

**FIRST AMENDMENT TO THE
ANN ARBOR AFFORDABLE HOUSING MILLAGE FUND
GRANT AGREEMENT
BETWEEN THE CITY OF ANN ARBOR,
THE ANN ARBOR HOUSING COMMISSSION, AND
THE ANN ARBOR HOUSING DEVELOPMENT CORPORATION**

This First Amendment to the Affordable Housing Millage Fund Grant Agreement (“Amendment”), is entered into this _____ of _____, 2024, between the City of Ann Arbor, a Michigan municipal corporation, whose address is 301 E. Huron Street, Ann Arbor, Michigan 48103 (“City”), the Ann Arbor Housing Commission, a Michigan public body corporate, with offices at 2000 S. Industrial Hwy., Michigan 48104 (the “Commission”) and the Ann Arbor Housing Development Corporation, a Michigan non-profit corporation (“AAHDC” or “Grantee”) (individually “Party” and collectively the “Parties”).

The Parties agree that paragraph 1 of the original Grant Agreement is replaced in its entirety with the following, to permit the City to withhold from the Grant those funds required for payment of debt service on bonds issued by the City on behalf of the AAHC/AAHDC. The new language is underlined:

1. **GRANT.** City agrees to grant the Millage funds to the AAHDC, less any expenses to pay debt service on bonds issued by the City on behalf of the AAHC or AAHDC, to fund the staff salaries and benefits for those City employees working for the Commission, who are assigned to implement the Millage, working full-time on eligible affordable housing development projects, other staff time spent working on affordable housing-millage related activities, and the administrative operating costs related to Millage-funded projects, including but not limited to insurance premiums, municipal service charges and IT charges for purposes specified herein, plus a fifty percent (50%) contingency of the total budgeted salaries, benefits, and administrative operating costs for unbudgeted items that may occur, including but not limited to, pay raises, severance payments, and any additional administrative operating costs related to the Millage (the “Grant”). After the close of each fiscal year, the City may disburse to the AAHDC any unspent contingency funds related to salaries, benefits, administrative operating costs. Should the costs incurred by the City for salaries, benefits, operating costs, and contingency funds exceed the amount retained by the City in any fiscal year, the AAHDC shall reimburse the City for these costs. Grant payments will be made from the Millage subject to annual appropriations and may vary from year to year.

Signatures appear on the following pages.

FOR THE CITY OF ANN ARBOR

By _____
Christopher Taylor, Mayor

By _____
Jacqueline Beaudry, City Clerk

This ___ day of _____, 2023

Approved as to substance:

By _____
Milton Dohoney Jr., City Administrator

By _____
Marti Praschan, Chief Financial Officer

Approved as to form and content:

By _____
Atleen Kaur, City Attorney

FOR THE ANN ARBOR HOUSING COMMISSION

By: _____
Jennifer Hall
Executive Director

FOR THE ANN ARBOR HOUSING DEVELOPMENT CORPORATION

By: _____
Jennifer Hall
Executive Director, Ann Arbor Housing Commission, Its Sole Member