fire suppression system while updating the plumbing and electrical systems. The current two-pipe HVAC system will be replaced with a hybrid, water source heat pump system.

4/9% Mixed Transaction

It has been determined that this extensive of a building renovation cannot be financed exclusively with MSHDA bond-financing and 4% LIHTC nor \$1.5 million in 9% LIHTC. As a result, Dwelling Place is proposing acquisition and rehabilitation (acq/rehab) of 21 Weston through a 4/9% mixed LIHTC transaction.

The ownership of the building itself would be split into two condominium units. The 64 apartments on floors 1-4 will be acquired by 21 Weston 4 LDHA LLC, wholly controlled by Dwelling Place, and run through MSHDA’s 4% LIHTC program. The remaining 32 apartments

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on floors 5 & 6 will be acquired by 21 Weston 9 LDHA LLC, also wholly controlled by Dwelling Place. This part of the building is applying for 9% LIHTC in the October 2022 Round. The following is a breakdown between these two condominium units.

21 Weston (9% LIHTC)	21 Weston (4% LIHTC)
Units: 32	Units: 64
Studios: 4	Studios: 14
One-Bedroom: 24	One-Bedroom: 45
Two-Bedroom: 4	Two-Bedroom: 5
Total Project Cost (Est): \$10,604,422	Total Project Cost (Est): \$20,364,913

Dwelling Place provided a level 1 review for a 4/9% mixed transaction that covered both 21 Weston and 44 Ionia on August 1, 2022. A revised version including only 21 Weston was provided soon after the need to scale back was determined. The 4% application has yet to be formally submitted. Once self-scores for this 9% LIHTC round are made available, Dwelling Place will proceed to put together the full 4% application for the other portion of the deal. Dwelling Place is confident it will be able to close on both sides of the deal within MSHDA's required timeline. The remainder of this narrative will focus on the 9% transaction.

Housing Plan

There are currently 32 units on floors 5 & 6 of 21 Weston: 4 studios, 24 one-bedroom apartments, and 4 two-bedroom apartments. Each apartment has one bathroom. All apartments come with rental assistance.

No unit configurations will be changed as part of the renovation. The unit mix will remain the same. Dwelling Place will follow HUD procedures to bifurcate and transfer the current HAP agreement in such a way that preserves the rental assistance on these 32 apartments for the entirety of the new compliance period.

Financing Plan

Total project costs for the 9% transaction are estimated to be \$10,604,422. The project intends to procure \$747,730 in LIHTC and \$1,590,623 in federal Historic Tax Credits. The current letter of intent provided for the project has those two credits yielding \$8,251,132 in credit equity. Dwelling Place intends to fill the remaining \$2,353,290 gap with the following sources:

1. \$557,115 permanent, taxable loan from MSHDA
2. \$1,373,890 seller note
3. \$199,695 in transferred reserves
4. \$117,847 in income from operations during construction
5. \$104,643 in deferred developer fee

Should the gap increase or any of these sources decrease, Dwelling Place carries significant marketable securities it can liquidate to cover the unfunded portions this gap.

HOME ARP Funding and Unit Designations

Dwelling Place is preparing to apply for HOME-ARP funding from MSHDA. Funding requires units assisted with HOME-ARP be rented to residents who are homeless, at risk of homelessness, or fleeing/attempting to flee, domestic violence, other populations in need of supportive housing. A full definition can be found in the HOME ARP Implementation Notice. MSHDA is further requiring that all units assisted with HOME-ARP take referrals from the local Continuum of Care.

Dwelling Place intends to designate 23 units for those who meet the qualifying criteria, though not exclusively for those who are chronically homeless. The number and criteria were chosen to ensure current operations are not dramatically altered. Based on previous experiences, Dwelling Place believes there will be sufficient vacancies after renovations to fill 23 units with households that meet these criteria. While Dwelling Place intends to seek referrals from central intake for these 23 units, it is requesting a method of referral used previously at Verne Barry.

Development Team

<i>Developer</i>	Dwelling Place of Grand Rapids NPHC
<i>Property Manager</i>	Dwelling Place of Grand Rapids NPHC
<i>Project Architect</i>	Hooker DeJong
<i>General Contractor</i>	Pioneer Construction
<i>Legal Counsel</i>	Orlebeke Mackraz, PC
<i>Tax Credit Consultant</i>	Colliers International

Relocation

Dwelling Place was highly successful in arranging temporary relocation through a similarly sized renovation of the Ferguson Apartments. Dwelling Place would deploy similar efforts to minimize the time needed to be in temporary accommodations and will seek to comply with all Uniform Relocation Act requirements. The development budget currently provides for \$163,260 for temporary relocation. This is based on a per unit amount budgeted for Ferguson after factoring for inflation.

Job Creation

As this is a preservation project, efforts will not create new jobs but will preserve the existing four property staff positions for property management and maintenance. Additionally, Dwelling Place estimates the 9% transaction will create 46 temporary jobs. Temporary jobs are calculated based on a general assumption of one temporary construction job generated per \$85,000 of construction costs, based on the construction costs subtotal amount of \$10,239,729



Verne Barry Place Renovation Grand Rapids, Michigan

Project Narrative

Background & Property

Verne Barry Place is a 116-studio, income-based housing community in downtown Grand Rapids. It serves those that are homeless and living with special needs. Originally called the Dwelling Place Inn, the community was restructured in 2007 which included a large scale renovation and infill development. Now at the end of the initial 15-year compliance period, there are moderate renovation needs that Dwelling Place intends to finance through the use of MSHDA permanent financing and 4% LIHTC.

The community has two sections, the historic 'north' section and the infill 'south' section that was built in 2007. The north section was originally three historic buildings tied together and now have shared common area spaces. There are three full floors and a small fourth floor on the northwest corner. The section includes 44 studios on floors 2-4. There are market-rate, live/work units and commercial spaces on the first floor, which are not included in the renovation.

The south section consists of five floors. It includes two floors of covered parking, the management office, lobby, and 72 studios on floors 3 through 5. There's a community garden in the courtyard of the building that's accessible to residents.

Renovation Plan

Renovations plans current include the following:

1. Building Envelope: Replacing windows, storefronts and entrances as needed. Minor stone masonry restoration. Full removal and replacement of the existing roof. All exterior work will be done in accordance with historic rehabilitation standards.
2. Interiors: Replacement of interior finishes as needed.
3. Equipment: Replacing the boilers, upgrading the elevator, and replacing all kitchen and laundry appliances.
4. Systems: Replacing the fire suppression system while updating the plumbing and electrical systems.

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Rental Assistance Demonstration (RAD) Conversion

All 116 apartments are income-based with an 86-unit HAP contract with the Grand Rapids Housing Commission and a 30-unit contract with MSHDA. The 86-unit contract is eligible for RAD conversion, which will allow it to increase rental subsidy to 120% of small-area fair market value, based on a favorable rent comparable study. Such study has been given. Dwelling Place has underwritten the project based on expected rents on the 86-apartments.

Rental income for the remaining 30 units are based on the existing rental subsidy contract.

Financing Plan

The entire deal is \$23 million. The property is appraised for \$8.65 million. The sponsor intends to finance renovations with a combination of MSHDA permanent debt, 4% LIHTC and federal historic tax credits. The remaining gap will be paid through a combination of the following:

- Reinvested sale proceeds
- Local and MSHDA gap funding
- Deferred developer fee
- Income from operations
- Transferred reserves
- AHP funding through one of the Federal Home Loan Banks

After repayment or assumption of existing soft debt with MSHDA, Dwelling Place intends to direct all sales proceeds back into the deal as a sponsor note. Dwelling Place has already submitted the project for local HOME funding with the City of Grand Rapids and intends to submit the project for gap financing through MSHDA's recently announced round for permanent supportive housing projects. A full sources and uses schedule can be found in the pro forma.

HOME ARP Funding and Unit Designations

Dwelling Place is preparing to apply for HOME-ARP funding from MSHDA. Funding requires units assisted with HOME-ARP be rented to residents who are homeless, at risk of homelessness, or fleeing/attempting to flee, domestic violence, other populations in need of supportive housing. A full definition can be found in the HOME ARP Implementation Notice. MSHDA is further requiring that all units assisted with HOME-ARP take referrals from the local Continuum of Care.

Dwelling Place intends to designate all 116 units, given the fact that all units would currently qualify for funding. All units are for those experiencing homelessness and accepting referrals from central intake. Dwelling Place will not need to change current referral and operations if it receives funds.

Development Team

<i>Developer</i>	Dwelling Place of Grand Rapids NPHC
<i>Property Manager</i>	Dwelling Place of Grand Rapids NPHC
<i>Lead Agency</i>	Dwelling Place of Grand Rapids NPHC
<i>Project Architect</i>	Hooker DeJong
<i>General Contractor</i>	Pioneer Construction
<i>Legal Counsel</i>	Orlebeke Mackraz, PC
<i>Tax Credit Consultant</i>	Colliers International

Project Timeline

Based on past experience of undergoing a RAD conversion and the MSHDA closing process, Dwelling Place expects a final closing and construction start in February of 2024. Renovations are expected to last 14-months. Due to the more modest renovation needs and expected vacancy rate, Dwelling Place believes the renovation can be conducted by floor and moving residents internally. A draft project timeline and lease-up schedule is included.