

Work on a new senior care facility to start late this year

Riverside will offer a memory-care unit on the northeast side.

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| By David Czurak |

An experienced northern Michigan developer of affordable housing units and senior living quarters will start its first project in Grand Rapids later this year.

G.A. Haan Development of Harbor Springs has the city's blessing to convert the former Riverside Elementary School at 2420 Coit Ave. NE into Riverside Senior Care, an assisted living and memory care facility that will accommodate up to 55 seniors.

The city's Brownfield Redevelopment Authority recently approved and authorized a development and reimbursement agreement with the firm, likely to be the final step in the public planning process.

Earlier, the authority and the city commission qualified the property as being functionally obsolete under state environmental law and awarded the project a brownfield designation, and planners gave it a zoning change.

Haan Development bought the school building last year from Grand Rapids Public Schools for \$510,000. In 2010, GRPS closed the 36,000-square-foot school, which sits on a 7.5 acre site and opened in 1954.

Haan Development told the city it plans to invest \$6.8 million into the project. Work is likely to start late this year and take a year to complete.

The project will involve some demolition and renovation work, and the construction of a 15,000-square-foot addition.

Haan Development Project Coordinator Kathy Schorfhaar told the city Riverside Senior Care will be a professionally managed and licensed facility that intends to provide five levels of care.

Post Associates, a Grand Rapids architectural firm, is designing the project.

"We're trying to maintain the existing architecture. We're adding a dining area, a new kitchen and maintaining a lobby area," said Mark Post, principal in Post Associates. The finished product will also

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have a recreation area for its residents.

Haan Development is donating a portion of the property for a city playground and will maintain the existing path that connects the property to Riverside Middle School, a GRPS school located next door. The project hopes to offer 29 parking spaces for visitors to the facility.

Under the brownfield agreement, Haan Development has agreed to spend slightly more than \$1 million on a remediation effort that includes an environmental assessment of the property, demolition work, a removal of asbestos from the building, site preparation and public infrastructure improvements to the site. The largest single remediation cost is \$924,000 for site preparation work. Those activities make the firm eligible to recoup that investment through tax-increment financing.

City Economic Development Director Kara Wood said the project will create 51 new jobs that will pay from \$11 to \$35 per hour. The city expects to generate \$17,000 in new income-tax revenue annually from those who work at the facility. The city will get another \$20,928 each year in new property taxes from an operating Riverside Senior Care.

<u>Haan Development</u> has built multi-family structures in Michigan, Wyoming and North Dakota. The company owns and operates Northridge Pines, an assisted living facility in Calumet, and GardenView Assisted Living and Memory Care, also in Calumet. It also owns the Williston Senior Apartments in Williston, N.D.

Apartment Finance Today, a national trade publication, ranked Haan Development No. 35 on its list of the top 50 developers of affordable housing in 2012.



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