

MINUTES NOVEMBER 17, 2020

GRAND RAPIDS HOUSING COMMISSION

The regular meeting of the Grand Rapids Housing Commission was held on November 17, 2020 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: Butler, Miles, Steimle-App, Zylstra

Absent: Bunn

The President declared a quorum present.

Also attending the meeting: Senior Human Resource Generalist Mia Gutridge, Director of Leased Housing Judy Cannon-Groce, Director of Asset Management Felicia Clay, Interim Executive Director Hattie Tinney, Computer Network Systems Administrator Jay Connor, Carlos Sanchez, and Shelley Wisdom.

MINUTES:

20-64 Commissioner Zylstra, supported by Commissioner Miles, moved to approve the Minutes of the regular meeting of October 20, 2020 and the Minutes of the special meeting of November 4, 2020.

Ayes: Butler, Miles, Steimle-App, Zylstra

Nays: None

The President declared the motion carried.

RESOLUTIONS & MOTIONS:

1. The Interim Director presented the Commission with a copy of the resolution approving the financial statements for period ending, October 31, 2020.

20-65 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 October 31, 2020 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 October 31, 2020 are in all respects approved.

Commissioner Miles, supported by Commissioner Steimle-App, moved to table the foregoing resolution until next month.

Ayes: Butler, Miles, Steimle-App, Zylstra

Nays: None

The President declared the motion tabled.

2. The Interim Director presented the Commission with a copy of the resolution approving submission of LITHC application for Adams Park.

20-66 The following resolution was introduced read in full and considered:

RESOLUTION AUTHORIZING SUBMISSION OF MSHDA MULTI FAMILY DIRECT
LENDING APPLICATION AND OTHER MATTERS FOR ADAMS PARK

WHEREAS, the Grand Rapids Housing Commission (the "Housing Commission") owns certain real property located at 1440 Fuller Avenue S.E., Grand Rapids, Michigan (the "Adams

Park” development), which the Housing Commission intends to repair and improve by means of conversion to Section 8 Project-Based Voucher assistance under the U.S. Department of Housing and Urban Development (HUD) Streamlined Voluntary Conversion (SVC) Asset Repositioning strategy; and,

WHEREAS, it is intended that the cost of the repairs and improvements to Adams Park are to be financed in part by the sale of low income housing tax credits by a limited partnership; and,

WHEREAS, the Housing Commission has caused to be formed the Adams Park Housing Corporation, a Michigan nonprofit corporation, of which the Housing Commission is the sole member; and,

WHEREAS, the Internal Revenue Service has determined the Adams Park Housing Corporation is exempt from federal income tax under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3); and,

WHEREAS, the Housing Commission has formed the Adams Park Limited Dividend Housing Association Limited Partnership (the “Adams Park LDHA LP”), of which Adams Park Housing Corporation is the sole general partner; and,

WHEREAS, the Adams Park LDHA LP will offer for sale units of limited partnership interest which will be sold to interested investors; and,

WHEREAS, in order to complete the repairs and improvements to Adams Park and permit the sale of limited partnership interests in the Adams Park LDHA LP, it is necessary for the Housing Commission to sell and transfer Adams Park to Adams Park LDHA LP; and,

WHEREAS, the Housing Commission desires to serve as developer and sponsor of the Adams Park repairs and improvements and to file a Multi Family Direct Lending Program

application (the “Application”) for low income housing tax credits with the Michigan State Housing and Development Authority (“MSHDA”).

NOW, THEREFORE, BE IT RESOLVED that the Housing Commission authorizes and approves the filing with MSHDA of an application for low income housing tax credits (the “Application”) with respect to Adams Park and for the Housing Commission to be shown as the developer and sponsor.

BE IT FURTHER RESOLVED that the Housing Commission authorizes the transfer of Adams Park to the Adams Park LDHA LP, subject to the approval and award of low income housing tax credits pursuant to the Application.

BE IT FURTHER RESLOVED that the Housing Commission approves the site plan prepared by M.C. Smith Associates and Architectural Group, Inc. (MCSA Group, Inc.) dated September 12, 2018, with respect to the Adams Park.

BE IT FURTHER RESOLVED that the Housing Commission declares its intention and commitment to loan to Adams Park LDHA LP an amount not to exceed the appraised “As Is” Fee Simple Estate Market Value of both the land and buildings at an interest rate amount of not less than five percent (5%) per annum and having a thirty (30) year amortization period to be repaid upon the sale or other disposition of Adams Park.

BE IT FURTHER RESOLVED that Hattie Tinney Beenen, Interim Executive Director of the Housing Commission, and her successor, is authorized and directed to execute and deliver the Application on behalf of the Housing Commission, to act as the nominal limited partner in the formation of the Adams Park LDHA LP and to otherwise execute and deliver all documents and take such other action as is reasonable and necessary to the filing of the Application,

provided that all such documents executed and delivered shall have been reviewed and approved by Rhoades McKee, legal counsel for the Housing Commission.

Commissioner Miles, supported by Commissioner Steimle-App, moved adoption of the foregoing resolution.

Ayes: Butler, Miles, Steimle-App, Zylstra

Nays: None

The President declared the motion carried.

3. The Director presented the Commission with a copy of the resolution approving authorization of the sale of 431 Grant.

20-67 The following resolution was introduced read in full and considered:

RESOLUTION AUTHORIZATION FOR SALE OF DE MINIMIS PROPERTY

431 GRANT STREET SW, GRAND RAPIDS, MI 49503

WHEREAS, in December 2019 the Grand Rapids Housing Commission (GRHC) was granted approval by the U.S. Department of Housing and Urban Development (HUD) to remove nine (9) properties from the Grand Rapids Scattered (MI073000004) inventory in conjunction with the closing of the twenty (20) Scattered Site units Rental Assistance Demonstration (RAD) conversion transaction; and

WHEREAS, a written offer in the amount of One Hundred Two Thousand and Zero Dollars (\$102,900) has been received from Ms. Krista Morse, a GRHC Section 8 client, to purchase the property located at 431 Grant Street SW, Grand Rapids, MI 49503; and,

WHEREAS, the written offer is equal to the appraised "Sales Comparison Approach" value as provided by A. Van Stensel & Son, LLC as of December 3, 2019.

NOW, THEREFORE, BE IT RESOLVED that the Housing Commission staff requests authorization to sell the property located at 431 Grant Street SW, Grand Rapids, MI 49503 to Ms. Krista Morse, a GRHC Section 8 client for the appraised "Sales Comparison Approach" amount of One Hundred Two Thousand and Zero Dollars (\$102,900).

BE IT FURTHER RESOLVED that the Interim Executive Director, Hattie Tinney Beenen or her successor are authorized and approved to complete, execute, and deliver all documentation necessary to successfully complete the sale of 431 Grant Street SW, Grand Rapids, MI 49503 to Ms. Krista Morse.

Commissioner Zylstra, supported by Commissioner Steimle-App, moved adoption of the foregoing resolution.

Ayes: Butler, Miles, Steimle-App, Zylstra

Nays: None

The President declared the motion carried.

4. The Interim Director presented the Commission with a copy of the resolution approving MERS agreement addendum.

20-68 The following resolution was introduced read in full and considered:

RESOLUTION APPROVING MERS DEFINED CONTRIBUTION PLAN

ADOPTION AGREEMENT ADDENDUM

FOR GRAND RAPIDS HOUSING COMMISSION

WHEREAS, the Housing Commission periodically reports their employee classification and defining their compensation for the Municipal Employees' Retirement System plans (MERS); and

WHEREAS, MERS is now requiring that Agencies self-define what is identified in their plans;

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners approved the Defined Contribution Plan Adoption Agreement Addendums.

Commissioner Steimle-App, supported by Commissioner Zylstra, moved adoption of the foregoing resolution.

Ayes: Butler, Miles, Steimle-App, Zylstra

Nays: None

The President declared the motion carried.

5. The Director presented the Commission with a copy of the resolution approving procurement of flooring contractors.

20-69 The following resolution was introduced read in full and considered:

RESOLUTION APPROVING
FLOORING CONTRACTOR AWARDS

WHEREAS, bids were received from local contractors for carpet and vinyl flooring replacement at the nine housing developments operated by the Grand Rapids Housing Commission: and

WHEREAS, the Housing Commission desires to utilize a primary and alternative contractor in the most economical and effective manner in order to maintain its properties while completing unit turnovers, repairs, and cyclical replacement,

NOW, THEREFORE, BE IT RESOLVED that the Interim Executive Director be authorized to award contracts to the primary and alternate contractors as outlined on the attached matrix.

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

Ayes: Butler, Miles, Steimle-App, Zylstra

Nays: None

The President declared the motion carried.

6. The Director presented the Commission with a copy of the resolution approving a change order #4 for Antoine Court Apartments project.

20-70 The following resolution was introduced read in full and considered:

RESOLUTION ACCEPTANCE AND APPROVAL OF CHANGE ORDER #4 FOR ANTOINE
COURT APARTMENTS PROJECT

WHEREAS, On February 20, 2020 the Housing Commission approved a Guaranteed Maximum Price (GMP) price in the amount not-to-exceed Nine Million Nine Hundred Sixty-one Thousand Five Hundred Forty-one dollars (\$9,961,541) to be paid to the Construction Manager and General Contractor, Triangle Associates, Inc., for the construction of the Antoine Court Apartments Project, and;

WHEREAS, Triangle Associates, Inc. has since identified construction elements in the project which require revision due to conditions found in the field which are necessary and/or required to deliver the project in accordance with all applicable codes and standards, and;

WHEREAS, Triangle Associates, Inc. has submitted Change Order #4 in the amount of Fifty-five Thousand Nine Hundred Sixteen dollars and Twenty-seven cents (\$55,916.27) for the identified revisions, thereby increasing the GMP to Ten Million Seventy-one Thousand Four Hundred Fifty-six dollars and Ninety-two cents (\$10,071,456.92), and;

WHEREAS, the project architect, Isaac V. Norris and Associates, P.C., has reviewed and approved the elements contained within Change Order #4 for their applicability and price.

NOW, THEREFORE, BE IT RESOLVED that the Commissioners of the Grand Rapids Housing Commission hereby approve Change Order #4 in the amount of Fifty-five Thousand Nine Hundred Sixteen dollars and Twenty-seven cents (\$55,916.27), increasing the GMP to the amount not-to-exceed Ten Million Seventy-one Thousand Four Hundred Fifty-six dollars and Ninety-two cents (\$10,071,456.92) for the construction of the Antoine Court Apartments Project.

BE IT FURTHER RESOLVED that the Commissioners of the Grand Rapids Housing Commission authorizes the Interim Executive Director to execute Change Order #4 in the amount of Fifty-five Thousand Nine Hundred Sixteen dollars and Twenty-seven cents (\$55,916.27) for the construction of the Antoine Court Apartments Project.

Commissioner Steimle-App, supported by Commissioner Zylstra, moved adoption of the foregoing resolution.

Ayes: Butler, Miles, Steimle-App, Zylstra

Nays: None

The President declared the motion carried.

DIRECTOR’S REPORT

1. Vacancy Report for October 2020.

Adams Park	9
Campau Commons	1
Scattered Site I-V	0
Public Hsg. Total	10

Creston Plaza	3
Homeown Rental	0
Hope Community	4
Leonard Terrace	1
Mt. Mercy	6
Ransom Tower	1
Sheldon Apts.	0
Overall Total	25

2. The Interim Director presented the Board with a copy of the Section 8 Status Report for October 2020 which shows a 98.8% utilization rate.

3. The Interim Director presented the Commission with a copy of the Personnel Report for November 2020.

OTHER BUSINESS

20-71 Commissioner Butler, supported by Commissioner Steimle-App, moved to approve a contract to hire Carlos Sanchez as an independent contractor to work as a consultant for the Grand Rapids Housing Commission.

Ayes: Butler, Miles, Steimle-App, Zylstra

Nays: None

The President declared the motion carried.

The Board discussed the ongoing recruitment for the position of Executive Director.

The President informed the Board that three of the people from the public who were contacted to be on the Hiring Committee for the Executive Director have responded that they

were available to participate in the interviews. Those people are Bob Cooper, Ryan Kilpatrick, and Ryan VerWys. The Hiring Committee will work to set up the interviews and invite two of these people to join.

20-73 There being no further business to come before the Commission, it was moved by Commissioner Miles supported by Commissioner Steimle-App to adjourn.

Ayes: Butler, Miles, Steimle-App, Zylstra

Nays: None

The President declared the meeting adjourned at 6:50 pm.

Hattie Tinney Beenen

Interim Executive Director/Secretary