



## [The Bright Side Episode 15: MHCDF](#)

Produced by  
CEDAM

Underwritten by  
MIplace.org

**Senator Mark Jansen (R - Grand Rapids)** If we're going to be the comeback state, we have to figure out how to help these communities get back on their feet, and I think doing something with the Community and Housing Development Fund is key for us to be a comeback state.

**Jacqueline Bejma** Without funding from the Michigan and Housing Community Development Fund, there's no way that LAND would have purchased the building.

**Margaret Kato** The funding helped us to get additional funding from local funders.

**Senator Jansen** We're looking at about 11 or 12 dollars added from the private entities on top of the dollar we invest. That's pretty powerful, when you start saying, "If I get a dollar I can make it twelve times more." Because we have fewer resources than we've ever had, that is a great way to do business for us as a state and will prove to legislators in the future this is well worth it.

---Michigan and Housing Community Development Fund---

**Senator Jansen** The housing fund, I actually started it back when I was a House member during the Engler era, and I was able to get... I can't remember, it was a few million dollars basically, back then. And that was the first time we had ever gotten any kind of housing fund dollars.

The goal was improve housing in the state of Michigan, but do it as a team. It's intended to really help clean up a community. That entices more people to stay there. So it could be anything from park improvements, it could be housing improvements, fronts to downtown development. This sparks change in ways that may never happen.

The Michigan Housing and Community Development Fund has had a hard time getting dollars, and when I heard about the mortgage settlement I had heard there was going to be about \$100 million. I went straight to the Governor's office and I said, "We're looking at \$100 million from mortgage settlement. This really is because families with mortgages had been hurt in a process. I don't know how it happened. I don't know all of the details," but my argument was that this fund could help those exact families. That's what they've been doing for years – that's what many of our nonprofit housing groups have done.

I went to the mortgage settlement negotiators and I said, "I want 10% of it for the housing fund." They started at \$10 million [laughs] and we got ... ended up about \$3.3 million, \$3.4 million.

So go get 'em, all the nonprofits out there, the CEDAM members and all of the other folks out there, and you just show people that money has become twelve times what we gave.

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Grand Traverse Neighborhood, Flint  
Habitat for Humanity of Genesee County

**Margaret Kato** We did receive money from the fund, and it launched off our neighborhood revitalization initiative work in the Grand Traverse neighborhood in downtown Flint.

**Juan Zuniga** We are in downtown Grand Traverse district neighborhood in front of 1209 Stockton, which is one of four City of Promise homes we built in 2010. Our homeowner Tish Berry was in school when she became a Habitat homeowner and has now since graduated, is a nurse practitioner, and one of our Habitat board members. And a great part of this community and making things happen.

I'm standing in front of Dan's home. Dan's a veteran, and went through our Habitat partner family program and received his home. And after obtaining his home, he

was able to purchase the lot next door to him from the land bank. Now he takes care of that, as well as a lot of other yards in the neighborhood.

This home was built in 2010, same with the other ones, yes. There were four of them that were target homes in 2010. Nice big two-story home. Home to Nicole and her two daughters.

The majority of these had old, abandoned houses. Some when Habitat first took over, there was drug houses in the area. But that has since gone on the wayside.

**Margaret Kato** The funding helped us to get additional funding from local funders, so the CS Mott Foundation, the Ruth Mott Foundation, the Community Foundation of Greater Flint, A.G. Bishop Trust, the Katherine B. Minor Trust. Many of these came on board by having that initial investment from the fund.

We've continued the project in the neighborhood and so right now we have completed 30 projects.

**Juan Zuniga** It's the idea of recreating a community as a whole, and a neighborhood as a whole, not just one home. But in this neighborhood we've touched 30 families, and that's just Habitat homeowners. Not to mention the other families that can enjoy a better way of living because of a Habitat homeowner being in the neighborhood.

**Margaret Kato** And then we also have just started a pilot program for Habitat International, which is work/live spaces in the neighborhood as well.

---Genesee County Habitat for Humanity is the first Habitat affiliate in the nation to do a work/live space.---

**Juan Zuniga** So that's reusing old commercial buildings and repurposing them for Habitat homeowners that are looking for that little... not that hand-out, but that hand-up into creating their own business and a place to live.

Our homeowners will have a gaming business on the first floor and they'll be living up above on the second floor. Our partner family is... they currently work in the same business, and so they've already got a great business plan. We're actually partnering with the Entrepreneur Society of the University of Michigan of Flint, who is handling the whole business aspect part of it for us. So Habitat just still stays focused on the home building.

And then with collaboration with a couple other organizations, it's going to be a great project. We're excited.

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Habitat for Humanity of Genesee County

The Gateway  
Home Renewal Systems

**Ryan Ergang** C'mon in to the Gateway!

Two years ago. We moved out of here in June of 2012.

**Jim Hieftje** When we moved out, we knew that we were looking for some kind of legacy for the building. We didn't like the option to consider just knocking it down because this is a small community. Many of our citizens went to school here, their kids went to school here. So there's a lot of tradition and a lot of love for this architecture. We also knew the building was fairly solid still.

**Shannon Morgan** So ultimately, we were told by an associate that the Fremont community was looking for a developer to repurpose their historic high school.

**Ryan Ergang** We can pop in a typical classroom. A lot of the classrooms still have the original chalkboards from 1926. Original bookshelves. Door casings, some of the doors are still original too.

These are the original windows to the courtyard and those will be left. The courtyard will be replaced as it was from the original construction in 1926. So this will be opened up. Completely opened up.

**Jim Hieftje** This will be senior citizen housing, 38 units.

**Shannon Morgan** 32 of those will be LIHTC units, so they will be assisted units for seniors. And we also are using the Michigan Housing and Community Development Fund in this project.

**Mayor Rynberg** It not only provides a place for people to live, but it also generates economic activity for our downtown. When it's just a block away from the downtown, it is a wonderful economic driver for us.

**Lon Vredeveld** So the high school becomes very important because it's part of the entry to the downtown from the east and from the south. So we're very excited that this will be completed. Like the idea that it will be renovated instead of demolished.

**Karen Baird** Most everything you need you're going to find right here in the downtown area. If not, it's just a few blocks away. Our library is right here. Our farmers market, which is very conveniently located downtown. We have our park in walking distance and our old school is being made into the Gateway, but also the

community rec area, which is available for different activities. But they have recreational classes.

Everything's happening, you know, and that makes you want to come downtown.

**Jim Hieftje** It's been a very, very supportive community. Again, knowing that this facility was going to be put to good use, and because there was a need for senior citizen housing.

**Shannon Morgan** We did multiple focus groups here with the residents and we talked to over three generations of Fremont folks that went to school here. We had unanimous support for a project and among the 25,000 units of housing that we've done, we've never seen so much support. Not only from the community, but the local officials, the county officials, the state officials, to do a project of this nature.

**Ryan Ergang** This was the original kindergarten classroom, because they had a fireplace. We tore it out because the hearth here – or mantel, I should say – was all four inch ceramic tile that were hand painted by the kindergarten class in 1928. Took the tiles out and they are now in the main entryway of the new high school.

**Mayor Rynberg** We've had a great number of people inquire about when the building is going to be ready. There are a number of people my age who are looking at downsizing and not wanting to care for their own homes anymore and want a place that's close to the downtown.

**Shannon Morgan** Well ultimately we feel that this is the poster child of placemaking. Having such strong community support. Having multiple levels of government organizations really moving this project forward. Looking at the Gateway, having this project be on Main and Main with all of the assets. The walkability, the transportation initiatives. It fits all of the molds that placemaking is supporting right now.

**Jim Hieftje** We came out of it thinking for our community, we took a facility that was no longer of primary use for its intended use and yet it was going to become a community asset. And for that we're very thankful.

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The Gateway  
gatewayfremont.com

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West Village Manor  
LAND, Inc.

**Nefertiti Harris** I've been coming to this space for 20 years. This used to be a hair salon, and I knew the owner pretty well. And I always loved the area for one thing. This area is beautiful. It's always been a close knit community. And I'd think to myself, "One day I would love to be in this area and have a business." And I really had no idea that it was going to manifest the way that it has.

**Jacqueline Bejma** We're standing in front of West Village Manor, which is a building that is part of LAND's portfolio. So this is a 19,000 square foot mixed use building. Sixteen apartments and four commercial spaces. We knew the previous owner, who was looking to sell it and actually offered it to us at a really reasonable price at the time. So we considered all of the options and because of the funding that was available through MSHDA, we were able to purchase it.

We knew it needed renovations. It actually needed more work than we expected.

**Brian Hurttienne** Three years ago West Village Manor was undergoing a façade improvement grant, which did all of the masonry, the new awnings and really the backside of the building, really cleaned it up, and the parking lot.

**Nefertiti Harris** Without the renovations I don't think we could be here, to be honest with you. There's no way we could be here without the renovations. It's just not possible. Like I said, the whole wall was stuccoed. It was some kind of office ceiling that dropped all the way down. There was some kind of water leakage coming out from the sink that was over here. So Jackie just drywalled the whole space and it just made... it just changed everything. It changed everything.

**Brian Hurttienne** The Villages has taken over the lease of the corner storefront, which used to be a party store. And we're now going to make it our offices to do further... either popups, business incubation, community events, just to do more activity and to market the area.

**Nefertiti Harris** There's a coffee shop going next door. There's a vegan restaurant that's already here. The Villages office is going to be on the corner. Craftwork... it's just an exciting time in this area.

One of my backstories has always been to create business that helps other people have income so they can have better lives. So I did that in the salon and now I have at least six, seven other young ladies in there that are working there and they've been able to buy houses, take care of their children. So that's the same thing I want to do here. So I have three other women that come in here and provide services for other clients.

**Jacqueline Bejma** Without funding from the Michigan Housing and Community Development Fund there's no way that LAND would have purchased the building because we're really small. So there's no way that we would have taken out a loan

necessarily to purchase the building. So without grant funding it wouldn't have happened.

**Nefertiti Harris** Everything that has been done has been needed. And there are other needs as well.

**Jacqueline Bejma** We did apply in 2012 for the second round of funding and we didn't receive it. The plan with that funding was to do renovations for half of the apartments. This is a building that was built in 1921. It has had virtually no improvements to any of the apartments since it was built, other than emergency repairs. So that would have enabled us to put higher quality housing on the market.

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LAND, Inc.  
Subsidiary of the Warren/Conner Development Coalition  
WarrenConner.org

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Willow Haven  
Venture, Inc.

**Allan Martin** We are in Linden, Michigan, the exciting metropolis that it is, with approximately 4,000 residents.

Venture is the housing subsidiary of the Oakland Livingston Human Service Agency, the community action agency in Oakland County. We do the housing portion of their work. Started out doing single family homes acquisition and rehab and new construction for first time homebuyers. And then in 2005 started in the multifamily business, and Gateway Manor, now known as Willow Haven, was our third project.

Thirty-two units funded originally with RD 515 mortgage in the mid 80's. And then we bought it in 2005/2006. It was not great. It was pretty bad, actually. There was high vacancy. The police were here way too often. They had drug issues and violence and vandalism issues.

**Deanna Frabotta** Oh there was a lot of things you could tell it hadn't been... nothing had been done for quite some time. Definitely. Carpeting needed to be taken care of, painting, regular maintenance wasn't up to where it should be.

**Diane Baker** They looked rather down and out. They just needed some sprucing up.

**Allan Martin** In 2008, got an allocation of Low Income Housing Tax Credits and funding from the Community Housing Development Fund and did a complete acquisition gut rehab.

**Deanna Frabotta** It's awesome. They just did such a good job. Everything, it's really new. It's in good condition. I don't.... how do I say this? I don't feel embarrassed having people come into my house.

**Georgia Berry** They did put in new carpets, new tile. The apartment that I was in was for disabled people. They completely changed the bathroom on that one. They did a lot of work. It's just a nice place. It's home. It's really like your home.

**Allan Martin** This was about a \$2 million project total, just the rehab and acquisition. So that's a big number for a town the size of Linden. Anything we can do to help raise the property values around us and make the city nicer and cleaner and no blight, that's a good thing.

**Paul Zelenak** We were one of the fastest growing communities between 2000 and 2010. We were in the top five within the state of Michigan. We had thousands of new residents moving in. And we're going to continue to see that now that the economy is starting to rebound.

Studies have shown now that individuals, when they're looking to relocate to communities, they want to locate close or within a downtown. And now being able to be within walking distance of businesses and restaurants and other activities that are taking place is very desirable to have.

**Diane Baker** I can get to anything around here. I go downtown shopping. There's Cartel of Linden, which is just up the street here. My mother was in there for a month after her recovery from her heart failure and I walked up there every day.

**Deana Frabotta** Everything is in walking distance and it's perfect. I work right up the street too, so I walk to work too.

**Allan Martin** We have enough property on site to do another 20 units, new construction. Be two and three bedrooms. The original units are all one and two bedrooms. Linden doesn't have any three bedroom rentals in it right now and so I think twelve of our twenty are three bedrooms for the families, and there's a huge demand if we're lucky enough to get an allocation of credits.

Because there's always a gap now with our pro forma's with the tax credits changing at the federal level, so any state help we can get is greatly appreciated.



Herkimer Apartments  
Dwelling Place

**Jarrett DeWyse** Well it was the premiere hotel in Grand Rapids. It's like a couple blocks from the train station. Built around 1895, and then we renovated it in 1995 and now it's being renovated once again.

**William Shook** They've got subsidized housing here. It's based on your income. It's getting hard to find a place to stay here in Grand Rapids.

**Jarrett DeWyse** And we saw the need. First of all, we saw the need that we needed to renovate the Herkimer Apartments, and then when we decided rooms had to be larger, we didn't want to lose any units. So that was our motivation for putting up the new building in back of it. It's brand new.

There's 67 units in this building on three floors. They are all Section 8 rent assisted and 42 of the units are part of a pilot project in Grand Rapids for Housing First. So the Housing First are scattered throughout this building. But that would be for the chronically homeless: trying to get people into housing and then wrap the services around them so they remain housed.

**Kristie Newkirk** I was taking care of my mother. I moved in with a friend. The friend knew how much I was making and everything. Then we lost the apartment and so I lived at the shelter at Degage. It was very hard. Very, very, very hard. And I was going to college too, on top of all this.

I love it. I love it. They did a really nice job.

**William Shook** This place is real convenient. You got a pharmacy here across the street, you got several places to go shopping at.

**Jarrett DeWyse** The City Market is only two blocks that way. That curved thing over there is the Rapid transit.

It's not just housing on the upper floors, but we also have commercial space, retail space. There's 14,000 square feet of commercial space on the first floor owned by Dwelling Place and leased to Pine Rest Christian Mental Health Services.

**Danelle Harris** So we have mental health services. We have outpatient therapy, community case management. We have a med clinic, and then we have the street reach program, that all had offices in this general area, but they were in different locations. So this has kind of allowed us to bring all those services into one location in the commercial space that's on Commerce there.

Not everybody who lives there works with us, but a lot of them do. It's kind of allowed us to have that hands-on and get these people a chance to get in here where they've really given up trying to get into anywhere else.

**Jarrett DeWyse** The whole renovation of the block was \$33.7 million dollars, so obviously we had a lot of different sources. Wherever we could find those sources that would support the mission.

---Philanthropy, Housing Tax Credits, Michigan Housing and Community Development Fund, City of Grand Rapids, FHLBI Affordable Housing Program, Capital Contributions & Loans---

It's been a real financial architectural putting-together for completion of the project.

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Dwelling Place  
DwellingPlaceGR.org

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**Lon Vredeveld** Without the improvements that we see, that the DDA has done and that the city has worked on, with the high school project, The Gateway... if you don't do those projects, then you'll suffer. You'll lose businesses. You'll lose people. The community looks tired. It'll look flat, so it's important that you keep going with those improvements and this will be a very big part of that.

**Senator Mark Jansen (R - Grand Rapids)** A lot of our nonprofits are full of great ideas. There's just never enough money, and so what the Housing Development Fund does is allow many of those creative ideas to really spark change in a community. And once that change gets started, then all of a sudden others say, "We want to be part of this."

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Michigan Housing and Community Development Fund  
Learn more at [cedam.info/MHCDF](http://cedam.info/MHCDF)

BrightSideTV.com

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Outtakes

**Rick Ballard** There's no reason this can't be in service doing what it will be doing for 500 years.

**Shannon Morgan** We get to retain that asset and provide services for residents for many, many years to come.

**Nefertiti Harris** I just love it. I just love what's being created here. And the intention behind it is what I love as well. It's going to be a block where people linger.

**Jarrett DeWyse** In terms of economic revitalization, obviously it's a part of the whole city effort.

**Olivia Courant** Were you hoping to renovate at all? Did it need renovations?

**Jacqueline Bejma** ... [laughs] Yeah.

**Olivia Courant** And what do you like about your apartment right now?

**Diane Baker** The warmth. [laughs]

**Olivia** [laughs] Yeah, right, because it's been freezing outside!

**Jarrett DeWyse** Commissioned artwork will be put in the spring. If we ever get spring.

---Credits---

**Producer**  
CEDAM

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MIplace.org

**Music**

Gregoire Lourme - "The Adventure Begins"  
Josh Woodward - "Morning Blue," "East Side Bar," "On Brevity," "Afterglow"  
(joshwoodward.com)  
Kevin MacLeod - "Pamgaea" (incompetech.com)  
Dan-O Songs - "Casino Clocks" (danosongs.com)  
The James Quintet - "Bob's Blues"  
Bensound.com - "Slow Motion"  
Tyler Vander Maas - "The Bright Side Theme"

**Grand Traverse Neighborhood**

Still photos by Habitat for Humanity of Genesee County

**West Village Manor**

Still photos by LAND, Inc.

**Willow Haven**

Still photos by Venture, Inc.

**Herkimer Apartments**

Still photos by Dwelling Place

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