



GRAND RAPIDS HOUSING COMMISSION

October 8, 2008

Mike Lloyd, Editor
Grand Rapids Press
155 Michigan NW
Grand Rapids, MI 49503

Dear Mr. Lloyd:

We are compelled to respond to the Grand Rapids Press September 28 article “Unfinished Business at Campau Commons” and the October 1 editorial “Empty Promise,” particularly to the questions the Press raised regarding “...the nonchalant oversight of the five-member Housing Commission, and over Mr. Sanchez’s administration of money for the important common building.”

The Community Center at the corner of Franklin Street and South Division Avenue has been designed to compliment the Housing Commission’s newly redeveloped Campau Commons family housing development. This second phase of the redevelopment project will house resident services offices and a Head Start program. The \$1.1 million project got underway last January with \$400,000 in funding from the HUD Capital Fund Program and a funding commitment procured through the HUD Capital Fund Financing Program that would enable the Housing Commission to pledge a portion of our future-year HUD funding to pay back \$700,000 in bond proceeds obtained through the Fannie Mae Express program.

The financing for Campau Commons redevelopment was all part of the carefully developed five-year strategic plan that is included in our HUD-approved agency plan. Ultimately the size of the bond required to complete the Community Center caused an unforeseen delay in closing on funding as an additional management assessment through Standard & Poors was required by the lender. That assessment has been completed, and as soon we close on the bonds, we will complete the Center.

During the past few years, declining federal funding for housing programs, mortgage foreclosures, and a distressed state economy that has intensified the need for affordable housing have strained our agency’s resources like never before and have challenged us to be creative in bridging the gap between affordable housing supply and demand. An entrepreneurial approach to financing that leveraged partnerships within the public and private sectors enabled the Housing Commission to complete Sheldon Apartments and

*GRHC Response to Grand Rapids Press Articles
October 8, 2008, Page 2 of 2*

the first phase of our Campau Commons Apartments. Through the dedication of our development team and the commitment of our board we overcame the many challenges we encountered during the development of Sheldon and Campau Commons Apartments. We will also overcome the challenges we currently face.

Shrinking federal funding has impacted every aspect of our operation, and our capital and resident services needs far exceed available resources, but the Housing Commission is unwavering in our commitment to provide affordable housing to our community's most vulnerable citizens. Our Resident Services team has marshaled community resources to not only maintain but also expand supportive service delivery. The City of Grand Rapids recently provided Community Development funds that enabled us to improve barrier-free access at Mount Mercy Apartments. A group of local businesses and individuals headed by City Commissioner Elias Lumpkins donated funds to install a state-of-the-art security system at Sheldon Apartments. Our staff is grateful to the Housing Commission board, the City Commission, the City of Grand Rapids, and all of the organizations and individuals who support our residents and agency in so many ways.

We appreciate the Grand Rapids Press' efforts to raise awareness of the importance of our affordable-housing programs. For more information regarding Grand Rapids Housing Commission programs and services, visit www.grhousing.org.

Carlos A. Sanchez
Executive Director
Grand Rapids Housing Commission