



CITY OF GRAND RAPIDS AGENDA ACTION REQUEST

DATE: December 12, 2017

TO: Gregory A. Sundstrom, City Manager

COMMITTEE: Committee of the Whole
LIAISON: Gregory A. Sundstrom, City Manager

FROM: Jessica Wood, Director of Municipal Affairs
Department of Law

SUBJECT: **Resolution approving a new City Commission Policy Entitled Property Acquisition and Management - Recommendation #7 of Housing Advisory Committee**

As a result of the Housing Advisory Committee recommendations, please find attached a resolution to adopt a new City Commission policy contemplating that the City purchase or otherwise acquire property interests in property to be used for affordable housing. The policy is entitled 'Property Acquisition and Management Policy.'

In this market-based approach, the City would exercise its authority under PA 279 of 1909 as amended, to acquire property interests in property in order to increase the availability of housing in the City while proactively determining where the City needs to make strategic investments to maintain neighborhood character.

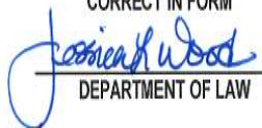
YOUR COMMITTEE OF THE WHOLE recommends adoption of the following resolution approving a new City Commission policy entitled Property Acquisition and Management Policy.

WHEREAS:

- 1. The City wishes to, as part of its Housing NOW! Program, do everything within its power to ensure that affordable housing is available within the City; and
- 2. Using this market-based approach, the City would exercise its authority under PA 279 of 1909 as amended, and other applicable laws, to acquire property interests in property in order to increase the availability of housing in the City while proactively determining where the City needs to make strategic investments to maintain neighborhood character; therefore


RESOLVED that the attached City Commission policy entitled Property Acquisition and Management Policy is hereby adopted.

Prepared by Tonya Voakes and Jessica L. Wood

CORRECT IN FORM

 DEPARTMENT OF LAW

Attachment: Memo and Resolution #7 (Resolution setting a public hearing for 4 Housing NOW recommendations)

CITY COMMISSION POLICY

GRAND RAPIDS  MICHIGAN	NUMBER: 900-XX	HISTORY FILE # DATE
	DATE: December X, 2017	
	FILE NUMBER: XXXXX	
	DEPARTMENT: Executive	

SUBJECT: PROPERTY PARTNERSHIP POLICY

PURPOSE: To provide for the City's acquisition of property interests by participating in partnerships with public and private entities in order to manage and control property for the purposes of expanding the availability of diverse income housing including affordable housing within the City in conjunction with other tools and programs.

POLICY:

I. Introduction

The Housing Advisory Committee recommendations included establishing policies which would result in more affordable housing, through the offering of affordable rents, in part by partnering with public and private entities who purchase, restore, or resell residential properties. To this end, the Housing Advisory Committee encouraged the City to actively partner with entities that manage and control properties and to retain property interests in order to expand the availability of diverse and affordable housing within the City.

II. Goals

The City's goals in partnering with entities that acquire property interests and managing or controlling properties in which it holds a property interest are to:

1. Expand the availability of housing within the City generally.
2. Expand the availability of affordable housing within the City.
3. Proactively determine where the City needs to make strategic investments to maintain neighborhood character.

III. Criteria for Acquisition Partnerships

All acquisition of property interests must be made pursuant to written contract and may involve retaining a property interest while entering public – private partnerships with other governmental entities, non-profits, or private parties, as authorized by the Home Rule City Act and applicable statutes. The City shall retain an acquired property interest for the duration of any contracts, during which the City would require that the property be sold at an affordable price or offered for affordable rental rates. The terms of the partnership agreements would be recorded and would require the buyers to give the City a recorded property interest and to improve, sell, or rent the property in accordance with the City's affordability requirements on terms set forth within the contract.

The City may partner with public or private entities and may utilize existing state or federal programs to acquire property interests or may do so in accordance with its Affordable Housing Community Fund Policy and the Home Rule City Act.

V. Policy Waiver

The City Commissioner may waive this Policy, or any portion of it, when the Commission deems it in the best interest of the City.

DRAFT