

MINUTES FEBRUARY 21, 2023

GRAND RAPIDS HOUSING COMMISSION

The regular meeting of the Grand Rapids Housing Commission was held on February 21, 2023 in the community room of Campau Commons at 821 Division South, Grand Rapids, Michigan. The President called the meeting to order at 6:00 p.m.

Roll Call: Present: Alexander, Bernier, Miles, Steimle-App, Zylstra

Absent: None

The President declared a quorum present.

Also attending: Executive Director Lindsey Reames, Deputy Executive Director Hattie Tinney, Business Intelligence Analyst Jose Capeles, Information Security Systems Manager Jay Conner. Attending remotely was John Wynbeek of Genesis.

**PUBLIC COMMENTS:**

There were no public comments.

**MINUTES:**

Commissioner Bernier, supported by Commissioner Zylstra, moved to approve the Minutes of the regular meeting of January 17, 2023.

Ayes: Alexander, Bernier, Miles, Steimle-App, Zylstra

Nays: None

The President declared the motion carried.

**RESOLUTIONS & MOTIONS:**

1. The President presented the Commission with a copy of the resolution approving the financial statements for period ending January 31, 2023.

22-67 The following resolution was introduced and considered:

**Resolution to Approve Financial Dashboard Reports that reflect the  
Operating Statement of Income and Expenditures**

**WHEREAS**, the Operating Statement of Income and Expenditures for the period ended January 31, 2023 has been prepared for and reviewed by Executive Staff at the Grand Rapids Housing Commission; and

**WHEREAS**, this information has been prepared for the Housing Commission Board in a financial dashboard format; and

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

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE GRAND RAPIDS HOUSING COMMISSION**, that the Operating Statement of Income and Expenditures as represented in the dashboards for the period ended January 31, 2023 are in all respects approved.

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

Ayes: Alexander, Bernier, Miles, Steimle-App, Zylstra

Nays: None

The President declared the motion carried.

2. The President presented the Commission with a copy of the resolution approving Project Based Voucher awards.

22-68 The following resolution was introduced and considered:

**Resolution to Approve Award of Project-Based Vouchers**

**WHEREAS**, in an effort to expand the inventory of affordable housing for lower-income households, the U.S. Department of Housing and Urban Development (HUD) permits public housing authorities to use its tenant-based voucher funding to allocate project-based vouchers to stimulate new construction, substantial rehabilitation and; in some cases, long-term conversion of existing housing.

**WHEREAS**, this community has substantial need of additional decent, safe, and affordable housing; and

**WHEREAS**, the Grand Rapids Housing Commission has the desire and experience to work with local non-profits in their efforts to develop affordable housing and has completed a competitive process to award project-based vouchers; and

**WHEREAS**, eight (8) proposals were submitted and scored based on required criteria and five (5) applications were determined by the Review/Scoring Committee to be eligible to receive an award totaling 54 project-based units.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE GRAND RAPIDS HOUSING COMMISSION** that the Executive Director is authorized to enter into various contract and program documents as required by the Project-Based Voucher program for those entities named on the attached RFP for Project-Based Vouchers Scoring Result matrix.

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

Ayes: Alexander, Bernier, Miles, Steimle-App, Zylstra

Nays: None

The President declared the motion carried.

3. The President presented the Commission with a copy of the resolution approving revisions to the Jean McKee Scholarship.

22-69 The following resolution was introduced and considered:

**Resolution to Approve Revision to the  
Jean McKee Resident Scholarship Program**

WHEREAS, the Grand Rapids Housing Commission (GRHC) administers the Jean McKee Resident Scholarship program with the goal of expanding access to education for Housing Commission residents; and

WHEREAS, Housing Commission staff have forged an ongoing partnership with the YMCA of Greater Grand Rapids that allows GRHC residents in grades K-12 to access valuable educational opportunities by attending day or overnight camp at the YMCA-operated Camp Manitou-Lin, with the YMCA picking up 20 percent of the cost; and

WHEREAS, the GRHC received positive input from past Jean McKee Resident Scholarship program donors regarding the plan to use a portion of the Scholarship fund to expand educational opportunities for children and youth; and

WHEREAS, the 2022 inaugural season of the Jean McKee Resident Summer Camp Scholarship afforded 23 young GRHC residents the opportunity to attend day or overnight camp at Camp Manitou-Lin; and

WHEREAS, the estimated annual Camp Scholarships to be awarded are:

- Ten overnight camp scholarships for residents who've completed 2<sup>nd</sup> – 8<sup>th</sup> grades at a cost discounted 20 percent. For 2023, the cost will be \$620 per camper (discounted from full cost of \$775); approximate total Scholarship program funds committed: \$6,200.

Ten day camp scholarships for residents in grades K-12 (Special Needs Camp for grades 3-

12) at a cost discounted 20 percent. For 2023, the cost will be \$236 per camper (discounted from full cost of \$295); approximate total Scholarship program funds committed: \$2,360.

- Approximate total Jean McKee Resident Summer Camp Scholarship program funds committed annually: \$9,000 - \$12,000.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE GRAND RAPIDS HOUSING COMMISSION, that the proposed revision to the Jean McKee Resident Scholarship program is approved and the Executive Director is authorized to offer the Jean McKee Resident Summer Camp Scholarship opportunities annually, assuming the availability of funds:

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

Ayes: Alexander, Bernier, Steimle-App, Zylstra

Nays: None

Recusals: Miles

The President declared the motion carried.

4. The President presented the Commission with a copy of the resolution approving Memorandum of Agreement with Brinshore and Amplify.

22-70 The following resolution was introduced and considered:

### **MEMORANDUM OF AGREEMENT**

#### **ADAMS PARK AND ADDITIONAL DEVELOPMENTS**

(Grand Rapids Housing Commission)

This **MEMORANDUM OF AGREEMENT** (the “MOA”) is entered into as of January \_\_, 2023 (the “Effective Date”) by and among the Grand Rapids Housing Commission, a public

body and a body corporate under Michigan law (“GRHC”) and Brinshore Development, L.L.C., an Illinois limited liability company (“Brinshore”) and Amplify GR, a Michigan not-for profit company (“AGR” along with Brinshore, the “Developer,” along with the GRHC, collectively the “Parties”). The term GRHC, as used herein, may also include an affiliate or instrumentality of GRHC.

### RECITALS

**WHEREAS**, GRHC issued a Request for Qualifications for Co-Developer on October 5, 2022 (the “RFQ”);

**WHEREAS**, through the RFQ, GRHC invited development teams to submit proposals to serve as the co-developer, along with GRHC, to reposition, redevelop, and/or renovate the Adams Park public housing community located 1440 Fuller, Hope Community located at 1024 Ionia, and additional developments in the GRHC portfolio (the “Project”) more particularly described in **Exhibit A** (the “Property”);

**WHEREAS**, Developer formally responded to the RFQ on November 4, 2022;

**WHEREAS**, the GRHC Board of Commissioners authorized the Executive Director of the GRHC to negotiate the terms and conditions of this MOA; and

**WHEREAS**, the Parties wish to enter into this MOA to set business terms, expectations and plan next steps by and between the Parties.

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Purpose of MOA. The Parties agree that this MOA, except as specifically set forth herein, is intended to set the proposed business terms between the Parties.

2. Master Planning and Predevelopment Expenses. The Parties acknowledge that the Developer has been formally procured by GRHC and that the Developer's first major responsibility will be to actively participate in a master planning process for Adams Park with GRHC, including any additional developments likely to be repositioned or redeveloped by GRHC and/or Developer during the term of this MOA (the "Master Planning").

A. The Master Planning process shall include, without limitation, environmental, architectural and engineering reviews, geotechnical testing, land entitlement assessments and other due diligence reasonably sufficient to determine the condition of the Property for each phase of the Project, site planning, phasing plan, relocation plan, demolition plan, Project budgeting (the "Project Budgeting"), Project scheduling, regular meetings with GRHC and other key stakeholders, and community engagement.

B. The above-referenced community engagement phase of the Master Planning process shall include, at a minimum, intensive listening processes designed to critically engage current residents in the Master Planning process to create opportunities for components of the Master Plan to reflect community-directed redevelopment.

C. The result of the Master Planning process should be a site plan approved by the Parties, together with an approved Development Program and Project Budget broken down by phases, each phase of the Project being referred to hereafter as a "Phase" or "Project Phase", which form the basis for drafting the Master Development Agreement.

D. Each Party shall be obligated to participate in the Master Planning process in good faith.

E. The funding of predevelopment expenses will be solely the responsibility of the Developer. The Parties agree to an obligation of the Owner Entities to reimburse the Developer

for their Project Phase specific predevelopment costs, plus simple interest at 5% calculated on a monthly basis upon the financial closing of each Project Phase. Predevelopment expense shall include only third party expenses specifically related to costs associated with moving a Project Phase to closing, including but not limited to: architecture, engineering, surveying, environmental due diligence, zoning, application fees, building permit fees, and other municipal fees. Brinshore will prepare a predevelopment budget for each Project Phase to be approved by the GRHC.

3. Roles and Responsibilities. The Parties intend that the roles and responsibilities among the Parties for each phase of the Project, as follows:

A. The Developer.

The Developer shall be responsible for the following (i through xxiii):

- (i) Work with GRHC as a partner in the development process of the Project;
- (ii) Work closely with community stakeholders in connection with the Project;
- (iii) Prepare a Project Budget, including sources and uses for the Project and each Project Phase, updating as necessary throughout the term of this MOA, subject to GRHC's written approval;
- (iv) Develop and implement a Project Schedule, subject to GRHC's written approval;
- (v) Develop a viable financing plan; prepare necessary financing applications for the development of each Phase of the Project, and secure all necessary financing, subject to GRHC written approval;
- (vi) Apply for and obtain allocations from the Michigan State Housing Development Authority ("MSHDA") of low-income housing tax credits ("LIHTCs") for



each Owner Entity of a Project Phase in accordance with the requirements of Internal Revenue Code §42;

(vii) Provide guaranties as described in Paragraph 7;

(viii) Provide a minority/women-owned business enterprise (“M/WBE”) utilization plan containing, at a minimum, a detailed description of the services that the Parties seek to be provided by each M/WBE;

(ix) Provide monthly reports to GRHC on the progress of the development efforts, including work completed, associated costs, schedule and budgetary requirements;

(x) Complete any environmental and geotechnical testing required following the Master Planning process, where needed, and promptly share copies of any reports with GRHC;

(xi) Procure a general contractor (who may be BCM, LLC, Brinshore’s GC affiliate, if beneficial to the Project), architect, engineering and all other required consultants and third-party contractors, subject to GRHC prior written approval;

(xii) Lead all efforts related to obtaining all required governmental approvals and permitting related to the Project, except that GRHC shall lead (a) all zoning efforts while working collaboratively with the Developer and (b) GRHC shall lead all efforts seeking any required development agreement, as authorized by Michigan law, between the City of Grand Rapids or Kent County and an Owner Entity in connection with the Project or a Project Phase;

(xiii) Oversee design, construction and quality control, and submit construction plans and specifications, as well as the general contractors pricing for same, (with the assistance of BCM, LLC who will be entitled to a Reasonable Fee for Construction

Management defined below, if it is not selected as the General Contractor of a Phase) to GRHC for written approval at schematic design, 50% construction documents, and 100% construction documents;

(xiv) Negotiate long-term ground leases with GRHC for Phases of the Project to include terms and conditions reasonably satisfactory to lenders and investors to each Owner Entity of a Phase (the “Ground Leases”);

(xv) Establish single-purpose limited liability companies to lease portions of the Property, in which the managing member shall be entities controlled by Developer and GRHC (the “Managing Member”), and an Investor Member (as defined below) (the “Ownership Entity”);

(xvi) Obtain and analyze a third-party market study establishing sufficient market demand for the Project;

(xvii) Obtain or cause Owner Entity’s lender to obtain an “as-is” appraisal of the Project;

(xviii) Develop a 20-year financial pro forma for the Project reflecting the reasonably anticipated cash distributions to be recognized by the Owner Entity;

(xix) Negotiate either a cost-plus fee with a guaranteed maximum price construction contract or a stipulated sum contract, with the approval of GRHC, whose approval shall not be unreasonably withheld, conditioned or delayed;

(xx) Satisfy any applicable insurance requirements for the Project;

(xxi) Negotiate and close all Project financing, subject to GRHC’s written approval;

(xxii) Negotiate and close equity contributions to the ownership entity, subject to GRHC's written approval; and

(xxiii) Develop the Project in full compliance with all applicable federal, state and/or local legal requirements.

GRHC acknowledges that the timeliness of GRHC's response to submittals for financing, design, construction and other material decision points will be crucial to the Developer's ability to meet the performance milestones in this MOA. Developer acknowledges that GRHC has a material interest in receiving, within a commercially reasonable time, any submittal for which its review and approval are required hereunder. Developer shall provide GRHC with a written request for review and approval of each submittal described in this section or elsewhere in this MOA, as applicable, including supporting documents, materials and information reasonably necessary for GRHC to consider said submittals ("Request Notice"). GRHC shall have ten (10) business days after delivery by Developer of each Request Notice to provide its review, approval or denial to Developer, if GRHC Board approval is not required. If GRHC fails to respond to a Request Notice within ten (10) business days of delivery by Developer not requiring GRHC Board approval, GRHC shall be deemed to have approved said submittal effective on the eleventh (11th) business day. If GRHC Board approval is required, the issue shall be placed on the next regularly scheduled business agenda for the GRHC Board for decision. If not the issue is not put on the agenda, or if the issue is not decided upon by the GRHC Board at that meeting, it shall be deemed approved five days after that meeting.

**B. GRHC**

GRHC shall be responsible for the following (i through xiii):

(i) Ensure, by no later than the closing date for each Phase, the Owner Entity receives marketable leasehold title to a portion of the Property upon terms and conditions of a negotiated Ground Lease in exchange for a capitalized lease payment for the residual value of the leasehold interest as determined by an appraisal based upon a ground lease of a portion of the Property with a term of 99 years for the applicable Phase of the Project or such other amount as the Parties agree. GRHC will not enter into the Ground Lease until closing on the financing of the Project.

(ii) Obtain approvals for the Project or Phases thereof under HUD's Rental Assistance Demonstration Program ("RAD Program") or other subsidy or repositioning programs of HUD or other subsidy providers mutually agreed upon by the Parties;

(iii) As required by the Master Plan, the demolition of any existing buildings and all other physical improvements and infrastructure on the Property and any acquired sites necessary to facilitate the development of the Project (the "Demolition"). The GRHC shall be responsible for obtaining all necessary approvals, permits or other documentation necessary to complete the Demolition. GRHC shall be responsible for paying the costs of obtaining all necessary approvals, permits and other documentation necessary to complete the Demolition and for the Demolition itself.

(iv) Work closely with community stakeholders in the Project, including Developer representatives, state and local entities;

(v) Work with Developer as a partner in the development process;

(vi) Assist Developer and its consultants to develop a viable financing plan, and assist in the preparation of necessary financing applications and securing all necessary financing;

- (vii) Provide guaranties as described in Paragraph 7;
- (viii) During the construction phase of each Phase of the Project, assist Developer in providing training and employment opportunities to local individuals in accordance with Section 3 requirements;
- (ix) Payment of all fees and expenses related to the Demolition;
- (x) Assist Developer in ensuring compliance throughout the development process with the M/WBE utilization plan and GRHC and City of Grand Rapids M/WBE policies;
- (xi) Collaborate with Developer to facilitate resident and community engagement through Project lease-up and take the lead on resident communication with any existing Project residents;
- (xii) Work with the development team to obtain all required regulatory approvals and permits related to this development;
- (xiii) Assist in the establishment of each Owner Entity;
- (xiv) Assist in obtaining local letters for LIHTC applications;
- (xv) Actively participate in construction management;
- (xvi) Subject to the requirements of the Master Plan, maintain in a reasonable manner and in good condition, those portions of the Property not conveyed to an Owner Entity.

Each of the Parties acknowledges that staffing discrepancies and other factors may require that the parties perform services on a more active basis than the other party.

4. Term of MOA. Unless otherwise terminated as provided herein, the term of this MOA shall begin on the Effective Date and end when superseded by the closing of construction financing for each Phase of development for that Phase.

5. Ownership Interests. The parties agree that ownership interests in each of the Owner Entities shall be determined based upon the value of the Property interests contributed to each Owner Entity by GRHC, financial contributions and other considerations as negotiated and documented in a definitive operating agreement for each Owner Entity; provided however, that for Owner Entities financed with LIHTCs, it is the expectation that 99.99% of the ownership interests will be held by the investor member of the LIHTC equity investor (“Investor Member”) in exchange for its capital contributions, and that the remaining 0.01% of the ownership interests will be shared by Developer and GRHC, acting collectively as the Managing Member of each Ownership Entity. Developer’s or its affiliate’s ownership interest in each Managing Member is expected to be .70% (controlling) and GRHC’s or its affiliate’s ownership interest in each Managing Member is expected to be .30%. However, in the event the Parties agree to seek a real property tax exemption and PILOT for any Phase of the Project, the Parties shall agree to restructure their respective ownership interests of the Managing Member, and the roles and responsibilities of the Managing Member of an Owner Entity, in order to achieve the property tax exemption and PILOT. Michigan Law currently requires that the Housing Commission own 100% of the Managing Member to achieve real estate tax exemption and automatic PILOT. Note that Brinshore will require operational control of the Owner Entity for all issues which may impact its Guarantees under the Operating Agreement or loan documents for a Phase. This operational control may be accomplished through a Special Member, or other form of ownership acceptable

to all Parties. The selection of any and all Investor Members shall be subject to GRHC written approval.

6. Development Fees. The total development fee to be earned by Developer and GRHC for development services afforded to each Owner Entity will be as set forth in separate development agreements, which shall provide, among other things: (i) the Developer shall receive seventy percent (70%) and GRHC shall receive thirty percent (30%) of the development fee for all transactions on land owned by the GRHC, and that said development fees shall be paid to the Parties *pari passu*.

7. Guaranties. The Parties agree that Brinshore Development, LLC and GRHC be jointly and severally liable for all financial guaranties, including the construction completion guaranty, construction loan guaranty, tax credit adjusters, operating deficit guaranty, environmental and loan funding guarantees so long as Developer has a legal interest in the Ownership Entity. The Parties acknowledge that the GRHC may achieve its guarantee obligation through establishing a "Guarantee Reserve Account" and having a nonprofit affiliate sign guarantees. The Parties shall enter into separate indemnity agreements wherein Brinshore agrees to limit GRHC's liability under the above-referenced guaranties to thirty percent (30%) of any out of pocket expense paid in connection with a guaranty obligation, and GRHC agrees to limit Brinshore's liability under the above-referenced guaranties to seventy percent (70%). Developer Fee shall be at risk to be used as a source to pay construction cost overruns or any payments under the Construction Completion Guaranty. GRHC shall provide 100% of the tax credit guaranties related to operations and compliance so long as GRHC is property manager, and shall indemnify Brinshore until it is released from Operating Deficit and Tax Credit Compliance Guaranties by the Investor and Lender. For avoidance of doubt, GRHC's obligation to indemnify Brinshore as required by the

preceding sentence arises only from operating deficits and tax credit compliance issues and shall not arise from tax credit adjusters related to eligible or qualified basis in LIHTCs or the construction of a Project Phase. The Parties intend that the Developer exit each Owner Entity at the earliest opportunity with the consent of the Investor Member, lenders, and MSHDA, and provided that upon exit, GRHC will assume all Brinshore guaranty liabilities going forward.

8. Overhead Expenses. The Parties agree that each party shall be responsible for its own corporate overhead during the term of this MOA, including its own legal fees related to the negotiation of this MOA (the "Overhead Expenses").

9. Cash Flow. As long as Developer has an interest in an Owner Entity and/or is liable for guarantees for a Phase of the Project, Developer shall receive seventy percent (70%) of the cash flow payable to the Managing Member for the applicable Phase and GRHC shall receive thirty percent (30%), subject to Investor Member's approval as documented in the operating agreement for the applicable Owner Entity. GRHC shall receive 100% of the cash flow payable to the Managing Member for such Phases after Developer no longer has an interest in the applicable Owner Entity.

10. Right of First Refusal/Purchase Option. GRHC shall have both a right of first refusal and purchase option to acquire the applicable leasehold interest in the Project and a purchase option to acquire the membership interests of the Investor Member and Developer for each Owner Entity, following the compliance period for Owner Entities financed with LIHTCs.

11. Property Management/Asset Management. The Parties agree that GRHC shall have the right to be the initial property manager of each Phase of development, subject to the approval of Project investor(s) and lender(s) and satisfaction of the Developer that GRHC has the capacity to professionally manage that Phase, including competency in Section 42 compliance. If GRHC is



not the property manager, then GRHC will have approval rights over the selection of the property manager and termination rights for cause. As long as the Brinshore has guarantees for Operating Deficits and Tax Credit Compliance outstanding, it will retain the right to terminate the property management agreement for cause, and shall earn an asset management fee of \$5000 increasing 3% annually.

12. Resident Relocation. GRHC shall be solely responsible for any resident relocation related to the Project or other acquired sites required or permitted in connection with the Project. GRHC shall also be responsible for the development of a comprehensive resident relocation plan related to the Project, which shall be developed with input from Developer. Where the relocation is a budgeted expense of the Project, the Owner Entity shall reimburse GRHC for any direct expenses associated with the resident relocation for the Project.

13. General Contractor/Construction Manager. Brinshore will be responsible for procuring a General Contractor for all Phases of development. GRHC acknowledges that Brinshore's affiliate General Contracting arm, BCM, LLC may be the General Contractor for any or all Phases, if beneficial to the Project. If BCM, LLC is not selected as the General Contractor and acts as the Construction Manager of a Phase of development, it shall be entitled to a "Reasonable Fee for Construction Management" not to exceed 1% for first \$5MM in construction costs; .75% for the next \$10MM in construction costs; .5% for construction costs above \$15MM per Phase of development.

14. Termination. In the event GRHC wishes to terminate its working relationship in connection with the Project before the end of the Term, exercising a right to Termination for Convenience, and not Cause, as evidenced by written notice provided by GRHC to the Developer (the "Notice of Termination for Convenience"), GRHC shall reimburse Developer all reasonable

and proper documented expenses paid or incurred by Developer, pursuant to the approved Predevelopment Budget expenses, excluding Overhead Expenses. If GRHC is the Party giving the Notice of Termination, GRHC shall pay Developer a Termination for Convenience Fee (the "Termination for Convenience Fee") of \$100,000. The Termination Fee shall be paid by GRHC no later than sixty (60) days of receipt by GRHC of a written document from Developer itemizing all reasonable and proper expenses paid or incurred by Developer, excluding Overhead Expenses, in connection with Predevelopment expenses associated with Projects. The Parties intend for the provisions of this Paragraph 14 to be binding and legally enforceable. Once a particular Project Phase financing is closed, the GRHC may not terminate the Developer as to that Phase.

15. Exit Fee. If GRHC exercises its Right of First Refusal or Purchase Option, either at the end of the compliance period of a Phase, or before or after the end of the compliance period, Brinshore shall be entitled to an Exit Fee of \$10,000 per year, or part thereof, that it has remained in the ownership of the Phase, as an Exit Fee.

16. Compliance with Applicable Legal Requirements. The Parties agree to comply with all applicable Federal, state or local legal requirements in connection with the development of the Project, including, without limitation, those concerning wage requirements, equal employment opportunities, minority and women's business utilization, small and disadvantaged business utilization, and local jobs preferences, in accordance with applicable law.

17. Notices. All notices, requests, demands, approvals, or other communications given hereunder or in connection with this MOA shall be in writing and shall be deemed given when dispatched by (1) certified mail, return receipt requested; (2) express delivery service with a delivery receipt; or (3) personal delivery, addressed as follows (provided, that any time period for

responding to any such communication shall not begin to run until such communication is actually received or delivery is refused):

If to GRHC:           Grand Rapids Housing Commission  
                                  1420 Fuller Ave SE  
                                  Grand Rapids, MI 49507

Attention: Executive Director

With copies which shall not constitute notice, to:

If to Developer:       Brinshore Development, L.L.C.  
  
1603 Orrington, Suite 450  
  
Evanston, Illinois 60201

Attn: Richard Sciortino

If to Developer:       Amplify GR  
  
1480 Kalamazoo Ave SE  
  
Grand Rapids, MI 49507

Attn: Jon Ippel

18.     Assignment of MOA. Unless otherwise provided in this Paragraph, no assignment of the rights or benefits and no delegation of the duties provided in this MOA may be made without the written consent of the non-assigning or non-delegating party, whose consent shall not be unreasonably withheld; provided, however, the Parties may subcontract certain of the services to be performed by and under this MOA, but such subcontract shall not be construed to constitute a novation of this MOA and any subcontracting party shall still retain responsibility for its performance under this MOA. Developer acknowledges and agrees that GRHC may transfer its rights and duties under this MOA to a subsidiary or related entity of GRHC provided that such

entity complies with all the provisions and limitations thereof. GRHC acknowledges and agrees that Developer may transfer certain of its rights and duties under this MOA to a subsidiary or related entity of Developer provided that such entity complies with all the provisions and limitations thereof.

19. Acknowledgment of Other Obligations. Each of the Parties recognizes that it may incur obligations under other agreements to provide services to the Project and/or the Owner Entity. Each of them shall devote such time and effort as is necessary to carry out its responsibilities under this MOA but shall not be required to devote its full time, attention or energies to the performance of such duties.

20. Saving Clause. If one or more provisions of this MOA or any application of any provision shall be deemed or declared to be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions of this MOA shall in no way be affected or impaired. This MOA shall be governed by the laws of the State of Michigan.

21. Modification. This MOA shall not be changed, modified or amended except by a writing signed by the parties hereto.

22. No Third-Party Beneficiaries. There shall be no actual or intended third-party beneficiaries to this MOA.

23. Binding Nature. Except as specifically set forth herein, this MOA shall be non-binding on the Parties.

24. Due Diligence Product. In the event that the Parties agree that the Project as contemplated by this MOA will not be able to close, Developer shall assign all due diligence product procured by Developer upon full reimbursement to Developer for the costs of such due diligence by GRHC,

which reimbursement shall be paid within ninety (90) days after the written request for such reimbursement by Developer to GRHC.

25. Waiver. No failure on the part of any party to exercise, and no delay in exercising, any right, and no failure on the part of any party to insist upon strict performance of any term or provision hereof shall operate as a waiver of any of such parties' rights hereunder, nor shall any single or partial exercise by any party of any right preclude any other or future exercise thereof or the exercise of any other right. No waiver by any party of any condition or event of default shall constitute a waiver of any subsequent condition or event of default.

26. Counterparts. This MOA may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which shall be deemed to constitute one and the same agreement.

27. Governing Law. This MOA, to the extent binding, shall be governed by and construed in accordance with the laws of the State of Michigan except to the extent the adjudication of the claim is preempted by federal law. In the event of litigation, the parties agree that venue for the prosecution of any state court proceeding shall be Kent County, Michigan, and any federal court proceeding shall be the Western District of Michigan.

[SEPARATE SIGNATURE PAGE FOLLOWS]

(Signature Page –Memorandum of Agreement)

The parties hereto have executed this MOA as of the date first set forth in the beginning hereof.

GRHC:

GRAND RAPIDS HOUSING COMMISSION, a Michigan public body and body corporate

By: \_\_\_\_\_

Name: Lindsey Reames

Title: Executive Director

DEVELOPER:

BRINSHORE DEVELOPMENT, L.L.C., an Illinois limited liability company

By: RJS Real Estate Services, Inc., its Member

By: \_\_\_\_\_

Name: Richard Sciortino

Title: President

AMPLIFY GR, a Michigan not-for-profit company

By: \_\_\_\_\_

Name: Jon Ippel

Title: Executive Director

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

The President recused herself from the vote. The Vice President called for the vote.

Ayes: Alexander, Bernier, Zylstra

Nays: Miles

Recusals: Steimle-App

The President declared the motion carried.

5. The President presented the Commission with a copy of the resolution approving procurement of self-service kiosks.

22-71 The following resolution was introduced and considered:

**Resolution for Procurement of Self-Service Kiosks**

**WHEREAS**, the Grand Rapids Housing Commission staff have identified the need for Self-Service Kiosks to provide our applicants and participants with better access and streamlining to submit applications for housing, lookup required information, and provide necessary paperwork utilizing a secure all in one kiosk that scans, copies, allows for computer access to the internet and signature pad capabilities; and

**WHEREAS**, the kiosks will streamline the processes for both our staff and the individuals needing support from GRHC leading to cost savings; and

**WHEREAS**, three (3) quotes were received for the procurement of this equipment with the lowest bidder selected as the awardee; and

**WHEREAS**, GRHC desires approval to proceed with the procurement of two (2) DynaTouch self-service kiosks to be placed at Campau Commons and the main office;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE GRAND RAPIDS HOUSING COMMISSION** that the Executive Director is authorized to complete the purchase of two (2) Dyna Touch kiosks with a not to exceed amount of \$90,000.

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

Ayes: Alexander, Bernier, Miles, Steimle-App, Zylstra

Nays: None

The President declared the motion carried.

6. The President presented the Commission with a copy of the resolution approving submission of RFP to the Affordable Housing Fund for Hope Community.

22-72 The following resolution was introduced and considered:

## **Resolution to Authorize Submission of Affordable Housing Fund**

### **Submission under a Request for Proposal**

**WHEREAS**, on February 1, 2022, the City of Grand Rapids Affordable Housing Fund Board issued a Request for Proposals seeking organizations with the capacity to successfully implement projects that improve housing opportunities for residents in the City of Grand Rapids; and

**WHEREAS**, the City of Grand Rapids Affordable Housing Fund Board has been charged with making a recommendation to the City Commission for the allocation of up to \$5 million in American Rescue Plan Act funding; and

**WHEREAS**, the Fund Board seeks projects that will accomplish at least one of the following objectives:

- Housing programs and investments designed to serve households earning at or below 80% AMI in qualifying census tracts, with priority given to households earning at or below 65% AMI.
- Creation of new homes and apartments for households earning at or below 80% AMI in qualifying census tracts with priority given to households earning at or below 65% AMI.
- Enhanced opportunities for wealth creation among new and existing homeowners and emerging or first-time developers.
- Progress toward county-wide goals to address homelessness.

**WHEREAS**, the Grand Rapids Housing Commission (GRHC) operates and maintains the Hope Community Rapid Re-Housing program for homeless families. Hope Community receives funding through the Continuum of Care (CoC) for intensive case management services for homeless families to eliminate the barriers to seeking affordable housing; and



**WHEREAS**, Hope Community does not receive adequate federal funds to maintain the operations and rehabilitate a 30-year-old building. Hope Community fulfills a tremendous need in the community but is in jeopardy of being able to provide decent, safe, and affordable housing if financial resources for rehabilitation are not available in the near future.

**WHEREAS**, the Request for Proposal had a submission deadline of February 17, 2023, prior to the March board meeting, GRHC did not want to miss the opportunity so submitted the application and is now requesting the Board's consent and authorization to accept funding if awarded under this Request for Proposal.

**WHEREAS**, the proposal requested funding for projected "gap" (\$1,013,894) for the rehabilitation of all 24 units at Hope Community taking into account a total cost of \$2,419,590 and assuming an award of the requested \$1.2 million from the City under their Request for Proposal;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE GRAND RAPIDS HOUSING COMMISSION** that the Board acknowledges the submission of an application under the City of Grand Rapids Affordable Housing Fund Board Request for Proposals with no concerns and authorizes the Executive Director to accept funding if awarded by the City Commission.

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

Ayes: Alexander, Bernier, Steimle-App, Zylstra

Nays: Miles

The President declared the motion carried.

7. The President presented the Commission with a copy of the resolution approving authorization of contract with My Choice Energy.

22-73 The following resolution was introduced and considered:

**Resolution to Authorize Contract with My Choice Energy**

**WHEREAS**, the Grand Rapids Housing Commission (GRHC) currently obtains natural gas service from DTE at all owned and/or operated properties and;

**WHEREAS**, GRHC desires to obtain, and lock in, the lowest available rate for natural gas and thereby keep each property's operating budget within the values anticipated for the April 1, 2023– March 31, 2024 operating period and;

**WHEREAS**, GRHC locked in a rate for the previous period of April 1, 2022 – March 31, 2023 at \$0.415 which proved beneficial as the average rate for April 2022 – January 2023 was \$0.450 with the heating months (October – January) averaging \$0.504. Staff continue to analyze data to determine savings by property and;

**WHEREAS**, Ward Energy LLC, a representative of My Choice Energy which is a direct supplier of natural gas to both Commercial and Residential customers in the states of Michigan and Ohio, has presented a proposal to supply natural gas to properties owned and/or operated by the GRHC at the rate of \$0.499 per ccf for the period of one (1) year beginning April 1, 2023, which said rate is subject to change until execution of an agreement; and

**WHEREAS**, research indicates that gas prices will continue to increase, especially during the heating months and DTE has indicated they will replenish reserves which typically leads to an increase.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE GRAND RAPIDS HOUSING COMMISSION** that based on a completed analysis of heating costs and lock in savings for each property, the Executive Director is authorized to execute a contract with My Choice Energy to supply natural gas for those properties where it has been determined advantageous, at the rate of \$0.499 per ccf for the period of one (1) year beginning April 1, 2023 and ending March 31, 2024, and acknowledges that said rate is subject to change until the date an agreement is executed.

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

Ayes: Alexander, Bernier, Miles, Steimle-App, Zylstra

Nays: None

The President declared the motion carried.

### **DIRECTOR'S REPORT**

1. The Executive Director presented the Board with a copy of the Vacancy and Voucher dashboard reports for January 2023.
2. The Executive Director presented the Board with a copy of the Personnel Report for January 2023.
3. The Executive Director informed the Board about some of the history behind HUD's Moving To Work program which allows for funding flexibility. The Housing Commission is working on the specifics for being involved with the "Asset Saving" cohort of this program.

4. The Executive Director reviewed the training and travel schedule. Commissioners were encouraged to consider attending the MI NAHRO conference in Grand Rapids in April and to consider the PHADA conference in Denver in May once the agenda is available.

5. The Executive Director informed the Board that the Jean McKee Scholarship is open for applications now.

6. The Executive Director informed the Board that the Board meeting in March will include the Annual Plan, Admin Plan, and ACOP. The Public Hearing to discuss those will be on Monday, March 13.

The President declared the meeting adjourned at 7:06 pm.

Lindsey S. Reames

Executive Director