

125 Ottawa Redevelopment Project

Address: 125 Ottawa Avenue NW

Project type: Recommending approval of an Act 381 Brownfield Plan Amendment



- Adaptive reuse of floors 2-4 of the existing Ledyard Building. Includes construction of 36 residential units.
- Downtown Grand Rapids
 - Downtown Development Authority has approved a 90% passthrough of Tax Increment Revenue for the project
- 36 residential units
 - 30 one-bedroom units and 6 two-bedroom units
 - One-bedrooms averaging 500-700 square feet
 - Two-bedrooms averaging 1,100 square feet
 - 8 of the 36 units are expected to be priced for households earning at or below 60% of Kent County AMI
 - Remaining units are expected to be priced for households earning at or below 120% AMI
- \$11.4 million in total project costs
- \$6.1 million in construction costs
- Inclusion Plan Goals:
 - 14% MBE, 1% WBE and 15% MLBE which amounts to an overall participation of 30% or \$1.85 million of the \$6.1 million in construction costs
- Brownfield Housing TIF
- \$ 4,623,044 in eligible activity costs
 - 25 years of affordability for 8 income qualified units
 - Potential Rent Loss (Housing Eligible Activity) is valued at \$3M over 25 years
 - Estimated PRL for 6 one-bedroom units is \$86,256 annually
 - Estimated PRL for 2 two-bedroom units is \$34,488 annually
- NEZ Tax Abatement
 - The Developer is also seeking a fifteen (15) year Neighborhood Enterprise Zone (“NEZ”) exemption, which is valued at approximately \$1.8 million.
- Construction start in Fall of 2025, Anticipated project completion late 2026

