

7. Resolution authorizing payment to the Grand Rapids Community Foundation in the amount of \$166,311.66 for the City of Grand Rapids Affordable Housing Fund



Item Number: 7

CITY OF GRAND RAPIDS AGENDA ACTION REQUEST

DATE: March 25, 2025

TO: Mark Washington, City Manager

COMMITTEE: Fiscal Committee

LIAISON: Scott Saindon, Acting Chief Financial Officer

FROM: Molly Clarin, Chief Financial Officer
Fiscal Services

SUBJECT: **Resolution authorizing payment to the Grand Rapids Community Foundation in the amount of \$166,311.66 for the City of Grand Rapids Affordable Housing Fund**

The City has an ordinance (Article 5, Chapter 9 of the City Code) that allows the City Commission to grant property tax exemptions. Housing projects approved for such an exemption shall make a payment in lieu of taxes (PILOT) for the rent restricted units by paying one of the following:

1. A service charge in an amount equal to 4% of annual shelter rent, or
2. A service charge in an amount equal to 1% of annual shelter rent in addition to making an annual contribution into the Grand Rapids Affordable Housing Fund in an amount equal to 2% of annual shelter rent.

Since December 2021, the City made \$1,185,497.27 transfers to the Affordable Housing Fund. At this time, the City has accumulated \$166,311.66 of 2% Voluntary Pilot Payments that are now eligible to be transferred into the Grand Rapids Affordable Housing Fund.

Upon approval of this resolution, a budget amendment will be presented at a future date to appropriate the funds from fund balance for the payment.

Thank you for your consideration of this request.

Your FISCAL COMMITTEE recommends the adoption of the following resolution authorizing payment to the Grand Rapids Community Foundation in the amount of \$166,311.66 for the City of Grand Rapids Affordable Housing Fund.

WHEREAS:

1. City Commission adopted City Commission Policy 900-02 establishing the City of Grand Rapids Affordable Housing Fund, as amended; and
2. City Commission approved execution of an agreement with the Grand Rapids Community Foundation for provision of fiduciary services for the Affordable Housing Fund; therefore

RESOLVED that the City Comptroller is hereby authorized to make payment to the Grand Rapids Community Foundation in the amount of \$166,311.66 for deposit into the City of Grand Rapids Affordable Housing from account 1010-694-1010-8010.

CORRECT IN FORM

DEPARTMENT OF LAW



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