



## Legislation Text

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**File #:** 10-1243, **Version:** 1

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Resolution to Approve a Payment in Lieu of Taxes (PILOT) for 1500 Pauline  
1500 Pauline is currently owned by Parkhurst Apartments Limited Dividend Housing Association Limited Partnership, an affiliate of Washtenaw Affordable Housing Corporation, and managed by Avalon Housing. Avalon, or an affiliated ownership entity as required by funding sources, will be acquiring and redeveloping the property and applying for Low Income Housing Tax Credits (LIHTC) from the Michigan State Housing Development Authority (MSHDA).

The property is currently eligible for a PILOT under Chapter 19 of the City's Code of Ordinances that applies to all affordable housing projects that meet the requirements of the ordinance. Avalon can secure 15 points on the LIHTC application if the City of Ann Arbor adopts a PILOT specifically for this address

Therefore, The Office of Community Development recommends that City Council approve a PILOT for 1500 Pauline.

Prepared by: Jennifer Hall, Housing Manager

Reviewed by: Mary Jo Callan, Community Development Director, Sumedh Bahl, Community Services Administrator

Whereas, Avalon Housing, or an affiliated ownership entity as required by funding sources, will be acquiring and redeveloping 1500 Pauline, currently owned by Parkhurst Apartments Limited Dividend Housing Association Limited Partnership, an affiliate of Washtenaw Affordable Housing Corporation;

Whereas, Avalon Housing will be applying for Low Income Housing Tax Credits from the Michigan State Housing Development Authority; and

Whereas, The Ann Arbor City Council hereby determines that the Apartments at 1500 Pauline will be qualified for, and should be granted Payment in Lieu of Taxes (PILOT), the exemption from all property taxes, as provided in the State Housing Development Authority Act and pursuant to Chapter 19, Section 1:651 of the Code of the City of Ann Arbor;

RESOLVED, That pursuant to Section 15(a) of the State Housing Development Authority Act and Chapter 19, Section 1:651 of the Code of the City of Ann Arbor, the City Council hereby approves an exemption from all property taxes for the property at 1500 Pauline, for the term of the Michigan State Housing Development Authority mortgage loan, not to exceed fifty years, subject to the Michigan State Housing Development Authority's approval of the loan for the project and receipt of the "Notification to Local Assessor of Exemption" from the Michigan State Housing Development Authority for said parcel;

RESOLVED, That notwithstanding the provisions of Section 15(a)(5) of the State Housing Development Authority Act to the contrary, a contract to provide tax exemption and accept payment in lieu of taxes, as aforementioned, between the City of Ann Arbor and Avalon Housing Inc., or its subsidiary, with the Michigan State Housing Development Authority as third party beneficiary under

this contract, is effectuated by adoption of this resolution, and its successors and assigns, of the following parcel of property located in the City of Ann Arbor, Washtenaw County, Michigan:

Lot 5, except the West 10 feet thereof, Arbordale Subdivision, as recorded in Liber 11 of Plats, Page 8, Washtenaw County Records

RESOLVED , That pursuant to Chapter 19, Section 1:651 of the Code of the City of Ann Arbor, the project shall pay a service charge equal to One Dollar (\$1.00) for the assisted units as provided for by the Michigan State Housing Development Authority Act; and

RESOLVED, That the City Administrator be authorized to take necessary administrative actions to implement this resolution.