

November 20, 2023



# Goodwill PILOT Request

East Bay Flats Housing Development



**GOODWILL**  
Northern Michigan



# East Bay Flats

- Maintains 67 existing affordable housing units
  - 51 Single Bedroom
  - 16 Efficiency
- Hotel units were converted to apartments in 2019/2020
- Partners
  - Michigan Community Capital
  - Traverse City Housing Commission
  - Rotary Charities of Traverse City

# Goodwill Northern Michigan Commitment

- \$3M cash investment
- \$4.2M assumption of loan  
(Huntington Bank)
- Will remain affordable  
housing as long as  
GoodwillNMI is involved



**GOODWILL**  
**Northern Michigan**

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## **REQUEST: 4% PILOT**

Allows Goodwill Northern Michigan to pursue  
Low-Income Housing Tax Credits (LIHTC)  
funding from the Michigan State Housing  
Development Authority (MSHDA)

# Why LIHTC?



- Funds necessary capital improvements to existing low-income housing units
- Maintains affordability of low-income housing

# Capital Investment and Improvements

- Exterior improvements (overhangs, insulation, and finishes)
- New HVAC units
- New windows
- Energy efficiencies
- Space for counseling and community gatherings
- Convert 9 additional units to be ADA accessible
- Improved point of entry
- Security cameras



# Energy Efficiency Improvements



National Green Building Standard  
Zero-Energy Badge



National Green Building Standard  
Certification (Silver or higher)



Replace inefficient boilers and  
storage tanks



Replace gas HVAC  
units with energy-  
efficient units

Electric HVAC Units  
under consideration

# Affordable Housing for Vulnerable Community Members

After improvements are made, East Bay Flats would be 100% Permanent Supportive Housing (PSH)

- 60% AMI or less and are homeless, have a disability or are fleeing domestic violence
- 54 Project-Based Vouchers (PBVs) from MSHDA (\$500K annual value to community)
- 10 housing units set aside for at-risk youth



# Ongoing Property Management

## KMG Prestige

- Contracted and onsite
- Successful existing PSH partner

## KMG's experience

- Woodmere Ridge
- Carson Square (GWNMI owned)
- Bayfront



# On-Site Supports with Partners



# Affordable Housing for Vulnerable Community Members



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Northern Michigan

## After improvements, 100% Permanent Supportive Housing

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