

MINUTES FEBRUARY 21, 2017

GRAND RAPIDS HOUSING COMMISSION

The regular meeting of the Grand Rapids Housing Commission was held on February 21, 2017 in the conference room of the administrative building at 1420 Fuller SE, Grand Rapids, Michigan. The President called the meeting to order at 6:05 p.m.

Roll Call: Present: Bunn, Miles, Steimle, Zylstra

Absent: Butler

The President declared a quorum present.

Also attending the meeting: Hattie Tinney, Deputy Executive Director, and Stephanie Gingrich from LINC.

MINUTES:

16-80 Commissioner Bunn, supported by Commissioner Miles, moved to approve the Minutes of the regular meeting of January 17, 2016.

Ayes: Bunn, Miles, Steimle, Zylstra

Nays: None

The President declared the motion carried.

RESOLUTIONS & MOTIONS:

1. The Director presented the Commission with a copy of the resolution approving the financial statements for period ending January 31, 2017.

16-81 The following resolution was introduced read in full and considered:

RESOLUTION APPROVING OPERATING
STATEMENT OF INCOME AND EXPENDITURES

WHEREAS, the Operating Statements of Income and Expenditures for the period ended January 31, 2017 has been prepared for and submitted to the Grand Rapids Housing Commission; and

WHEREAS, the Housing Commission has reviewed the Statements; and

WHEREAS, the Housing Commission, in its review, has determined that the expenditures are necessary in the efficient and economical operation of the Housing Commission for the purpose of serving low income families.

NOW, THEREFORE, BE IT RESOLVED that the Operating Statement of Income and Expenditures for the period ended January 31, 2017 are in all respects approved.

Commissioner Bunn, supported by Commissioner Miles, moved adoption of the foregoing resolution.

Ayes: Bunn, Miles, Steimle, Zylstra

Nays: None

The President declared the motion carried.

2. The Director presented the Commission with a copy of the resolution approving the sale of Adams Park Apartments to Adams Park Limited Partnership

16-82 The following resolution was introduced, read in full and considered:

**RESOLUTION AUTHORIZING SALE OF ADAMS PARK APARTMENTS TO ADAMS
PARK LIMITED PARTNERSHIP**

WHEREAS, on March 31, 2016 the Grand Rapids Housing Commission (the “Housing Commission”) was invited by the Michigan State Housing Development Authority (MSHDA) to participate in an accelerated loan underwriting process, a “pilot”, to streamline the timeframe

from initial application to closing and disbursement of MSHDA financing for Adams Park
Apartments, and;

WHEREAS, Adams Park Limited Partnership, the legal entity responsible for the rehabilitation of Adams Park Apartments, requires legal control of the land and buildings in order to perform the rehabilitation, and;

WHEREAS, the Appraisal Advisory Group's appraisal of Adams Park Apartments dated March 31, 2016 determined that the estimated "As Is" Fee Simple Estate Market Value - (Value of Land and Buildings) is Six Million Five Hundred Forty-five Thousand Dollars (\$6,545,000).

NOW, THEREFORE, BE IT RESOLVED that the Housing Commission authorizes the Executive Director of the Grand Rapids Housing Commission, Carlos A. Sanchez to sell the land and buildings thereon, which comprise Adams Park Apartments, to the Adams Park Limited Partnership for the "As Is" Fee Simple Estate Market Value - (Value of Land and Buildings) is Six Million Five Hundred Forty-five Thousand Dollars (\$6,545,000) and to execute and deliver all documentation necessary to complete the sale of Adams Park Apartments, provided all such documents have been approved by Rhoades McKee, legal counsel for the Housing Commission.

Commissioner Bunn, supported by Commissioner Miles, moved adoption of the foregoing resolution.

Ayes: Bunn, Miles, Steimle, Zylstra

Nays: None

The President declared the motion carried.

3. The Director presented the Commission with a copy of the resolution approving the sale of Scattered Sites (20 units) to Scattered Sites Housing Corporation.

16-83 The following resolution was introduced, read in full and considered:

RESOLUTION AUTHORIZING SALE OF SCATTERED SITES (20 UNITS) TO
SCATTERED SITE HOUSING CORPORATION

WHEREAS, on March 25, 2015 the Grand Rapids Housing Commission (GRHC) was granted a Commitment to Enter into a Housing Assistance Payments (CHAP) from the U.S. Department of Housing and Urban Development (HUD) under the Rental Assistance Demonstration (RAD) program, and;

WHEREAS, Scattered Site Housing Corporation which will be the legal entity responsible for the rehabilitation and operation of the Scattered Site (20 Units) development, and;

WHEREAS, the Appraisal Advisory Group's appraisal of the Scattered Site (20 Units) development determined the cumulative "As Is Market Value" for the 20 unit development at Eight Hundred Ninety-six Thousand Dollars (\$896,000).

NOW, THEREFORE, BE IT RESOLVED that the Housing Commission authorizes the Executive Director of the Grand Rapids Housing Commission, Carlos A. Sanchez to sell the land and buildings thereon, which comprise the Scattered Site (20 Units) development to the Scattered Site Housing Corporation for the "As Is Market Value" - (Value of Land and Buildings) amount of Eight Hundred Ninety-six Thousand Dollars (\$896,000) and to execute and deliver all documentation necessary to complete the sale of the Scattered Site (20 Units) development, provided all such documents have been approved by Rhoades McKee, legal counsel for the Housing Commission.

Commissioner Bunn, supported by Commissioner Miles, moved adoption of the foregoing resolution.

Ayes: Bunn, Miles, Steimle, Zylstra

Nays: None

The President declared the motion carried.

4. The Director presented the Commission with a copy of the resolution approving the loan amount for Adams Park.

16-84 The following resolution was introduced, read in full and considered:

**RESOLUTION APPROVING LOAN TO ADAMS PARK LIMITED PARTNERSHIP FOR
THE ADAMS PARK APARTMENTS RAD CONVERSION**

WHEREAS, it has been necessary to create Adams Park Limited Partnership in connection with the Adams Park Apartments RAD conversion project, and;

WHEAREAS, Adams Park Limited Partnership is in need of funding to fill the financial gap which exists between the amount of funding provided through the syndication of the tax credits and the total development cost, and;

WHEREAS, the Grand Rapids Housing Commission has agreed to provide funding by means of a loan to the Adams Park Limited Partnership, said loan having the following terms:

<u>Loan Information</u>	<u>Adams Park Limited Partnership</u>
Borrower:	Adams Park Limited Partnership
Maximum Loan:	\$382,300
Term of Loan:	18 years
Interest Rate:	5%
Payment Terms:	On demand on or after February 28, 2035

NOW, THEREFORE, BE IT RESOLVED that the Housing Commission approves the above referenced loan to the Adams Park Limited Partnership.

BE IT FURTHER RESOLVED that the Executive Director, Carlos A. Sanchez, is authorized and directed to sign any and all documents and subordination agreements that are necessary to be signed on behalf of the Grand Rapids Housing Commission in connection with the above referenced loan to the Adams Park Limited Partnership, subject to review and approval of all documents by Rhoades McKee, legal counsel for the Adams Park Limited Partnership.

Commissioner Bunn, supported by Commissioner Miles, moved adoption of the foregoing resolution.

Ayes: Bunn, Miles, Steimle, Zylstra

Nays: None

The President declared the motion carried.

5. The Director presented the Commission with a copy of the resolution approving the loan amount for Scattered Sites.

16-85 The following resolution was introduced, read in full and considered:

RESOLUTION APPROVING LOAN TO SCATTERED SITE HOUSING CORPORATION
FOR THE SCATTERED SITE (20 UNITS) RAD CONVERSION

WHEREAS, it has been necessary to create Scattered Site Housing Corporation in connection with the Scattered Site (20 Units) RAD conversion project, and;

WHEREAS, Scattered Site Housing Corporation is in need of funding to finance the rehabilitation costs, replacement reserve and operating reserve capitalization, as well as other costs related to the RAD conversion, and;

WHEREAS, the Grand Rapids Housing Commission has agreed to provide funding by means of a loan to the Scattered Site Limited Partnership, said loan having the following terms:

<u>Loan Information</u>	<u>Scattered Site Housing Corporation</u>
Borrower:	Scattered Site Housing Corporation
Maximum Loan:	\$1,040,000
Term of Loan:	18 years
Interest Rate:	5%
Payment Terms:	On demand on or after February 28, 2035

NOW, THEREFORE, BE IT RESOLVED that the Housing Commission approves the above referenced loan to the Scattered Site Housing Corporation.

BE IT FURTHER RESOLVED that the Executive Director, Carlos A. Sanchez, is authorized and directed to sign any and all documents and subordination agreements that are necessary to be signed on behalf of the Grand Rapids Housing Commission in connection with the above referenced loan to the Scattered Site Housing Corporation, subject to review and approval of all documents by Rhoades McKee, legal counsel for the Scattered Site Housing Corporation.

Commissioner Bunn, supported by Commissioner Miles, moved adoption of the foregoing resolution.

Ayes: Bunn, Miles, Steimle, Zylstra

Nays: None

The President declared the motion carried.

6. The Director presented the Commission with a copy of the resolution approving the Low Income Housing designation for Adams Park.

16-86 The following resolution was introduced, read in full and considered:

RESOLUTION OF THE GRAND RAPIDS HOUSING COMMISSION DESIGNATING
ADAMS PARK APARTMENTS AS A SITE FOR LOW INCOME HOUSING AND
APPROVAL OF EXISTING SITE PLAN

WHEREAS, Michigan Compiled Laws, Section 125.657, Section 7.(a), Act 18, of the Public Acts of 1933 (Ex Sess) empowers the local Housing Commission to determine in what areas of the city or village it is necessary to provide proper sanitary housing facilities for families of low income and for the elimination of housing conditions which are determined to be detrimental to the public peace, health, safety, morals, and/or welfare; and,

WHEREAS, there exists a substantial need in the City of Grand Rapids for housing of low and moderate income families; and,

WHEREAS, strong interest exists in the conversion of the existing Adams Park Apartments to Project Based Vouchers (PBV) under the U.S. Department of Housing and Urban Development (HUD) Rental Assistance Demonstration (RAD) program; and,

WHEREAS, the Executive Director is submitting a site plan proposal dated January 25, 2013, prepared by Isaac V. Norris and Associates, P.C. for approval by the Grand Rapids Housing Commission.

NOW, THEREFORE, BE IT RESOLVED by the Grand Rapids Housing Commission that the parcels of land more particularly described in Attachment A to this resolution be and are hereby designated as the site for low and moderate income family housing.

Commissioner Bunn, supported by Commissioner Miles, moved adoption of the foregoing resolution.

Ayes: Bunn, Miles, Steimle, Zylstra

Nays: None

The President declared the motion carried.

7. The Director presented the Commission with a copy of the resolution approving the Issuance of Project Based Vouchers.

16-87 The following resolution was introduced, read in full and considered:

RESOLUTION APPROVING AWARD OF
PROJECT-BASED VOUCHERS TO
LINC COMMUNITY REVITALIZATION

WHEREAS, the Grand Rapids Housing Commission works with local non-profit housing developers to assist in the community's efforts to serve low-income families, special needs populations, and/or underserved areas by providing project-based vouchers; and

WHEREAS, the U.S. Department of Housing and Urban Development allows public housing agencies, such as the Grand Rapids Housing Commission, to issue project-based vouchers.

NOW, THEREFORE, BE IT RESOLVED that the Housing Commission approves the issuance of Project-Based Vouchers to LINC Community Revitalization and that the Executive Director is authorized to enter into contract agreements for said vouchers.

Commissioner Bunn, supported by Commissioner Miles, moved adoption of the foregoing resolution.

Ayes: Bunn, Miles, Steimle, Zylstra

Nays: None

The President declared the motion carried.

8. The Director presented the Commission with a copy of the resolution approving the Relocation Plan for Scattered Sites (21 Units).

16-88 The following resolution was introduced, read in full and considered:

RESOLUTION APPROVING SCATTERED SITES (21 UNITS) RELOCATION PLAN

WHEREAS, the staff of the Grand Rapids Housing Commission has prepared a Relocation Plan for the residents of Scattered Sites (21 Units) public housing project, and;

WHEREAS, the Scattered Sites Relocation Plan (SSRP) details the actions that the Grand Rapids Housing Commission staff will undertake to assist all of the residents who are living in the public housing project, should they desire to relocate, after approval of the Transfer of Assistance application is received from the U.S. Department of Housing and Urban Development Special Application Center, and;

WHEREAS, the SSRP has been prepared in accordance with the applicable Federal Regulations and guidelines regarding displacement of public housing residents due to the disposition of the property.

NOW, THEREFORE, BE IT RESOLVED that the Commissioners of the Grand Rapids Housing Commission approve the Scattered Sites (21 Units) Relocation Plan prepared by the staff of the Grand Rapids Housing Commission.

Commissioner Bunn, supported by Commissioner Miles, moved adoption of the foregoing resolution.

Ayes: Bunn, Miles, Steimle, Zylstra

Nays: None

The President declared the motion carried.

9. The Director presented the Commission with a copy of the resolution approving the General contractor for Adams Park.

16-89 The following resolution was introduced, read in full and considered:

RESOLUTION APPROVING BID AND AWARD OF CONTRACT
FOR ADAMS PARK APARTMENTS RAD REHABILITATION WORK

WHEREAS, On February 7, 2017 M.C. Smith Associates and Architectural Group, Inc. received the final bid from First Contracting, Inc. for the Adams Park Apartments RAD Rehabilitation work; and,

WHEREAS, The M.C. Smith Associates and Architectural Group, Inc. (MCSAG) Adams Park Apartments RAD Rehabilitation work cost estimate amount was \$3,203,805.40. First Contracting, Inc. submitted a bid amount of \$3,066,292.00, which is \$137,513.40 lower than the MCSAG estimate.

WHEREAS, M.C. Smith Associates and Architectural Group, Inc. has reviewed the bid and recommends an award of the contract to First Contracting, Inc. in the amount of \$3,066,292.00 to perform the Adams Park Apartments RAD Rehabilitation work.

NOW THEREFORE BE IT RESOLVED, that the Housing Commission authorizes Carlos A. Sanchez, Executive Director to execute a contract for the amount not to exceed \$3,066,292.00 to First Contracting, Inc. for the Adams Park Apartments RAD Rehabilitation work after review and approval of the form of contract by Rhoades McKee attorneys.

Commissioner Bunn, supported by Commissioner Miles, moved adoption of the foregoing resolution.

Ayes: Bunn, Miles, Steimle, Zylstra

Nays: None

The President declared the motion carried.

10. The Director presented the Commission with a copy of the resolution approving the Rehabilitation Work Contract for Campau Commons.

16-90 The following resolution was introduced, read in full and considered:

RESOLUTION APPROVING BID AND AWARD OF CONTRACT
FOR CAMPAU COMMONS RAD REHABILITATION WORK

WHEREAS, On February 10, 2017 M.C. Smith Associates and Architectural Group, Inc. received bids for the Campau Commons RAD Rehabilitation Scope-of-Work, interior only; and,

WHEREAS, M.C. Smith Associates and Architectural Group, Inc. received bids from Blackstar Companies, an MBE company, and First Contracting, Inc. with Blackstar Companies having submitted the “lowest responsible bid” in the amount of \$27,256.87; and,

WHEREAS, M.C. Smith Associates and Architectural Group, Inc. has reviewed the bid, checked the Federal System for Award Management, and checked Blackstar Companies references and recommends an award of the contract to \$27,256.87 in the amount of \$27,256.87 to perform the Campau Commons RAD Rehabilitation Scope-of-Work, interior only.

NOW THEREFORE BE IT RESOLVED, that the Housing Commission authorizes Carlos A. Sanchez, Executive Director to execute a contract for the amount not to exceed \$27,256.87 to \$27,256.87 for Campau Commons RAD Rehabilitation Scope-of-Work, interior only.

Commissioner Bunn, supported by Commissioner Steimle, moved adoption of the foregoing resolution.

Ayes: Bunn, Miles, Steimle, Zylstra

Nays: None

The President declared the motion carried.

11. The Director presented the Commission with a copy of the resolution approving the Relocation Plan for Scattered Sites (21 Units).

16-91 The following resolution was introduced, read in full and considered:

RESOLUTION ADOPTING
REVISION TO THE HOUSING CHOICE VOUCHER (HCV)
ADMINISTRATIVE PLAN

WHEREAS, the Housing Commission has identified the necessity for changes in the HCV Administrative Plan; and

WHEREAS, these revisions meet the requirements as defined by the U.S. Department of Housing Development and the needs of the daily operations related to the HCV program,

NOW, THEREFORE BE IT RESOLVED that the Housing Commission adopt the attached changes to the HCV Administrative Plan.

Commissioner Bunn, supported by Commissioner Miles, moved adoption of the foregoing resolution.

Ayes: Bunn, Miles, Steimle, Zylstra

Nays: None

The President declared the motion carried.

12. The Director presented the Commission with a copy of the resolution approving the bids for an IT consultant.

16-92 The following resolution was introduced, read in full and considered:

RESOLUTION APPROVING INFORMATION & TECHNOLOGY CONSULTANT

WHEREAS, the Housing Commission is required under the Procurement Policy to seek competitive bids to ensure that supplies and services are procured efficiently, effectively, and at the most favorable prices; and

WHEREAS, the Housing Commission has recently circulated Requests for Bids for Information and Technology services for all of its housing developments and central office.

WHEREAS, the Housing Commission has reviewed the bid submissions and has determined that it is in the organization's best interest to accept the bid submitted by the Joseph Carmon.

NOW, THEREFORE BE IT RESOLVED that the Executive Director be authorized to enter into an agreement with Joseph Carmon for Information and Technology services for the various housing developments and central office.

Commissioner Bunn, supported by Commissioner Miles, moved adoption of the foregoing resolution.

Ayes: Bunn, Miles, Steimle, Zylstra

Nays: None

The President declared the motion carried.

13. The Director presented the Commission with a copy of the resolution approving the Budget FY 2014 Capital Fund Program.

16-93 The following resolution was introduced, read in full and considered:

RESOLUTION APPROVING
CAPITAL FUND PROGRAM BUDGET REVISION NO. 4
FOR FISCAL YEAR 2014

WHEREAS, a Capital Fund Program budget for the 2014 fiscal year has been previously approved by the Grand Rapids Housing Commission; and,

WHEREAS, the Housing Commission, in its review, has determined that revisions to the 2014 Capital Fund Program budget are necessary to support the previously approved Rental Assistance Demonstration (RAD) program conversions of Adams Park Apartments, Campau Commons, Scattered Sites (20 Units), and Scattered Sites (21 Units).

NOW, THEREFORE, BE IT RESOLVED that the proposed 2014 Capital Fund Program budget revision, as of February 21, 2017 is in all respects approved.

Commissioner Bunn, supported by Commissioner Miles, moved adoption of the foregoing resolution.

Ayes: Bunn, Miles, Steimle, Zylstra

Nays: None

The President declared the motion carried.

14. The Director presented the Commission with a copy of the resolution approving the Budget FY 2015 Capital Fund Program.

16-94 The following resolution was introduced, read in full and considered:

RESOLUTION APPROVING
CAPITAL FUND PROGRAM BUDGET REVISION NO. 2
FOR FISCAL YEAR 2015

WHEREAS, a Capital Fund Program budget for the 2015 fiscal year has been previously approved by the Grand Rapids Housing Commission; and,

WHEREAS, the Housing Commission, in its review, has determined that revisions to the 2015 Capital Fund Program budget are necessary to support the previously approved Rental

Assistance Demonstration (RAD) program conversions of Adams Park Apartments, Campau Commons, Scattered Sites (20 Units), and Scattered Sites (21 Units).

NOW, THEREFORE, BE IT RESOLVED that the proposed 2015 Capital Fund Program budget revision, as of February 21, 2017 is in all respects approved.

Commissioner Bunn, supported by Commissioner Miles, moved adoption of the foregoing resolution.

Ayes: Bunn, Miles, Steimle, Zylstra

Nays: None

The President declared the motion carried.

DIRECTOR'S REPORT

1. Vacancy Report for December 2016.

Adams Park	11
Campau Commons	3
Scattered Site I-V	2
Public Hsg. Total	16
Creston Plaza	0
Homeown Rental	0
Hope Community	1
Leonard Terrace	6
Oakdale	0
Mt. Mercy	4
Ransom Tower	2
Sheldon Apts.	0

2. The Director presented the Commission with a copy of the Section 8 Status Report for January 2017 which shows over a 100% utilization rate currently.

3. The Director presented the Commission with a copy of the Personnel Report for January 2017.

4. The Director informed the Board that the lease agreement on his company vehicle is expiring. He will be exercising the option on the lease to purchase the vehicle.

5. The Director informed the Board that the annual Fair Housing Luncheon and Workshop Series is scheduled for Thursday, April 27 at the Amway Grand Plaza Hotel. All Board members are invited to the luncheon.

The Director requested authorization to send one (1) commissioner and four (4) staff members to the NCRC NAHRO Michigan Conference in Detroit, MI, May 3-5, 2017. 16-95 Commissioner Miles, supported by Commissioner Bunn, moved to authorize the director to send one commissioner and four staff members to the NCRC NAHRO Michigan Conference in Detroit, MI, May 3-5, 2017.

Ayes: Bunn, Butler, Cooper, Miles, Zylstra

Nays: None

The President declared the motion carried.

6. The Director updated the Board on Moving to Work. Applications are not yet being accepted for Housing Authorities in our size range and the date when that will open has not been announced. Staff is continuing to work on gaining knowledge on the application needs so that we will be prepared when applications are being accepted.

16-96 There being no further business to come before the Commission, it was moved by Commissioner Bunn supported by Commissioner Miles to adjourn.

Ayes: Bunn, Miles, Steimle, Zylstra

Nays: None

The President declared the meeting adjourned at 7:05 pm.

Carlos A. Sanchez
Executive Director/Secretary