



Legislation Details (With Text)

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Title: Resolution to Rescind the Turnkey III status of 2072 Garden Circle and Convert it to Public Housing in order to Dispose of It Under the Voucher Program

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Attachments: 1. PIH-2019-05 Streamlined voluntary conversion of last remaining projects of small public housing agencies.pdf, 2. HUD form 52860.pdf

Date	Ver.	Action By	Action	Result
10/16/2019	1	Housing Commission	Approved by the Commission	Pass

Resolution to Rescind the Turnkey III status of 2072 Garden Circle and Convert it to Public Housing in order to Dispose of It Under the Voucher Program

HUD established a program called Turnkey III in the late 1960's to help low-income families become homeowners. The AAHC was approved to develop 50 single-family homes throughout the City of Ann Arbor that were lease-to-own properties. All of these homes were purchased by the tenants except for one home at 2072 Garden Circle. The original renter was not able to purchase the home and passed away in 2014. The home has been occupied by a family that was relocated there during the redevelopment of our RAD-converted properties. This family is extremely low-income and is not in a position to purchase the home. The Turnkey III program does not include operating funds or rent subsidies to maintain the housing.

The Turnkey III program no longer exists and HUD indicated that the only way the AAHC can dispose of the property is to rescind the property from the Turnkey III program and turn the property into a public housing unit which can then be disposed of through the streamlined voluntary conversion of small public housing agencies. The property will be transferred to the AAHC's subsidiary Colonial Oaks. The tenant will be provided with a tenant protection voucher and can continue to live in the home or move to another apartment with the tenant protection voucher.

The first step in the process is for the AAHC board to approve the conversion of 2072 Garden Circle to public housing so that it can then be converted to the voucher program. The AAHC will have to complete the application process to make the conversion which includes a resident consultation, local government review and another board resolution.

Prepared and Approved by: Jennifer Hall, Executive Director

WHEREAS, the AAHC owns one property at 2072 Garden Circle which it developed under HUD's Turnkey III program, a lease to own program, which no longer exists; and

WHEREAS, the AAHC does not receive operating funds or rent subsidies from HUD to maintain the property and the current renter is extremely low-income and is not able to purchase the property; and

WHEREAS, HUD indicated that the AAHC can rescind the property from the Turnkey III program by converting it to public housing so that it can then be disposed of by transferring the property to an AAHC subsidiary, Colonial Oaks, and the tenant can receive a tenant protection voucher and continue living at 2072 Garden Circle if they choose; and

RESOLVED, that the Ann Arbor Housing Commission Board approves the rescission of 2072 Garden Circle from the Turnkey III program and conversion of the property to public housing so that it can be disposed of and the tenant can receive a tenant protection voucher.