

City of Grand Rapids

Affordable Housing Fund Board

JULY 28, 2022

Today's Agenda

- Introductions
- Board Operations
- Charge from City Commission
- Short-Term Focus and 6-Month Preview
- Action Items
- Public Comment

Introductions

Members

Monica App- Term Ends: 12/31/2024

Virginia Beard- Term Ends: 12/31/2024

Eric Brown- Term Ends: 12/31/2022

Daniel Drent- Term Ends: 12/31/2023

Cassandra Oracz- Term Ends: 12/31/2024

Lindsey Reames- N/A

Christopher Romero- Term Ends: 12/31/2022

Jim Talen- Term Ends: 12/31/2023

Maurice Townsend- Term Ends: 12/31/2024

Mark Washington- Term Ends: 12/31/2024

Tabitha Williams - Term Ends: 12/31/2022

City of Grand Rapids Affordable Housing Board

Board Operations

Ethical and Legal Considerations

We have a duty to act in the best interest of the public. Actions or influences that undermine that duty are destructive to the public's confidence in government. We should all care about that confidence.

- Ethics in local government: State Ethics Act (Act 196) & Prohibitions on Public Contracts (Act 317)
- Open Meetings Act
 - Notice, Access, Public Comment
- Freedom of Information Act (FOIA)
- Parliamentary Procedure – Standing Rules and Robert's Rules

Bylaws

- Bylaws are rules that the Board will set for itself
- They guide the Board's operations
- Ensure the Board can act in an efficient, organized, and decisive way
- Save time in the future

Broad Topics to Address

The bylaws or standing rules for the Affordable Housing Fund Board should address the broad subjects of:

- Purpose of the Board
- Membership
- Organization and Duties
- Meetings

Some items, such as the membership and purpose of the Board, are already set by City policy. They just get reiterated in the bylaws.

Specific Topics

Membership

- Composition as a whole
- Appointment process
- Terms and Term Limits
- Representation
- Removal

Organization and Duties

- Election of Officers
- Duties of Each Officer
- Consider need for Sub-Committees
- Duties of all Members (participation, attendance)
- Conflicts of Interest

Meetings

- Regular Meetings
- Special Meetings
- Workshop Meetings
- Adoption of Robert's Rules of Order
- Quorum
- Agenda
- Voting
- Recess

Other Provisions

- Annual Report
- Bylaw Amendment Process

Next Steps

- Form a subgroup to draft the bylaws with support from the City Attorney's Office
- Subgroup Meeting
- Bring a draft of the bylaws back to a future meeting for the Board approval

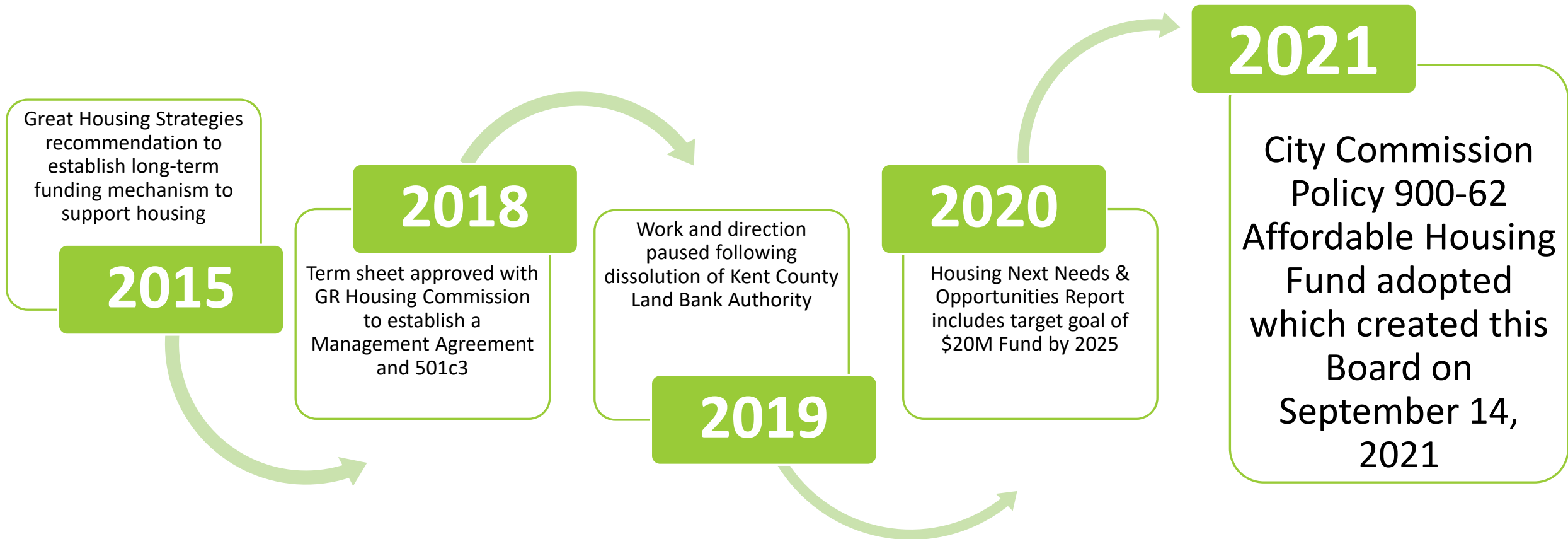
Meeting Expectations

- Governance
- Agendas (week in advance)
- Materials (bring notebook)
- Staff/Board roles
- Regular meeting times
- Public comment protocol

City of Grand Rapids Affordable Housing Board

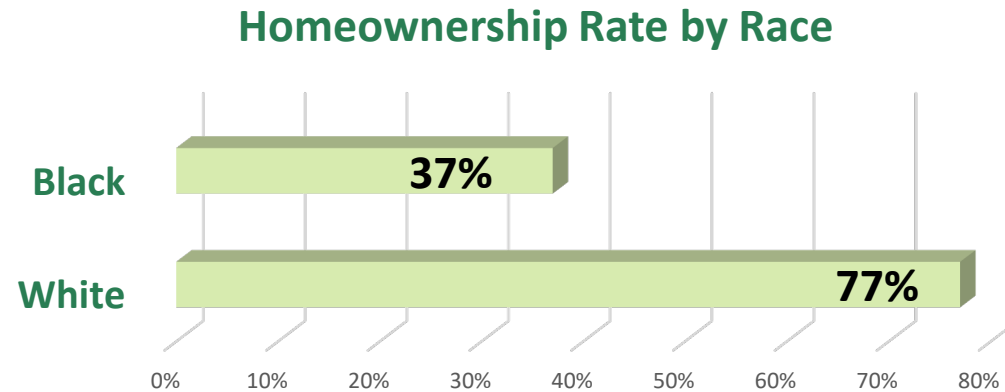
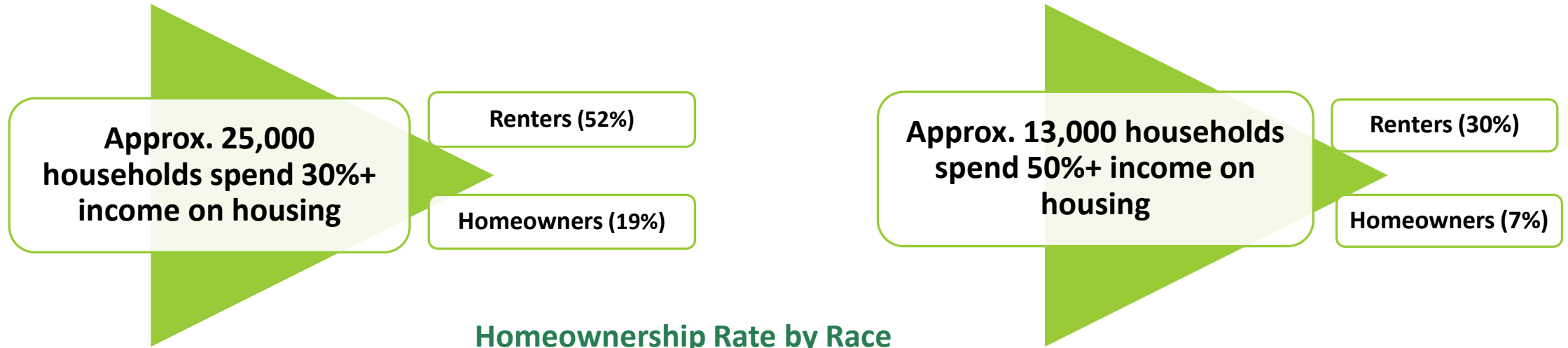
Charge from City Commission

A Brief History of the Grand Rapids Affordable Housing Fund



2020 Housing Needs Assessment

Approx. 9,000 New Housing Units Needed By 2025



Two-Pronged Policy Recommendation

1. Establish City Commission Policy for operation of the Grand Rapids Housing Fund, including:
 - Purpose
 - Board make-up and appointment process
 - Duties
 - Decision making process
 - Uses of funds for investment in housing
 - Initial deposits and future deposits to the fund

2. Establish a fiduciary for stewardship of initial and future monies dedicated to this purpose
 - Create non-endowed designated fund at the Grand Rapids Community Foundation (GRCF) that:
 - Establishes a reliable and proven framework for financial management and stewardship of assets for the purpose of supporting the greatest number of residents through development of the greatest amount of housing
 - Creates opportunity to accept financial contributions from outside philanthropic, corporate, and faith-based organizations from across the community

Affordable Housing Fund Board Responsibilities

- Spending and distribution recommendations – households earning at or below 80% AMI with special consideration by City Commission for homeownership opportunities for households earning up to 100% AMI
- Accept funds from the City and other sources
- Recommend development and grant agreements with public and private parties for consideration by the City Commission
- Review the investment of funds by Grand Rapids Community Foundation
- Support applications to State, Federal and philanthropic agencies
- Provide an annual investment plan, written report and any recommendations for policy changes to support the City's affordable housing programs
- Recommendations pertaining to potential direct investment of a projected \$5 million in ARPA funds as envisioned in the FY2022 Fiscal Plan as may be allowed under Federal rules to stimulate development or preservation of affordable housing now (e.g., Muskegon, MI; Alameda County, CA; Austin, TX; Norman, OK; Bloomington, IN; Cincinnati, OH; Louisville, KY; Atlanta, GA; Milwaukee, WI; Minneapolis MN; San Diego, CA; Seattle, WA)

Affordable Housing Fund – Potential Uses

- Investments to support mixed-income and affordable housing could include:
- Property acquisition, preservation, and pre-development loan funds for qualified and experienced non-profit housing partners.
- Income-qualified homeowner assistance grants/loans to support necessary repairs, reduced energy costs, and additions for accessory dwelling units;
- Gap-financing for development projects receiving funding from HOME (HOME Investment Partnerships Program), LIHTC (Low Income Housing Tax Credit), or other State or Federal funding or equity investment
- Pay City fees required for the development of affordable housing i.e., water/sewer connection fees, development fees, LUDS Fees and permit
- Equity support for emerging developers of color working to provide affordable housing
- Small-scale and non-condo zero lot-line affordable housing development.

Affordable Housing Fund Sources

- Initial seed investment of approximately \$875,000
- 2% service charge in lieu of PILOT payments made in 2019 and 2020 of \$27,580
- \$50k of General Fund Investment
- Philanthropic contributions from public, private & institutional partners
- **5 million in City of Grand Rapids ARPA funding**

City of Grand Rapids Affordable Housing Board

Short-Term Focus and 6-Month Preview

Short-Term and Long-term Focus Areas

- Spending and distribution recommendations – households earning at or below 80% AMI with special consideration by City Commission for homeownership opportunities for households earning up to 100% AMI
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City of Grand Rapids Affordable Housing Timeline

6-Month Preview



Action Items

- Solicit 3 volunteers for by-law committee
- Nominate and select temporary Board Chair

City of Grand Rapids Affordable Housing Board

Public Comment
