



## Legislation Text

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**File #:** 09-0826, **Version:** 1

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Resolution to Allocate \$215,474.00 in CDBG-R and \$25,000.00 in CDBG funds to Avalon Housing Inc., and Approve a Housing Rehabilitation Agreement for Parkhurst Apartments at 1500 Pauline (\$215,474.00 CDBG-R and \$25,000.00 CDBG Funds)

Attached for your review and approval is a resolution to allocate \$215,474 in CDBG-R and \$25,000.00 in CDBG funds and approve the Housing Rehabilitation Agreement with Avalon Housing Inc., to complete the rehabilitation of Parkhurst Apartments at 1500 Pauline, a 48-unit multi-family housing complex, and to convert a unit to a community room.

Avalon Housing Inc. is acquiring Parkhurst Apartments from Washtenaw Affordable Housing Corporation as part of the merger between the two organizations. Community Development has been working with a consultant hired by the Michigan State Housing Development Authority (MSHDA) and Avalon to develop a business plan to ensure the preservation of Avalon and WAHC's units. This request is part of a \$9 million reinvestment in these properties, funded by the City of Ann Arbor, Washtenaw County, MSHDA, the Federal Home Loan Bank, the Ann Arbor DDA, the County Weatherization program and private financial institutions.

The City of Ann Arbor funds will be allocated from \$215,474.00 in FY 2009 CDBG American Recovery and Reinvestment Act funds as well as \$25,000.00 in FY 2009 CDBG funds previously budgeted for public facilities that were not utilized. The Office of Community Development recommends that Council approve these funds as a rehabilitation grant.

Prepared by: Jennifer Hall, Housing Program Coordinator

Reviewed by: Mary Jo Callan, Community Development Director and Jayne Miller, Community Services Administrator

Whereas, An application was received from Avalon Housing Inc., on behalf of Parkhurst Apartments Limited Dividend Housing Association Limited Partnership (Parkhurst Apartments LP) to rehabilitate Parkhurst Apartments and add a community room;

Whereas, Avalon Housing Inc. is acquiring Parkhurst Apartments from Washtenaw Affordable Housing Corporation as part of the merger between the two organizations;

Whereas, Community Development has been working with Avalon to develop a business plan to ensure the preservation of Avalon and WAHC's units; and

Whereas, This request is part of a \$9 million reinvestment in these properties, funded by the City of Ann Arbor, Washtenaw County, MSHDA, the Federal Home Loan Bank, the Ann Arbor DDA, the County Weatherization program and private financial institutions;

**RESOLVED**, That City Council approve the allocation of up to \$215,474.00 of CDBG-R Funds and \$25,000.00 of CDBG funds to Avalon Housing Inc., or an affiliated ownership entity, for the rehabilitation of 48 units of affordable housing and to convert one unit to a community room at Parkhurst Apartments at 1500 Pauline as a grant without regard to fiscal year;

RESOLVED, That City Council approve the housing rehabilitation agreement for Parkhurst Apartments at 1500 Pauline consistent with this resolution;

RESOLVED, That the Mayor and City Clerk be hereby authorized and directed to sign a Rehabilitation Agreement consistent with this resolution and any other documents required to implement the terms of this Resolution, subject to approval as to substance by the City Administrator and approval as to form by the City Attorney with funds to be available until expended without regard to fiscal year; and

RESOLVED, That the City Administrator, or his designee, be authorized to take necessary administrative actions and to execute any documents necessary to complete this transaction and to implement this resolution.